

# The Surveillance State Behind Russia-gate

**Exclusive:** Amid the frenzy over the Trump team's talks with Russians, are we missing a darker story, how the Deep State's surveillance powers control the nation's leaders, ask U.S. intelligence veterans Ray McGovern and Bill Binney.

By Ray McGovern and Bill Binney

Although many details are still hazy because of secrecy – and further befogged by politics – it appears House Intelligence Committee Chairman Devin Nunes was informed last week about invasive electronic surveillance of senior U.S. government officials and, in turn, passed that information onto President Trump.

This news presents Trump with an unwelcome but unavoidable choice: confront those who have kept him in the dark about such rogue activities or live fearfully in their shadow. (The latter was the path chosen by President Obama. Will Trump choose the road less traveled?)

What President Trump decides will largely determine the freedom of action he enjoys as president on many key security and other issues. But even more so, his choice may decide whether there is a future for this constitutional republic. Either he can acquiesce to or fight against a Deep State of intelligence officials who have a myriad of ways to spy on politicians (and other citizens) and thus amass derogatory material that can be easily transformed into blackmail.

This crisis (yes, "crisis" is an overused word, but in this highly unusual set of circumstances we believe it is appropriate) came to light mostly by accident after President Trump tweeted on March 4 that his team in New York City's Trump Towers had been "wiretapped" by President Obama.

Trump reportedly was relying on media reports regarding how conversations of aides, including his ill-starred National Security Advisor Michael Flynn, had been intercepted. Trump's tweet led to a fresh offensive by Democrats and the mainstream press to disparage Trump's "ridiculous" claims.

However, this concern about the dragnets that U.S. intelligence (or its foreign partners) can deploy to pick up communications by Trump's advisers and then "unmask" the names before leaking them to the news media was also highlighted at the Nunes-led House Intelligence Committee hearing on March 20, where Nunes appealed for anyone who had related knowledge to come forward with it.

That apparently happened on the evening of March 21 when Nunes received a call while riding with a staffer. After the call, Nunes switched to another car and went to a secure room at the Old Executive Office Building, next to the White House, where he was shown highly classified information apparently about how the intelligence community picked up communications by Trump's aides.

The next day, Nunes went to the White House to brief President Trump, who later said he felt "somewhat vindicated" by what Nunes had told him.

### **The 'Wiretap' Red Herring**

But the corporate U.S. news media continued to heckle Trump over his use of the word "wiretap" and cite the insistence of FBI Director James Comey and other intelligence officials that President Obama had not issued a wiretap order aimed at Trump.

As those paying rudimentary attention to modern methods of surveillance know, "wiretapping" is passé. But Trump's use of the word allowed FBI and Department of Justice officials and their counterparts at the National Security Agency to swear on a stack of bibles that the FBI, DOJ, and NSA have been unable to uncover any evidence within their particular institutions of such "wiretapping."

At the House Intelligence Committee hearing on March 20, FBI Director Comey and NSA Director Michael Rogers firmly denied that their agencies had wiretapped Trump Towers on the orders of President Obama.

So, were Trump and his associates "wiretapped?" Of course not. Wiretapping went out of vogue decades ago, having been rendered obsolete by leaps in surveillance technology.

The real question is: Were Trump and his associates surveilled? Wake up, America. Was no one paying attention to the disclosures from NSA whistleblower Edward Snowden in 2013 when he exposed Director of National Intelligence James Clapper as a liar for denying that the NSA engaged in bulk collection of communications inside the United States.

The reality is that EVERYONE, including the President, is surveilled. The technology enabling bulk collection would have made the late demented FBI Director J. Edgar Hoover's mouth water.

Allegations about the intelligence community's abuse of its powers also did not begin with Snowden. For instance, several years earlier, former NSA worker and whistleblower Russell Tice warned about these "special access programs," citing first-hand knowledge, but his claims were brushed aside as coming from a disgruntled employee with psychological problems. His disclosures were soon

forgotten.

### **Intelligence Community's Payback**

However, earlier this year, there was a stark reminder of how much fear these surveillance capacities have struck in the hearts of senior U.S. government officials. Senate Minority Leader Chuck Schumer of New York told MSNBC's Rachel Maddow that President Trump was "being really dumb" to take on the intelligence community, since "They have six ways from Sunday at getting back at you."

Maddow shied away from asking the logical follow-up: "Senator Schumer, are you actually saying that Trump should be afraid of the CIA?" Perhaps she didn't want to venture down a path that would raise more troubling questions about the surveillance of the Trump team than on their alleged contacts with the Russians.

Similarly, the U.S. corporate media is now focused on Nunes's alleged failure to follow protocol by not sharing his information first with Rep. Adam Schiff, the ranking Democrat on the House Intelligence Committee. Democrats promptly demanded that Nunes recuse himself from the Russia investigation.

On Tuesday morning, reporters for CNN and other news outlets peppered Nunes with similar demands as he walked down a corridor on Capitol Hill, prompting him to suggest that they should be more concerned about what he had learned than the procedures followed.

That's probably true because to quote Jack Nicholson's character in "A Few Good Men" in a slightly different context, the mainstream media "cannot handle the truth" – even if it's a no-brainer.

At his evening meeting on March 21 at the Old Executive Office Building, Nunes was likely informed that all telephones, emails, etc. – including his own and Trump's – are being monitored by what the Soviets used to call "the organs of state security."

By sharing that information with Trump the next day – rather than consulting with Schiff – Nunes may have sought to avoid the risk that Schiff or someone else would come up with a bureaucratic reason to keep the President in the dark.

A savvy politician, Nunes knew there would be high political cost in doing what he did. Inevitably, he would be called partisan; there would be more appeals to remove him from chairing the committee; and the character assassination of him already well under way – in The Washington Post, for example – might move him to the top of the unpopularity chart, displacing even *bête noire* Russian President Vladimir Putin.

But this episode was not the first time Nunes has shown some spine in the face of what the Establishment wants ignored. In a move setting this congressman apart from all his colleagues, Nunes had the courage to host an award ceremony for one of his constituents, retired sailor and member of the USS Liberty crew, Terry Halbardier.

On June 8, 1967, by repairing an antennae and thus enabling the USS Liberty to issue an SOS, Halbardier prevented Israeli aircraft and torpedo boats from sinking that Navy intelligence ship and ensuring that there would be no survivors to describe how the Israeli “allies” had strafed and bombed the ship. Still, 34 American seamen died and 171 were wounded.

At the time of the award ceremony in 2009, Nunes said, “The government has kept this quiet I think for too long, and I felt as my constituent, he [Halbardier] needed to get recognized for the services he made to his country.” (Ray McGovern took part in the ceremony in Nunes’s Visalia, California office.)

Now, we suspect that much more may be learned about the special compartmented surveillance program targeted against top U.S. national leaders if Rep. Nunes doesn’t back down and if Trump doesn’t choose the road most traveled – acquiescence to America’s Deep State actors.

**Ray McGovern served as a CIA analyst for 27 years and conducted one-on-one briefings of the President’s Daily Brief under Ronald Reagan from 1981 to 1985.**

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## How US Flooded the World with Psyops

**Special Report:** The mainstream U.S. media obsesses over Russian “propaganda” yet the U.S. government created a “psyops” bureaucracy three decades ago to flood the world with dubious information, reports Robert Parry.

By Robert Parry

Newly declassified documents from the Reagan presidential library help explain how the U.S. government developed its sophisticated psychological operations capabilities that – over the past three decades – have created an alternative reality both for people in targeted countries and for American citizens, a structure that expanded U.S. influence abroad and quieted dissent at home.

The documents reveal the formation of a psyops bureaucracy under the direction of Walter Raymond Jr., a senior CIA covert operations specialist who was assigned to President Reagan's National Security Council staff to enhance the importance of propaganda and psyops in undermining U.S. adversaries around the world and ensuring sufficient public support for foreign policies inside the United States.

Raymond, who has been compared to a character from a John LeCarré novel slipping easily into the woodwork, spent his years inside Reagan's White House as a shadowy puppet master who tried his best to avoid public attention or – it seems – even having his picture taken. From the tens of thousands of photographs from meetings at Reagan's White House, I found only a couple showing Raymond – and he is seated in groups, partially concealed by other officials.

But Raymond appears to have grasped his true importance. In his NSC files, I found a doodle of an organizational chart that had Raymond at the top holding what looks like the crossed handles used by puppeteers to control the puppets below them. Although it's impossible to know exactly what the doodler had in mind, the drawing fits the reality of Raymond as the behind-the-curtains operative who was controlling the various inter-agency task forces that were responsible for implementing various propaganda and psyops strategies.

Until the 1980s, psyops were normally regarded as a military technique for undermining the will of an enemy force by spreading lies, confusion and terror. A classic case was Gen. Edward Lansdale – considered the father of modern psyops – draining the blood from a dead Filipino rebel in such a way so the dead rebel's superstitious comrades would think that a vampire-like creature was on the prowl. In Vietnam, Lansdale's psyops team supplied fake and dire astrological predictions for the fate of North Vietnamese and Vietcong leaders.

Essentially, the psyops idea was to play on the cultural weaknesses of a target population so they could be more easily manipulated and controlled. But the challenges facing the Reagan administration in the 1980s led to its determination that peacetime psyops were also needed and that the target populations had to include the American public.

The Reagan administration was obsessed with the problems left behind by the 1970s' disclosures of government lying about the Vietnam War and revelations about CIA abuses both in overthrowing democratically elected governments and spying on American dissidents. This so-called "Vietnam Syndrome" produced profound skepticism from regular American citizens as well as journalists and politicians when President Reagan tried to sell his plans for intervention in the civil wars then underway in Central America, Africa and elsewhere.

While Reagan saw Central America as a "Soviet beachhead," many Americans saw brutal Central American oligarchs and their bloody security forces slaughtering priests, nuns, labor activists, students, peasants and indigenous populations. Reagan and his advisers realized that they had to turn those perceptions around if they hoped to get sustained funding for the militaries of El Salvador, Guatemala and Honduras as well as for the Nicaraguan Contra rebels, the CIA-organized paramilitary force marauding around leftist-ruled Nicaragua.

So, it became a high priority to reshape public perceptions to gain support for Reagan's Central American military operations both inside those targeted countries and among Americans.

### **A 'Psyops Totality'**

As Col. Alfred R. Paddock Jr. wrote in an influential November 1983 paper, entitled "Military Psychological Operations and US Strategy," "the planned use of communications to influence attitudes or behavior should, if properly used, precede, accompany, and follow all applications of force. Put another way, psychological operations is the one weapons system which has an important role to play in peacetime, throughout the spectrum of conflict, and during the aftermath of conflict."

Paddock continued, "Military psychological operations are an important part of the 'PSYOP Totality,' both in peace and war. ... We need a program of psychological operations as an integral part of our national security policies and programs. ... The continuity of a standing interagency board or committee to provide the necessary coordinating mechanism for development of a coherent, worldwide psychological operations strategy is badly needed."

Some of Raymond's recently available handwritten notes show a focus on El Salvador with the implementation of "Nation wide multi-media psyops" spread through rallies and electronic media. "Radio + TV also carried Psyops messages," Raymond wrote. (Emphasis in original.) Though Raymond's cramped handwriting is often hard to decipher, the notes make clear that psyops programs also were directed at Honduras, Guatemala and Peru.

One declassified "top secret" document in Raymond's file – dated Feb. 4, 1985, from Secretary of Defense Caspar Weinberger – urged the fuller implementation of President Reagan's National Security Decision Directive 130, which was signed on March 6, 1984, and which authorized peacetime psyops by expanding psyops beyond its traditional boundaries of active military operations into peacetime situations in which the U.S. government could claim some threat to national interests.

