

Gareth Porter, in early May 2003, Tehran sent a letter to the U.S. State Department, via the Swiss Ambassador in Tehran. The letter would be referred to as Iran's "grand bargain." The Khatami government, with the backing of the Grand Ayatollah Khamenei, proposed to open comprehensive talks with the Bush Administration on a wide range of issues, including Iran's nuclear energy program; Iranian assistance in stabilizing Iraq, with its large Shiite majority; Iran's support for Hamas and Islamic Jihad; and the prospect of Hezbollah being transformed into a strictly political institution within Lebanon. The Iranians also proposed to give the Americans information about al-Qaeda members in Iranian custody, in return for the American side providing information about the Mujahideen el-Khalq (MEK), an Iranian exile group on the U.S. State Department's list of terrorist organizations, based in Iraq.

The May 3, 2003 Iranian letter was not without precedent. In 2001-02, the United States and Iran had conducted secret talks in Geneva, which had resulted in Iranian cooperation in stabilizing Afghanistan, following the U.S. post-9/11 invasion of that country. Initially, over howls of protest from the neo-cons inside the Bush Administration, the President gave his special Iraq envoy, Zalmay Khalilzad, the okay

to begin talks with Iran's "man in Geneva" Javad Zarif, about Iraq.

Cheney-Rumsfeld Cabal Reacts

With events turning potentially against the war party, both on the ground inside Iraq, and on the diplomatic level with Iran, Vice President Cheney and the neo-con civilian apparatus inside the Pentagon made their move. In what amounted to a quiet, but deadly policy coup, Cheney and company killed the Iraq exit strategy and poisoned the dialogue with Iran.

A U.S. intelligence official intimately familiar with the events of May 2003 was blunt: "Cheney and Rumsfeld had no intention of dealing with Iran. They viewed the Iraq invasion and occupation as part of a package, that also included regime change in Syria and Iran. They weighed in and killed a golden opportunity."

The man that Cheney and company chose to kill both initiatives was a longtime George Shultz and Henry Kissinger protégé, Ambassador L. Paul Bremer. Bremer had earned his stripes at the State Department, first as executive assistant to Kissinger, and later as Shultz's ambassador for combatting terrorism. In 1989, when he left the government, Bremer stepped in as managing director of Kissinger Associates, a

What Rohatyn Wants To Hide

As moderator of a panel discussion of the Center for Strategic and International Studies (CSIS) Public Infrastructure Commission, held at the National Press Club March 27 (see article, p. 41), CSIS president John Hamre quashed any mention of Felix Rohatyn's remarks on privatizing the U.S. military. Hamre implied that the LaRouche Youth Movement questioner was lying about the 2004 Middlebury College privatization conference sponsored by Rohatyn and George Shultz. He told the LYM questioner:

"Let me interrupt: I actually was at that conference, and I know what actually happened there, and I was the Deputy Secretary of Defense; let me talk with you when we get done about that. This is a session about America's



The Privatization of National Security

The Rohatyn Center for International Affairs, Middlebury College and
The Woodrow Wilson School of Public and International Affairs, Princeton University
October 9, 2004

Felix Rohatyn, President, Rohatyn Associates

...action could be taken. And I think this is now a very different world, and different businesses, and I think that we now want to take some care.

The issue of what is it that only the government can do, it's probably to kill people. But I don't think there are that many issues where the government can act where the private sector can't play a role if it is properly overseen and if the community of interests is protected.

I don't think I need to go much further here because we're short on time, but I do think this issue of community of interests, that this industry is going to get much bigger, because more people are going to leave because of the fact that we can't pay them enough, which is a whole different question that should be examined at some point. Should the government own these people or

infrastructure, and not about private defense functions."

For the record, here is a photocopy of a section of the Middlebury College transcript of the conference that Hamre did not want discussed.