

audit committee, which knew that vast sums of money had been spent digging dry holes off the coast of Bahrain. Within two months of his stock sale, Harken Energy would report a \$20 million loss for its second quarter. Harken stock dropped like a stone.

However, Dubya was not found guilty of insider trading. Perhaps this was due to the fact that the SEC chairman at the time, Richard Breeden, was an especially ardent loyalist of President Bush. And, the SEC's general counsel, James Doty, had not only come from the Baker and Botts law firm of Bush's Secretary of State, James A. Baker III, but in 1989 he had assisted Dubya in the legal aspects of arranging a franchise takeover of the Texas Rangers baseball team.

The report clearing Dubya of insider trading charges was released in 1993, just as he was entering the Texas gubernatorial race.

Although Dubya sold out most of his oil stock interests, there exists an ongoing tie between the Bush family and an energy conglomerate known as the Enron Corp., which is based in Houston. In a list of the top ten corporate and individual contributors to Dubya's subsequent political career, Enron ranks as number one, having given a total of \$550,025, through political action committees and individual corporate member contributions, according to the Center for Public Integrity. Enron owes the Bush family big time, since President Bush led a team of Enron officials to Kuwait to

## Bush's buddies at BCCI

Throughout his career as an oilman, both in Texas and Bahrain, one of George W. Bush's silent partners was the Bank of Credit and Commerce International (BCCI), known to the CIA as the "Bank of Crooks and Criminals International." *EIR* documented its corrupt history in 1991-92, while BCCI was being shut down and when Manhattan District Attorney Robert Morgenthau threatened it with Racketeering Influenced and Corrupt Organization (RICO) charges, among other felony counts. These developments led President George Bush to attempt to cover up his family's and associates' ties with the BCCI, starting with pressure on BCCI's nominal executive leadership to accept plea-bargains, so that the case would never go to a trial that might get out of control.

BCCI was nominally an "Arab bank," tied to Abu Dhabi, Saudi Arabia, and other oil-rich Persian Gulf states—e.g., BCCI official Kamal Adham had once been the chief of Saudi intelligence, working opposite then-Director of Central Intelligence George Bush. But BCCI had in reality been created by the Anglo-American oligarchy, to give logistical support for the "Afghansi mujahideen," in the war against the Soviet Union. This irregular warfare, and BCCI's coffers, were financed largely with proceeds from heroin trafficking from the "Golden Crescent."

The Tampa, Florida-based branch of BCCI, as early as October 1988 (shortly before the partnership with Dubya Bush), had been indicted by a Florida grand jury on charges of laundering \$32 million in Medellín Cartel cocaine profits. Some 41 other U.S.-based banks were subpoenaed to turn over records detailing their involvement in the same

cash laundering. However, before U.S. Customs Commissioner William Von Raab could crack down on this vast laundromat of banks, BCCI was let off with a plea-bargain and a fine of \$11 million.

BCCI Holding (Luxembourg) SA, the flagship of the BCCI cartel, was directed until July 1991 by Arthur Hartmann, the board member in charge of auditing of all BCCI facilities worldwide. Hartmann must know more than anyone else about how all but \$1.5 billion of BCCI's \$23 billion in assets disappeared overnight, after the "Afghansis" kicked the Soviet Union out of Afghanistan. Hartmann was one of the most senior officials of the British Rothschild financial empire and the former general manager of the Union Bank of Switzerland (UBS). Despite the BCCI scandal, Hartmann remained the managing director of Rothschild Continuation, based in Zug, Switzerland, the holding company for the City of London-headquartered N.M. Rothschild & Sons, Ltd. Hartmann also remained the vice president of Rothschild Bank of Zurich.

BCCI was mentioned repeatedly in Lt. Col. Oliver North's Iran-Contra notebooks, as a conduit for illicit funds, when he worked under Vice President George Bush. BCCI had extensive ties not just with rogue elements of British and U.S. intelligence, but also with such lackeys of the Anglo-American oligarchy as former Secretary of State Sir Henry Kissinger, through his Kissinger Associates, Inc.; Clark Clifford; and, Robert Keith Gray, the GOP insider who, as chairman of the Hill and Knowlton consulting firm, shielded his client, BCCI, from Federal investigators. Robert Gray was an intimate of President Bush and White House General Counsel C. Boyden Gray.

One of the early investors in Dubya's first oil firm, Arbusto, according to Jonathan Beaty et al., *The Outlaw Bank: A Wild Ride into the Secret Heart of BCCI*, was James Bath, who had been in the Texas Air National Guard

talk business deals as part of the “spoils of war” following the Persian Gulf War. (See box.)