"This approval can provide the impetus to the rebuilding of a necessary strategic capability, focus attention on psychological operations as a national – not solely military – instrument, and ensure that psychological operations are fully coordinated with public diplomacy and other international information activities," Weinberger's document said.

This broader commitment to psyops led to the creation of a Psychological Operations Committee (POC) that was to be chaired by a representative of Reagan's National Security Council with a vice chairman from the Pentagon and with representatives from the Central Intelligence Agency, the State Department and the U.S. Information Agency.

"This group will be responsible for planning, coordinating and implementing psychological operations activities in support of United States policies and interests relative to national security," according to a "secret" addendum to a memo, dated March 25, 1986, from Col. Paddock, the psyops advocate who had become the U.S. Army's Director for Psychological Operations.

"The committee will provide the focal point for interagency coordination of detailed contingency planning for the management of national information assets during war, and for the transition from peace to war," the addendum added. "The POC shall seek to ensure that in wartime or during crises (which may be defined as periods of acute tension involving a threat to the lives of American citizens or the imminence of war between the U.S. and other nations), U.S. international information elements are ready to initiate special procedures to ensure policy consistency, timely response and rapid feedback from the intended audience."

## **Taking Shape**

The Psychological Operations Committee took formal shape with a "secret" memo from Reagan's National Security Advisor John Poindexter on July 31, 1986. Its first meeting was called on Sept. 2, 1986, with an agenda that focused on Central America and "How can other POC agencies support and complement DOD programs in El Salvador, Guatemala, Honduras, Costa Rica and Panama." The POC was also tasked with "Developing National PSYOPS Guidelines" for "formulating and implementing a national PSYOPS program." (Underlining in original)

Raymond was named a co-chair of the POC along with CIA officer Vincent Cannistraro, who was then Deputy Director for Intelligence Programs on the NSC staff, according to a "secret" memo from Deputy Under Secretary of Defense Craig Alderman Jr. The memo also noted that future POC meetings would be briefed on psyops projects for the Philippines and Nicaragua, with the latter project codenamed "Niagara Falls." The memo also references a "Project Touchstone," but it is unclear where that psyops program was targeted.

Another "secret" memo dated Oct. 1, 1986, co-authored by Raymond, reported on the POC's first meeting on Sept. 10, 1986, and noted that "The POC will, at each meeting, focus on an area of operations (e.g., Central America, Afghanistan, Philippines)."

The POC's second meeting on Oct. 24, 1986, concentrated on the Philippines, according to a Nov. 4, 1986 memo also co-authored by Raymond. "The next step will be a tightly drafted outline for a PSYOPS Plan which we will send to that Embassy for its comment," the memo said. The plan "largely focused on a range of civic actions supportive of the overall effort to overcome the insurgency," an addendum noted. "There is considerable concern about the sensitivities of any type of a PSYOPS program given the political situation in the Philippines today."

Earlier in 1986, the Philippines had undergone the so-called "People Power Revolution," which drove longtime dictator Ferdinand Marcos into exile, and the Reagan administration, which belatedly pulled its support from Marcos, was trying to stabilize the political situation to prevent more populist elements from gaining the upper hand.

But the Reagan administration's primary attention continued to go back to Central America, including "Project Niagara Falls," the psyops program aimed at Nicaragua. A "secret" Pentagon memo from Deputy Under Secretary Alderman on Nov. 20, 1986, outlined the work of the 4<sup>th</sup> Psychological Operations Group on this psyops plan "to help bring about democratization of Nicaragua," by which the Reagan administration meant a "regime change." The precise details of "Project Niagara Falls" were not disclosed in the declassified documents but the choice of codename suggested a cascade of psyops.

Other documents from Raymond's NSC file shed light on who other key operatives in the psyops and propaganda programs were. For instance, in undated notes on efforts to influence the Socialist International, including securing support for U.S. foreign policies from Socialist and Social Democratic parties in Europe, Raymond cited the efforts of "Ledeem, Gershman," a reference to neoconservative operative Michael Ledeen and Carl Gershman, another neocon who has served as president of the U.S.-government-funded National Endowment for Democracy (NED), from 1983 to the present. (Underlining in original.)

Although NED is technically independent of the U.S. government, it receives the bulk of its funding (now about \$100 million a year) from Congress. Documents from the Reagan archives also make clear that NED was organized as a way to replace some of the CIA's political and propaganda covert operations, which had fallen into disrepute in the 1970s. Earlier released documents from Raymond's file show CIA Director William Casey pushing for NED's creation and Raymond,



Casey's handpicked man on the NSC, giving frequent advice and direction to Gershman. [See Consortiumnews.com's "[CIA's Hidden Hand in 'Democracy' Groups.](#)"]

Another figure in Raymond's constellation of propaganda assets was media mogul Rupert Murdoch, who was viewed as both a key political ally of President Reagan and a valuable source of funding for private groups that were coordinating with White House propaganda operations. [See Consortiumnews.com's "[Rupert Murdoch: Propaganda Recruit.](#)"]

In a Nov. 1, 1985 [letter](#) to Raymond, Charles R. Tanguy of the "Committees for a Community of Democracies – USA" asked Raymond to intervene in efforts to secure Murdoch's funding for the group. "We would be grateful ... if you could find the time to telephone Mr. Murdoch and encourage him to give us a positive response," the letter said.

Another document, entitled "[Project Truth Enhancement](#)," described how \$24 million would be spent on upgrading the telecommunications infrastructure to arm "Project Truth, with the technical capability to provide the most efficient and productive media support for major USG policy initiatives like Political Democracy." Project Truth was the overarching name of the Reagan administration's propaganda operation. For the outside world, the program was billed as "public diplomacy," but administration insiders privately called it "perception management." [See Consortiumnews.com's "[The Victory of Perception Management.](#)"]

## **The Early Years**

The original priority of "Project Truth" was to clean up the images of the Guatemalan and Salvadoran security forces and the Nicaraguan Contras, who were led by ousted dictator Anastasio Somoza's ex-National Guard officers. To ensure steady military funding for these notorious forces, Reagan's team knew it had to defuse the negative publicity and somehow rally the American people's support.

At first, the effort focused on weeding out American reporters who uncovered facts that undercut the desired public images. As part of that effort, the administration denounced New York Times correspondent Raymond Bonner for disclosing the Salvadoran regime's massacre of about 800 men, women and children in the village of El Mozote in northeast El Salvador in December 1981. Accuracy in Media and conservative news organizations, such as The Wall Street Journal's editorial page, joined in pummeling Bonner, who was soon ousted from his job. But such efforts were largely ad hoc and disorganized.

CIA Director Casey, from his years crisscrossing the interlocking worlds of business and intelligence, had important contacts for creating a more systematic

propaganda network. He recognized the value of using established groups known for advocating “human rights,” such as Freedom House.

One document from the Reagan library showed senior Freedom House official Leo Cherne running a draft manuscript on political conditions in El Salvador past Casey and promising that Freedom House would make requested editorial “corrections and changes” – and even send over the editor for consultation with whomever Casey assigned to review the paper.

In a “Dear Bill” letter dated June 24, 1981, Cherne, who was chairman of the Freedom House’s executive committee, wrote: “I am enclosing a copy of the draft manuscript by Bruce McColm, Freedom House’s resident specialist on Central America and the Caribbean. This manuscript on El Salvador was the one I had urged be prepared and in the haste to do so as rapidly as possible, it is quite rough. You had mentioned that the facts could be checked for meticulous accuracy within the government and this would be very helpful. ...

“If there are any questions about the McColm manuscript, I suggest that whomever is working on it contact Richard Salzman at the Research Institute [an organization where Cherne was executive director]. He is Editor-in-Chief at the Institute and the Chairman of the Freedom House’s Salvador Committee. He will make sure that the corrections and changes get to Rita Freedman who will also be working with him. If there is any benefit to be gained from Salzman’s coming down at any point to talk to that person, he is available to do so.”

By 1982, Casey also was lining up some powerful right-wing ideologues to help fund the “perception management” project both with money and their own media outlets. Richard Mellon Scaife was the scion of the Mellon banking, oil and aluminum fortune who financed a variety of right-wing family foundations – such as Sarah Scaife and Carthage – that were financial benefactors to right-wing journalists and think tanks. Scaife also published the Tribune Review in Pittsburgh, Pennsylvania.

A more comprehensive “public diplomacy” operation began to take shape in 1982 when Raymond, a 30-year veteran of CIA clandestine services, was transferred to the NSC. Raymond became the sparkplug for this high-powered propaganda network, according to an unpublished draft chapter of the congressional Iran-Contra investigation that was suppressed as part of the deal to get three moderate Republican senators to sign on to the final report and give the inquiry a patina of bipartisanship.

Though the draft chapter didn’t use Raymond’s name in its opening pages, apparently because some of the information came from classified depositions, Raymond’s name was used later in the chapter and the earlier citations matched

Raymond's known role. According to the draft report, the CIA officer who was recruited for the NSC job had served as Director of the Covert Action Staff at the CIA from 1978 to 1982 and was a "specialist in propaganda and disinformation."

"The CIA official [Raymond] discussed the transfer with [CIA Director] Casey and NSC Advisor William Clark that he be assigned to the NSC as [Donald] Gregg's successor [as coordinator of intelligence operations in June 1982] and received approval for his involvement in setting up the public diplomacy program along with his intelligence responsibilities," the chapter said. Gregg was another senior CIA official who was assigned to the NSC before becoming Vice President George H.W. Bush's national security adviser.

"In the early part of 1983, documents obtained by the Select [Iran-Contra] Committees indicate that the Director of the Intelligence Staff of the NSC [Raymond] successfully recommended the establishment of an inter-governmental network to promote and manage a public diplomacy plan designed to create support for Reagan Administration policies at home and abroad."

### **War of Ideas**

During his Iran-Contra deposition, Raymond explained the need for this propaganda structure, saying: "We were not configured effectively to deal with the war of ideas."

One reason for this shortcoming was that federal law forbade taxpayers' money from being spent on domestic propaganda or grassroots lobbying to pressure congressional representatives. Of course, every president and his team had vast resources to make their case in public, but by tradition and law, they were restricted to speeches, testimony and one-on-one persuasion of lawmakers. But President Reagan saw the American public's "Vietnam Syndrome" as an obstacle to his more aggressive policies.

Along with Raymond's government-based organization, there were outside groups eager to cooperate and cash in. Back at Freedom House, Cherne and his associates were angling for financial support.

In an Aug. 9, 1982 letter to Raymond, Freedom House executive director Leonard R. Sussman wrote that "Leo Cherne has asked me to send these copies of Freedom Appeals. He has probably told you we have had to cut back this project to meet financial realities. ... We would, of course, want to expand the project once again when, as and if the funds become available. Offshoots of that project appear in newspapers, magazines, books and on broadcast services here and abroad. It's a significant, unique channel of communication" – precisely the

focus of Raymond's work.

On Nov. 4, 1982, Raymond, after his transfer from the CIA to the NSC staff but while still a CIA officer, wrote to NSC Advisor Clark about the "Democracy Initiative and Information Programs," stating that "Bill Casey asked me to pass on the following thought concerning your meeting with [right-wing billionaire] Dick Scaife, Dave Abshire [then a member of the President's Foreign Intelligence Advisory Board], and Co. Casey had lunch with them today and discussed the need to get moving in the general area of supporting our friends around the world.

