

Jury refuses to buy Bush's Iran-Contra story

by Sandro Mitromaco

A federal jury in Portland, Oregon on May 4 acquitted a former CIA contract agent charged with lying to a judge—a development which means that the thick shell of lies surrounding the Iran-Contra case has finally been broken open. President Bush could be the first to go down under the debris.

The defendant, Richard Brenneke, had been indicted for making false declarations, in testimony concerning a super-secret October 1980 airplane flight to Paris by George Bush, William Casey, and other notables from the Reagan-Bush election campaign team, to meet with representatives of Ayatollah Khomeini and discuss a cynical plan to free U.S. hostages—but only *after* the U.S. presidential elections.

“Now people will be confronted with the problem of ‘President Quayle,’ ” said a source close to Brenneke’s defense. “It is no joke anymore. People will be forced to approach the issue. This is the only bad side of the court victory.”

Brenneke was accused of having lied to Denver, Colorado Federal Judge J.R. Carrigan, when he testified under oath on the deal the group around vice presidential candidate Bush concluded with the representatives of Khomeini. The Bushmen, he said, promised money and weapons if Teheran delayed the freeing of the hostages. That is exactly what happened: Khomeini let the hostages free on Jan. 20, 1981, the day of the inauguration of Reagan and Bush.

Whether or not Brenneke’s version of the “October Surprise” is correct in every particular is not the point; the critical fact is that the jury’s decision, occurring at the same time as certain curious, related developments, can cause “all the trees in the forest to fall,” as intelligence community parlance would have it.

Just four days after the Portland verdict, U.S. District

Judge Norma Holloway agreed to order the government to release 1,400 pages of Oliver North’s diary, which were kept mysteriously classified until now. On one of the pages, there is reference to a meeting between North and Bush on Aug. 6, 1986—a meeting that, according to the sanitized chronology which the Bush group admits to, never took place. We will see how this fits into the illegal Contra operation.

But there is more to come. Over the past days and weeks, the European media have played up the story of a telegram sent by the Venerable Master of the masonic lodge Propaganda-2, Licio Gelli, to Philip Guarino, a close associate of Bush and a special assistant in the Republican National Committee for the last 17 years. The telegram read: “Tell our good friend Bush that the Swedish tree will be felled.” Three days later, on Feb. 28, 1986, Swedish Prime Minister Olof Palme (“palm tree”) was killed by an assassin.

Brenneke tells his story

Brenneke was indicted for alleged false declarations to a federal judge, a charge that is stronger than perjury and could lead to a five-year jail term. On Sept. 23, 1988, he had testified *in camera* before Judge Carrigan during the trial of one Heinrich Rupp, who was accused of financial crimes. Brenneke voluntarily asked to testify in Rupp’s behalf and stated that Rupp was in reality a CIA agent and the crimes imputed to him had been done in the course of his work for the agency. Besides, powerful forces were interested in destroying Rupp’s credibility. Why? Because Rupp knew too much about the secret deal that took place in Paris in October 1980. Brenneke said that “Mr. Rupp was involved in a flight in which Mr. Bush, Mr. [William] Casey [at that time chairman of the Reagan-Bush campaign and then direc-

tor of the CIA until his death after the Irangate scandal exploded] and a number of other people were brought to Paris, France.”

Brenneke testified that Rupp had told him that Casey “rode in the aircraft he flew.” He also stated: “I was told that the following representatives of the Reagan-Bush campaign and the Iranian government were present at one or more of these meetings: George Bush, William Casey, Richard Allen [then campaign official later Reagan’s national security adviser], [Bush aide and now U.S. ambassador to South Korea] Donald Gregg, Ali Akbar Rafsanjani [then Speaker of the Iranian Parliament and now President of Iran], Jalal ad-din Farsi, and Cyrus Hashemi [the Iranian arms trader who died in mysterious circumstances in London]. I have been told that others were also involved.”

There were three meetings, he said, about the hostages on Oct. 19-20, 1980 at the Hotel Florida and Hotel Crillon in Paris. Brenneke said he had attended one meeting at the Hotel Florida and that “at the meeting I attended, the following individuals were present: William Casey, Cyrus Hashemi, [arms dealer and Iran mediator Manucher] Ghorbanifar, Don Gregg, [French intelligence operative and arms dealer] Robert Benes, Col. Degan, Ahmed Hedari, one other American and two other people, who were not Americans.” Brenneke said that an agreement was reached for \$40 million worth of weapons to be shipped to Iran. He also said that he was at the meeting as “a member of the CIA.”

