

ifest in the decision to downgrade the Paris DEA office, is merely logical in the face of Carter's across-the-board backing for the International Monetary Fund, the institution that controls world credit flows and lending terms for the developing sector.

*War on Drugs* has documented the cases of Jamaica, of Turkey, of Colombia—countries that have been forced by the IMF to turn to drug cultivation under the pretext that this would create “hard currencies” for international exchange and debt repayment. With rare candor, an article in the *London Observer* a few months back admitted this policy: “In the complicated and topsy-turvy world of international finance,” the *Observer* wrote, “the International Monetary Fund is now effectively helping those who want to legalize pot.” In Colombia, one of the country's leading IMF collaborators is banker Ernesto Samper Pizano. He is also the head of the public legalize-marijuana campaign. When he paid an extended visit to the United States last year, it was as the guest of the State Department. Mathea Falco opened her office to meetings with him to discuss making marijuana and cocaine Colombia's two main “cash crops.”

Acceptance of the IMF's monetary dictates has placed the Carter administration in league with the most notorious outlaws and brigands in the world. The administration has allied itself with the Afghani “rebels” who barter their dope crops for weapons; with the Begin government of Israel, which has been totally taken over by organized crime and holds the Israeli population in a reign of terror and corruption; and with the communist rulers of Peking, who sit atop the financial and transshipment empire, together with British banks, that runs and profits from the Golden Triangle opium trade out of Indochina, still the biggest and most lucrative in the world. In Italy, Carter is allied with the Craxi-led Socialist Party constellation that attempted to legalize heroin twice in the past year and threatens to destroy that nation with a wholesale free-drugs policy.

When the State Department and its mouthpiece, the *New York Times*, advise U.S. citizens that a Craxi government would be best for Italy, they do not tell you that one of Craxi's closest cohorts, Socialist Aldo Aniasi, presided as mayor over the transformation of Milan into a city with 100,000 heroin addicts. In the last year, as health minister, Aniasi has succeeded in forcing Italian pharmacies to dispense methadone, a substitute-heroin drug that has proved in U.S. experience to increase both drug-related crime rates and death rates.

The records of these “allies” of the Carter administration are not the product of special investigations by *War on Drugs*. These facts are easily accessible in the public domain. The question now is, what will the American public do about it?

# Billygate: The real record

by Scott Thompson

The Carter administration has weathered over a dozen scandals, each of a magnitude far greater than Watergate. The most publicized among these scandals is Billygate.

At the political core of Billygate is not Billy Carter, but the administration's decision to make Libya a U.S. client—a client now unified with Syria, a Soviet client. Both are running guns to Iran, and running terrorists against America's allies in Western Europe.

At the financial core of Billygate are the Charter Company, fugitive financier Robert Vesco, and Armand Hammer, the Occidental Petroleum chief who is a long-time friend of Moscow and protégé of British Petroleum. This is the network implicated in drug trafficking, hot money laundering, and oil market manipulation.

The Carter White House, Justice Department, and National Security Agency actively conspired with these elements:

In Billygate, White House chief of staff Hamilton Jordan, the ringleader of Carter's personal “Atlanta Mafia,” was caught negotiating a \$10 million bribe with fugitive financier Robert Vesco to quash his extradition from the Bahamas. When nationally syndicated columnist Jack Anderson exposed the bribery scheme, the Justice Department launched “Operation Kingfish”—a plot to kidnap and kill Vesco.

In Billygate, National Security Adviser Zbigniew Brzezinski was caught in direct violation of the federal Espionage Act. Brzezinski not only leaked highly classified documents to Billy Carter, but promoted a \$25 million Libyan oil deal with the Charter Company.

In Billygate, Attorney General Benjamin Civiletti, the highest ranking law enforcement officer in the United States, was caught protecting the President's brother's involvement with some of the most suspect individuals on three continents.

Why, then, has the Carter White House survived this scandal?

## The cover-up

Jimmy Carter has carried out the cover-up that Nixon was accused of, but never seriously attempted. The most important elements of the cover-up were not

directly carried out by Carter or his administration. They are the result of a decision to maintain Carter as a malleable instrument by the same policy-making layers in the Council on Foreign Relations who dumped Nixon.

The establishment media—including the *Washington Post* and *New York Times*, which led the Watergate witchhunt—have been virtually silent on Billygate. At the height of the scandal virtually all coverage ceased one week before the Democratic convention to assure Carter's nomination.

Thus, also, Carl Bernstein, the codramatist of "Deep Throat" in Watergate, has openly flaunted his intimate ties with Peter Jay, the former British ambassador to the United States, and a consultant to the Charter Company, a principal in the Libya deals.

