

Iranian-American arms dealer fears death in London

by Edward Spannaus

An international arms dealer, who played a significant role in the 1980 “October Surprise” events, and then later in the Iran-Contra arms deals, is back in the news again. Mohammed Hashemi has been the subject of recent articles in the *Sunday Times* of London, in which Hashemi has described how he sold sophisticated weaponry to Iran during the Iran-Iraq War, in violation of the arms embargo—and that this was done with the complicity and assistance of the British Intelligence agency MI6.

And now, Hashemi, a naturalized U.S. citizen who is in urgent need of heart surgery, says that there is a concerted effort emanating from both U.S. and British authorities to prevent him from returning to the United States, where he could tell what he knows about these events—including how Contra-related drug money was used to finance arms deals in the 1980s. In fact, Hashemi says that he fears for his life, should he be forced to undergo surgery in England, since both his brother and his father died in London under mysterious circumstances.

Kissinger and Bush

Mohammad (Jamshid) Hashemi was one of the most credible sources of information about the circumstances under which Republican-linked intelligence circles had attempted to delay the release of the American hostages being held in Iran until after the November 1980 elections. In 1982 and 1983, before there was any major controversy about the “October Surprise,” Hashemi had told *EIR* that his brother Cyrus had played a key role in obtaining the release of the hostages, and that he himself had travelled to Madrid and Paris in this connection. But, Hashemi also told *EIR* that Henry Kissinger and people in the Reagan-Bush camp were trying to *delay* the release of the hostages during 1980. When this reporter pressed him about Kissinger’s role back in 1983, Jamshid said: “You are treading on very dangerous ground,” and he explained that “there are things I can’t talk about.”

During 1991, the “October Surprise” story resurfaced, initially through the efforts of former National Security Council official Gary Sick. Sick interviewed Hashemi, as did other news sources, at which time Hashemi described meetings he

had had with the late William Casey and Iranian representatives in Madrid in the summer of 1980. However, the Congressional investigations conducted in 1992, especially that carried out by a special task force in the House of Representatives, amounted to a major cover-up and suppression of evidence. These probes focussed most of their attention on discrediting allegations that George Bush had been in Paris in the summer of 1980; and, in fact, those stories were surrounded by so much confetti and deliberate disinformation that they were easily discredited. Nevertheless, the Senate’s “October Surprise” report cited Hashemi as a “very effective witness,” even though it found that his testimony was contradicted by other evidence before the committee.

EIR published a *Special Report* called *Treason in Washington* in early 1992, which documented, using FBI documents, that Cyrus Hashemi was a central figure in the delay of the hostage release, along with former Justice Department official J. Stanley Pottinger—a self-described close friend of George Bush who was, in late 1980, reportedly in line to become Attorney General in the new Reagan-Bush administration. Pottinger was Cyrus’s lawyer, business partner, and, some say, controller; both were deeply involved in illegally shipping arms and military equipment to Iran in the early 1980s. Subsequently, they were protected by the Reagan-Bush Justice Department, even though Federal prosecutors in New York wanted to indict them; Cyrus Hashemi was tipped off and fled the country in 1984—as did Jamshid. Pottinger managed to evade indictment altogether.

Cyrus and Jamshid continued their arms deals from London to many countries. Cyrus tried to broker some of the Iranian arms-for-hostages deals in 1985, during the events that became known as “Iran-Contra,” and then he acted as a “sting man” for U.S. Customs officials to set up the April 1986 “Merchants of Death” arrests of 17 arms dealers, including retired Israeli Gen. Abraham Bar-Am, and attorney Sam Evans (a business partner of Iran-Contra figure Adnan Khashoggi). Less than three months later, Cyrus Hashemi was dead, having succumbed in two days to what Scotland Yard called “acute leukemia.” (See *EIR’s Special Report, George Bush and the 12333 Serial Murder Ring*, for more details, including the evidence that Bush was personally

involved in approving the arms deals involved in the Bar-Am/Evans case.)

'The Silkworm Spy'

Jamshid Hashemi emerged back in the news early this year, when the Feb. 7 issue of the *Sunday Times* of London featured allegations that he had made large contributions to the Conservative Party in Britain, while the government of Margaret Thatcher and MI6 permitted him to broker arms sales, including the sale of Silkworm missiles, to Iran. The *Sunday Times* quoted Hashemi as saying that he had reported directly to MI6 on his arms dealings, which included Iran, China, and Germany. The newspaper also quoted him as saying that he was encouraging the Thatcher government to take a more relaxed approach toward the government of Iran.