The prosecutor’s mistakes

Brenneke’s prosecutor, Assistant U.S. Attorney Thomas O’Rourke, was reportedly confident of an easy victory. The rumor was spread among journalists that Brenneke was already finished, so there was no point in even attending the trial—indeed, there were almost no press at a trial in which both Gregg (the protégé of the President) and Allen (a former national security adviser) testified. Apparently O’Rourke felt backed up by the full power of the Establishment. His star witness was the powerful and feared Gregg, formerly of the CIA, and Vice President Bush’s national security adviser in the period of the Iran-Contra shenanigans. The prosecutor also presented two of William Casey’s secretaries, to try to prove that Casey did not go to Europe, two CIA agents to demonstrate that Brenneke was never an agency employee, and two Secret Service agents who were attached to Bush in October 1980, to say that they were with Bush all the time and he did not go to Paris.

These witnesses, starting with Gregg, behaved in an arrogant way that backfired against the prosecution. Donald Gregg sat in the witness stand looking straight at the jurors and repeating again and again that everything Brenneke had said was false. He particularly insisted that he had not been in Paris in that period, and he presented as evidence a couple of photographs portraying himself and his family that he said were taken on Oct. 18-19, 1980 at Bethany Beach, Delaware,

“proving” he could not have been in Paris.

It was a big mistake. What the cocky Gregg could not imagine, was that the defense would produce as a witness Robert Edward Lynott, a weather forecaster who is a legend in Oregon and respected all over the United States. Lynott said that it was impossible that those pictures had been taken when Gregg said they were. The weather conditions at the time would have made it impossible to be at the beach, and photographs taken on those days could not have included any sunshine. The prosecution was unable to counter the testimony of the witness.

But already under cross examination by defense lawyer Michael Scott, Gregg was put on the defensive. He had to go into his having been in the CIA for 31 years, and had to admit that to lie is part of the job. He had also to explain in some detail the agency’s concept of “plausible deniability.” It was established for the jurors that if what Brenneke said was only partially true, then Gregg had to lie as a matter of professional routine. Things were not made easier by the fact that Scott kept accidentally addressing Gregg as “Mr. Casey.”

Another mistake by the prosecution was to produce as witnesses two secretaries of the late William Casey. The ladies were asked whether Casey went to Paris during the last period of the campaign. The first said that “he was every day in the office.” The second said he was there “most of the time.”

The ‘October Surprise’ committee

But that all became irrelevant when former National Security Adviser Richard V. Allen testified on May 1. Allen had been subpoenaed by the defense because he was considered the chief of the “October Surprise” committee inside the Bush-Reagan campaign. It seems that Allen had threatened to do everything in his power to damage the defendant if forced to testify; but when put on the stand, he had to admit a few things. This was the first time that Allen has talked about that period under oath.

First of all, he said that in September-October 1980 he had been in Europe three times, that Casey was with him at least once, but that he “could not remember” precisely when. Such a formulation, according to the experts, could save him from a charge of perjury in the future. Allen thus did not deny the possibility that Casey was in Paris, when Brenneke said he saw him there.

Second, Allen confirmed the “October Surprise” story. He said that the Bush-Reagan campaign was concerned that President Carter would achieve an “October Surprise” through the release of the hostages before election day. Allen even confirmed that the Reagan-Bush campaign had moles in the Democratic campaign, and these sources sent word that Carter was ready to close a deal with Teheran. He identified one of these sources with then Secretary of State Edmund Muskie. Allen also testified that a memo he wrote after the

end of the presidential race, concerning a "deal" with the Iranians, was referring to a promise of unfreezing Iranian assets frozen by the Carter administration.

The alibi Bush used

Another line of testimony that did not work for the government's case was that of the two Secret Service agents assigned to Bush in October 1980. When they tried to demonstrate that Bush could not have been out of the country in that period, they ended up contradicting one another and trying to fit their 21-day shift around what they were doing on the famous weekend in question.

Several affidavits and written reports were presented by the defense, but they were not accepted by the judge. In one informal exchange, apparently the judge said that he would not scandalize a jury of honest Denver citizens with evidence of illegalities committed by the government. Some of the affidavits had been presented by a defense witness, William Northrop, who has been at the center of a similar case in which a number of people were arrested and accused of illegal dealings with Iran while they were working for the government.

