
Iran-Contra Scandal

Elliott Abrams disgraces himself; Will Shultz be next?

by Joseph Brewda

Assistant Secretary of State for Inter-American Affairs Elliott Abrams in the first week of June virtually assured himself of becoming the latest victim of the Irangate cleanout of U.S. intelligence, by his outrageously lying testimony before congressional Iran-Contra hearings. Abrams, who has played a key role in coordinating military aid to the Contras and related incompetent policies since 1981, protested that he knew nothing of U.S. government operations in Central America. In fact, any astute reader of even the Eastern Establishment press would know far more than the assistant secretary professed to know.

Abrams's sworn testimony followed by one week that of Lewis Tambs, the former U.S. ambassador to Colombia and Costa Rica, who credibly reported that Abrams had ordered various actions which the ambitious assistant secretary now claims he never heard of.

Earlier this year, Democratic presidential candidate LaRouche called for Abrams's resignation as a crucial first step in cleaning "Project Democracy" out of the Reagan administration—that is, the "parallel government" that carried out the foreign policy disasters which have been only partially revealed by the Iran-Contra scandal. LaRouche commissioned an *EIR Special Report*, "Project Democracy: The 'parallel government' behind the Iran-Contra affair," published last March, which fully documented Abrams's role.

The comprehensive report details how the 39-year-old had been installed in his present post by his influential mother-in-law, Midge Decter, director of the neo-conservative Committee for the Free World, precisely to carry out the disastrous policies which he now feigns ignorance of.

Abrams bold-faced lying and insolent behavior before Congress, now offers President Reagan the welcome opportunity to dump him. Since George Shultz has leaped to Abrams' defense in the wake of his embarrassment before the committee, Shultz has tied his own star to Abrams. President Reagan ought to take the opportunity to fire Shultz, too.

In his testimony, Abrams spewed out one lie after another before a startled, and increasingly enraged, congressional

committee. Abrams claimed that the Restricted Interagency Group (RIG) which he chaired, which included Lt. Col. Oliver North, and which has been repeatedly identified as the coordinating agency of U.S. aid to the Contras, had nothing to do with aid to the Contras. Abrams made this assertion despite the fact that RIG had been created by his predecessor, Thomas Enders, precisely for this purpose.

This is the same character who had earlier admitted that he solicited \$10 million in contributions from the Sultan of Brunei for aid to the Contras; but swore that he had mistakenly given the Sultan the wrong Swiss bank account number, thus leading to the otherwise inexplicable loss of the funds.

When a C-123 cargo plane piloted by former CIA operative William Sawyer was shot down over Nicaragua on Oct. 5 carrying military supplies, leading to the capture of U.S. mercenary Eugene Hasenfus, Abrams heatedly denied the U.S. government had any role in the Contra supply operation. Later, it emerged, the Restricted Interagency Group, which Abrams chaired, oversaw the U.S. government effort to conceal the U.S. sponsorship of the Hasenfus flight.

In his testimony, Abrams confessed that he had misled Congress about the U.S. effort to supply the Contras in his earlier statements on the cargo plane crash, but insisted that he had been himself misled by North.

Abrams also insisted that he simply had no idea that U.S. officials were involved in helping with Gen. Richard Seccord's air strip in Costa Rica, used for such flights as Hasenfus's. While confessing that such aid "would have been illegal," Abrams lamely claimed that the air strip, which he asserted he was not involved with, "had been presented to me as a private affair." Contradicting the earlier testimony of Ambassador Tambs, Abrams insisted that "at no time whatsoever" had he instructed Tambs to help the Contras open a "Southern Front" against Nicaragua. But former CIA station chief in Costa Rica, José Fernandez, corroborated the Tambs testimony that Abrams was completely on top of the operation.

Faced with such dubious assertions, an irate Rep. Lee Hamilton commented, "We cannot advance United States

interests if public officials who testify before the Congress resort to legalisms, word games, claim ignorance about things they either knew or should know about, and at critical points, tell Congress things that are not true.”

Congressman Jack Brooks (D-Tex.) told Abrams, “You’re either extremely incompetent or . . . you’re still deceiving us with semantics. . . I wonder if you can survive as assistant secretary of state.”

Abrams cynically responded: “Fortunately . . . I don’t work for you. I work for George Shultz and he seems pretty satisfied with the job I’ve done for him. That makes me very happy and proud.”

