

How the FBI 'lost' tapes linking DoJ lawyer to gun-runner Hashemi

by an EIR counterintelligence specialist

On a street in Washington, D.C., called 1/2 St., there is a three-story building visible to a casual stroller which actually houses a special FBI office that contains many of the Bureau's intercepts of the Bureau. None of these tapes, however, are located in any of above-ground floors of this special office. Below the ground floor there are three additional floors which are known as the "GARAGE," and within this area practically all of the key wiretapes and intercepts are kept, not only for pursuing criminal investigations, but for conducting the "entrapment" programs previously known as Abscam, Bri-lab, etc. The FBI record on maintaining these files is impeccable. Anytime a U.S. attorney or federal investigator needs the information garnered through these electronic means, the FBI is able to provide the needed material.

But there is at least one major exception to the normal "standard of excellence" maintained by the FBI. This one major exception may prove to be the undoing of probably the most significant cover-up since Watergate. The FBI has "lost," or "misplaced," the wiretapped conversations between convicted gun-runner and terrorist-bankroller Cyrus Hashemi and the former chief of the Department of Justice's Civil Rights Division under the Nixon and Ford administrations, J. Stanley Pottinger. How and why the FBI lost these tapes is the subject of the following article.

The story of Cyrus Hashemi and his brother Reza drew worldwide attention through the efforts of *EIR* and later in a book, *Hostage to Khomeini*, authored by members of *EIR*'s Mideast division. In this book and in numerous *EIR* articles, the Hashemi brothers were exposed as agents of Khomeini's government, serving his secret police, Savama, to finance terrorist activity in the United States—using black prisoners converted to "Islamic fundamentalism" from a variety of prisons, especially in the Washington, D.C. area, to carry out assassinations.

One of the agents of the Hashemi network, an Iranian rug merchant named *Bahram Nahidian*, recruited a prisoner named David Belfield, later to be known as Salahuddin Mohammed, to assassinate the head of the Iranian Freedom Foundation, Dr. Tabatabai. Belfield carried out the hit and escaped to Iran and Beirut, Lebanon. With the help of the

Hashemis and certain federal agencies, Belfield was permitted not only to escape from the United States after the Tabatabai assassination, but was given passports and bona fides which enabled him to continue to operate. In Beirut, he aided Khomeini's recent terrorist attacks against the U.S. embassy, where seven top CIA officers were killed, including Robert Ames, the Agency Mideast Division chief. Belfield later provided details to the kamikaze squads which blew up the Marine barracks killing 241 U.S. Marines. At present, Belfield operates from Teheran in the Iranian Foreign Ministry's Propaganda Department covering North America.

The Hashemis financed, protected, and carried out terrorist operations on behalf of Khomeini's Iran from 1977 to 1980, the period of the Carter administration. This was the time when the best operatives of U.S. intelligence were purged, when Billy Carter was used in providing legitimacy to the madman Qaddafi, and when the State Department and elements of U.S. intelligence helped put Khomeini in power. It was these critical intelligence arrangements which helped put the Hashemi brothers into business. One of the least publicly known features of the Hashemi case is the role of J. Stanley Pottinger.

Pottinger and Hashemi

J. Stanley Pottinger, lawyer and former head of the Civil Rights Division of the Department of Justice, initiated legal action against *EIR* on behalf of Cyrus Hashemi, using a lawyer from Atlanta named Jackson Cook. Hashemi attempted to sue *EIR* for \$6 million; he claimed that by calling him an agent of Khomeini and financier of terrorism, *EIR* had libeled him and destroyed his reputation. Once the case went to court, however, Cyrus Hashemi never appeared. Their case was dismissed. *EIR* has filed another legal action charging Hashemi and his lawyer with a frivolous lawsuit against *EIR*.

According to both knowledgeable sources in U.S. intelligence circles and court records, only the CIA provided the court with documents on demand of *EIR*'s lawyers—not the FBI. In fact, by the time the CIA documents reached the court, nearly 90% of the documents had been blacked out.

What was being protected by the FBI can now be partially revealed, and lead our readers into the story on the how and why of the missing FBI tapes.

