

## The Meese scandal: It's much more than corruption

by Joseph Brewda

Embattled U.S. Attorney General Edwin Meese released the text of a confidential memo to the press on Feb. 19, in a desperate effort to defuse accusations that he had been involved in a multimillion-dollar scheme to bribe senior Israeli officials. The memo, written by Meese's attorney and long time crony, E. Robert Wallach, reports on a 1985 plan to launder \$700 million in U.S. government funds into the Israeli Labor Party, nominally in exchange for a guarantee from the Israeli government not to bomb a then-proposed Iraqi pipeline. The mediator in the scheme was Swiss-Israeli businessman Bruce Rappaport.

French intelligence sources classify Rappaport as a Soviet agent of influence.

Immense pressure had been building on the Attorney General since Jan. 31, when the *Los Angeles Times* published leaked references to the previously classified memo. Meese's attorney, Nathan Lewin, who was retained after the attorney general became the subject of investigation by a specially prosecutor, claimed that the memo fully exonerates Meese. Precisely the opposite is the case. The memo provides new details on the background to the Iran-Contra guns-for-hostages deals, which Meese has lamely claimed he knew nothing of at the time.

There are several features of the Sept. 25, 1985 Wallach memorandum to Meese which are extraordinary. The memo is a report of a conversation which Wallach had with Rappaport days earlier in Geneva. The conversation centered on paying off Israeli government officials not to bomb the Rappaport-linked oil pipeline. Wallach was Rappaport's U.S. representative, as well as Meese's lawyer and investment counselor.

In his report on the conversation with Rappaport, Wallach notes: "He confirmed the arrangement with [Labor Party leader Shimon] Peres to the effect that Israel will receive somewhere between \$65-\$75 million a year for ten years out of the conclusion of the project. What was also indicated to me, and which would be denied everywhere, is that a portion of those funds will go directly to Labor."

Meese has contended that the proposed deal was not a bribe, despite the fact that the only role Israel would have was not to bomb the pipeline in that period. The estimated \$700 million indicated would be sent to Israel through the U.S. government's Overseas Private Investment Corporation (OPIC). Rappaport, it should be underscored, had been hired by the pipeline contractor Bechtel, to provide "security" for the project.

The second explosive feature of the memo is that it proves that Edwin Meese personally knew of the arms-for-hostages deal as far back as 1985, despite his denials.

The memo reads:

"B.R. [Bruce Rappaport] indicates that Peres emphatically indicated that the release of [Rev. Benjamin] Weir [an American hostage in Lebanon] was the result of the State of Israel, and no one else. He indicated that they would also arrange the release of the remaining six [hostages]. There is a feeling that the U.S. 'owes' and the accomplishment of this project, as outlined in my memo, is appropriate."

In other words, the \$700 million bribe over 10 years was not just for Israel to refrain from bombing the proposed pipeline. Rather, the pipeline bribe was largely a pretext for paying off Israel for its role in the hostage release. Peres and Rappaport met in Israel just days prior to the reported Rap-

rapport-Wallach meeting noted in the memo. The Peres-Rappaport meeting came just days after Weir's release.

### **The emigration payoff**

The payoffs to Israel were not merely financial, and here we come to the most important, and most ignored, feature of the now public memo. In the second paragraph of the report on the pipeline project, Wallach, introducing an apparent *non sequitur*, reports:

"When Edgar Bronfman met with Gorbachov in Moscow, he was advised to transmit a message to Peres to the effect that they would be willing to allow the flow of Soviet Jews to Israel only. (You may recall my memo quite awhile ago, in which I expressed to you my frustration at the conflict between U.S. American Jews and the State of Israel which occurred in Vienna. At that juncture point, there was a competition, and most of the Soviet Jews, especially the best trained and younger, were coming to the U.S. . . .)"

Later in the memo, Wallach returns to the issue of Soviet Jewish emigration, immediately after referencing the \$700 million pay-off. He states:

"There is an obvious need to provide Israel with an increasing flow of Ashkenazi Jews [from the Soviet Union] to help balance the influx of Sephardic-Oriental Jews who have a natural affinity and affiliation with the Likud."

