

# London court case focuses on Irangate's Gary Howard

by Mark Burdman

In London's Old Bailey court, a trial has been under way since Jan. 18 that has received hardly a mention in the international press. Yet, what is unfolding in this case is shedding light on some of the most explosive and controversial aspects of the Iran-Contra scandal.

The defendant in the case is a British arms dealer named Michael Aspin. Aspin is charged with fraud and illegal export of weapons. He was arrested in January 1985, after having arranged at least one meeting, in Hamburg, West Germany between Oliver North and a British-based arms dealer named Ben Banerjee in November 1984, soon after the American presidential elections. The purpose of the meeting was to arrange for the sale of 1,250 TOW missiles to Iran, and to use the proceeds of this sale, to ship Yugoslav and Polish armaments to the Nicaraguan Contras.

In his defense, Aspin claims that he was working for two American intelligence operatives, Gary S. Howard and Ted Shackley. He was only doing what they told him to do. In essence, Aspin's defense is that, since both Howard and Shackley were operatives of the U.S. Central Intelligence Agency, or at least of a group within the CIA, Aspin himself necessarily assumed he was working on behalf of official American interests.

While Shackley's name has frequently turned up in Irangate investigations, the name of Gary S. Howard has only recently become the center of publicity and controversy in the United States. In the Boston trial, *U.S. vs. LaRouche, et al.*, documents released by the government during the week of March 7, revealed that Howard and two associates, Ronald Tucker and Fred Lewis, were engaged in special operations on behalf of Oliver North's Irangate group in the U.S. National Security Council. Howard's Peregrine International Associates was involved in efforts to "penetrate" and gather information on organizations associated with Lyndon LaRouche. Peregrine International has also been exposed for involvement in arms smuggling to Iran and the Contras, and other schemes.

After the two government documents were released to the court in Boston, Judge Robert Keeton mandated a search of the files of Vice President George Bush, to see if the name

of LaRouche or associates would turn up.

At the same time, new information uncovered in the United States indicates that Bush, as head of the so-called "Special Situation Group," a unit created in 1982 by a special presidential directive, was ultimately responsible for all Iran-Contra operations.

Howard and his Peregrine cohorts, according to a National Public Radio broadcast from Washington March 10, specialize in "sting" operations, in which elaborate arrangements are made to entrap individuals in illicit acts, or apparent intent to commit illicit acts—precisely what LaRouche charges has been done in his "credit card fraud" case.

In the Aspin case, it is obvious, however, Howard and friends were not simply engaged in a "sting." They *did* set in motion meetings and processes to expedite Oliver North's global operations. This involved not only transferring arms to Iran, but also procuring arms, often from the East bloc, for the Contras.

It has emerged through testimony that Howard is one of the shady actors in the Reagan administration's "privatization" of U.S. intelligence operations. In Britain, according to testimony presented by one U.S. Customs official at Old Bailey, Howard has for years utilized the services of a reporter for the satirical magazine *Private Eye*, Paul Halloran. When *EIR* called a press conference there to unveil an exposé of North's "secret government" operations, Halloran disrupted it, and thereafter authored an attack on *EIR* in *Private Eye*.

Halloran's brother is reported to be active in an ultra-radical wing of the British communist movement.

## The East-West arms network

As Gary S. Howard's activities come to light in both Boston and London, reliable sources report that the American embassy in London is betraying unusual nervousness. Embassy officials are contacting persons whom they fear might know something about the illicit activities of George Bush. It appears that there is one Irangate-related skeleton that has them particularly worried: Lebanese-Armenian arms dealer Sarkis Soghanalian.

Soghanalian was brought into the ambit of the American NSC, elements of the CIA, and related circles, at various points during the 1970s. By the 1980s, he was engaged in elaborate arms deals involving Iran, Central America, and other regions. According to an informed source, one of Soghanalian's employees in such ventures, was a certain Felix Rodríguez, also known as Max Gómez. According to information in the public domain, Bush met Rodríguez, through the mediation of Bush's chief of staff, Donald Gregg.

Bush's link to Soghanalian in this fashion, is a most sensitive matter. It has never been explained why Soghanalian received only a very small fine in a Florida court case in the early 1980s, although he was charged with more than 30 counts of fraud and other illegalities in arms deals with a British company. Soghanalian was protected at a "very high level" of the U.S. political-intelligence structure.