According to U.S. intelligence sources familiar with the Iranian situation during the early phases of the overthrow of the Shah, Cyrus Hashemi and brother Reza were brought into the business of international terrorism by none other than J. Stanley Pottinger. Pottinger, according to these sources, was operating under official U.S. intelligence cover in arranging nearly \$4.5 billion to finance the purchase of weapons and spare parts for Khomeini's coup d'état. The sum of \$4.5 billion is no exaggeration. Prior to the financing of the Hashemis, they were \$200-300 million in debt. The operational planning for the Shah's overthrow occurred in Zurich at a bookstore where the Hashemis received the money to carry out the operation.

Pottinger was not simply operating by himself, but was under orders from then National Security Adviser Zbigniew Brzezinski and a faction of U.S. intelligence, including some very high officials. They believed that by setting up the Hashemis to become among the leading arms dealers in the world, they would control a new intelligence capability. Moreover, it was believed that the Hashemis, operating with Knights of Malta passports, would be able to arrange arms shipment to the Argentine government under Gen. Roberto Viola and help the Israelis in setting up their Ibero-American arms market.

The money which went into Cyrus and Reza Hashemi's bank, First Gulf and Trust, and served as the laundering facility for the operation, is no longer recoverable. This operation, which includes negotiations over the development of certain oil fields in the Baktiari area by the Exxon Corporation, has been continually protected by the State Department. These negotiations were ongoing until last summer, with Pottinger's knowledge. When the indictment and arrest of Reza Hashemi occurred during the late spring of 1984, Pottinger became one of the targets of investigation by the DOJ and FBI. It was the Customs Bureau, however, which had carried out the crackdown on the Hashemis.

When certain officials went to the FBI to secure the tapes of the conversations between Pottinger and Hashemi, the FBI said they could not locate the tapes—that in fact, they were missing. These tapes would prove conclusively that the cover-up of one of the most massive gun-and-drug-dealing operations, under orders from Zbigniew Brzezinski and the State Department, is still protected by the FBI. The tapes would also expose critical evidence of how the entire Billygate apparatus inside the U.S. government protected international terrorism and links to the KGB.

One final note—J. Stanley Pottinger has about \$15 million in assets in Mexico City which are unaccounted for by the Internal Revenue Service. In addition to the present investigation of Pottinger's illegal activity, federal authorities would do well to investigate Pottinger's present holdings.

The Conservation Foundation

Think tank of the

by Susan Kokinda

"Bulldozers are a symbol for the activities of American technology which lead to a massive corruption of the environment . . . the assault on living space is primarily the work of the internal combustion engine."

—Conservation Foundation Annual Report, 1963

In early July 1984, Conservation Foundation President William Reilly called on conservationists "to look for allies . . . among administration budget cutters" in the fight to slash U.S. agricultural production and thereby "save the environment."

By December, two major policy conferences were being hosted in Washington, D.C., which resulted in the complete convergence of free-market budget-cutters and environmentalists, united around the necessity of shrinking U.S. agricultural production. While the right-wing Heritage Foundation was openly taking command of the free-market side of the assault, the low-profile Conservation Foundation was quietly directing the conservationist deployment.

That the Conservation Foundation should be at the center of an effort to cut U.S. agricultural production in the midst of an African famine which could become the worst in human history, is no surprise. Founded by the racist British and Swiss oligarchy in 1948, the Conservation Foundation had one purpose: to give the eugenics movement, so badly embarrassed by Adolf Hitler, a new name and a new mass base. The new name, immediately assigned by the oligarchs, was population control. The mass movement took 20 years to create. It is today's environmentalist "Green" shock troops which threaten the economic and strategic survival of the West, supported by the zero-growth mentality which strongly colors the thinking of so many in the advanced sector.

Phase I: 'Scientific' environmentalism

"Increasing population causes a drain on natural resources which is geometric, not arithmetic. . . . Science cannot be expected to supplant the vital processes of nature."

—Conservation Foundation Annual Report, 1948

The first 15 years of the Conservation Foundation's activity were devoted to retooling the crude horrors of Nazi eugenics into the more palatable and pseudo-scientific theories of conservation and population control. The U.S.-based founder of the Foundation was well-suited for the job. Henry Fairfield Osborne was the nephew of the Fairfield Osborne who had hosted, along with Averell Harriman's family, the