

Hashemi tapes turned over to Congress

by Edward Spannaus

In a development which could have major implications for President George Bush, the Department of Justice (DoJ) has agreed to give congressional investigators access to tape recordings made during the secret surveillance of Iranian arms dealer Cyrus Hashemi in the fall of 1980 and early 1981. The agreement to make the tapes available was reached between the Justice Department and the House of Representatives "October Surprise Task Force," headed by Rep. Lee Hamilton (D-Ind.). The DoJ has refused to make any public comment on the agreement.

Although the existence of the tapes has been known since 1984, *EIR* was the first to point out the significance of the "Hashemi tapes" for the October Surprise investigation over one year ago. Since that time, other investigators, including former National Security Council official Gary Sick, have called for the tapes to be made available to congressional investigators.

Last November, *EIR* obtained heavily redacted excerpts of FBI transcripts of the Hashemi tapes under the Freedom of Information Act. House investigators have reportedly asked for access to the complete tapes and unredacted transcripts. The DoJ has apparently agreed to provide this, provided that investigators who will review the tapes first obtain security clearances.

On May 5, the House task force met in a short public session before the ranking Republican on the committee, Rep. Henry Hyde (Ill.), succeeded in closing the session. The task force was being addressed by E. Lawrence Barcella, its chief counsel, who was about to give a status report on his investigation when Hyde moved to close the hearing to the public and the press. Barcella reported that he has hired most of his investigative staff, and that security clearances—demanded by the CIA, and by the State, Justice, Treasury, and Defense Departments—have now been obtained.

Wishful thinking

Somewhat prematurely, AP reported on May 9 that the Hashemi tapes "clear" Ronald Reagan and George Bush of charges that they conspired to delay the release of American hostages in Iran during 1980. However, no one who has read *EIR*'s recent Special Report on the October Surprise could possibly reach such a conclusion.

The basis of the AP claim was that the tapes show that Cyrus Hashemi was in New York on Oct. 20, 1980, when

some sources claim he was in Paris. Author Gary Sick meanwhile defended his previously published theories, and pointed out that Hashemi could have easily been in Paris on Oct. 19, when Sick's book says he was. However, all of this information has been in the public domain since last November, when *EIR* and other investigators received copies of redacted FBI summaries of the Hashemi tapes.

EIR's Special Report provides substantial new evidence that Hashemi, along with former DoJ official and Bush's friend J. Stanley Pottinger, were systematically sabotaging the Carter administration's negotiations, not so much through arms deals, but through misleading advice they were giving to the Iranian clerics concerning frozen Iranian assets and the Shah's wealth.

The missing 'Pottinger tapes'

On May 8, a Reuters wire story reported that 10 hours of tapes, missing since 1980, had been found in a government warehouse in Newburgh, New York. Reuters also reported that FBI sources stated that Reagan, then the Republican presidential candidate, had been overheard conversing with an unidentified Iranian on the surveillance tapes. A spokesman for the House task force promptly termed the Reuters story "bizarre."

The description of 10 hours of missing tapes raised the possibility that what had been found were three tapes made on Dec. 12, 1980, which were discovered to be "missing" in 1984. The convenient loss of that day's surveillance tapes allowed Pottinger to escape indictment.

However, subsequent news stories reported that all of the Hashemi tapes—hundreds of hours—had been stored in the warehouse in Newburgh. *EIR*'s investigations indicate that the tapes that were turned over were not the missing Pottinger tapes, but the already-acknowledged Hashemi tapes which had been stored in Newburgh for many years.

The disappearance of the Pottinger tapes was likely part of a major obstruction of justice by persons in the FBI-DoJ who wished to protect Pottinger.

DoJ documents recently obtained by *EIR* give further evidence of how high-level DoJ officials had obstructed the efforts of federal prosecutors in New York to investigate illegal arms shipments by Hashemi and Pottinger.

A newly disclosed June 4, 1982 note to an official of the DoJ Office of Intelligence Policy and Review (the DoJ liaison office to the intelligence community), complains that federal prosecutor Raymond Levides "is way out of line" for trying to meet with the CIA and State Department on the Hashemi investigation. "He has no need for the information he has requested, and he should not be meeting with CIA and State. . . . Levides should be told to go on his merry way with the facts at hand." About three months before this, these same DoJ officials had ordered Levides to postpone his grand jury investigation for "national security" reasons.

Ultimately, neither Hashemi nor Pottinger was ever prosecuted, which many consider a "payoff" for their assistance to the Reagan-Bush campaign in 1980.