

# Kissinger caught in web of lies on BCCI ties

by Scott Thompson

*EIR* has obtained copies of documents which show that Dr. Henry Kissinger and his employee Alan Stoga were deeply involved in the Bank of Credit and Commerce International (BCCI) scandal dating back to 1988. The documents, which were the basis of articles appearing in the Nov. 11 and 12 *Boston Globe*, show that former Brazilian ambassador to the U.S. Sergio Correa da Costa was chairman of BCCI Brazil at the same time that he was a special consultant to Kissinger during 1986-88. One letter, from former First American Bankshares chairman Clark Clifford, suggests that Kissinger's personal attorney, William D. Rogers, may have helped cover up the BCCI scandal when it first broke.

Ambassador L. Paul Bremer, who had headed the U.S. State Department Office to Combat Terrorism before joining the global influence-peddling firm of Kissinger Associates, Inc. in the late-1980s, has threatened journalists that they "had better get a good lawyer" if they print the story told in the documents. But Lawrence Eagleburger, who was president of Kissinger Associates at the time of its discussions with BCCI (until he was confirmed as President Bush's Deputy Secretary of State in March 1989), himself confirmed several parts of the story during telephone interviews with a journalist from his Charlottesville, Virginia home.

The documents range from an Oct. 7, 1988 letter from Kissinger Associates chief economist Alan Stoga to Abol Fazl Helmy, who was then president of BCCI's New York branch, and include several memos from Helmy to BCCI's number two man, Swaleh Naqvi. Helmy's negotiations with Henry Kissinger et al. point to Kissinger Associates, Inc. having helped put a lid on the Oct. 11, 1988 bust of the Tampa, Florida offices of BCCI and nine employees. This indictment, which originated from a drug money-laundering investigation that U.S. Customs Commissioner William von Raab called "Operation C-Chase," charged that Tampa BCCI had laundered \$32 million from the Medellín, Colombia cocaine cartel. Before an outrageous plea bargain was reached, prosecutors had subpoenaed 41 other banks that were also suspected of worldwide drug money-laundering.

## Banks with Kissinger links

Several of the banks whose records were subpoenaed were involved in business with Kissinger or his clients. One

was Marine Midland Bank, which has been owned since 1978 by the Hongkong and Shanghai Banking Corp., whose involvement in illegal narcotics dates back to the 19th-century "Opium Wars." *EIR* has documented extensive ties between the "Hongshang" and Kissinger Associates in past articles, but one highlight is that Hongshang board member Li Kai-shing ("the Red Fatcat") is believed to be a major financial backer for newspaper acquisitions, like the buy-up of the London *Daily Telegraph* and the *Jerusalem Post*, by Conrad Black's Hollinger Corp. Kissinger is a board member of Hollinger Corp. Then, the Hongshang also signed a global merger with Midland Bank PLC, which is not only a client of Kissinger Associates but has Kissinger's employee William Jefferson Cunningham III on its board. Prosecutors also subpoenaed the records of Edmond Safra's Republic National Bank, which merged with American Express. Kissinger is on the board of American Express.

If the Tampa BCCI prosecution had allowed Commissioner von Raab to "follow the money," going up a stepladder of prosecutions leading to establishment figures like Clark Clifford, Esq., who was known in 1988 to be a co-owner, along with BCCI, of First American Bankshares, Kissinger Associates would have been in big trouble. However, the commissioner testified to Sen. John Kerry's (D-Mass.) hearings on BCCI that an outrageous plea agreement was reached in the Tampa BCCI case. The Justice Department, under then-Attorney General Richard Thornburgh, and the Federal Reserve Board not only quashed the subpoenas of other banks' records, but said that the evidence Customs had gathered to date could not be used in future prosecutions.

While this plea bargain was being reached, Steve Kurkjian reported in the Nov. 12 *Boston Globe* that Abdur Sakhia, who is a former BCCI executive turned cooperative witness, has said that Henry Kissinger sent BCCI officials to consult with William D. Rogers. Rogers, who had been Assistant Secretary of State for Latin American Affairs under Kissinger and who is today a board member of Kissinger Associates, denies Sakhia's claims. But, the *Boston Globe* reported, a note has been discovered that chairman of First American Clark Clifford wrote in April 1989, addressed to Rogers and to then-general counsel of the Federal Reserve John D. Hawke. The note thanks them for meeting and discussing the

BCCI case. Did William D. Rogers help arrange the Tampa BCCI plea bargain, which protected many business partners of Kissinger Associates from potential prosecution?

The following are excerpts from the documents; Kissinger Associates has threatened to sue anyone who reprints them:

### **Business which cannot be ‘put on paper’**

- An Oct. 7, 1988 letter from Kissinger Associates’ Alan Stoga to Abol Fazl Helmy states: “Dear Abol: I enjoyed lunch yesterday and, even more, your suggestion that BCCI might be interested in developing a relationship with Kissinger Associates. . . . I am reluctant to be more specific, at least on paper, about the kinds of consulting projects we undertake for our clients.”