But the same George Shultz had earlier joined Abrams in lying that the U.S. government had not overseen the cargo plane shot down over Nicaragua.

More trouble for North and Zucker

Abrams is not the only one to fear for his career as a result of testimony before the committee in early June. Among the more interesting developments of the same week was the testimony of Iranian-born gun-smuggler Albert Hakim, who reopened subjects which had been buried by the administration, Congress, and the press.

Directly addressing one of the crucial features of the Irangate deals, Hakim reported that the secret hostage negotiations conducted last October, were conducted with the November election in mind. Oliver North “wanted to gain the release of the hostages to enhance the position of the President” before the elections, Hakim reported. “The prime objective at the time was to support the President . . . or the Republicans in the elections.” Hostage David Jacobsen was freed by Iran two days prior to the election, in pursuit of the North scheme.

Early on in the Irangate scandal, evidence had emerged that Carl Russell “Spitz” Channell, the homosexual conservative fundraiser who laundered National Security Council funds to the Contras, had also laundered funds to U.S. Republican congressional campaigns. Channell has since pleaded guilty to violating tax laws in pursuit of the NSC schemes.

This is not the only way in which the NSC interfered in the elections. *EIR* has documented that the NSC and the Channell group systematically attempted to undercut fundraising for political efforts associated with Democratic presidential contender LaRouche, and conspired against this publication, to a significant degree because of its opposition to the administration’s Iran and Contra policies.

Moreover, Hakim reported that he had set up a \$200,000 private fund for Lt. Col. Oliver North, who has largely been portrayed in the press as a dumb but patriotic officer. Earlier, Contra leader Adolfo Calero had testified that he had funneled North \$90,000 in blank travelers checks.

Meanwhile, congressional witness David M. Lewis reported that he had been approached by Hakim’s attorney, Willard Zucker, to find a U.S. real estate company through

which he could funnel payments to North. This effort occurred during the same period that Hakim and Gen. Richard Secord were attempting to open up a new channel to the Iranian government.

Liman interferes

Predictably, Arthur Liman, the chief counsel of the joint Senate-House hearings, took a dim view of Hakim’s testimony, seeking to do all that he could to discredit the testimony. The reasons for Liman’s efforts are not surprising. Liman, a decades-long cohort of Zucker, had been installed in his present post precisely to cover up for Zucker and his associates’ real operations.

Zucker, Hakim’s Swiss-based attorney, was the attorney of record for every single Swiss account used to divert funds to the Contras or to manage arms sales to Iran. Moreover, Zucker was not simply an attorney and bag man, but directed the NSC-sanctioned shipping firms responsible for delivering Israeli, Soviet, and Polish arms to the Contras and to the Iranians. Despite this role, Zucker’s name has been largely censored from the press, and the hearings, over the last several months.

Also not so surprising, the fact that Zucker and chief counsel Liman were attorneys for Robert Vesco and his notorious Investors Overseas Services during the same period, has been largely ignored. Another attorney for Vesco at the time, Kenneth Bialkin, is currently the counsel to Saudi arms-merchant Adnan Khashoggi, who dealt with North and Hakim in supplying Iran. Vesco has gone on to become the cocaine-smuggling kingpin of Havana, with a heavy involvement in supplying arms to both the Contras and their alleged opponents in the Sandinista government.

The Intelligence Oversight Board

Outside of the useful cleaning out of social democratic riff-raff from the administration like Abrams, one of the key tasks of the committee’s investigation, and the more important investigation of Independent Counsel Lawrence Walsh, is to address the role of the Intelligence Oversight Board, which so far has remained untouched. Founded by Presidential Executive Order 12334 on Dec. 4, 1981, the three-man IOB, popularly known as “the three blind mice,” is mandated to review covert intelligence operations, like North’s NSC Iran-Contra scheme, for possible illegalities. It was the IOB, according to published reports, that on two separate occasions provided legal “findings” in response to requests from Lieutenant Colonel North that legitimized the NSC’s Iran-Contra program.

In his comments on Elliott Abrams’s lies, Rep. Lee Hamilton emphasized that the reason for the hearings was “to make the Constitution of the United States work.” Such an admirable intent demands that the committee’s next target be the Intelligence Oversight Board, which has made such obscenities as Elliott Abrams possible in this administration.