

Weld nailed for coverup of Bush-Contra drug ties

by Anton Chaitkin

Sen. John Kerry (D-Mass.) has called for an independent investigation into whether, as part of the "Contra" intrigues, government agencies were involved in bringing drugs to minority communities. Kerry said on Oct. 14 that the Justice Department ignored the evidence to that effect that he had delivered in the late 1980s. About Republican Gov. William F. Weld, who is now running against Kerry for the U.S. Senate, Kerry said, "I personally delivered all of that information to the Justice Department in Washington in 1986 during the time Bill Weld was at the Justice Department, and the Justice Department, frankly, did zipo."

The day after Kerry's challenge, Weld panicked when the very first question of a televised Kerry-Weld debate was put to the governor: "In a recent article published in the *San Jose Mercury News*, it was alleged that the CIA and Justice Department officials in the 1980s allowed Nicaraguan Contra rebels to raise millions of dollars by selling cocaine to California drug-traffickers, who, in turn, introduced crack cocaine into the [Los Angeles] ghettos. What is your response to that story. . . ?"

Weld sputtered, "The idea of the American President, the American Central Intelligence Agency, and the leading senators and congressmen . . . selling crack cocaine on, on purpose into American cities, to weaken America, and strengthen somebody who's fighting a war in some other country, strikes me as a nutty conspiracy theory. It reminds me of the theories that, uh, Lyndon LaRouche used to spin out against, uhm, the Queen of England, and Henry Kissinger, and myself, among others, uh."

Senator Kerry, on other hand, responded, "I led the investigation, in 1985-86, that looked into the question of narcotics flowing from Central America into the United States. The answer is, that we discovered back then, and I delivered to the Justice Department, in fact I had Governor Weld—now

Governor Weld, then in the Criminal Division—come to my office, and I gave him all of the information. I gave it to the Justice Department, that the CIA knew, the DEA [Drug Enforcement Administration] knew, high government officials in the State Department, and, in the White House knew, that CIA personnel were involved in trafficking drugs. . . . They did nothing, and, unfortunately, that report has lingered for years."

The Weld-Bush family web

EIR reported last week that William Weld, as head of the Justice Department's Criminal Division, acted as the point for obstruction of justice against Senator Kerry's and others' investigations of the Iran-Contra operations during 1986-87.

Underlying Weld's actions is a web of corruption and nepotism binding together the families and careers of Weld and George Herbert Walker Bush. This corrupt family web was also at work in 1985, when Weld blocked prosecution of the Bank of Boston in the biggest money-laundering case in U.S. criminal history. The Bush White House, in turn, ran a 1990 dirty-tricks operation against the Massachusetts Democratic Party, to assist in securing Weld's election as Massachusetts governor.

The Bank of Boston admitted in 1985 that its officers, in 1,163 separate criminal transactions over the previous few years, had transferred \$1.2 billion between the Bank of Boston and foreign banks, including \$373,579,000 to and from *Crédit Suisse* of Geneva. A U.S. Treasury Department spokesman confirmed that the crimes were by "every indication . . . the laundering of drug money."

But, by arrangement with William Weld, who at that time was the U.S. Attorney for Massachusetts, no bank officers were prosecuted; the foreign banks were not probed; the money trail was not followed; 1,162 criminal counts were

dropped; and the Bank of Boston was fined a mere \$500,000, after pleading guilty to one count.

Weld's personal connections to the main protagonists in the case have now come to light.

A member of William Weld's family, Ogden White, Jr., was at the time *chief of foreign operations for the Bank of Boston*.

Meanwhile, the firm of White, Weld and Co., belonging to White's and Weld's family, had previously been amalgamated by William Weld's father into the *Crédit Suisse* bank, a foreign perpetrator in the case. *Crédit Suisse* was the global money-laundering center of "the Enterprise" conducted by Oliver North and other of then-Vice President Bush's employees.

So, who was Weld's man at Bank of Boston, Ogden White, Jr.?

- His father was the first cousin and partner of David Weld, William Weld's father.
- His uncle, Alexander White, Jr., had been chief executive of White, Weld before David Weld became boss of the family firm.
- His grandfather had founded White, Weld; and his great uncle, William Weld's grandfather, had been the founding junior partner.