Here we provide the following background to Wallach's statements.

The Bronfman trip Wallach was referencing was the first trip the liquor magnate made in his capacity as chairman of the World Jewish Congress, and his first meeting with newly named Soviet General Secretary Gorbachov. The July meeting's agenda, according to well-placed Israeli sources, was the following.

The Soviets demanded that the Israelis and U.S. Zionist lobby pressure the United States to drop Reagan's confrontationist policy with Russia in the Middle East and elsewhere. The Soviets also demanded that the U.S. Zionist lobby and Israelis pressure the Reagan government to open up the needed transfer of high-technology, militarily related goods, to the East. In other words, Moscow wanted Jerusalem and the U.S. Zionist lobby to act as its agents-of-influence. Bronfman asked for more Jewish emigrés, and diplomatic recognition of Israel in return for this treachery.

One week after the Wallach memo, Gorbachov announced in Paris that a renewal of diplomatic relations between the Soviet Union and Israel was imminent. Bronfman's aides became euphoric, saying, "Previously, Jewish emigration to Israel was 'retail.' Now it will be 'wholesale.'"

Within six months of the memo, the U.S. Justice Department's Office of Special Investigations was deeply involved in a transparent witchhunt against then-Austrian presidential candidate Kurt Waldheim, charging him as a "Nazi war criminal." The absurd charge was based on a one-page memo

written by the Soviet intelligence station chief in Vienna in 1946.

One reason Meese and the Justice Department began its slander campaign against Waldheim and the Austrian State is obvious. The Justice Department wanted to force Austria to close its borders to Soviet Jews seeking to emigrate to the United States, as referred to by Wallach in the memo above, so that these Jews would be compelled to emigrate to Israel.

### **Not just corruption**

Bruce Rappaport is no ordinary con-man. Since his emigration to Geneva from Israel decades ago, Rappaport has built his Inter-maritime Bank into an international institution. Rappaport has been involved with Indonesian oil development, the sale of Libyan oil to the United States, the sale of high-technology goods to Moscow, and allegedly, the sale of guns to Iran.

Unlike many con-men, Rappaport mixes high politics with his business. His dealings in Indonesia involved former Gov. Edmund Brown of California. His Libyan transactions involved Jimmy Carter's brother Billy, and were the circumstances behind Billy's obtaining a "loan" from the Libyan government. His sale of arms to Iran also had, of course, a political dimension. Rappaport was a long-time business and golf partner of former CIA director William Casey. He is also reportedly linked to Michael Ledeen, the NSC operative who sold the Reagan administration the Israeli arms-for-hostages deals.

Yet, Rappaport holds an exclusive contract with the Soviet merchant marine to maintain their ships worldwide. This contract has led some French intelligence officers to conclude that the Swiss-Israeli businessman is a Soviet asset, despite his reputation for being the Israeli government's senior representative in Geneva.

Meese's connection to Rappaport becomes more curious when one considers just who his attorney is. Nathan Lewin has the following unique qualifications.

He is the attorney for Col. Aviem Sella, the Mossad handler of Mossad-Soviet spy Jonathan Pollard. Pollard had been arrested for espionage six months after the Wallach memo to Meese. Sella has now been indicted for espionage by the U.S. Justice Department. Lewin is also the U.S. attorney for Shabtai Kalmanowich, the Mossad-Soviet spy arrested in Israel last December for espionage. Kalmanowich, like Rappaport, was involved in the Iran-Contra caper.

For such reasons, some Washington insiders are reassessing their current belief that the attorney general is simply a thoroughly corrupt Mossad asset, as his dealings with Wallach et al. would seem to indicate. A more precise evaluation, taking his curious connection to the Soviets' Rappaport and Lewin into consideration, points in one direction. The attorney general of the United States is run by the same Soviet network inside Israeli intelligence that deployed Jonathan Pollard.