Soghanalian's case also points to one of the most unsavory aspects of the Iran-Contra scandal: the East-West nature of the international arms-traffic. This is the same complex that *EIR* has identified in exposés of the case of Soviet-Israeli spy Shabtai Kalmanowitch. The East-West network of arms-traffickers is at the center of the Aspin-Howard configuration as well.

When Aspin set up the November 1984 meeting for Ollie North in Hamburg, the key arms merchant in attendance was Ben Banerjee, a rich Briton of Indian origin. Banerjee's name first came up in the European and British press in September 1987. The exposés grew out of the Sept. 8, 1987 arrest of Swiss businessman Walter Demuth in Turin, Italy, on the basis of a warrant by a New York court, charging him with illegal sales of spare aircraft parts to Iran. When arrested, Demuth had in his possession documents relating to arms deals worth more than \$300 million, with both Iran and Iraq, some of them involving Banerjee's company, BR&W Industries, Ltd.

On Sept. 27, 1987, the lead article in the *Sunday Telegraph* of London exposed Banerjee's meeting with North in Hamburg. Banerjee was identified by reporter Paul Charman as "a freemason," who "is best known in the shadowy world of international arms dealers for his close contacts with Eastern-bloc countries, in particular the Yugoslav Federal Directorate for Supply and Procurement, the Rumanian Ministry of Defense, and Polish industries."

## **Irangate explodes over Europe**

The developments in Britain are occurring in the midst of an explosion of Irangate cases throughout Europe:

- In West Germany, the Hamburg trial of Countess Lisa von Schwerin is scheduled to conclude on March 18. She is expected to be given a three-year jail sentence, for arranging arms sales to Iran. Her network of collaborators has met a sad fate; one was thrown out of a third-story apartment and seriously injured, while another mysteriously disappeared about one year ago, and has never been found.

- Also in West Germany, on March 4, businessman Karl-Heinz Oettershagen was convicted of illegal arms sales to Iran by a court in Arnsberg, near Dortmund, and given a suspended 10-month sentence and fined 20,000 deutsche-marks. As with the Countess von Schwerin, Oettershagen did his business with Iran via Switzerland, serving as an intermediary between Israel and Iran for the sale of TOW missiles.

- The Oettershagen dossier has led to a new scandal inside Switzerland itself. A unit of Swiss intelligence is under suspicion for having organized a meeting, on March 14, 1986, in the VIP lounge of Zurich airport, between Israeli Prime Minister Shimon Peres and Hamid Nagashian, the minister in charge of purchasing arms for Iran. The Peres-Nagashian negotiations, according to the Swiss weekly *Sonntagsblick* March 6, were for delivering 3,000 American TOW antitank missiles to Iran, in exchange for Iran agreeing to liberate American and Israeli hostages.

- In Italy, the most interesting developments center around the investigations of a magistrate in Venice, Felice Casson, who has been looking into a group of neo-Nazis and Iranians involved in weapons-smuggling with the Ayatollah Montazeri intelligence group in Iran. On the track of one Abedi Tari, Judge Casson discovered an entity called the Islamic Republic Shipping Off-Lines. Pursuing further tracks in both Venice and Genoa, he obtained telexes of two Italian affiliates of France's Luchaire firm, Sea and Consar; Luchaire itself had previously been identified as involved in "Irangate" deals. The payments to the affiliates went through the branches of the Banca Nazionale da Lavoro (BNL) in Singapore, Bangkok, and Hong Kong.

The point man for Luchaire in Italy, is one Mario Appiani, the director of the Sea Company in Turin and of the Defex Company, based in Lisbon. The latter company has previously been identified as one of the companies used by Oliver North in Iranian arms deals.

Casson has recently been in Paris, headquarters of Luchaire, but the French side of the developments are complicated by the politicking leading up to the French elections on April 24, with various charges and countercharges flying around, and the Socialist press trying to turn the Luchaire developments into a scandal against the Gaullists and Prime Minister Jacques Chirac.

Meanwhile, one of the potentially intriguing aspects of this story, is that among those prestigious individuals who sit on BNL's international advisory board, are French presidential candidate Raymond Barre and Henry Kissinger.

Also in Italy, the arrest during the week of March 7 of Ferdinando Borletti, of the Fiat-owned Valsella company, could open up further interesting leads in Europe. Borletti is a friend of the powerful Agnelli family. Last year, Fiat magnate Gianni Agnelli intervened with the Italian authorities when Borletti was first apprehended, to ensure that authorities eased up the pressure on his friend.