"By this definition he is including both 'building democracy' ... and helping invigorate international media programs. The DCI [Casey] is also concerned about strengthening public information organizations in the United States such as Freedom House. ... A critical piece of the puzzle is a serious effort to raise private funds to generate momentum. Casey's talk with Scaife and Co. suggests they would be very willing to cooperate. ... Suggest that you note White House interest in private support for the Democracy initiative."

The importance of the CIA and White House secretly arranging private funds was that these supposedly independent voices would then reinforce and validate the administration's foreign policy arguments with a public that would assume the endorsements were based on the merits of the White House positions, not influenced by money changing hands. Like snake-oil salesmen who plant a few cohorts in the crowd to whip up excitement for the cure-all elixir, Reagan administration propagandists salted some well-paid "private" individuals around Washington to echo White House propaganda "themes."

The role of the CIA in these initiatives was concealed but never far from the surface. A Dec. 2, 1982 note addressed to "Bud," a reference to senior NSC official Robert "Bud" McFarlane, described a request from Raymond for a brief meeting. "When he [Raymond] returned from Langley [CIA headquarters], he had a proposed draft letter ... re \$100M democ[racy] proj[ect]," the note said.

While Casey pulled the strings on this project, the CIA director instructed White House officials to hide the CIA's hand. "Obviously we here [at CIA] should not get out front in the development of such an organization, nor should we appear to be a sponsor or advocate," Casey said in one undated letter to then-White House counselor Edwin Meese III as Casey urged creation of a "National Endowment."

But the formation of the National Endowment for Democracy, with its hundreds of millions of dollars in U.S. government money, was still months down the road. In the meantime, the Reagan administration would have to line up private donors to advance the propaganda cause.

"We will develop a scenario for obtaining private funding," NSC Advisor Clark wrote to Reagan in a Jan. 13, 1983 memo, adding that U.S. Information Agency Director "Charlie Wick has offered to take the lead. We may have to call on you to meet with a group of potential donors."

Despite Casey's and Raymond's success in bringing onboard wealthy conservatives to provide private funding for the propaganda operations, Raymond worried about whether a scandal could erupt over the CIA's involvement. Raymond formally resigned from the CIA in April 1983, so, he said, "there would be no question whatsoever of any contamination of this." But Raymond continued to act toward the U.S. public much like a CIA officer would in directing a propaganda operation in a hostile foreign country.

Raymond fretted, too, about the legality of Casey's ongoing role. Raymond confided in one memo that it was important "to get [Casey] out of the loop," but Casey never backed off and Raymond continued to send progress reports to his old boss well into 1986.

It was "the kind of thing which [Casey] had a broad catholic interest in," Raymond shrugged during his Iran-Contra deposition. He then offered the excuse that Casey undertook this apparently illegal interference in domestic politics "not so much in his CIA hat, but in his adviser to the president hat."

### **Peacetime Propaganda**

Meanwhile, Reagan began laying out the formal authority for this unprecedented peacetime propaganda bureaucracy. On Jan. 14, 1983, Reagan signed National Security Decision Directive 77, entitled "Management of Public Diplomacy Relative to National Security." In NSDD-77, Reagan deemed it "necessary to strengthen the organization, planning and coordination of the various aspects of public diplomacy of the United States Government."

Reagan ordered the creation of a special planning group within the National Security Council to direct these "public diplomacy" campaigns. The planning group would be headed by Walter Raymond and one of its principal outposts would be a new Office of Public Diplomacy for Latin America, housed at the State Department but under the control of the NSC. (One of the directors of the Latin American public diplomacy office was neoconservative Robert Kagan, who would later co-found the Project for the New American Century in 1998 and become a chief promoter of President George W. Bush's 2003 invasion of Iraq.)

On May 20, 1983, Raymond recounted in a memo that \$400,000 had been raised from private donors brought to the White House Situation Room by U.S. Information Agency Director Charles Wick. According to that memo, the money was divided

among several organizations, including Freedom House and Accuracy in Media, a right-wing media attack organization.

When I wrote about that memo in my 1992 book, *Fooling America*, Freedom House denied receiving any White House money or collaborating with any CIA/NSC propaganda campaign. In a letter, Freedom House's Sussman called Raymond "a second-hand source" and insisted that "this organization did not need any special funding to take positions ... on any foreign-policy issues."

But it made little sense that Raymond would have lied to a superior in an internal memo. And clearly, Freedom House remained central to the Reagan administration's schemes for aiding groups supportive of its Central American policies, particularly the CIA-organized Contra war against the leftist Sandinista regime in Nicaragua. Plus, White House documents released later revealed that Freedom House kept its hand out for funding.

On Sept. 15, 1984, Bruce McColm – writing from Freedom House's Center for Caribbean and Central American Studies – sent Raymond "a short proposal for the Center's Nicaragua project 1984-85. The project combines elements of the oral history proposal with the publication of *The Nicaraguan Papers*," a book that would disparage Sandinista ideology and practices.

"Maintaining the oral history part of the project adds to the overall costs; but preliminary discussions with film makers have given me the idea that an Improper Conduct-type of documentary could be made based on these materials," McColm wrote, referring to a 1984 film that offered a scathing critique of Fidel Castro's Cuba. "Such a film would have to be the work of a respected Latin American filmmaker or a European. American-made films on Central America are simply too abrasive ideologically and artistically poor."

McColm's three-page letter reads much like a book or movie pitch, trying to interest Raymond in financing the project: "The *Nicaraguan Papers* will also be readily accessible to the general reader, the journalist, opinion-maker, the academic and the like. The book would be distributed fairly broadly to these sectors and I am sure will be extremely useful. They already constitute a form of Freedom House samizdat, since I've been distributing them to journalists for the past two years as I've received them from disaffected Nicaraguans."

McColm proposed a face-to-face meeting with Raymond in Washington and attached a six-page grant proposal seeking \$134,100. According to the grant proposal, the project would include "free distribution to members of Congress and key public officials; distribution of galleys in advance of publication for maximum publicity and timely reviews in newspapers and current affairs magazines; press conferences at Freedom House in New York and at the National Press Club in

Washington, D.C.; op-ed circulation to more than 100 newspapers ...; distribution of a Spanish-language edition through Hispanic organizations in the United States and in Latin America; arrangement of European distribution through Freedom House contacts.”

The documents that I found at the Reagan library did not indicate what subsequently happened to this specific proposal. McColm did not respond to an email request for comment about the Nicaraguan Papers plan or the earlier letter from Cherne (who died in 1999) to Casey about editing McComb’s manuscript. Freedom House did emerge as a leading critic of Nicaragua’s Sandinista government and also became a major recipient of money from the U.S.-funded National Endowment for Democracy, which was founded in 1983 under the umbrella of the Casey-Raymond project.

The more recently released documents – declassified between 2013 and 2017 – show how these earlier Casey-Raymond efforts merged with the creation of a formal psyop bureaucracy in 1986 also under the control of Raymond’s NSC operation. The combination of the propaganda and psyop programs underscored the powerful capability that the U.S. government developed more than three decades ago for planting slanted, distorted or fake news. (Casey died in 1987; Raymond died in 2003.)

Over those several decades, even as the White House changed hands from Republicans to Democrats to Republicans to Democrats, the momentum created by William Casey and Walter Raymond continued to push these “perception management/psyops” strategies forward. In more recent years, the wording has changed, giving way to more pleasing euphemisms, like “smart power” and “strategic communications.” But the idea is still the same: how you can use propaganda to sell U.S. government policies abroad and at home.

**Investigative reporter Robert Parry broke many of the Iran-Contra stories for The Associated Press and Newsweek in the 1980s. You can buy his latest book, *America’s Stolen Narrative*, either in [print here](#) or as an e-book (from [Amazon](#) and [barnesandnoble.com](#)).**

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## Surveillance State Goes After Trump

Democrats are so eager to take down President Trump that they are joining forces with the Surveillance State to trample the privacy rights of people close to Trump, ex-FBI agent Coleen Rowley tells Dennis J Bernstein.

By Dennis J Bernstein

Since Donald Trump's election, former Special FBI Agent Coleen Rowley has been alarmed over how Democratic hawks, neocons and other associates in the "deep state" have obsessed over "resurrecting the ghost of Joseph McCarthy" and have built political support for a permanent war policy around hatred of Russia.

Rowley, whose 2002 memo to the FBI Director exposed some of the FBI's pre-9/11 failures, compared the current anti-Russia hysteria to "the

'Red Scare' fear of Communism" famously associated with legendary FBI Director J. Edgar Hoover who collaborated with Sen. Joe McCarthy's hunt for disloyal Americans in the late 1940s and early 1950s.

In an interview, Rowley told me that while Trump was wrong about his claim that President Obama ordered a surveillance "tapp" of Trump Tower, the broader point may have been correct as explained by House Intelligence Chairman Devin Nunes, R-California, who described how U.S. intelligence apparently picked up conversations by Trump associates while monitoring other targets.

Dennis Bernstein: A former high-level FBI whistleblower says Trump is vindicated on his claims of being surveilled by the previous administration. Joining us to take a close look at what's been going on, what's been unfolding in Washington, D.C. is Coleen Rowley. She's a former FBI special agent and division council. She wrote a May 2002 memo to the FBI director that exposed some of the FBI's pre-9/11 failures, major failures. She was Time magazine's person of the year in 2002. ... Help us explain what chairman Nunes reported in terms of the collecting process and Trumps innocence or guilt?

Coleen Rowley: I think the Chairman Nunes said [Wednesday] that Trump was monitored instead of wiretapped. And these are terms of art that for three weeks or so, no one has fully understood and so there's been all this confusion. Trump, himself, did not understand, and was clumsy in saying "my campaign was wiretapped." Wiretapping itself is almost obsolete. It means tapping into a wire, that's the old way, when the way communications used to go over wires and now they're digital and they... Snowden, if you remember, all of the disclosures from Edward Snowden, and other NSA whistleblowers, there's something going on now called collect it all, massive surveillance. And that is done, there are some targets, but then lots and lots of Americans are incidentally monitored... they aren't monitored but their conversations, and their phone numbers that they're dialing and their e-mails that they're e-mailing are collected.

And, of course, when Trump was under investigation it would be natural that they would have some... not his... not necessarily him personally, but his campaign staff



obviously, that's going to mean surveillance of those people.

DB: Now, monitoring, does that mean that Obama was in fact, surveilling? Is that a good word? Was Trump being surveilled? Were his claims essentially correct?

CR: I think Trump is vindicated, again he didn't understand the terms that he was using. And he did misuse the term, so when Comey said "No"... that that tweet about being wiretapped, we have found no evidence of that." Comey was able to be honest because a wiretap has a specific meaning. But, you notice, in five hours Comey never said that there's been no surveillance of anyone connected to the Trump campaign. In fact, he implied the opposite. He implied that the Trump campaign, some persons, he didn't mention names, but some of them have been investigated since this summer.

And, so, obviously that does mean that, for starters, if you think... remember all of the disclosures from Edward Snowden and the other NSA whistleblowers, they can access all of the communications that have already been collected. That's for starters, so if you have somebody that you are now investigating, you can go back into these NSA databases and say pull up everything on so-and-so. And I've just got to add one more thing, the NSA whistleblowers including Edward Snowden all warned for really now for two or three years, we have been warning the American public that this "collect it all" is really a recipe for, not only a lack of privacy, but even for hurting our own democracy.

If you go back to Frank Church, for instance, the reason the Church committee... well it was because Frank Church, Senator Frank Church was, himself, under surveillance by the NSA. And we warned now for two or three years, that they tell the public "Don't worry, you have nothing to hide. Why would you worry about any of these NSA... they're helping us catch terrorists. And you don't have anything to hide."