Two intelligence operatives from Texas, Gary Howard and Ronald Tucker, testified about their collaboration with Brenneke, showing that he was working with the government and the CIA. Howard and Tucker, who have worked with the Customs Service and other law enforcement agencies, have also said in several interviews, including in the *Washington Post*, that they were contacted by the FBI in order to try a sting operation against Lyndon LaRouche. Reportedly the two now wanted to go on record with statements that would be useful to a lawsuit they have filed against the government for having used them in sting operations without paying them.

Another witness was former CIA agent Frank Snapp.

'Dangerous, very dangerous'

"There are a lot of people in Europe who know what happened in October 1980," Brenneke told the press after his victory. "Now is the time to come forward. These people in Europe can do a lot to arrive at the truth. Please make this message clear."

Brenneke had spent a week during the trial at the St. Vincent Hospital and Medical Center in Denver, after he suffered serious heart problems on the second day of the trial. According to the defense lawyers, he and the lawyers themselves had been receiving death threats.

Brenneke said further that "the unanimous verdict of the jury shows that the American people are capable of recognizing the truth. And though in many similar cases the judiciary process failed, in this case it worked. Thus I am optimistic for the future. Now the American people must know what happened. Maybe this will not occur in a courtroom, but in other forums. I am thinking to write a book. I would like to

go out and lecture; go out in public.

"What has gone on is dangerous, very dangerous. Mr. Bush has not addressed these issues, issues like this trial. He has to comment on this. If I am telling the truth, someone is lying very bad in D.C.!

of the fence want to continue with these half-truths. If more information comes out, like this meeting between North and Bush, then this will make really a difference; otherwise the compromise, the game will go on."

According to defense attorney Scott, the essence of the Portland trial is that "this immense apparatus, all these great resources were not able to produce any credible evidence against Brenneke. The jury listened to Gregg and did not believe him. Now I hope that the Justice Department has to draw the conclusion and start a serious investigation of Gregg."

Will heads roll?

Many observers pointed out after the trial, that now maybe Iran-Contra special prosecutor Lawrence Walsh will feel encouraged to indict Gregg. Right after Brenneke's acquittal, rumors popped up all over Washington, D.C. that indictments are going to be issued against Gregg, former State Department official Elliott Abrams, plus Duane Clarridge and Allan Fiers of the CIA.

Several commentators, like Seymour Hersh in the April 29 *New York Times*, are beginning to target the shameful compromise between the administration and the Democrats in the Congress that led to the coverup of the real leads in the Irangate affair. Then came the bombshell of the hitherto-suppressed pages of Oliver North's notebooks. Among those 1,400 pages there is North's schedule for Aug. 6, 1986. The day started with a phone call to Amiram Nir, the Israeli official who knew everything about Bush's involvement in the Iran-Contra affair and who later died in a mysterious plane crash in Mexico. Later that day, North took a call from Robert Dutton, from the Contra resupply base in El Salvador. One hour later, North was talking to . . . Donald Gregg. And after that he had a meeting at noon with . . . George Bush! It seems that North was facing a real big problem that he could not solve, and had to go all the way up in the secret apparatus behind the illegal Contra resupply project.

The apparent subject of these meetings was certain internal disagreements concerning a close associate of Gregg and Bush, Felix Rodriguez, then deployed in El Salvador in service of the CIA. But Gregg has testified that both he and Bush were unaware on Aug. 6 that Rodriguez was involved in supplying the Contras. On Aug. 8, Gregg met Rodriguez in Washington.

How many more pages of crucial documentation are "missing"? On how many of them does Bush's name appear? "The shadow of Irangate looms again over the White House," wrote the Italian daily *Il Giornale* on May 10, describing the meeting of Bush with North.

World press points to Bush's P-2 link

The trial of Richard Brenneke in Portland, Oregon has sparked new international attention to the complex web of intrigue surrounding the Iran-Contra arms-for-hostages deals. The lid is coming off some of the most closely held secrets of the U.S. "secret government," including notably the link to Italian freemason Licio Gelli.

The Swedish newspaper Dagens Nyheter on April 30 reported the startling fact of a 1986 telegram from Propaganda-2 leader Gelli to a close associate of George Bush, hinting at the imminent assassination of Swedish Prime Minister Olof Palme. The article, by Olle Alsen, is titled, "FBI takes on the murder of Palme."