Under the headline, "Secrets of the Silkworm Spy," the June 15 *Sunday Times* launched a new series of articles elaborating on Hashemi's British-protected arms deals. The story, by reporter Marie Colvin, goes back to 1984, when an MI6 officer asked Hashemi to buy a Silkworm missile from the Chinese, for the British to analyze. But after this scheme fell apart, according to Colvin, "Hashemi succeeded in organizing the sale of huge quantities of Silkworms to Iran in breach of a United Nations arms embargo. It was all done with the complicity of MI6."

According to Colvin's account, Hashemi began his contact with MI6 following his departure from the United States in 1984. "Since his escape had been arranged by the Central Intelligence Agency," Colvin wrote, "Hashemi welcomed an approach from British agents and was only too ready to help the country that had given him refuge."

Hashemi worked with MI6 until 1993, the story says, when he became angry at the British government's refusal to issue him a British passport.

However, the *Sunday Times* account only told part of the story.

EIR has previously reported, in coverage of the Matrix-Churchill case and related matters, that top British officials have admitted that their actual purpose in arranging and approving such arms deals was to keep the Iran-Iraq War going, so that Iranians and Iraqis would keep killing each other. During testimony in the Matrix-Churchill case, involving arms sales to Iraq, British Trade Minister Alan Clark declared that "the interests of the West are well served by Iran and Iraq fighting each other, the longer the better."

Reached in London on June 15, Jamshid Hashemi told *EIR* that it is "absolutely correct" that the real British objective was to keep the Iran-Iraq War going. "I knew that," Hashemi elaborated, saying that he could tell this from the kinds of questions he was asked and the goods he was asked to ship.

"They were in control of everything, which went from the U.K. or any other country," he said, explaining that if he proposed to sell enough armaments or ammunition which would have made a difference in the balance of military force,

the British would object. This happened with 155 mm ammunition, and also with Exocet missiles, he said. Hashemi confirmed that, "without any doubt," the British objective was to keep the war going. "I would swear to that," he declared.

U.S. Justice Department in London

Now, Hashemi is virtually confined to his home with severe heart disease, and is unable to go to the United States for a second coronary bypass operation, because of pending fraud charges which have been pressed against him in Britain. His bail conditions do not allow him to leave his home, even to undergo medical treatment abroad.

Hashemi told *EIR* that because both his brother Cyrus and his father had died suddenly in London under mysterious circumstances, he refuses to undergo coronary bypass surgery in Britain. Jamshid, along with others, is convinced that his brother Cyrus was murdered. (An American lawyer who had worked closely with Cyrus in the early 1980s, agreed, telling this reporter a number of years ago that he believed that "someone hastened Cyrus's departure from this Earth.")

Jamshid said that his father, who had left Iran in 1980, was hospitalized in London six years ago, with what was called a heart attack. When Jamshid called the hospital, he was told that his father was resting and would be released that afternoon. In the afternoon, he was told that his father had died in his sleep.

The *Sunday Times* reported that Hashemi is unable to come to the United States for the surgery because of the pending charges in London. He "appears to be fading rapidly," the *Times* reported.

One of the stranger features of his case, is that it is being run by an official from the U.S. Justice Department. The official is Bruce Swartz, of the Justice Department's Criminal Division; the Justice Department in Washington, D.C., has confirmed that Swartz is indeed presently detailed to London.

Hashemi says that the Scotland Yard Serious Fraud Office (SFO) is questioning everyone who has ever known or worked with Hashemi—yet when anyone is questioned by SFO, it is the American Swartz who conducts the interrogation! In court hearings, Swartz also appears to be giving orders to the SFO attorneys.

Hashemi was first arrested in August 1996 on what is called a "holding charge," in anticipation of other charges to be brought. Yet, Hashemi states—and his lawyers have confirmed—that no evidence has yet been presented against him, in almost one year.

Not the least of the bizarre features of this case is that it was initiated by a U.S. company (Octagon, Inc.), and is being run by the U.S. Justice Department. Yet, despite applications which have already been made to the British courts, Hashemi is not being allowed to travel to the United States.

The U.S. Justice Department has not yet responded to a request from *EIR* for a fuller explanation of what Swartz is doing in London.