Ogden White, Jr., briefly came into prominence as head of Bank of Boston's international operations, for statements he made in 1982 during the British-Argentine war; but he preferred operating behind the scenes. White was at his post, officially listed as "vice president-international," when cousin William saved him and the bank, by announcing, on Feb. 7, 1985, the surprise ending of America's biggest money-laundering case.

Ogden White, Jr., was then quietly moved out of Boston. Writing in the Harvard University book commemorating the 25th anniversary of his class of 1960, White offered this explanation for his exit: "Mid-life crisis has taken me to Washington to participate in some small way in solving the LDC [lesser developed countries] debt crisis. After 24 years with the Bank of Boston, this two-year sabbatical is turning out to be a wonderful experience both job-wise and for the life style." The Bank of Boston officially terminated White's employment on Dec. 31, 1985.

Bush, Walker, and White, Weld

From 1985 to the present day, Ogden White, Jr., has resided on Florida's Jupiter Island, a very high security private compound created for the Bush family and their banking and intelligence community associates.

But the Bush family alliance with the Welds began much earlier than that. White, Weld chief executive David Weld died in 1972, leaving his White Weld-*Crédit Suisse* holdings to his widow, to William Weld, and to two other sons. In 1974, George Bush's uncle, George Herbert Walker, Jr. ("Uncle Herbie"), merged his family firm, G.H. Walker & Co., into White, Weld. This "Uncle Herbie" was the personal financier

and career sponsor for George Bush, who had been named for Herbie's father, George's grandfather. Herbie had bankrolled Bush's start in oil and intelligence operations by creating Zapata Petroleum.

With the merger, Uncle Herbie's son, George Herbert Walker III, became a senior vice president of White, Weld. From the 1960s to the late 1970s, the amalgamated *Crédit Suisse* and White, Weld firms' London and Switzerland branches became the world's premier laundry for hot money, especially drug money, utilizing the White, Weld specialty, untraceable Eurobonds.

In 1976, George Bush became Director of Central Intelligence. At the same time, Frederick S. Wonham, previously president of G.H. Walker and Co. under Bush's "Uncle Herbie," served as president of White, Weld and Co. from 1975 through 1978. In 1978, Merrill Lynch bought into the White, Weld corporate tangle.

Bush took the U.S. vice presidency in 1981, and William Weld was then appointed U.S. Attorney for Massachusetts. In 1986, while Senator Kerry was pressing his investigation of "the Enterprise" and its drugs-for-guns trafficking, Weld was appointed chief of the Criminal Division of the Justice Department. Kerry's Senate Subcommittee on Narcotics, Terrorism, and International Operations later reported (April 13, 1989) in detail on the sabotage against their investigation carried out by Weld's men at the Justice Department.

During 1986, Weld personally organized the Justice Department's sham inquiry into the misappropriation of funds by the U.S. ambassador to Switzerland, Faith Whittlesey, a leader of the Bush-North-Contras "Enterprise." There in Switzerland, Weld's father had been the co-organizer of the *Crédit Suisse* drug money laundry, which, in 1986, Whittlesey's cohort Oliver North was using for all the criminal accounts. Yet, instead of recusing himself, Weld recommended that all investigation of the matter end, and no prosecution was allowed.

Bush's dirty tricks and Weld's governorship

William Weld resigned from the Justice Department in 1988, having lost a fight with Ronald Reagan loyalists. The following year, George Bush was inaugurated President. Bush kept Weld's lid on the Contra drug investigations, and eventually gave Presidential pardons to Iran-Contra felons. With his patron in the White House, Weld prepared to take the Massachusetts governorship.

The state's Democrats sought party unity for the 1990 elections around a successor to Michael Dukakis, who had lost the Presidency to Bush in 1988, and was retiring as governor. Democrats assembled in Springfield, Mass., on June 2, 1990, for their state nominating convention. But arriving delegates were stopped from entering the convention hall by a ring of Springfield police officers, who physically blocked their way with a sudden, unannounced "picket line"—demanding a new police contract with the city of Springfield. Some delegates were roughed up by the "picketers," and the

shocked and confused Democrats could not begin the proceedings for several hours. In increasing disarray, the Democratic Party endorsed one candidate at the convention, but another one—an open Bush supporter, John H. Silber—won the Democratic primary election. Silber lost to William Weld in the November 1990 general election.