But, of course, the politicians in Washington are the ones that have things to hide. They could have conflicts of interests, there's all kinds of things going on, certainly just political opposition, partisanship. So this is always an ongoing game in Washington, to try to find out dirt about your opponent, etc. So, they are the ones, actually, who should have been more aware of how this could be used against themselves. And yet, they just disregarded these warnings and told the public "Oh, don't worry you have nothing to hide."

DB: We've got Donald Trump vindicated about, in essence, being monitored, surveilled. without his own knowledge although I would imagine he should have known, or assumed. But now that tells us that there has been a lot of information collected and we can now assume, I guess, that all the... a lot of the communications from the Trump people, in Washington, also, at Trump Tower, so

even though it wasn't wiretapped, it was monitored.

CR: It was collected. And, again, this isn't necessarily about Trump personally, just cause it's not about Obama, personally ordering. What this is about is if there are even members of Trump's campaign staff, or even associates, that could even be a little bit distant from the actual campaign, but just associates. It may be that they were the actual targets. And, still, might be the targets. But, then incidentally Trump could have ended up being, himself, intercepted.

I'm going to go back to Martin Luther King, Jr.. Martin Luther King, Jr., if you understand the microphones in his hotels. And he was the subject of Title 3 orders. This was all based on guilt by association. And I think it was simply a paragraph or two, there was very little probable cause. It was a paragraph or two alleging that an associate or a cousin of an associate was a communist. That's what it amounted to. And that's how, then, J. Edgar Hoover was allowed to go and do all these things in hotel rooms. And, in the same era, the NSA was actually monitoring Senator Frank Church.

We think after all these years that we've grown up and we've understood the problems that occurred back then. And, obviously, history is totally repeating. It may well be there's a legitimate investigation of somebody in the periphery of the Trump campaign, a staffer or somebody connected, that's legitimate.

But when they have a "collect it all" motto which they've had now since 9/11. They've turned on these monitoring things, Hayden and others turned them right on, illegally, I should say, for starters, illegally. And now they have all this database. And, so, there's only a couple of ways to try to protect privacy. And they are supposed to be on their honor to minimize Americans.

And you now see that this has completely failed in the case of Flynn and others, because, again, that's all they have is on their honor, they say they won't leak out identities of Americans if they are "incidentally" collected. And, now, that doesn't even apply. And, I would say that the people who have leaked are not – I've said this many times now – are not what I would term a good whistleblower.

These are leakers who seem to be high level, as opposed to somebody like Edward Snowden or Chelsea Manning, at a lower level, who is motivated for the public good. I think that the leaks that you've seen in the past couple of months, or three months, have actually come from high levels, top appointees, and political partisanship are the motivations. They're not saying this is for the public good. And, again, this is something we all warned about, the NSA and our veteran intelligence professionals for sanity probably have written half a dozen times, about these problems. And, now it's just really all happened the way we predicted and warned about.

DB: Now, we have, sort of, a hundred, almost smoking guns. I want to ask you Coleen Rowley, as somebody who has been... worked for the FBI, evaluated information, collected information, you're an attorney in this context. In terms of what we know. Do they got Donald Trump? Is he owned by the Russians? What have you been able to confirm?

CR: Well, I don't think there has... and it's not just myself, it's really most of our veteran intelligence professionals, retired CIA, retired NSA, we've all been conferring for a while on this. And we have asked, we actually put out a...memo asking for evidence. Because it's just been assertions and innuendoes, and demonization...

We see a lot of demonization of the Russian T.V. channel. But we have not seen any actual evidence of Russians... and there's a lot of reasons to think that this would be illogical. Even if, and I would grant that Comey mentioned this in his testimony, that Putin and other top Russians hated Hillary Clinton. Well, even if you assume that, that they didn't like Hillary Clinton, as much as Donald Trump. They considered Donald Trump their lesser evil, or whatever. Even if you think that, why would they take the risk? Because, at the time Hillary Clinton surprised everyone by... everyone thought she was going to win. So it would have been completely illogical for them to have done these things, to take that kind of a risk, when it was presumed that she was going to be the next president. There's just so many things here that don't add up, and don't make sense.

And yet, and yet, because our mainstream media is owned by what?...half a dozen big conglomerates, all connected to the military industrial complex, they continue with the scenario of that old movie... the Russians are coming!...the Russians are coming! And unfortunately the Democrat Party has become the war party, very clearly. They're the ones that don't see the dangers in ginning up this very dangerous narrative of going after Russia, as meddling, or whatever. And they should ask for, we all should ask for the full evidence of this. If this is case, then we deserve to know the truth about it. And, so far, we haven't seen anything. Look at that report. There's nothing in it.

DB: And, this is the same media who for the last... ever since Trump claimed that he was wiretapped using the wrong terminology, these

journalists they couldn't stop saying "if he did lie, this is a felony. He did lie. He did accuse the former president of the United States..." So, you're saying, based on your long experience and information this was just a confusion of a term of art, and the idea of the possibility of Trump Towers being under investigation, this was all incredibly not strange, not crazy, and totally normal in the context of an investigation.

CR: Yes, and I again, there could be grounds for legitimate investigation of the periphery of the Trump campaign, certain staffers. And you know what, corruption in Washington, D.C. is quite rampant. And I think many, many of the politicians if they actually put them under the microscope they could find... just as you look at foreign leaders, Netanyahu was indicted for corruption, whatever. It's not uncommon to have conflicts of interests, and under the table deals. That's very possible.

So, that's not what our news is saying. Our mainstream news is saying that, what you said at the beginning, the Russians own Trump, and basically that this has undermined our democracy and our electoral process. That part of it we have seen no evidence of. And, Trump is partially vindicated, because obviously whether he was personally targeted, his campaign at least seems to have been monitored, at least in part.

DB: Were you amazed that, for instance, the FBI director raised the issue of the Clinton investigation, but not the Trump investigation?

CR: Well, I've been trying to figure that out. Because back, during ... when he went public, he was put into the spot because Loretta Lynch should have been the one to be public on these things. But she was tainted because of having met with Bill Clinton on the tarmac. And so my explanation was that that Comey shouldered the burden from Loretta Lynch. He was doing her a favor in a way because he thought it would look like this is more independent and more professional coming from the FBI. Because at the time Loretta Lynch was under a cloud. And I think that is the explanation for why he was so public at the time.

And, of course, things have developed... the summer, if any investigation started during the summer, again, it was not known. It was probably legitimate if they got some information in about some act of corruption, or whatever, it was certainly legitimate. But since this summer what has happened is this whole narrative has just gone on steroids, because of the leaks about the Russians, etc. And the fact that they put out this report, the FBI, the NSA, and the director of National Intelligence. And I think that that's the problem right now is the public just is so confused because there has been so much wrong information out there in the media. And no one knows what to believe.

Actually, to Comey's credit he did say this a couple of times that these media accounts are not accurate. And, I think that, again, we... there's been a lot of "sources" anonymous sources which I do not think are whistleblowers. But these anonymous sources seem to have come from political operatives, and even higher level people. I'm guessing some of this came from the Obama administration appointees, not Obama, of course, personally.

And, who knows if he knew anything about this, but some of those prior appointees, I think, when all is said and done will be seen as the ones, if they can ever uncover this. It's hard with anonymous sources. But I think they were probably the ones leading this. And maybe over time we can get back to some sanity here without so much of this planted information, and wrongful leaks. And I, again, I'm all for whistle blowing. But, I don't agree with leaks like Scooter Libby's where they were actually using the media to plant false info.

**Dennis J Bernstein is a host of "Flashpoints" on the Pacifica radio network and the author of Special Ed: Voices from a Hidden Classroom. You can access the audio archives at www.flashpoints.net.**

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## Democrats Trade Places on War and McCarthyism

**Exclusive:** The anti-Russia hysteria gripping the Democratic Party marks a "trading places" moment as the Democrats embrace the New Cold War and the New McCarthyism, flipping the script on Republicans, writes Robert Parry.

By Robert Parry

Caught up in the frenzy to delegitimize Donald Trump by blaming his victory on Russian meddling, national Democrats are finishing the transformation of their party from one that was relatively supportive of peace to one pushing for war, including a confrontation with nuclear-armed Russia.

This "trading places" moment was obvious in watching the belligerent tone of Democrats on the House Intelligence Committee on Monday as they impugned the patriotism of any Trump adviser who may have communicated with anyone connected to Russia.

Ranking Democrat, Rep. Adam Schiff of California, acknowledged that there was no hard evidence of any Trump-Russia cabal, but he pressed ahead with what he called "circumstantial evidence of collusion," a kind of guilt-by-association conspiracy theory that made him look like a mild-mannered version of Joe McCarthy.

Schiff cited by name a number of Trump's aides and associates who – as The New York Times reported – were "believed to have some kind of contact or communications with Russians." These Americans, whose patriotism was being questioned, included foreign policy adviser Carter Page, Trump's second campaign

manager Paul Manafort, political adviser Roger Stone and Trump's first national security adviser retired Lt. Gen. Michael Flynn.

In a 15-minute opening statement, Schiff summed up his circumstantial case by asking: "Is it possible that all of these events and reports are completely unrelated and nothing more than an entirely unhappy coincidence? Yes, it is possible. But it is also possible, maybe more than possible, that they are not coincidental, not disconnected and not unrelated."

As an investigative journalist who has covered (and uncovered) national security scandals for several decades, I would never accuse people of something as serious as betraying their country based on nothing more than coincidences that, who knows, might not be coincidental.

Before we published anything on such topics, the news organizations that I worked for required multiple layers of information from a variety of sources including insiders who could describe what had happened and why. Such stories included Nicaraguan Contra cocaine smuggling, Oliver North's secret Contra supply operation, and the Reagan campaign's undermining of President Carter's Iran-hostage negotiations in 1980.

For breaking those stories, we still took enormous heat from Republicans, some Democrats who wanted to show how bipartisan they were, and many establishment-protecting journalists, but the stories contained strong evidence that misconduct occurred – and we were highly circumspect in how the allegations were framed.

### **Going Whole-Hog**

By contrast, national Democrats, some super-hawk Republicans and the establishment media are going whole-hog on these vague suspicions of contacts between some Russians and some Americans who have provided some help or advice to Trump.

Given the paucity of evidence – both regarding the claims that Russia hacked Democratic emails and slipped them to WikiLeaks, and the allegations that somehow Trump's advisers colluded in that process – it would appear that what is happening is a political maneuver to damage Trump politically and possibly remove him from office.

But those machinations require the Democratic Party's continued demonization of Russia and implicitly put the Democrats on the side of escalating New Cold War tensions, such as military support for the fiercely anti-Russian regime in Ukraine which seized power in a 2014 U.S.-backed putsch overthrowing elected President Viktor Yanukovich.

One of the attack lines that Democrats have used against Trump is that his people toned down language in the Republican platform about shipping arms to the Ukrainian military, which includes battalions of neo-Nazi fighters and has killed thousands of ethnic Russian Ukrainians in the east in what is officially called an Anti-Terrorism Operation (or ATO).

The Democratic Party leaders have fully bought into the slanted Western narrative justifying the violent overthrow of Yanukovich. They also have ignored the human rights of Ukraine's ethnic Russian minorities, which voted overwhelmingly in Crimea and the Donbass to secede from post-coup Ukraine. The more complex reality is simply summed up as a "Russian invasion."

Key Democrats also have pressed for escalation of the U.S. military attacks inside Syria to force "regime change" on Bashar al-Assad's secular government even if that risks another military confrontation with Russia and a victory by Al Qaeda and other Sunni extremists.

In short, the national Democratic Party is turning itself into the more extreme war party. It's not that the Republicans have become all that dovish; it's just that the Democrats have become all that hawkish. The significance of this change can hardly be overstated.