### The Billygate witnesses

The fingerprints of the administration show up in the abrupt silencing of four of the main Billygate witnesses.

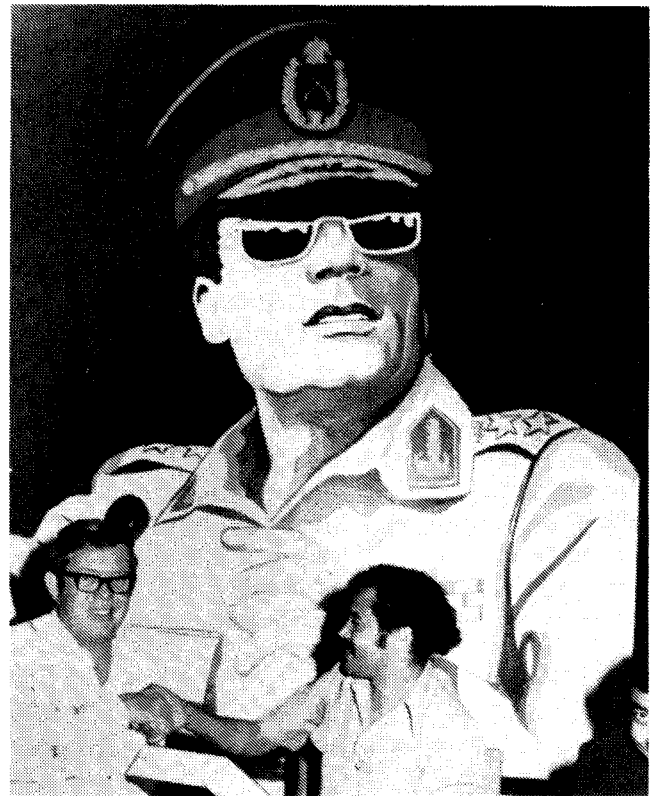
On Sept. 3, Frank Terpil, the former CIA officer whom Billy Carter described as his interpreter in Libya, walked out the door of his mansion in McLean, Virginia, after telling his family that he was "just going for a haircut." A month later Terpil, who was under indictment in New York and Washington on charges that range from illegal arms deals to conspiracy to commit murder, surfaced in a Tripoli, Libya hotel. Just down the hall from him lives "Carlos the Jackal," the terrorist who Terpil has often bragged was his prize student.

The Senate "Billygate" subcommittee, which will one day rank with the Warren Commission as cut-and-paste whitewashers, accepted Billy Carter's statements about Terpil at face value. As *EIR* has learned from Terpil's friends, he could not have been Carter's "interpreter," as he speaks only a half-dozen words of Arabic.

Terpil was instead the link between Billy Carter and a half-dozen illegal operations. Among them was a plan to use Billy's influence to obtain the licenses to export machineguns to Libya, one of Terpil's main customers since he was fired from the CIA and opened a business selling everything from booby traps to terrorists.

Terpil was also one of the links between Billy Carter and fugitive financier Robert Vesco, all three of whom have been implicated in a plot now before a New York grand jury to free the eight embargoed C-130 aircraft purchased by Libya. It is believed that Terpil and Vesco were joint administrators of a \$20 million slush fund to bribe White House officials into releasing the planes.

Despite the fact that Terpil was under investigation by the FBI, Customs, the Bureau of Alcohol, Tobacco, and Firearms, as well as two grand juries, orders were issued not to place him under full-time surveillance. Intelligence sources report that Terpil simply drove



*In Libya, Billy Carter receiving an award from the mayor of Tripoli.*

from his home to Montreal, where he used a fake passport to fly to Libya.

Even more astounding are reports from Terpil's former acquaintances, among other sources, that he is currently serving as a channel for the White House to negotiate the release of the 52 Americans held by Iran. Two weeks ago Terpil admitted that he had even enlisted Idi Amin, the deposed butcher of Uganda and another major client of Terpil's, into the hostage negotiations.

The two primary witnesses in the Senate Judiciary Subcommittee probing Robert Vesco's ties to the Carter administration—the only congressional body that has shown any aggressiveness in Billygate—were both indicted on charges that appear designed to destroy their credibility.

On Sept. 15, R. L. Haring, the emissary from Vesco to Hamilton Jordan in the 1977 bribery case, was indicted for conspiracy to commit murder. The indictment came down days after Haring was named as the chief witness who could corroborate Vesco's statement in this matter.