On June 13, 1990, eleven days after their convention had been disrupted, the Massachusetts Democratic Party filed suit against Ronald C. Kaufman, a White House aide to President George Bush, for having directed the disruption. Kaufman, a longtime Bush insider, was in 1990 in charge of security functions (“screening”) over personnel in the Bush White House.

Ron Kaufman had procured the Springfield police union’s endorsement for Bush in the 1988 election. Kaufman admitted having met with Springfield police union president Robert Jacobson in Washington, during the month prior to the 1990 Massachusetts Democratic convention.

Also charged in the suit was Stephen DeAngelis, a Massachusetts state Republican Party functionary working under Kaufman’s direction. Eyewitnesses had seen DeAngelis standing at the picket line with a cellular telephone.

In a later review of Kaufman’s career, *Time* magazine (April 15, 1991) conveyed the Bush aide’s explanation for his role in the police terror against the Democrats: “He insists that he was holed up in a nearby hotel room—and in constant cellular contact with the picket line—for a benign purpose: He was boning up for an appearance as a guest commentator.” *Time* went on: “At the time, he described himself as a practitioner of ‘psychological terror’ and ‘disinformation.’”

Faced with a countersuit by Kaufman backed by the White House command structure, the Democrats soon dropped their suit. In 1991, President Bush promoted Kaufman to Deputy Assistant to the President for Political Affairs, or White House Political Director.

Leaving the White House with George Bush’s 1992 loss to Bill Clinton, Ronald Kaufman emerged as the chief strategist for the Massachusetts Republican Party under Gov. William Weld. In the early morning of March 31, 1993, a disheveled Kaufman was arrested for drunk driving and speeding, after leaving a poker party at Governor Weld’s house.

In August 1994, Governor Weld signed an agreement to bring Las Vegas-style casino gambling into Massachusetts. *Boston Globe* writer David Nyhan reported on Aug. 22 of that year, that Weld had “sentenced New Bedford and environs to lifelong servitude as gambling hall lackeys. The deal was greased with bigtime gambling money.” Nyhan revealed that Weld’s “fixer in the gambling game” was Republican Party strategist Ronald Kaufman. “Ron makes sure Bill is remembered at Christmas time by the gambling guys. And with them, it’s Christmas every day.”

Kaufman is now the Republican National Committeeman for Massachusetts, and reportedly the party’s chief strategist in Governor Weld’s bid to win John Kerry’s Senate seat.

Brits say GOP will win the Congress

by Mark Burdman

The same British operatives who have been orchestrating the barrage of scandals against the Clinton White House since 1993-94, have now launched a new flank in their propaganda campaign. Having failed in their efforts to bring down the American President, and now forced to acknowledge that Bill Clinton is almost certainly going to be re-elected for a second term, such poison pens as the London *Sunday Telegraph*’s Ambrose Evans-Pritchard and the London *Times*’ Lord William Rees-Mogg are busy manufacturing the perception that a “fix” is in, in this year’s election, for the Republican Party to retain control of both houses of Congress. Furthermore, writing as if the United States were a British parliamentary system, rather than a constitutionally defined Presidential system, they are treating the hated Speaker of the House, Newt Gingrich, as if he were “the prime minister of the United States,” supposedly wielding efficient power while Clinton acts, at best, as a figurehead.

In reality, as of this writing, the battle for the U.S. Congress is still undecided. Many of Gingrich’s allies are on the defensive, in the face of an organizing onslaught from the AFL-CIO and from the campaigns launched by the FDR-PAC, associated with Lyndon LaRouche and spearheaded by María Elena Milton’s campaign in Arizona’s Fourth Congressional District (see article, p. 68). Gingrich himself is so despised, that any Republican concerned with re-election, has to either make believe he doesn’t exist, or publicly distance himself or herself from the Squeaker.

European audiences were able to read a much more realistic appraisal of this battle, when the *International Herald Tribune* published an interview on Oct. 16 with Thomas Mann, director of governmental studies at Washington’s Brookings Institution. Asked, “What’s your prediction for the next Congress?” Mann replied, “I have never seen as competitive a struggle for control of the Congress in recent decades. It could go either way.” While Republican legislators have made some “impressive” gains in recent weeks, “President Clinton is increasingly confident, and there are signs that he is beginning to allocate resources to swing districts and states, in hopes of producing a Democratic majority in the House and Senate. Meanwhile, the AFL-CIO campaign against Republican conservatives, especially freshmen, has had a devastating impact.” According to Mann, this involves “intense