### **Questioning War**

Since late in the Vietnam War, the Democrats have acted as the more restrained of the two major parties on issues of war, with the Republicans associated with tough-guy rhetoric and higher military spending. By contrast, Democrats generally were more hesitant to rush into foreign wars and confrontations (although they were far from pacifists).

Especially after the revelations of the Pentagon Papers in the 1971 revealing the government deceptions used to pull the American people into the Vietnam War, Democrats questioned shady rationalizations for other wars.

Some Democratic skepticism continued into the 1980s as President Ronald Reagan was modernizing U.S. propaganda techniques to whitewash the gross human rights crimes of right-wing regimes in Central America and to blacken the reputations of Nicaragua's Sandinistas and other leftists.

The Democratic resolve against war propaganda began to crack by the mid-to-late 1980s – around Reagan's Grenada invasion and George H.W. Bush's attack on Panama. By then, the Republicans had enjoyed nearly two decades of bashing the Democrats as "weak on defense" – from George McGovern to Jimmy Carter to Walter Mondale to Michael Dukakis.

But the Democratic Party's resistance to dubious war rationalizations collapsed in 1991 over George H.W. Bush's Persian Gulf War, in which the President rebuffed less violent solutions (even ones favored by the U.S. military) to assure a dramatic ground-war victory after which Bush declared, "By God, we've kicked the Vietnam Syndrome once and for all."

Fearful of being labeled disloyal to "the troops" and "weak," national Democrats scrambled to show their readiness to kill. In 1992, Gov. Bill Clinton left the campaign trail to return to Arkansas to oversee the execution of the mentally impaired Ricky Ray Rector.

During his presidency, Clinton deployed so-called "smart power" aggressively, including maintaining harsh sanctions on Iraq even as they led to the unnecessary deaths of hundreds of thousands of Iraqi children. He also intervened in the Yugoslavian civil war by bombing civilian targets in Belgrade including the lethal destruction of the Serb TV station for the supposed offense of broadcasting "propaganda."

After the 9/11 attacks in 2001, many leading congressional Democrats – including presidential hopefuls John Kerry, Joe Biden and Hillary Clinton – voted to authorize President George W. Bush to invade Iraq. Though they offered various excuses (especially after the Iraq War went badly), the obvious real reason was their fear of being labeled "soft" in Republican attack ads.

The American public's revulsion over the Iraq War and the resulting casualties contributed to Barack Obama's election. But he, too, moved to protect his political flanks by staffing his young administration with hawks, such as Secretary of State Hillary Clinton, Defense Secretary Robert Gates and Gen. (and later CIA Director) David Petraeus. Despite receiving the Nobel Peace Prize, Obama also became comfortable with continuing Bush's wars and starting some of his own, such as the bombing war against Libya and the violent subversion of Syria.

By nominating Hillary Clinton in 2016, the Democratic Party completed its transformation into the Party of War. Clinton not only ran as an unapologetic hawk in the Democratic primaries against Sen. Bernie Sanders – urging, for instance, a direct U.S. military invasion of Syria to create "no fly zones" – but positioned herself as a harsh critic of Trump's hopes to reduce hostilities with Russia, deeming the Republican nominee Vladimir Putin's "puppet."

Ironically, Trump's shocking victory served to solidify the Democratic Party's interest in pushing for a military confrontation with Russia over Ukraine. After all, baiting Trump over his alleged "softness" toward Russia has become the centerpiece of Democratic hopes for somehow ousting Trump or at least crippling



his presidency. Any efforts by Trump to ease those tensions will be cited as prima facie evidence that he is Putin's "Manchurian candidate."

### **Being Joe McCarthy**

National Democrats and their media supporters don't even seem troubled by the parallels between their smears of Americans for alleged contacts with Russians and Sen. Joe McCarthy's guilt-by-association hearings of the early Cold War. Every link to Russia – no matter how tenuous or disconnected from Trump's election – is trumpeted by Democrats and across the mainstream news media.

But it's not even clear that this promotion of the New Cold War and the New McCarthyism will redound to the Democrats' political advantage. Clinton apparently thought that her embrace of a neoconservative foreign policy would bring in many "moderate" Republicans opposed to Trump's criticism of the Bush-Obama wars, but exit polls showed Republicans largely rallying to their party's nominee.

Meanwhile, there were many anti-war Democrats who have become deeply uncomfortable with the party's new hawkish persona. In the 2016 election, some peace Democrats voted for third parties or didn't vote at all for president, although it's difficult to assess how instrumental those defections were in costing Clinton the key states of Pennsylvania, Michigan and Wisconsin.

More broadly, the Democratic obsession with Russia and the hopes for somehow exploiting those investigations in order to oust Trump have distracted the party from a necessary autopsy into why the Democrats have lost so much ground over the past decade.

While many Democratic leaders and activists are sliding into full-scale conspiracy-mode over the Russia-Trump story, they are not looking at the party's many mistakes and failings, such as:

–Why did party leaders push so hard to run an unpopular establishment candidate in a strongly anti-establishment year? Was it the fact that many are beholden to the Clinton cash machine?

–How can Democrats justify the undemocratic use of "super-delegates" to make many rank-and-file voters feel that the process is rigged in favor of the establishment's choice?

–What can the Democratic Party do to reengage with many working-class voters, especially downwardly mobile whites, to stop the defection of this former Democratic base to Trump's populism?

–Do national Democrats understand how out of touch they are with the future as they insist that the United States must remain the sole military superpower in a uni-polar world when the world is rapidly shifting toward a multi-polar reality?

Yet, rather than come up with new strategies to address the future, Democratic leaders would rather pretend that Putin is at fault for the Trump presidency and hope that the U.S. intelligence community – with its fearsome surveillance powers – can come up with enough evidence to justify Trump’s impeachment.

Then, of course, the Democrats would be stuck with President Mike Pence, a more traditional Religious Right Republican whose first step on foreign policy would be to turn it over to neocon Senators John McCain and Lindsey Graham, a move that would likely mean a new wave of “regime change” wars.

At such a point, that might put the Democrats and Republicans in sync as two equally warmongering parties, but what good that would do for the American people and the world is hard to fathom.

[For more on this topic, see Consortiumnews.com’s [“Yes, Hillary Clinton Is a Neocon”](#) and [“Democrats Are Now the Aggressive War Party.”](#)]

**Investigative reporter Robert Parry broke many of the Iran-Contra stories for The Associated Press and Newsweek in the 1980s. You can buy his latest book, *America’s Stolen Narrative*, either in [print here](#) or as an e-book (from [Amazon](#) and [barnesandnoble.com](#)).**

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## David Rockefeller & October Surprise Case

**From the Archive:** David Rockefeller’s death at age 101 brought effusive eulogies, but no recollection of his mysterious role in the Iran hostage crisis of 1980, which helped sink President Carter’s reelection, writes Robert Parry.

By Robert Parry (Originally published April 15, 2005)

On March 23, 1979, late on a Friday afternoon, Chase Manhattan Bank Chairman David Rockefeller and his longtime aide Joseph Verner Reed arrived at a town house in the exclusive Beekman Place neighborhood on New York’s East Side. They were met inside by a small, intense and deeply worried woman who had seen her life turned upside down in the last two months.

Iran's Princess Ashraf, the strong-willed twin sister of the Iran's long-time ruler, had gone from wielding immense behind-the-scenes clout in the ancient nation of Persia to living in exile – albeit a luxurious one. With hostile Islamic fundamentalists running her homeland, Ashraf also was troubled by the plight of her ailing brother, the ousted Shah of Iran, who had fled into exile, first to Egypt and then Morocco.

Now, she was turning for help to the man who ran one of the leading U.S. banks, one which had made a fortune serving as the Shah's banker for a quarter century and handling billions of dollars in Iran's assets. Ashraf's message was straightforward. She wanted Rockefeller to intercede with Jimmy Carter and ask the President to relent on his decision against granting the Shah refuge in the United States.

A distressed Ashraf said her brother had been given a one-week deadline to leave his current place of refuge, Morocco. "My brother has nowhere to go," Ashraf pleaded, "and no one else to turn to." [See David Rockefeller, *Memoirs*]

### **Spurned Appeals**

Carter had been resisting appeals to let the Shah enter the United States, fearing that admitting him would endanger the personnel at the U.S. Embassy in Teheran and other U.S. interests. In mid-February 1979, Iranian radicals had overrun the embassy and briefly held the staff hostage before the Iranian government intervened to secure release of the Americans.

Carter feared a repeat of the crisis. Already the United States was deeply unpopular with the Islamic revolution because of the CIA's history of meddling in Iranian affairs. The U.S. spy agency had helped organize the overthrow of an elected nationalist government in 1953 and the restoration of the Shah and the Pahlavi family to the Peacock Throne. In the quarter century that followed, the Shah kept his opponents at bay through the coercive powers of his secret police, known as the SAVAK.

As the Islamic Revolution gained strength in January 1979, however, the Shah's security forces could no longer keep order. The Shah – suffering from terminal cancer – scooped up a small pile of Iranian soil, boarded his jet, sat down at the controls and flew the plane out of Iran to Egypt.

A few days later, Ayatollah Ruhollah Khomeini, an ascetic religious leader who had been forced into exile by the Shah, returned to a tumultuous welcome from crowds estimated at a million strong, shouting "Death to the Shah." The new Iranian government began demanding that the Shah be returned to stand trial for human rights crimes and that he surrender his fortune, salted away in overseas

accounts.

The new Iranian government also wanted Chase Manhattan to return Iranian assets, which Rockefeller put at more than \$1 billion in 1978, although some estimates ran much higher. The withdrawal might have created a liquidity crisis for the bank, which already was coping with financial troubles.

Ashraf's personal appeal put Rockefeller in what he described, with understatement, as "an awkward position," according to his autobiography *Memoirs*.

"There was nothing in my previous relationship with the Shah that made me feel a strong obligation to him," wrote the scion of the Rockefeller oil and banking fortune who had long prided himself in straddling the worlds of high finance and public policy. "He had never been a friend to whom I owed a personal debt, and neither was his relationship with the bank one that would justify my taking personal risks on his behalf. Indeed, there might be severe repercussions for Chase if the Iranian authorities determined that I was being too helpful to the Shah and his family."

Later on March 23, after leaving Ashraf's residence, Rockefeller attended a dinner with Happy Rockefeller, the widow of his brother Nelson who had died two months earlier. Also at the dinner was former Secretary of State Henry Kissinger, a long-time associate of the Rockefeller family.

Discussing the Shah's plight, Happy Rockefeller described her late husband's close friendship with the Shah, which had included a weekend stay with the Shah and his wife in Teheran in 1977. Happy said that when Nelson learned that the Shah would be forced to leave Iran, Nelson offered to pick out a new home for the Shah in the United States.

The dinner conversation also turned to what the participants saw as the dangerous precedent that President Carter was setting by turning his back on a prominent U.S. ally. What message of American timidity was being sent to other pro-U.S. leaders in the Middle East?

### **'Flying Dutchman'**

The dinner led to a public campaign by Rockefeller – along with Kissinger and former Chase Manhattan Bank Chairman John McCloy – to find a suitable home in exile for the Shah. Country after country had closed their doors to the Shah as he began a humiliating odyssey as what Kissinger would call a modern-day "Flying Dutchman," wandering in search of a safe harbor.

Rockefeller assigned his aide, Joseph Reed, "to help [the Shah] in any way he

could," including serving as the Shah's liaison to the U.S. government. McCloy, one of the so-called Wise Men of the post-World War II era, was representing Chase Manhattan as an attorney with Milbank, Tweed, Hadley and McCloy. One of his duties was to devise a financial strategy for staving off Iran's withdrawal of assets from the bank.

