

The real story of Cyrus Hashemi

by Edward Spannaus, Law Editor

Inquire within the Iranian exile community as to the source of financing of student militants and terrorism, and one name comes up repeatedly. Ask about the means by which U.S. weapons are being run into Iran to the regime of the Ayatollah Khomeini, and the same name comes up. That name is Cyrus Hashemi.

The names of Hashemi and his bank, the First Gulf Bank & Trust Company, chartered in the West Indies, surfaced during 1979 in the context of investigations into the funding of Iranian terrorism in the United States, and particularly around the July 22, 1979 assassination of Ali Tabatabai, a courageous anti-Khomeini spokesman in Washington, D.C. Official Iranian involvement in the Tabatabai assassination was established in the subsequent indictments of four men for the killing. The

indictments charged that the assassination conspiracy had been planned in the Iran Interests Section of the Algerian Embassy in Washington, which was serving as the Iranian diplomatic center. The Iranian Embassy itself was shut down in 1979.

EIR was the first publication to print reports of Hashemi's involvement in financing Iranian terrorism. Subsequently, the *Washington Post* transmitted a report on its wire service, apparently based in part on earlier investigations by NSIPS, *EIR*'s parent news service, which identified Hashemi and First Gulf Bank & Trust as conduits for funds channeled to Iranian student militants and terrorists.

The *Washington Post* quickly heard from then-Assistant Attorney General J. Stanley Pottinger and was convinced by Pottinger or others to print a "clarification" of the story which deleted references to Hashemi and his bank. (According to one source, the Justice Department itself put pressure on the *Post* to retract the story; this is a credible story both because of Hashemi's acknowledged involvement in the hostage negotiations and also because of reports from local law enforcement sources that a "national-security" cover was placed on the investigation of the Tabatabai assassination.)

After negotiating an agreement with the *Washington Post*, Pottinger and Hashemi turned around and filed suit against NSIPS and four associated entities, and also against the *Washington Post*, the *Boston Globe*, the *Atlanta Journal*, and Cable Network News. Subsequently, the *Post*, the *Globe* and the *Journal* had the suit dismissed on the basis of the previously negotiated settlement. These defendants did not actually retract their statements about Hashemi—they merely deleted them—and an affidavit by a *Washington Post* reporter who wrote the story for the *Washington Post-Los Angeles Times* news service stated that "Mr. Pottinger had told us nothing to make us doubt the accuracy of any statements in the story. . . ."

Hashemi has subsequently amended his lawsuit to add as defendants Robert Dreyfuss and Thierry LeMarc, authors of the book *Hostage to Khomeini*, which is an account of how the Khomeini revolution was synthesized. Also named are *EIR* founder Lyndon H. LaRouche, Jr., who commissioned the writing of *Hostage to Khomeini*, and the book's publisher. At present, Hash-

A new fund

A legal defense fund has been established to defray legal fees and costs associated with Cyrus Hashemi's multi-million dollar lawsuit against the *Executive Intelligence Review*. The fund is registered under the title: The Final Defeat of Ayatollah Khomeini Fund.

The fund is named after a new book to be published soon, written by *EIR* founder and contributing editor Lyndon H. LaRouche, entitled *The Final Defeat of Ayatollah Khomeini: A Doctrine of Constitutional Law for the Iranian Renaissance from the Dark Age of Neo-Asharite Irrationalism*.

The fund is established both to defend *EIR* and its associated news service, and to begin a counter-offensive against Hashemi and his supporters. This process is expensive, but it is urgent. Contributions may be made payable to the "Final Defeat of Ayatollah Khomeini Fund," c/o *EIR*, or directly to Account No. 031-104-201, European-American Bank, 10 Columbus Circle, New York, New York 10019. Telephone inquiries may be addressed to *EIR* Middle East Editor Robert Dreyfuss at (212) 247-8820.