

# Why Bush's Iran-Contra gang want Michael Billington jailed for life

by Herbert Quinde

A key to unraveling the complex financial web which handled tens of millions of dollars in the failed Iran-Contra operation overseen by George Bush, lies with Michael Billington, an associate of Lyndon LaRouche, who is currently in "The Hole" at the federal penitentiary in Danbury, Conn. Were the Office of Independent Counsel or congressional investigators seriously interested in determining what happened to the money juggled by "Project Democracy" and its final disposition, they would spend some time opening up Billington's case, and visiting a certain bank in the southern part of the Nutmeg State.

On Dec. 1, 1989, Billington, one of the top fundraisers for the political movement associated with LaRouche, was sentenced to 77 years in prison by a Virginia circuit court, for \$76,000 of supposed "securities fraud." This was the second time he was tried for the same crime, the first time being the LaRouche "Railroad" case in Alexandria, Virginia federal court one year ago.

While LaRouche and Billington continue to serve what amounts to life sentences, the Irangate defendants are getting off with far less than a slap on the wrist. After all the furor that dominated the headlines, after all the pomposity in Congress and the endless search for the still unaccounted-for tens of millions of dollars, *not a single Irangate defendant has gone to jail*. Recently, when Iranian businessman Albert Hakim was sentenced, Judge Gerhard Gesell said that he would go easy on Col. North's financial wizard—because Hakim and his arms-dealing business had "suffered enough." Hakim was fined \$5,000 and sentenced to two years probation.

Gen. Richard Secord, who many say ripped off millions from the Iran-Contra till, was sentenced to only two years probation. Carl R. "Spitz" Channell, the homosexual Republican Party fundraiser who pleaded guilty to using his non-profit front group to raise millions of dollars to arm the Contras, was likewise sentenced to only two years probation and was fined \$50—yes, fifty dollars. Channell's co-conspirator Richard Miller, the Washington public relations specialist, was sentenced to two years' probation for conspiracy to defraud the government of taxes. LaRouche, on the other hand, was given 65 years, primarily for "conspiracy to avoid paying taxes." Robert C. McFarlane was sentenced to two years

probation and 200 hours of community service, and was fined \$20,000. Finally, Oliver North was sentenced in July, 1989 to \$150,000 fine, two years probation and 1,200 hours of community service which he has worked off between speaking engagements at \$25,000 a pop.

## Billington wrecked Channell's funding scam

Is the silencing of Michael Billington with an unprecedented 77-year sentence part of the cover-up of George Bush's personal role in the Iran-Contra fiasco? Some aficionados of the affair believe that if Billington were allowed to present the full evidence of why he, LaRouche, and associates were judicially railroaded, it would expose the role of Bush's Commerce Secretary Robert Mosbacher, his older brother Emil Mosbacher, and Bush's brother Prescott Bush in the covert financial machinations of the still-unresolved scandal. In both trials, prosecutors and corrupted defense lawyers blocked Billington from presenting the evidence.

Emil Mosbacher is a member of the board of directors of a little-known bank, the Putnam Trust, located in Greenwich, Connecticut. The bank manages the accounts of Barbara Newington, a substantial financial contributor during 1985-86 to political organizations associated with LaRouche. In 1987, as the Irangate scandal mushroomed, Mrs. Newington made headlines when it was revealed that she was also the single largest contributor to Ollie North's top fundraiser "Spitz" Channell. She came under scrutiny of the Irangate independent counsel, the Congress and the media. The national wire services and the *Newark Star Ledger* among others soon discovered the "Newington-LaRouche angle." Most of Mrs. Newington's contributions to entities associated with LaRouche were obtained by Billington.

According to numerous sources, possibly unbeknownst to Mrs. Newington, her accounts may have been used as a "passthrough" to fund Col. North's National Security Council (NSC) operations. As a result of the conviction of "Spitz" Channell, it was established that Mrs. Newington gave Col. North's operation, at least \$2 million. Channell was the first person convicted after the scandal broke.

Besides contributing \$2 million of her own money, were Mrs. Newington's accounts used to launder other funds in the NSC's scheme? Recent revelations charging that the CIA

bilked millions of dollars from savings and loan institutions throughout the country have added new interest to the Newington story. Mrs. Newington's accounts officer at Putnam Trust reportedly engaged in transactions with offshore banks in the Caribbean. Project Democracy also maintained accounts there that moved funds to Swiss bank accounts used by the NSC's dummy corporations.