- From an Oct. 12, 1988 memo of Helmy to Naqvi: “I met with Mr. Alan Stoga who is one of three partners in Kissinger Associates, Inc. Subsequently, the developments in the United States took place [i.e., the Tampa BCCI bust]. . . . I received a call today from Mr. Stoga who informed me that Dr. Kissinger recommends that a public relations offensive be made by us and in that context has suggested using Burson-Marsteller, a highly reputable public relations firm that successfully dealt with the First Chicago crises last year. Kissinger Associates, Inc. have indicated that they shall be happy to use their personal contacts with the firm and make necessary recommendations.”

- From an Oct. 14, 1988 memo of Helmy to Naqvi: “I just met with Mr. Alan Stoga. . . . I emphasized to Mr. Stoga that our conversations in getting our two respective organizations together have been going on for over a year and hence, have not been generated as a result of present circumstances. . . . I shall keep you duly informed of my next meeting with Dr. Kissinger himself which should be sometime next week.”

- From a Dec. 19, 1988 memo of Helmy to Naqvi: “I am in communication with Mr. Alan Stoga. . . . Their response was they are interested in principle but would like to wait a bit longer. I will be meeting Mr. Stoga the first week of January 1989. . . . It would be of interest to you to know that Mr. Scowcroft is now the National Security Adviser Designate in the Bush administration and another senior Partner of Kissinger Associates [Eagleburger] is being tapped for Assistant Secretary of State in the Bush administration.”

- From a Jan. 11, 1989 memo of Helmy to Naqvi: “I had a lunch meeting with the gentleman on Jan. 5. . . . It was established that it is in our best interests for both parties to continue with the conversations. As such, the door for an eventual relationship remains open. They were far more knowledgeable of the details of our situation during this meeting and made certain ‘unofficial’ general recommendations which I shall convey to you at our next meeting. I am meeting my contact’s senior partner by the end of January with a view of discussing our overall worldwide activities.”

### **Damage control**

The “gentleman” in the Jan. 11, 1989 memo from Helmy to Naqvi, who made “certain ‘unofficial’ general recommendations” for BCCI, is thought to be Alan Stoga, who had made an appointment with Helmy for this time. The “senior partner” he was referring to would be Henry Kissinger himself.

Asked what these “recommendations” might be, Deputy Secretary Eagleburger, who was still president of Kissinger Associates when the meeting occurred, said: “I don’t know. I have no idea.” Rather than deny the memo, Eagleburger said he could not know, because he “had pretty much left Kissinger Associates by December” to join President Bush’s transition team. But, Ambassador Bremer, who has even less first-hand knowledge, has insisted that Helmy’s memos are “self-promoting inventions” so his boss will think negotiations with Stoga continued after Oct. 7.

Gary Auxier, who is executive vice president of the public relations firm Burson-Marsteller, also told the Nov. 13 *New York Times* that his firm has never represented BCCI. However, not only does one of BCCI’s attorneys in the Tampa BCCI case swear that Burson-Marsteller did do public relations work for BCCI, but Deputy Secretary Eagleburger said it is possible, since Burson-Marsteller had once been a client of Kissinger Associates.

### **Kissinger’s consultant chairs BCCI Brazil**

Deputy Secretary Eagleburger also confirmed that Sergio Correa da Costa, who had been Brazilian ambassador to the U.S. until 1986, was a very special consultant of Kissinger Associates from 1986-1988:

“It is true, as you say the *Boston Globe* reports, that Kissinger Associates did hire the former Brazilian ambassador to the U.S. Sergio Correa da Costa, as a consultant while I was president of Kissinger Associates. . . . I agree with you that this may have had something to do with our concern on behalf of clients about the debt situation in certain Latin American countries, especially Brazil. That is why I believe that Henry—perhaps in collaboration with Alan Stoga, who put together the financial picture on such matters—worked directly with da Costa. . . .”

As *Jornal do Brasil* reported on Nov. 16, Correa da Costa had been one of the nominee owners of BCCI Brazil throughout the period that he was a personal consultant to Kissinger and, possibly, Stoga. Interestingly, when Correa da Costa left Kissinger Associates, Alan Stoga began talks with BCCI’s Helmy in New York. An article on Aug. 28, 1989, in *Jornal do Brasil* said that Correa da Costa controls two-thirds of the voting capital of BCCI Brazil, and he is its chairman. But, control of the bank’s finance capital seems to be held by BCCI International of London, then controlled by Swaleh Naqvi.

Is it not amazing how the paper trail of a coverup often surfaces piece by piece?