Rockefeller also pressed the Shah's case personally with Carter when the opportunity presented itself. On April 9, 1979, at the end of an Oval Office meeting on another topic, Rockefeller handed Carter a one-page memo describing the views of many foreign leaders disturbed by recent U.S. foreign policy actions, including Carter's treatment of the Shah.

"With virtually no exceptions, the heads of state and other government leaders I saw expressed concern about United States foreign policy which they perceived to be vacillating and lacking in an understandable global approach," Rockefeller's memo read. "They have questions about the dependability of the United States as a friend." An irritated Carter abruptly ended the meeting.

### **Temporary Havens**

Despite the mounting pressure from influential quarters, Carter continued to rebuff appeals to let the Shah into the United States. So the Shah's influential friends began looking for alternative locations, asking other nations to shelter the ex-Iranian ruler.

Finally, arrangements were made for the Shah to fly to the Bahamas and – when the Bahamian government turned out to be more interested in money than humanitarianism – to Mexico.

"With the Shah safely settled in Mexico, I had hopes that the need for my direct involvement on his behalf had ended," Rockefeller wrote in *Memoirs*. "Henry [Kissinger] continued to publicly criticize the Carter administration for its overall management of the Iranian crisis and other aspects of its foreign policy, and Jack McCloy bombarded [Carter's Secretary of State] Cyrus Vance with letters demanding the Shah's admission to the United States."

When the Shah's medical condition took a turn for the worse in October, Carter relented and agreed to let the Shah fly to New York for emergency treatment. Celebrating Carter's reversal, Rockefeller's aide Joseph Reed wrote in a memo, "our 'mission impossible' is completed. ... My applause is like thunder."

When the Shah arrived in New York on October 23, 1979, Reed checked the Shah into New York Hospital under a pseudonym, "David Newsome," a play on the name of Carter's undersecretary of state for political affairs, David Newsom.

## **Embassy Crisis**

The arrival of the Shah in New York led to renewed demands from Iran's new government that the Shah be returned to stand trial.

In Teheran, students and other radicals gathered at the university, called by their leaders to what was described as an important meeting, according to one of the participants whom I interviewed years later.

The students gathered in a classroom which had three blackboards turned toward the wall. A speaker told the students that they were about to undertake a mission supported by Ayatollah Khomeini, Iran's spiritual leader and the *de facto* head of the government.

"They said it would be dangerous and that anyone who didn't want to take part could leave now," the Iranian told me. "But no one left. Then, they turned around the blackboards. There were three buildings drawn on the blackboards. They were the buildings of the U.S. embassy."

The Iranian said the target of the raid was not the embassy personnel, but rather the embassy's intelligence documents.

"We had believed that the U.S. government had been manipulating affairs inside Iran and we wanted to prove it," he said. "We thought if we could get into the embassy, we could get the documents that would prove this. We hadn't thought about the hostages. We all went to the embassy. We had wire cutters to cut through the fence. We started climbing over the fences. We had expected more resistance. When we got inside, we saw the Americans running and we chased them."

Marine guards set off tear gas in a futile attempt to control the mob, but held their fire to avoid bloodshed. Other embassy personnel hastily shredded classified documents, although there wasn't time to destroy many of the secret papers. The militant students found themselves in control not only of the embassy and hundreds of sensitive U.S. cables, but dozens of American hostages as well.

An international crisis had begun, a hinge that would swing open unexpected doors for both American and Iranian history.

## **Hidden Compartments**

David Rockefeller denied that his campaign to gain the Shah's admittance to the United States had provoked the crisis, arguing that he was simply filling a vacuum created when the Carter administration balked at doing the right thing.

“Despite the insistence of journalists and revisionist historians, there was never a ‘Rockefeller-Kissinger behind-the-scenes campaign’ that placed ‘relentless pressure’ on the Carter administration to have the Shah admitted to the United States regardless of the consequences,” Rockefeller wrote in *Memoirs*. “In fact, it would be more accurate to say that for many months we were the unwilling surrogates for a government that had failed to accept its full responsibilities.”

But within the Iranian hostage crisis, there would be hidden compartments within hidden compartments, as influential groups around the world acted in what they perceived to be their personal or their national interests.

Rockefeller was just one of many powerful people who felt that Jimmy Carter deserved to lose his job. With the hostage crisis started, a countdown of 365 days began toward the 1980 elections. Though he may have been only dimly aware of his predicament, Carter faced a remarkable coalition of enemies both inside and outside the United States.

In the Persian Gulf, the Saudi royal family and other Arab oil sheiks blamed Carter for forsaking the Shah and feared their own playboy life styles might be next on the list for the Islamic fundamentalists. The Israeli government saw Carter as too cozy with the Palestinians and too eager to cut a peace deal that would force Israel to surrender land won in the 1967 war.

European anti-communists believed Carter was too soft on the Soviet Union and was risking the security of Europe. Dictators in the Third World – from the Philippines and South Korea to Argentina and El Salvador – were bristling at Carter’s human rights lectures.

Inside the United States, the Carter administration had made enemies at the CIA by purging many of the Old Boys who saw themselves as protectors of America’s deepest national interests. Many CIA veterans, including some still within the government, were disgruntled. And, of course, the Republicans were determined to win back the White House, which many felt had been unjustly taken from their control after Richard Nixon’s landslide victory in 1972.

This subterranean struggle between Carter, trying desperately to free the hostages before the 1980 election, and those who stood to benefit by thwarting him became known popularly as the “October Surprise” controversy.

The nickname referred to the possibility that Carter might have ensured his reelection by arranging the hostage return the month before the presidential election as an October Surprise, although the term came ultimately to refer to clandestine efforts to stop Carter from pulling off his October Surprise.

## CIA Old Boys

When the hostage crisis wasn't resolved in the first few weeks and months, the attention of many disgruntled CIA Old Boys also turned toward the American humiliation in Iran, which they found doubly hard to take since it had been the site of the agency's first major victory, the restoration of the Shah to the Peacock Throne.

A number of veterans from that operation of 1953 were still alive in 1980. Archibald Roosevelt was one of the Old Boys from the Iranian operation. He had moved on to become an adviser to David Rockefeller at Chase Manhattan Bank.

Another was Miles Copeland, who had served the CIA as an intermediary to Arab leaders, including Egyptian President Gamal Abdul Nasser. In his autobiography, *The Game Player*, Copeland claimed that he and his CIA chums prepared their own Iranian hostage rescue plan in March 1980.

When I interviewed Copeland in 1990 at his thatched-roofed cottage outside Oxford in the English countryside, he said he had been a strong supporter of George H.W. Bush in 1980. He even had founded an informal support group called "Spooks for Bush."

Sitting among photos of his children who included the drummer for the rock group, The Police, and the manager for the rock star, Sting, Copeland explained that he and his CIA colleagues considered Carter a dangerous idealist.

"Let me say first that we liked President Carter," Copeland told me "He read, unlike President Reagan later, he read everything. He knew what he was about. He understood the situation throughout the Middle East, even these tenuous, difficult problems such as Arabs and Israel.

"But the way we saw Washington at that time was that the struggle was really not between the Left and the Right, the liberals and the conservatives, as between the Utopians and the realists, the pragmatists. Carter was a Utopian. He believed, honestly, that you must do the right thing and take your chance on the consequences. He told me that. He literally believed that."

Copeland's deep Southern accent spit out the words with a mixture of amazement and disgust. To Copeland and his CIA friends, Carter deserved respect for a first-rate intellect but contempt for his idealism.

"Most of the things that were done [by the United States] about Iran had been on a basis of stark realism, with possibly the exception of letting the Shah down," Copeland said. "There are plenty of forces in the country we could have marshaled. ... We could have sabotaged [the revolution, but] we had to establish



what the Quakers call 'the spirit of the meeting' in the country, where everybody was thinking just one way. The Iranians were really like sheep, as they are now."

### **Altar of Ideals**

But Carter, troubled by the Shah's human rights record, delayed taking decisive action and missed the moment of opportunity, Copeland said. Infuriating the CIA's Old Boys, Carter had sacrificed an ally on the altar of idealism.

"Carter really believed in all the principles that we talk about in the West," Copeland said, shaking his mane of white hair. "As smart as Carter is, he did believe in Mom, apple pie and the corner drug store. And those things that are good in America are good everywhere else."

Veterans of the CIA and Republicans from the Nixon-Ford administrations judged that Carter simply didn't measure up to the demands of a harsh world.

"There were many of us – myself along with Henry Kissinger, David Rockefeller, Archie Roosevelt in the CIA at the time – we believed very strongly that we were showing a kind of weakness, which people in Iran and elsewhere in the world hold in great contempt," Copeland said. "The fact that we're being pushed around, and being afraid of the Ayatollah Khomeini, so we were going to let a friend down, which was horrifying to us. That's the sort of thing that was frightening to our friends in Saudi Arabia, in Egypt and other places."

But Carter also bent to the moral suasions of the Shah's friends, who argued on humanitarian grounds that the ailing Shah deserved admission to the United States for medical treatment. "Carter, I say, was not a stupid man," Copeland said. Carter had even a greater flaw: "He was a principled man."

So, Carter decided that the moral act was to allow the Shah to enter the United States for treatment, leading to the result Carter had feared: the seizure of the U.S. Embassy.

### **Frozen Assets**

As the crisis dragged on, the Carter administration cranked up the pressure on the Iranians. Along with diplomatic initiatives, Iran's assets were frozen, a move that ironically helped David Rockefeller's Chase Manhattan Bank by

preventing the Iranians from cleaning out their funds



In *Memoirs*, Rockefeller wrote that the Iranian “government did reduce the balances they maintained with us during the second half of 1979, but in reality they had simply returned to their historic level of about \$500 million,” Rockefeller wrote. “Carter’s ‘freeze’ of official Iranian assets protected our position, but no one at Chase played a role in convincing the administration to institute it.”

In the weeks that followed the embassy seizure, Copeland said he and his friends turned their attention to figuring a way out of the mess.

“There was very little sympathy for the hostages,” Copeland said. “We all have served abroad, served in embassies like that. We got additional pay for danger. I think, for Syria, I got fifty percent extra in salary. So it’s a chance you take. When you join the army, you take a chance of getting in a war and getting shot. If you’re in the diplomatic service, you take a chance on having some horror like this descend on you.

“But on the other hand, we did think that there were things we could do to get them out, other than simply letting the Iranians, the students, and the Iranian administration know that they were beating us,” Copeland said. “We let them know what an advantage they had. That we could have gotten them out is something that all of us old professionals of the covert action school, we said from the beginning, ‘Why don’t they let us do it?’”

According to *The Game Player*, Copeland met his old friend, ex-CIA counter-intelligence chief James Angleton, for lunch. The famed spy hunter “brought to lunch a Mossad chap who confided that his service had identified at least half of the ‘students,’ even to the extent of having their home addresses in Teheran,” Copeland wrote. “He gave me a rundown on what sort of kids they were. Most of them, he said, were just that, kids.”

## **Periphery Strategy**

The Israeli government was another deeply interested player in the Iran crisis. For decades, Israel had cultivated covert ties with the Shah's regime as part of a Periphery Strategy of forming alliances with non-Arab states in the region to prevent Israel's Arab enemies from focusing all their might against Israel.

Though losing an ally when the Shah fell and offended by the anti-Israeli rhetoric from the Khomeini regime, Israel had gone about quietly rebuilding relations with the Iranian government. One of the young Israeli intelligence agents assigned to this task was an Iranian-born Jew named Ari Ben-Menashe, who had immigrated to Israel as a teen-ager and was valuable because he spoke fluent Farsi and still had friends in Iran, some of whom were rising within the new revolutionary bureaucracy.

