

Iran-Contra 'experts' defend Bush from drug charges

by Edward Spannaus

George Bush has gone to great lengths to shield himself from scandals over the years, maintaining a pretense of being "out of the loop" on crucial matters, and targeting his opponents for discrediting, prosecution, or worse. *EIR* has now uncovered a new chapter of the story of Bush's protection racket.

One of these "damage control" mechanisms, is the ability of Bush and his cronies to control the network of "expert" researchers, investigators, journalists, and commentators that usually jump to the forefront of any emerging scandal. One such operation is the National Security Archive (NSArchive), a non-profit organization which holds itself out as a "research institute on international affairs," and as the major depository of declassified U.S. government documents.

The National Security Archive was founded in 1985 by journalist Scott Armstrong. It works as an operating division of the New York-based Fund for Peace, which administers its financial affairs. Major funding is provided by the **Ford Foundation**, the **Rockefeller Family Fund**, the **Carnegie Corporation**, and other foundations listed below.

In 1989, founder Scott Armstrong was forced out, for being too hard on George Bush during the debate on "Iran-Contra" and the 1988 Presidential campaign. Armstrong was driven out by Nina Solarz, wife of former New York Rep. Stephen Solarz; she was then the executive director of the Fund for Peace, and she was reportedly acting on behalf of the principal funder of the NSArchive, the Ford Foundation.

According to one knowledgeable source, the reason that Armstrong was forced out, was that he was hitting too hard on Bush, which was particularly upsetting to the Ford Foundation. This is confirmed by an account in *The Nation* magazine of March 12, 1990, which reported on Solarz's dispute with Armstrong, and said: "Armstrong claims that part of the trouble was caused by his outspokenness on certain subjects. For

example, he pointed out that George Bush's accounts of his involvement in Iran/Contra did not jibe with the documentary record; in other words, Bush lied."

Armstrong had been quite prominent during the debate on Iran/Contra, appearing on talk shows and in the print media. One of the triggers for his dismissal was an article on George Bush which he co-authored in the October 1988 issue of *Mother Jones* magazine, along with another NSArchive analyst, who also no longer works there.

The article was entitled "Company Man," and its subtitle asked: "George Bush has been on the scene of the biggest political scandals of the last two decades. How does he always get out alive?" It noted that, during Bush's tenure as head of the CIA in 1975-76, covert operators at the CIA "learned that the way to deal with Bush as director was to keep him 'out of the loop' for information about operations that Congress might challenge." By the time Bush left the CIA in January 1977, Armstrong wrote, "Bush had also learned that 'out of the loop' was a good place to be—especially if one had Presidential ambitions."

With regard to the Iran arms deals and the covert support for the Nicaraguan Contras, Armstrong took issue with Bush's repeated claims during the 1988 Presidential campaign that he was "out of the loop," and he noted: "As chief of the National Security Council's Crisis Management Team since 1981, and as vice president, Bush was privy to the same information provided to the President."

Within a few months of publishing this article, Armstrong was run out of the National Security Archive.

Kornbluh lies for Bush

With this in mind, it should come as no surprise that one of the still-employed Iran-Contra "experts" at the

NSArchive, Peter Kornbluh, has recently come rushing to Bush's defense, defending the former President against allegations that he was in charge of Contra drug-running operations in the 1980s.

Interviewed on the Pacifica News Network on Nov. 18, as part of a feature on the Los Angeles town meeting addressed by CIA director John Deutch (see *EIR*, Nov. 29, 1996), Kornbluh claimed that Lyndon LaRouche's organization is making allegations against George Bush which are "fundamentally false," and that there is "no validity" to charges that Bush was involved in the Contra drug-running operations.

Immediately after the Pacifica spot played the tape of the question to Deutch about George Bush and privatized intelligence operations run under Executive Order 12333, Kornbluh stated:

"I have to say that that was one of the charges at the town meeting that made me cringe the most. . . . That individual was clearly, in my opinion, a member of Lyndon LaRouche's organization, which has been going around the country now trying to piggyback itself on this scandal, making allegations about George Bush which are just fundamentally false.