"The FBI headquarters in Washington," Alsen writes, "has decided to place highest priority on the murder of Olof Palme. This information was given by FBI (Los Angeles) agent John McClerg on Feb. 23 [1990] to former Reagan administration official Barbara Honegger. . . . Why is the FBI just now telling Barbara Honegger that the FBI will give highest priority to the murder of Olof Palme? In her book (*October Surprise*, p. 240) Mrs. Honegger writes that a CIA agent called 'Y' alleged that notorious Italian P-2 leader Licio Gelli, shortly before the murder of Olof Palme, sent a telegram to a close collaborator of Bush, reporting, 'Tell our good friend Bush that the Swedish tree will be felled'—which happened three days later, Feb. 28, 1986," the day Palme was murdered.

Alsen recaps his Feb. 19, 1990 column in the same newspaper, where he reported on this sensational telegram as it was read on a Sept. 17, 1988 Los Angeles radio talk show, where "Y," a.k.a. "Racine," read the telegram's text. "Barbara Honegger does not know 'Racine's' name—for 18 years he worked as a CIA agent; he went under the code-name Oswald or Oscar Le Winter. But now it can be revealed that his actual name is Ibrahim Razin and that he works with a Jewish magazine in Frankfurt. These facts have come out around the ongoing trial in Portland, Oregon against Richard Brenneke, the one who first tipped Barbara Honegger off to the 'October Surprise' hostage release affair. CIA agents in Frankfurt have reportedly pressured Razin not to testify as a witness for Brenneke's trial. . . ."

In recent days I was in the U.S. and also had contact with the cited telegram's alleged recipient, Philip Guarino, who is a close friend of Bush and former vice chairman

of the Republican National Committee."

From the Italian magazine Epoca, May 13, an article titled "The venerable trail," by Elisabetta Burba.

"Also the American police will look into the Palme affair. And the new investigations could lead to big surprises concerning the role of Licio Gelli's Propaganda-Two lodge, as revealed by FBI agent John McClerg and reported by the Stockholm daily *Dagens Nyheter*. Who put the FBI on the Italian trail? A telegram signed by Licio Gelli and sent on Feb. 25, 1986 to Philip Guarino: "The Swedish tree will be felled, tell our good friend Bush." . . . The story was taken up by the book *October Surprise* by Barbara Honegger, political analyst for Ronald Reagan until 1984, which put in evidence possible connections between the murder of Palme, the victory of Reagan in November 1980, and the activities of Licio Gelli. . . ."

"Sources supporting Honegger's reconstruction? For example, Richard Brenneke, a CIA agent presently standing trial. Olle Alsen of *Dagens Nyheter* told *Epoca*: 'Before his assassination, Palme was acting as mediator for the United Nations between Iran and Iraq. Maybe he knew too much. . . .' Another lead comes from Denmark, from the *Monthly Press* of Jan. 26, 1989. It's an interview with a lawyer of Stefano Delle Chiaie, fascist terrorist and member of the P-2 lodge. He stated that shortly after Palme's death, his client confessed to him he knew who killed the Swedish prime minister. Now the spokesman of the Committee of Investigation of the Palme murder declares: 'The Italian connection is of extreme relevance.' Is this another coincidence?"

From the Italian daily Avvenire, an article published on Sept. 21 1988, during the U.S. presidential campaign. By Alexander Minak, it is titled, "Also a picture of Gelli to get the Republicans."

"There is a picture circulating around portraying George Bush warmly shaking hands with Licio Gelli. The photograph is actively sought by the staff of the Democratic presidential candidate. . . ."

From the book October Surprise, by Barbara Honegger (Tudor Publishing Company, New York, 1989), p. 240.

"According to Informant Y (a.k.a. Ibrahim Razin), who claims his source to be Licio Gelli's top associate Francesco Pazienza, George Bush himself was made an 'honorary' member of P-2 in 1976, the year that he became director of the Central Intelligence Agency. Though the author has no confirmation for this claim, it is a fact that Gelli's 'lodge,' and especially P-2's sister Comité Montecarlo, has branches in many countries besides Italy and that the grandmaster's [Gelli's] key targets for membership have been top civilian and military intelligence officials. . . . There are additional reports that suggests a possible link between George Bush and Licio Gelli's secret organization."