

## IV. Capt. Setoudeh and the U.S. Office of Naval Research

by Robert Greenberg



Until a few days ago, at the Washington offices of the U.S. Office of Naval Research (ONR), under the direction of the Office of Naval Intelligence and under the supervision of U.S. military personnel, the current defense attaché of the Iranian Embassy conducted his business on a daily basis, assisted by a 16-man team of Iranian terrorist controllers and gun-runners.

With the full knowledge of the Carter administration, the military attaché, Captain Siavash Setoudeh and his staff conducted their affairs at the ONR building at 800 North Quincy Street in Arlington, Virginia. Within this highly sensitive facility, accessible only to individuals with top security clearance, Captain Setoudeh, Captain Mansour, a recently arrived Iranian admiral, and a dozen other military agents of Ayatollah Khomeini's Islamic Republic of Iran all operate in coordination with U.S. naval intelligence and with the approval of Zbigniew Brzezinski's National Security Council.

Within this U.S. military facility, until they were expelled in late December, the officers displayed portraits of the Ayatollah Khomeini and various slogans of the Iranian Islamic Revolution, in full view of the American military personnel in the building.

According to the results of an intensive investigation by the *Executive Intelligence Review*, Capt. Setoudeh is part of the network that carried out the assassination in Paris last month of Mustafa Chafik, the nephew of the former Shah of Iran.

Further, this Iranian unit is involved in coordinating the activities of Iranian students in at least 40 American colleges and universities with which the Iranian military attaché has liaison. Setoudeh and his colleagues are engaged in arms smuggling, gun-running, and conduiting weapons to terrorist units now deployed in the United States by Ayatollah Khomeini, the head of Iran's Muslim Brotherhood, the Fedayeen-e Islam.

Last week, Khomeini claimed that he has sent killer squads into the United States to assassinate President Carter, other U.S. political figures, and "enemies of the revolution," including a specified list of Iranian figures of the former regime. According to Washington sources,

in the last six weeks at least 300 armed and well-trained personnel have entered the United States on false passports with phony visas that were obtained from a visa stamp stolen from the U.S. embassy occupied in Iran by Iran's secret police, the SAVAMA. In an interview with the Paris-based magazine *Liberation*—which has close ties to Western Europe's terrorist movement, such as the Baader-Meinhof gang—Khomeini boasted that his teams have been trained "in the Middle East and inside the United States itself."

Following an exposé by NSIPS and the *Executive Intelligence Review* of the fact of Setoudeh's presence in a "secure" U.S. facility and his activities in Washington, the U.S. Department of Defense on Christmas Day quietly and without publicity asked Captain Setoudeh to vacate the offices at 800 North Quincy Street, and to move his operation to the premises of the Iranian embassy on Massachusetts Avenue in Washington. But no investigation is underway into Setoudeh's activities or why he was thus allowed to maintain offices there. He has not been asked to leave the country despite an order from the White House in early December expelling the bulk of Iranian diplomatic personnel, and reporters who have sought to inquire about the case are being turned away with a wall of official silence about the matter.

Further, the *EIR* has ascertained that Captain Setoudeh is a close friend and confidant of Admiral Habib Elahi, the former commander-in-chief of the Iranian Navy. Iranian sources report that it was Admiral Habib Elahi who was a chief contact man for Air Force General Robert Huyser of NATO who traveled to Iran in January-February 1979, on orders from Zbigniew Brzezinski and NATO Commander Alexander Haig. At the time, Huyser's mission was to compel the Iranian armed forces not to intervene to prevent the takeover of Iran by the Ayatollah Khomeini. It is now believed that the White House and the Pentagon are afraid that any investigation into the matter of Capt. Setoudeh would expose the secret collaboration between Brzezinski, Haig, and the Muslim Brotherhood in Iran beginning in 1978.

Already, Democratic candidate for the presidential nomination Lyndon H. LaRouche has called for an

immediate congressional investigation into the Huyser mission.

Rather than investigate the Setoudeh scandal—which is far more scandalous than the Watergate affair—the White House is putting pressure on the FBI and local police to hush up the fact that Iranian terrorists, disguised as “students,” have entered the United States. According to high-level sources in the Department of Justice, “at least fifty” such terrorists have already been tracked into the United States and there have been several arrests—but they have been covered up.

### **Uncovering a scandal**

The investigation by NSIPS began on Wednesday, Dec. 19, when the New York offices of the news agency picked up rumors of direct collusion between the Iranian embassy and the Pentagon. According to Iranian sources opposed to the Khomeini regime, Capt. Setoudeh—who was described as a “naval liaison officer who is the defense attaché of the Iranian embassy”—could be located at 800 N. Quincy Street.