In his own 1992 memoirs, *Profits of War*, Ben-Menashe said the view of Israel's Likud leaders, including Prime Minister Menachem Begin, was one of contempt for Jimmy Carter in the late 1970s.

"Begin loathed Carter for the peace agreement forced upon him at Camp David," Ben-Menashe wrote. "As Begin saw it, the agreement took away Sinai from Israel, did not create a comprehensive peace, and left the Palestinian issue hanging on Israel's back."

After the Shah fell, Begin grew even more dissatisfied with Carter's handling of the crisis and alarmed over the growing likelihood of an Iraqi attack on Iran's oil-rich Khuzistan province. Israel saw Iraq's Saddam Hussein as a far greater threat to Israel than Iran's Khomeini. Ben-Menashe wrote that Begin, recognizing the *realpolitik* needs of Israel, authorized shipments to Iran of small arms and some spare parts, via South Africa, as early as September 1979.

After the U.S. hostages were taken in November 1979, the Israelis came to agree with Copeland's hard-headed skepticism about Carter's approach to the hostage issue, Ben-Menashe wrote. Even though Copeland was generally regarded as a CIA "Arabist" who had opposed Israeli interests in the past, he was admired for his analytical skills, Ben-Menashe wrote.

"A meeting between Miles Copeland and Israeli intelligence officers was held at a Georgetown house in Washington, D.C.," Ben-Menashe wrote. "The Israelis were happy to deal with any initiative but Carter's. David Kimche, chief of Tevel, the foreign relations unit of Mossad, was the senior Israeli at the meeting. ... The Israelis and the Copeland group came up with a two-pronged plan to use quiet diplomacy with the Iranians and to draw up a scheme for military action against Iran that would not jeopardize the lives of the hostages."

In late February 1980, Seyed Mehdi Kashani, an Iranian emissary, arrived in

Israel to discuss Iran's growing desperation for aircraft spare parts, Ben-Menashe wrote. Kashani, whom Ben-Menashe had known from their school days in Teheran, also revealed that the Copeland initiative was making inroads inside Iran and that approaches from some Republican emissaries had already been received, Ben-Menashe wrote.

"Kashani said that the secret ex-CIA-Miles-Copeland group was aware that any deal cut with the Iranians would have to include the Israelis because they would have to be used as a third party to sell military equipment to Iran," according to Ben-Menashe. In March, the following month, the Israelis made their first direct military shipment to Iran, 300 tires for Iran's F-4 fighter jets, Ben-Menashe wrote.

### **Rescue Plans**

In the 1990 interview at his house in the English countryside, Copeland told me that he and other CIA old-timers developed their own hostage-rescue plan. Copeland said the plan – which included cultivating political allies within Iran and using disinformation tactics to augment a military assault – was hammered out on March 22, 1980, in a meeting at his Georgetown apartment.

Copeland said he was aided by Steven Meade, the ex-chief of the CIA's Escape and Evasion Unit; Kermit Roosevelt, who had overseen the 1953 coup in Iran; and Archibald Roosevelt, the adviser to David Rockefeller.

"Essentially, the idea was to have some Iranians dressed in Iranian military uniform and police uniform go to the embassy, address the students and say, 'Hey, you're doing a marvelous job here. But now we'll relieve you of it, because we understand that there's going to be a military force flown in from outside. And they're going to hit you, and we're going to scatter these [hostages] around town. Thanks very much.'"

Copeland's Iranians would then move the hostages to the edge of Teheran where they would be loaded onto American helicopters to be flown out of the country.

To Copeland's chagrin, his plan fell on deaf ears in the Carter administration, which was developing its own rescue plan that would rely more on U.S. military force with only modest help from Iranian assets in Teheran. So, Copeland said he distributed his plan outside the administration, to leading Republicans, giving sharper focus to their contempt for Carter's bungled Iranian strategy.

"Officially, the plan went only to people in the government and was top secret and all that," Copeland said. "But as so often happens in government, one wants support, and when it was not being handled by the Carter administration as though it was top secret, it was handled as though it was nothing. ... Yes, I sent

copies to everybody who I thought would be a good ally. ...

“Now I’m not at liberty to say what reaction, if any, ex-President Nixon took, but he certainly had a copy of this. We sent one to Henry Kissinger, and I had, at the time, a secretary who had just worked for Henry Kissinger, and Peter Rodman, who was still working for him and was a close personal friend of mine, and so we had these informal relationships where the little closed circle of people who were, a, looking forward to a Republican President within a short while and, b, who were absolutely trustworthy and who understood all these inner workings of the international game board.”

By April 1980, Carter’s patience was wearing thin, both with the Iranians and some U.S. allies. After discovering that the Israelis had made a secret shipment of 300 tires to Iran, Carter complained to Prime Minister Begin.

“There had been a rather tense discussion between President Carter and Prime Minister Begin in the spring of 1980 in which the President made clear that the Israelis had to stop that, and that we knew that they were doing it, and that we would not allow it to continue, at least not allow it to continue privately and without the knowledge of the American people,” Carter’s press secretary Jody Powell told me. “And it stopped” – at least temporarily.

Questioned by congressional investigators a dozen years later, Carter said he felt that by April 1980, “Israel cast their lot with Reagan,” according to notes I found among the unpublished documents in the files of a House Task Force, which had examined the October Surprise controversy. Carter traced the Israeli opposition to his reelection to a “lingering concern [among] Jewish leaders that I was too friendly with Arabs.”

Carter’s National Security Adviser Zbigniew Brzezinski also recognized the Israeli hostility. In an interview, Brzezinski told me that the Carter White House was well aware that the Begin government had “an obvious preference for a Reagan victory.”

### **Desert One**

Encircled by growing legions of enemies, the Carter administration put the finishing touches on its own hostage-rescue operation in April. Code named “Eagle Claw,” the assault involved a force of U.S. helicopters that would swoop down on Teheran, coordinate with some agents on the ground and extract the hostages.

Carter ordered the operation to proceed on April 24, but mechanical problems forced the helicopters to turn back. At a staging area called Desert One, one of the helicopters collided with a refueling plane, causing an explosion that

killed eight American crewmen.

Their charred bodies were then displayed by the Iranian government, adding to the fury and humiliation of the United States. After the Desert One fiasco, the Iranians dispersed the hostages to a variety of locations, effectively shutting the door on another rescue attempt, at least one that would have any chance of returning the hostages as a group.

By summer 1980, Copeland told me, the Republicans in his circle considered a second hostage-rescue attempt not only unfeasible, but unnecessary. They were talking confidently about the hostages being freed after a Republican victory in November, the old CIA man said.

“There was no discussion of a Kissinger or Nixon plan to rescue these people, because Nixon, like everybody else, knew that all we had to do was wait until the election came, and they were going to get out,” Copeland said. “That was sort of an open secret among people in the intelligence community, that that would happen. ... The intelligence community certainly had some understanding with somebody in Iran in authority, in a way that they would hardly confide in me.”

Copeland said his CIA friends had been told by contacts in Iran that the mullahs would do nothing to help Carter or his reelection.

“At that time, we had word back, because you always have informed relations with the devil,” Copeland said. “But we had word that, ‘Don’t worry.’ As long as Carter wouldn’t get credit for getting these people out, as soon as Reagan came in, the Iranians would be happy enough to wash their hands of this and move into a new era of Iranian-American relations, whatever that turned out to be.”

In the interview, Copeland declined to give more details, beyond his assurance that “the CIA within the CIA,” his term for the true protectors of U.S. national security, had an understanding with the Iranians about the hostages. (Copeland died on January 14, 1991, before I could interview him again.)

Much of the controversy over the October Surprise mystery has centered on several alleged secret meetings in Europe between senior Republicans – including then-Reagan campaign chief William Casey and Reagan’s running mate George H.W. Bush – and Iranian officials, including senior cleric Mehdi Karrubi.

A variety of witnesses, including Iranian officials and international intelligence operatives, have described these contacts, which have been denied by Bush and other top Republicans. Though official U.S. investigations have generally sided with the Republicans, a substantial body of evidence – much of it kept hidden from the American people – actually supports the October Surprise allegations.

[For a summary of the evidence on the Reagan campaign's interference, go to "[Second Thoughts on October Surprise](#)." For more detailed accounts, see Robert Parry's [Trick or Treason, Secrecy & Privilege](#) and [America's Stolen Narrative](#).]

## **Rockefeller's Visit**

Evidence from Reagan-Bush campaign files also points to undisclosed contacts between the Rockefeller group and Casey during Carter's hostage negotiations.

According to a campaign visitor log for September 11, 1980, David Rockefeller and several of his aides who were dealing with the Iranian issue signed in to see Casey at his campaign headquarters in Arlington, Virginia.

With Rockefeller were Joseph Reed, whom Rockefeller had assigned to coordinate U.S. policy toward the Shah, and Archibald Roosevelt, the former CIA officer who was monitoring events in the Persian Gulf for Chase Manhattan and who had collaborated with Miles Copeland on the Iran hostage-rescue plan. The fourth member of the party was Owen Frisbie, Rockefeller's chief lobbyist in Washington.

In the early 1990s, all the surviving the participants – Rockefeller, Reed and Frisbie – declined to be interviewed about the Casey meeting. Rockefeller made no mention of the meeting in *Memoirs*.

Henry Kissinger, another Rockefeller associate, also was in discreet contact with campaign director Casey during this period, according to Casey's personal chauffeur whom I interviewed. The chauffeur, who asked not to be identified by name, said he was sent twice to Kissinger's Georgetown home to pick up the former Secretary of State and bring him to Arlington, Virginia, for private meetings with Casey, meetings that were not recorded on the official visitor logs.

On September 16, 1980, five days after the Rockefeller visit to Casey's office, Iran's acting foreign minister Sadegh Ghotbzadeh publicly cited Republican interference on the hostages.

"Reagan, supported by Kissinger and others, has no intention of resolving the problem," Ghotbzadeh said. "They will do everything in their power to block it."

In the weeks before Election 1980, FBI wiretaps picked up other evidence that connected Rockefeller associates with two of the key suspects in the October Surprise mystery, Iranian banker Cyrus Hashemi and longtime Casey business associate John Shaheen.

According to the FBI wiretaps hidden in Hashemi's New York offices in September

1980, Hashemi and Shaheen were involved in the intrigue surrounding the Iran hostage crisis while simultaneously promoting murky financial schemes.

Hashemi was supposedly acting as an intermediary for President Carter for secret approaches to Iranian officials about getting the hostages released. But Hashemi also appears to have been playing a double game, serving as a backchannel for the Reagan-Bush campaign, through Shaheen, who had known Casey since their World War II days together in the Office of Strategic Services, the CIA's forerunner.

The FBI wiretaps revealed that Hashemi and Shaheen also were trying to establish a bank with Philippine interests in either the Caribbean or in Hong Kong. In mid-October 1980, Hashemi deposited "a large sum of money" in a Philippine bank and planned to meet with Philippine representatives in Europe, an FBI intercept discovered.

The negotiations led Shaheen to an agreement with Herminio Disini, an in-law of Philippine First Lady Imelda Marcos, to establish the Hong Kong Deposit and Guaranty Company. Disini also was a top moneymen for Philippine President Ferdinand Marcos.

The \$20 million used as starting capital for the bank came through Jean A. Patry, David Rockefeller's lawyer in Geneva, Switzerland. But the original source of the money, according to two Shaheen associates I interviewed, was Princess Ashraf, the Shah's twin sister.