Some sources speculate that when Col. North and other pro-Contra operatives working for the White House discovered that Mrs. Newington was expressing her support for some of LaRouche's policy proposals, such as the Strategic Defense Initiative and the War on Drugs, in dollar terms, the NSC declared the equivalent of a "national security alert." Was Mrs. Newington put under pressure by Col. North's homosexual friends to stop responding to Billington's solicitations for political support? Did NSC and its interagency operative in the Department of Justice, FBI, and CIA engage in what LaRouche defense attorneys have termed "financial warfare"? Seeking the answer to such questions would have the President, his campaign finance chairman Robert Mosbacher, and both their brothers answering questions the administration hopes have been long forgotten.

In Mrs. Newington's deposition to congressional investigators, she said that Channell had her telephone checked for wiretaps. Was the NSC itself wiretapping Mrs. Newington's telephone? Are there recordings of Billington-Newington conversations? Periodicals which published LaRouche's writings and were purchased by Mrs. Newington from Billington were unequivocal in condemning both the not-so-secret sale of weapons to Ayatollah Khomeini's Iran and the arming of the Contras. Reportedly, Billington's political conversations with Mrs. Newington also criticized the Contra policy as only serving the strategic interests of Soviet Union.

Mrs. Newington was made to feel not only very important, but titillated with the perception that she was a "co-conspirator" in a national security operation which the President of the United States considered his top priority. She had two private meetings with President Reagan, and was fawned over by Col. North, "Spitz" Channell, and his coterie of NSC-security-cleared homosexual fundraisers. In early May 1986, Col. North, with wife and children, accompanied by Channell and another NSC-linked "fundraiser," spent the weekend at Mrs. Newington's Connecticut estate.

### **Newington's banker part of Bush 'family'**

Sources speculate that Mrs. Newington's utility was not just her money and dedicated patriotism, which Col. North's "fundraisers" cynically exploited, but that her accounts resided at a bank on whose board sat an "interested party." The "interested party" at Putnam Trust was Emil Mosbacher. The Putnam Trust's Annual Report for 1985, the same year Channell first made contact with Mrs. Newington, lists the former government official on its board of directors. Emil is the brother of Robert Mosbacher, President Bush's Com-

merce Secretary. A neighbor to Prescott Bush, the President's brother, Emil is a Bush League "insider" with a long history in business, intelligence, diplomacy, and especially Republican Party finances. He was Nixon's White House chief of protocol. He also is a member of the Board of the Hoover Institute, a conservative think-tank which was influential during the Reagan administration. The head of the Hoover Institute during the 1980s was W. Glen Campbell, a rightwing social democrat (now known as "neo-conservatives") who was also chairman of the President's Intelligence Oversight Board (IOB). The congressional investigation of the Irangate affair established that it was the IOB which advised Col. North that he was not breaking any laws when he was purchasing weapons from communist governments to arm the Contras.

American politics only works with lots of money, and American covert intelligence operations are no exception. Since the mid-1970s, Congress has had a short leash on covert operations funds, which by the early 1980s led to the creation of a quasi-governmental structure in the private sector which could do what the "official CIA" was prohibited from doing.

According to political observers, the constituent parts of this operation, which became dubbed the "Bush League," included the Bush Campaign National Finance Committee, headed by Robert Mosbacher, the Republican Party Finance Committee for which the Commerce Secretary has served as co-chair and the political front groups that incorporate "Project Democracy." The political front groups were dubbed "quangos"—in intelligence community parlance, a quasi-autonomous, non-governmental organization. For example, until he joined Bush's Cabinet, Robert Mosbacher was on the board of directors of the Center for Strategic and International Studies (CSIS) and has been one of its financial angels. CSIS is also the home of the key 1980 Reagan-Bush campaign committee operatives who ensured that incumbent President Carter could not spring an pre-election "October surprise" by getting the hostages released from Iran. Also members of CSIS were the key movers of the "Get LaRouche" task force, who also served on the President's Foreign Intelligence Advisory Board (PFIAB), such as Henry Kissinger, Ambassador David Abshire, and Democratic Party Establishment lawyer Edward Bennett Williams.

Prescott Bush, who served as a top fundraiser for his brother's campaign, is also on the board of directors of another "quango," the National Strategy Information Center (NSIC) which was created by the now-deceased CIA director William Casey. The NSIC, in part, sponsored the career of Roy Godson, another Project Democracy operative. Congressional investigators confirmed that Godson played a role in illegally funneling money to the Contras via the Heritage Foundation and an NSC-front foundation in the Caribbean. The Godson story is exemplary of how the extended "private" network of the Bush League operates.