On Dec. 20, the NSIPS Washington bureau confirmed that the building in question is wholly owned and operated by the Office of Naval Research. An ONR spokesman, who refused to be identified, said that the building is entirely occupied by offices containing U.S. military personnel “except for a few foreigners who have reason for being there.” When asked to elaborate, he refused, offering as his excuse “the situation we’re having.”

That same day, an NSIPS investigative reporter called the offices of Capt. Setoudeh, identifying herself as a representative of a “Hong Kong arms dealer.” Setoudeh immediately came to the phone. When the caller said that “her boss” had instructed her to get in touch with him to arrange a meeting for him “when he arrives in the country next week,” Setoudeh readily agreed. He was told that a “massive” arms shipment was coming into the United States “outside normal channels.”

Replied Setoudeh—whose conversation was taped—“That would be a good suggestion, to have a meeting together and discuss these things and then if we can do any help to this problem (sic), by all means. Otherwise, then we’ll ship it to someone else in the country, or maybe in the embassy.”

Setoudeh confirmed, twice, that he is the “proper person” to handle such matters, and he asked only, “Could you tell me only which force is your company dealing with? Is it the air force? The navy? Which one?” He also said that he would be happy to clear his entire schedule for the next week—“even Christmas Day”—to meet the “arms dealer.”

Earlier, Iranian sources had revealed that despite the

order from President Carter expelling 183 Iranian diplomats on Dec. 12, until that time not a single Iranian had left the country, and Iran’s embassies and consulates continue to operate normally. When asked about the expulsion order, Setoudeh laughed it off and asserted, “That doesn’t apply to me.”

Next, NSIPS contacted the Islamic Republic of Iran’s embassy in Washington D.C., a magnificent building left over from the Shah’s era on Massachusetts Avenue. There, a spokesman for the office of Charge d’Affaires Ali Agha confirmed matter-of-factly that Capt. Setoudeh was indeed the defense attaché of the embassy.

### **A visit to Capt. Setoudeh**

That afternoon, a pair of reporters from NSIPS paid an unannounced visit to Capt. Setoudeh’s office to see what they might discover. At the entrance to the building, the only identification sign read: “Office of Naval Research.” Inside, a sleepy, Christmas-minded guard waved the reporters on.

Upstairs, the two reporters found a bustling office filled with Iranians. The walls were covered with portraits of Ayatollah Khomeini, revolutionary slogans, and other signs and symbols confirming that the office was indeed loyal to the insane mullahs that now control Iran. After questioning those present, and the taking of several photographs of the office and its decor, pandemonium broke loose.

“You can’t do that!” shouted an Iranian officer, who later identified himself as Capt. Mansour, an admiral. Amid the ensuing chaos and confusion, the office did admit that it was occupying U.S. government space. For a period of 15 minutes, the two reporters were physically detained, by force, by the Iranian military officers and aides. Their film was confiscated, and they were threatened. Soon afterward, two U.S. naval security personnel arrived—to assist the Iranians!

Immediately afterward, the NSIPS correspondents went to the ongoing press briefing by Jody Powell, President Carter’s spokesman, at the White House. “I was just held hostage by the Iranian military attaché,” the NSIPS correspondent told the press and Mr. Powell, laying out the preliminary results of the investigation. But Powell—like the State Department earlier—had no explanation for the presence of Capt. Setoudeh. Nor would either the White House or the State Department comment on why the Iranian diplomats had not left the country in the face of the order from the President that they be ousted.

At the State Department briefing, Hodding Carter III was equally uncommunicative, promising to answer the questions after checking in with Secretary of State Cyrus Vance. After the briefing, however, State’s Near East Affairs Public Information chief George Sherman

# Who controls Iranian terrorism



sidled up to NSIPS to say that he “might be able to help you a little more on that if you tell me why you are asking that question.”

Meanwhile, a dozen offices at the Pentagon refused all comment.

By the following day, reporters in Washington, including the White House correspondents for several major national networks and leading Washington dailies, were now looking into the story. That day, Dec. 21, NSIPS called Capt. Setoudeh from New York for a

telephone interview. He was asked his function.

“This is the office dealing with students in American universities,” he said, after some hesitation. “I deal with both military students and civilians, especially those in engineering courses.” According to Setoudeh, at each such university in the country where Iranian students are present—and he claimed over 40—“there is a military liaison officer.”

Repeatedly, Setoudeh denied being the defense attaché, although the embassy assured NSIPS that he is.