"George Bush was not involved in this part of the Contra operation. But Lyndon LaRouche's people want to say that he is, because they're angry at him for refusing to pardon Lyndon LaRouche after he was convicted of, uh, of fraud back in the late 1980s."

The reporter asked: "There is no validity to that charge?"

Kornbluh answered: "There is no validity to that charge at all, no. We have seen thousands of documents coming out of the Iran-Contra scandal, and out of our own Freedom of Information Act work at the National Security Archive, and I think it's very important to try and separate the wheat from the chaff, if you will, in this case. There's too many allegations being thrown through the air here. . . ."

To make such a bald-faced lie, Kornbluh has to ignore the evidence of National Security Decision Directives Number 2 and 3 and the memoranda interpreting them, plus Executive Order 12333, not to mention the Final Report of Iran-Contra Independent Counsel Lawrence Walsh. Walsh's 1993 report extensively documented the role of Bush's office and Bush's national security adviser, Donald Gregg, in deploying Felix Rodriguez to Ilopango air base in El Salvador—which base has been thoroughly documented as a transshipment point for drugs used to finance the Contra operation. The Walsh Report showed that Bush had at least three face-to-face meetings with Rodriguez, and that Bush's office was instrumental in setting up Rodriguez's operation.

Who pays?

Besides the major Wall Street foundations such as Ford, Rockefeller, and Carnegie, other funders of the National Security Archive include the **Field Foundation**, the **Washington Post Company**, **Time, Inc.**, the **New York Times Founda-**

tion, the **Soros Foundation**, and the **Open Society Institute**. A number of its funders are directly linked to the Bush family and to intelligence operations. These include:

- The **Mary Reynolds Babcock Foundation** of Winston-Salem, North Carolina, which is funded by the Reynolds family of the R.J. Reynolds Tobacco company. Reynolds Tobacco was controlled by the family of George Bush's general counsel, C. Boyden Gray, starting with Boyden's grandfather Bowman Gray. Boyden's father was a close associate of George Bush's father Prescott, a Brown Brothers Harriman partner.

The Mary Reynolds Babcock Foundation shares personnel, including a director (former North Carolina Congressman L. Richardson Preyer), with the **H. Smith Richardson Foundation**. The latter was organized in the mid-1950s in North Carolina in direct consultation with Prescott Bush.

As *EIR* has documented, the Smith Richardson Foundation operates in a direct partnership with the CIA for training programs and other activities; it was a participant in the "MK-Ultra" experiments with psychotropic drugs, and it was an early and major backer of the Public Diplomacy program run out of the National Security Council in the 1980s by CIA veteran Walter Raymond. As part of this, it funded Dennis King's book-length diatribe against LaRouche. Other directors of Smith Richardson include William E. Odom (director of the National Security Agency, 1985-88), and former CIA and Rand Corp. official Henry S. Rowen.

- The **Arca Foundation** of Washington, D.C., whose major donor is Nancy S. Reynolds. Arca shares personnel with the Mary Reynolds Babcock Foundation, and another Reynolds family-funded foundation, the **Z. Smith Reynolds Foundation**. The division of labor within this network is that Arca funds "liberal" causes, while the Smith Richardson Foundation funds the "conservative" side.

- The **John Merck Fund**, part of the Merck pharmaceutical family. George W. Merck was one of the residents of Jupiter Island, Florida, a super-secure enclave created in the 1930s by associates of Averell Harriman and Prescott Bush; another Jupiter Island resident and Bush-Harriman partner, Robert A. Lovett, was instrumental in the creation of the CIA out of the Office of Strategic Services (OSS) in 1947.

- The **Field Foundation** and the **Philip M. Stern Family Fund**, which were both used as CIA conduits for the agency's notorious funding of the National Student Association in the 1960s.

- The **Winston Foundation for World Peace**, whose officers and directors include top Wall Street lawyers, and has interlocking directorates with other funders of the National Security Archive, including the Ford Foundation, Rockefeller Family Fund, Field Foundation, the Ruth Mott Fund, and the Soros Foundation.

All in all, hardly the kind of people you'd expect to bankroll an honest investigation of anything involving the U.S. establishment or the intelligence community.