According to one congressional staff member, Haring was indicted on the basis of secret testimony by a member of the Federal Witness Protection Program: the same program in which professional con artists were hired to entrap those politicians and labor leaders on

Carter's enemies list in Abscam/Brilab-type stings. Haring's indictment stems from Project Leviticus, a Justice Department operation designed to reorganize the coal industry in the name of combatting "organized crime penetration."

### A double standard

It is doubtful, given the Billygate record, that a single member of Jimmy Carter's staff would be free from jail if the same Abscam/Brilab tactics Civiletti's Justice Department has developed were applied against the executive branch.

Instead, James Feeney, the sole member of the Federal Witness Protection Program sent on a simple mission to tape meetings with Robert Vesco, was himself indicted on Abscam-related charges on Oct. 21. Where the videotapes of Abscam targets have been played on nationwide TV, the 63 tapes Feeney made of Vesco discussing his deals with Billy Carter and certain White House officials have been totally suppressed.

### The Billygate record

The following is a brief condensation of the story that the Carter administration has gone to such great lengths to suppress:

- **Michele Papa**, the go-between for the Libyan government in the initial phases of Billy Carter's recruitment, was a notorious member of the Sicilian Mafia. Through his Sicilian-Arab Friendship Association, whose core members were drawn from the Sicilian Separatist Movement set up by the Mafia and Italian black nobility, Papa was directly linked to extreme left- and right-wing terrorism.

Among the neo-Nazi groups whom Papa's associates helped found is the Ordine Nero ("Black Order"), whose members carried out the bombing of the Bologna train station this August in which 83 people died. During Billy Carter's first trip to Libya in September 1978, Papa carried out secret negotiations with PLO representatives in Tripoli to whom he offered a small volunteer army.

- **Raymond Mason**, who offered Billy Carter a \$25 million commission for Libyan crude oil that former Libyan intelligence sources report was already paid to him, engineered the takeover of a Bahamas refinery to process this oil in a series of secret meetings.

Mason met with Ahmed Shahati, the unofficial "foreign minister" of Libya, on a U.S. tour sponsored by Billy Carter and former U.S. Sen. J. William Fulbright. A few days after Mason met with Billy's Libyan friends, he flew to the Bahamas to discuss financing for the takeover of Carey Energy's Bahamas refinery with Robert Vesco.

The National Oil Company of Libya and the National Iranian Oil Company, Carey's two main credi-

tors, insisted that Charter be awarded the refinery despite better offers from other firms.

- **James Schlesinger**, Carter's former secretary of Energy, enacted a \$5 per barrel entitlement for oil processed by Carey Energy's Bahamian refinery that over night made it a highly profitable venture.

- **Peter Jay**, former British ambassador to the United States, saw the Charter-Carey deal as part of a scheme to reorganize North African oil for British Petroleum. Jay was hired as a special consultant by Charter's Raymond Mason as soon as he left his ambassadorial post.

Jay has admitted knowing Mason long before the Charter-Carey deal was made. He has also admitted meeting with Jack McGregor, a Marine buddy of Billy's and another Charter employee, who discussed Billy's finances with President Carter at the height of the Charter-Carey deal. Jay, who had regular access to Jimmy Carter and who was one of the chief influences on Zbigniew Brzezinski, is believed to have been even more of an emissary than McGregor on the deal.

- **Robert Vesco**, who fled to the Bahamas in the early 1970s with over \$200 million in assets stolen from Investors Overseas Services, is a constant thread throughout Billygate.

In addition to his involvement in two White House bribe attempts, the Terpil scandal, and the Charter-Carey deal, Vesco also provides a possible drug link to the Carters. Several law enforcement sources have confirmed that Vesco controls the extensive cocaine and marijuana trade in the Caribbean.

In one of his secret meetings with Charter's Raymond Mason, it is also known that Vesco suggested a takeover of Resorts International, the casino gambling syndicate that has frequently been linked to Israeli mafia leader Meyer Lansky's drug money laundering schemes.

- **Armand Hammer**, who negotiated Soviet President Brzhnev's election eve endorsement of Carter, has also been linked to the Charter-Carey deal. Hammer has combined a business career, which in his case has spanned everything from alcohol sales during Prohibition to Czarist art treasures and Mideast oil, with international intrigue on behalf of the same Anglo-American elite that created and controls Carter.

At the height of Charter's takeover negotiations with Carey, Hammer's own Occidental Petroleum, one of the main "independents" operating in Libya, was involved in several joint ventures with Charter. It is believed that Charter relied heavily upon Hammer's good graces in Libya, in addition to the influence of the Carter family, to secure its position. Hammer's own ties to the Qaddafi regime were forged with the aid of Lord Thomson, the heir to Lord Beaverbrook's press empire and Peter Jay's *London Times* employer.