## **The terrorism connection**

Setoudeh's admission that he coordinates student activities touched off another line of investigation. Quickly, NSIPS established that Setoudeh is a close and regular associate of Abolfazl Nahidian. Nahidian, who purports to be a Washington rug merchant with offices on Wisconsin Avenue, is in fact one of the top coordinators of SAVAMA, Khomeini's secret police, in the United States. In his business, Nahidian travels back and forth between Washington and Teheran, and he is an outspoken supporter of Ayatollah Khomeini.

Reportedly, Nahidian has been involved in laundering as much as \$2 million in the last month alone to finance student activities by Iranians, including violence and terrorism, in the United States. Nahidian is the real power behind the Iranian embassy in Washington, D.C., and several of his relatives and friends staff the embassy, including serving as the personal secretary to Ali Agha, the charge d'affaires.

Nahidian's son, Abdullah Nahidian, is the head of the Muslim Student Association in Washington, D.C. It is the MSA—whose Iranian branch, the MSA-PSG (Persian-Speaking Group) was founded in the United States by former Iranian Foreign Minister Ibrahim Yazdi—which conduits most of the terrorists who enter the United States to safehouses around the country.

Meanwhile, following the murder of Chafik in Paris, police in England, on the recommendation of French security officials, arrested a young Iranian for the murder. As it turned out, it is reported that the alleged assassin came to Paris from the United States. So far, it has not been established who his contacts were while in the United States. But, in the last several weeks there have been several reported (and other unreported) cases of arrests of Iranian terrorists here, including one case that received initial publicity in which eight Iranians were arrested in the Baltimore-Washington area with explosives and weapons; immediately, a national security clampdown was imposed on the case.

The extent to which U.S. official circles are implicated in the above-described events is not entirely clear. What is known is that Admiral Habib Elahi is reportedly still a leading personality in providing intelligence and information to the Khomeini regime, and that he was a sponsor of Capt. Setoudeh for years. Presently, the admiral is reportedly under the protection of U.S. military personnel at a U.S. naval installation in Norfolk, Virginia. According to Iranian sources, Habib Elahi was allowed to leave Iran—unlike other military commanders—when the Khomeini regime assumed power. He was also allowed to smuggle as much as \$3 million out of Iran with him.

Iranian sources report that Habib Elahi was critical in bringing Khomeini to power.

In addition, it is reported that several branches of U.S. military intelligence, especially Naval and Air Force intelligence, have been deeply involved in helping to consolidate the new Khomeini regime in Iran, including to build up its own intelligence and secret police capacity. To accomplish that, the Anglo-American intelligence services have made use of deep-penetration networks within the old SAVVAK organization in coordination with commanders like Admiral Habib Elahi. For instance, in the assassination of Mustafa Chafik, Generals Fardoust, Farouziyan, and Kaveh were named as responsible for planning the operation, and it was those three, among others, who collaborated with Khomeini and Admiral Habib Elahi and Gen. Huyser last year.

## **Ikhwan and the Muslim Students Organization**

On the U.S. side, the critical organization to look at is the Muslim Students Association and its offspring. The MSA and its allies are directly front organizations for the Muslim Brotherhood. Although based in London and Geneva, the Brotherhood was early on unable to function there effectively because it was illegal and suppressed in every Arab state. After the 1950s, however, when the governments of the Muslim countries began sending thousands of students to the United States for higher education, the Muslim Brotherhood saw its opportunity.

The effectiveness of the Ikhwan-MSA apparatus is shown by the fact that the destabilization of Iran was run largely out of the United States and France by Ikhwan-MSA agents like Ibrahim Yazdi and Sadegh Ghotbzadeh.

The Indiana complex of the MSA and the Cultural Society, another front group, is the center of the U.S. arm of the Ikhwan. In Indianapolis, and in nearby Plainfield, an interlocked network includes: the Cultural Society, the MSA, the North American Islamic Trust, the Research Center, the Islamic Teaching Center, a network of Brotherhood-owned businesses including the Salam Agriculture Corporation in Missouri, a publishing company, and the mysterious Documentation Center.

The Documentation Center revolves around a \$2 million computer with a 100-telephone-line hookup. Although few people are willing to discuss the purpose of this center, ostensibly meant to catalogue Muslim history, it reportedly serves as an intelligence center for the worldwide Ikhwan.

Nearly all of the businesses and fronts that have been set up by the Brotherhood in the United States serve, in part, as conduits for enormous flows of cash. Last year, according to a source close to the MSA, the Association received \$8 million from the state of Qatar in the Persian Gulf!