### ‘Play ball’ — or else

Toward the end of the 1988 Presidential election campaign, in which Dubya worked for 18 months as his father’s paid campaign adviser and “loyalty enforcer,” Dubya heard from his former Spectrum 7 partner Bill De Witt, that the Texas Rangers were on the market. This fit perfectly with the Bush dynasty’s plans for Dubya, who had considered running in 1988 for Governor of Texas. President Bush’s campaign manager Lee Atwater, First Lady Barbara Bush, and others told Dubya that he would be seen as a “carpetbagger” and

lose the race, unless he first established credentials as a Texas “good ole boy.” Being the public manager of the Texas Rangers seemed to them to be the perfect, high-profile way of showing that Dubya was “just folks.”

De Witt knew that he would need Texas backers, and the son of the incoming President was perfectly situated to find them. Dubya also had a powerful advantage in dealing with the Texas Rangers’ owner, a Midland oil millionaire, Eddie Chiles, who had been a Bush family friend since the 1950s.

Baseball commissioner Peter Ueberroth was eager to help the son of the new President, but he became less so when Dubya told him that the biggest investors in the proposed Rangers deal were the Cincinnati-based De Witt family, and

along with Dubya. In 1976, Director of Central Intelligence George Bush recruited Bath to the CIA. As a frontman for the BCCI “sheikhdawn” artists, Bath, according to a former partner, invested \$50,000 for a 5% share of Arbusto. He also fronted for BCCI in airplane leasing—e.g., a multimillion-dollar Boeing plane for the Abu Dhabi oil company that became one of the largest such firms in the United States.

Bath, Sheikh Khalid bin-Mahfouz, and BCCI officer Ghaith Pharoan had been business partners with former U.S. Treasury Secretary and Texas Gov. John Connally, as the principal investors in the purchase of the tiny Main Bank in 1976. Main Bank made the news when a bank examiner discovered that it was purchasing \$100 million in hundred-dollar bills each month from the Federal Reserve, which dwarfed its minuscule capital base. As a result, Bath was investigated by the Drug Enforcement Administration, which suspected that he was using his planes to fly currency to the Cayman Islands, although the Drug Enforcement Administration could never prove that drug money-laundering had been involved.

The *Wall Street Journal* of Dec. 6, 1991 reported on the role of BCCI in arranging for the oil firm of Harken Energy, controlled by George Soros, to win the contract for offshore drilling in Bahrain (by Thomas Petzinger, Jr., Peter Truell, and Jill Abramson, “Family Ties: How Oil Firm Linked to a Son of Bush Won Bahrain Drilling Pact”).

Apparently, after Dubya came on board Harken Energy, when his daddy had just been elected President, BCCI moved in. It is notable that Sheikh Khalifah bin-Salman al-Khalifah, the Prime Minister of Bahrain and brother of the country’s ruling Emir, is identified on an October 1990 shareholder list as one of the 45 investors who own BCCI Holdings SA.

Harken’s adviser on the Bahrain deal was the former Saudi chief of intelligence, Kamal Adham.

According to several sources, part of the money for Harken Energy’s exploration of Bahrain offshore fields was provided by Jackson Stephens, who had supported the senior George Bush in his failed 1980 campaign for the GOP Presidential nomination. During Bush’s 1988 campaign, Stephens was a member of Bush’s “Team 100,” those who had raised \$100,000 or more for his election.

Stephens’s Little Rock, Arkansas investment bank was one of the largest in the United States, outside Wall Street. It was Stephens, according to the *Wall Street Journal*, who put together a rescue plan for Harken Energy (after it had drilled two or three wells off Bahrain and came up with nothing), through Arthur Hartmann’s UBS, to loan Harken \$25 million. Apart from the prescience of Hartmann, who survived the collapse of BCCI with barely a scratch, it is notable that UBS then had a joint venture investment with BCCI in another Geneva-based bank. However, the UBS financing hit a last minute snag, because of U.S. banking laws. UBS sold its Harken shares to the BCCI-affiliated Abdullah Bakhsh, who thus came to own 17.5% of Harken Energy. Bakhsh put his man, Talat Othman, on Harken’s board. And, suddenly, Othman became one of 15 Arabs who held regular meetings with President Bush during the build-up for the 1990-91 Gulf War.

The *Wall Street Journal* also reported in 1992, that both Dubya and his brother Jeb (now the Governor of Florida) were considered to be material witnesses in a class action suit to recover funds from the BCCI. Notes the *Journal*: “Including the President’s sons in the court record doesn’t guarantee they will become witnesses, but it could perpetuate the BCCI-related headaches suffered by the Bush administration. A former White House aide [Bill Rogers] took a job as a lawyer for a principal figure in the BCCI scandal [Kamal Adham], only to withdraw when a furor arose.” — *Scott Thompson*