### **Reagan's Victory**

On November 4, 1980, one year to the day after the Iranian militants seized the U.S. Embassy in Teheran, Ronald Reagan routed Jimmy Carter in the U.S. presidential elections. In the weeks after the election, the hostage negotiations continued.

As Reagan's Inauguration neared, Republicans talked tough, making clear that Ronald Reagan wouldn't stand for the humiliation that the nation endured for 444 days under Carter. The Reagan-Bush team intimated that Reagan would deal harshly with Iran if it didn't surrender the hostages.

A joke making the rounds of Washington went: "What's three feet deep and glows in the dark? Teheran ten minutes after Ronald Reagan becomes President."

On Inauguration Day, January 20, 1981, just as Reagan was beginning his inaugural address, word came from Iran that the hostages were freed. The American people were overjoyed. The coincidence in timing between the hostage release and Reagan's taking office immediately boosted the new President's image as a tough guy who wouldn't let the United States be pushed around.



The reality, however, appears to have been different, with U.S. weapons soon flowing secretly to Iran through Israel and participants in the October Surprise mystery seeming to get in line for payoffs.

The bank deal that Cyrus Hashemi and John Shaheen had discussed for months took final shape two days after Reagan's Inauguration. On January 22, 1981, Shaheen opened the Hong Kong Deposit and Guaranty Bank with \$20 million that had been funneled to him through Jean Patry, the Rockefeller-connected lawyer in Geneva who was fronting for Princess Ashraf.

Why, I asked one of Shaheen's associates, would Ashraf have invested \$20 million in a bank with these dubious characters? "It was funny money," the associate answered. He believed it was money that the Islamic revolutionary government was claiming as its own.

A second Shaheen associate said Shaheen was particularly secretive when asked about his relationship with the deposed princess. "When it comes to Ashraf, I'm a cemetery," Shaheen once said.

From 1981 to 1984, Hong Kong Deposit and Guaranty pulled in hundreds of millions of petrodollars. The bank also attracted high-flying Arabs to its board of directors.

Two directors were Ghanim Al-Mazrouie, an Abu Dhabi official who controlled 10 percent of the corrupt Bank of Credit and Commerce International, and Hassan Yassin, a cousin of Saudi financier Adnan Khashoggi and an adviser to BCCI principal Kamal Adham, the former chief of Saudi intelligence.

Though Cyrus Hashemi's name was not formally listed on the roster of the Hong Kong bank, he did receive cash from BCCI, al-Mazrouie's bank. An FBI wiretap of Hashemi's office in early February 1981 picked up an advisory that "money from BCCI [is] to come in tomorrow from London on Concorde," a reference to the supersonic commercial airliner favored by wealthy travelers. (In 1984, the Hong Kong Deposit and Guaranty collapsed and an estimated \$100 million disappeared.)

### **Langley Meeting**

Early in the Reagan-Bush administration, Joseph Reed, the aide to David Rockefeller, was appointed and confirmed as the new U.S. ambassador to Morocco. Before leaving for his posting, he visited the CIA and its new director, William Casey. As Reed arrived, CIA official Charles Cogan was getting up and preparing to leave Casey's office.

Knowing Reed, Cogan lingered at the door. In a "secret" deposition to congressional investigators in 1992, Cogan said he had a "definite memory" of a

comment Reed made about disrupting Carter's "October Surprise" of a pre-election release of the 52 American hostages in Iran.

But Cogan said he couldn't recall the precise verb that Reed had used. "Joseph Reed said, 'we' and then the verb [and then] something about Carter's October Surprise," Cogan testified. "The implication was we did something about Carter's October Surprise, but I don't have the exact wording."

One congressional investigator, who discussed the recollection with Cogan in a less formal setting, concluded that the verb that Cogan chose not to repeat was an expletive relating to sex – as in "we fucked Carter's October Surprise."

During Cogan's deposition, David Laufman, a Republican lawyer on the House October Surprise Task Force and a former CIA official, asked Cogan if he had since "had occasion to ask him [Reed] about this" recollection?

Yes, Cogan replied, he recently had asked Reed about it, after Reed moved to a protocol job at the United Nations. "I called him up," Cogan said. "He was at his farm in Connecticut, as I recall, and I just told him that, look, this is what sticks in my mind and what I am going to say [to Congress], and he didn't have any comment on it and continued on to other matters."

"He didn't offer any explanation to you of what he meant?" asked Laufman.

"No," answered Cogan.

"Nor did he deny that he had said it?" asked another Task Force lawyer Mark L. Shaffer.

"He didn't say anything," Cogan responded. "We just continued on talking about other things."

And so did the Task Force lawyers at this remarkable deposition on December 21, 1992. The lawyers even failed to ask Cogan the obvious follow-up: What did Casey say and how did Casey react when Reed allegedly told Reagan's ex-campaign chief that "we fucked Carter's October Surprise."

### **Discovered Documents**

I found Cogan's testimony and other incriminating documents in files left behind by the Task Force, which finished its half-hearted investigation of the October Surprise controversy in January 1993.

Among those files, I also discovered the notes of an FBI agent who tried to interview Joseph Reed about his October Surprise knowledge. The FBI man, Harry A. Penich, had scribbled down that "numerous telephone calls were placed to him

[Reed]. He failed to answer any of them. I conservatively place the number over 10.”

Finally, Penich, armed with a subpoena, cornered Reed arriving home at his 50-acre estate in Greenwich, Connecticut. “He was surprised and absolutely livid at being served at home,” Penich wrote. “His responses could best be characterized as lashing out.”

Reed threatened to go over Penich’s head. In hand-written “talking points” that Penich apparently used to brief an unnamed superior, the FBI agent wrote: “He [Reed] did it in such a way as to lead a reasonable person to believe he had influence w/you. The man’s remarks were both inappropriate and improper.”

But the hard-ball tactics worked. When Reed finally consented to an interview, Task Force lawyers just went through the motions.

Penich took the interview notes and wrote that Reed “recalls no contact with Casey in 1980,” though Reed added that “their paths crossed many times because of Reed’s position at Chase.” As for the 1981 CIA visit, Reed added that as the newly appointed U.S. ambassador to Morocco, he “would have stopped in to see Casey and pay respect.”

But on whether Reed made any remark about obstructing Carter’s October Surprise, Reed claimed he “does not specifically know what October Surprise refers to,” Penich scribbled down.

The Task Force lawyers didn’t press hard. Most strikingly, the lawyers failed to confront Reed with evidence that would have impeached his contention that he had “no contact with Casey in 1980.” According to the sign-in sheets at the Reagan-Bush campaign headquarters in Arlington, Virginia, which the Task Force had obtained, Reed saw Casey on September 11, 1980, less than two months before the election.

When the official House Task Force report was issued on January 13, 1993, the Task Force largely cleared the Republicans of the longstanding October Surprise charges, but that conclusion was based on tendentious interpretations of the published evidence and the withholding of many incriminating documents.

Among the evidence that was never shared with the American people was the fascinating connection between the powerful friends of David Rockefeller and the shadowy operatives who had maintained clandestine contacts with the Iranian mullahs during the long hostage crisis.

**Investigative reporter Robert Parry broke many of the Iran-Contra stories for The Associated Press and Newsweek in the 1980s. You can buy his latest book,**

*America's Stolen Narrative*, either in [print here](#) or as an e-book (from [Amazon](#) and [barnesandnoble.com](#)).

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## The Missing Logic of Russia-gate

**Exclusive:** Russia-bashing and innuendos about disloyal Americans were all the rage at Monday's House Intelligence Committee hearing on alleged Russian "hacking" of the presidential election, but logic is often missing, says Robert Parry.

By Robert Parry

As Rep. Adam Schiff tries out for the lead role in a remake of the Joe McCarthy hearings by maligning specific Americans as suspected Russian moles, some of the actual evidence argues against the Democratic notion that the Russians own President Trump and other key Republicans.

For instance, last week, Democrats circulated a report showing that retired Lt. Gen. Michael Flynn, who served briefly as President Donald Trump's national security adviser, had received payments from several Russia-related entities, totaling nearly \$68,000.

The largest payment of \$45,386 came for a speech and an appearance in Moscow in 2015 at the tenth anniversary dinner for RT, the international Russian TV network, with Flynn netting \$33,750 after his speakers' bureau took its cut. Democrats treated this revelation as important evidence about Russia buying influence in the Trump campaign and White House. But the actual evidence suggests something quite different.

Not only was the sum a relative trifle for a former senior U.S. government official compared to, say, the fees collected by Bill and Hillary Clinton, who often pulled in six to ten times more, especially for speeches to foreign audiences. (Former President Clinton received \$500,000 for a Moscow speech from a Russian investment bank with ties to the Kremlin, [The New York Times reported](#) in 2015,)

Yet, besides Flynn's relatively modest speaking fee, [The Washington Post reported](#) that RT negotiated Flynn's rate downward.

Deep inside its article on Flynn's Russia-connected payments, the Post wrote, "RT balked at paying Flynn's original asking price. 'Sorry it took us longer to

get back to you but the problem is that the speaking fee is a bit too high and exceeds our budget at the moment,' Alina Mikhaleva, RT's head of marketing, wrote a Flynn associate about a month before the event."

So, if you accept the Democrats' narrative that Russian President Vladimir Putin is engaged in an all-out splurge to induce influential Americans to betray their country, how do you explain that his supposed flunkies at RT are quibbling with Flynn over a relatively modest speaking fee?

Wouldn't you think that Putin would have told RT's marketing department that the sky was the limit in paying off Flynn because the ever-prescient Russian president knew from his Ouija board in 2015 that Flynn would be the future national security adviser under President Trump?

After all, it's become one of Official Washington's favorite groupthinks that RT is nothing but a Russian propaganda front designed to destroy the faith that Americans have in their democratic process – as if the sleazy and shameful political campaigns financed with hundreds of millions of dollars from billionaires need any help from RT.

### **Anti-Democracy Debates**

But RT-bashing is always in season. The Director of National Intelligence's report on Jan. 6, with its evidence-free "assessments" that Russia was engaged in undermining American democracy included a seven-page appendix dating from 2012 that described how RT was contributing toward that goal by portraying "the US electoral process as undemocratic."

The "proof" behind the DNI's accusation included RT's articles on "voting machine vulnerabilities" although virtually every major U.S. news organizations ran similar stories in that time frame. The DNI report also took RT to task for covering the Occupy Wall Street movement and for reporting on the environmental dangers from "fracking," topics cited as further proof that the Russian government was using RT to weaken U.S. public support for Washington's policies (although, again, these are topics of genuine public interest).

To further demonstrate how RT was carrying out the Kremlin's goal of spoiling Americans' faith in the U.S. democratic process, the DNI report noted that "RT broadcast, hosted and advertised third-party candidate debates."

Apparently, the DNI's point was that showing Americans that there are choices beyond the two major parties was somehow seditious. "The RT hosts asserted that the US two-party system does not represent the views of at least one-third of the population and is a 'sham,'" the DNI's report said.

Yet, polls have shown that large numbers of Americans would prefer more choices than the usual two candidates and, indeed, most Western democracies have multiple parties. But somehow RT's suggestion that other voices should be heard constituted an assault on American democracy.

As for Flynn, the report on his finances showed that he also received payments of \$11,250 from the U.S. subsidiary of Kaspersky Lab, a Russian cyber-security firm, and \$11,250 from a U.S. air cargo company associated with the Volga-Dnepr Group, owned by a Russian businessman.

Rep. Elijah Cummings, D-Maryland, who was the chief defender of former Secretary of State Hillary Clinton when she was subjected to the Republicans' over-the-top Benghazi investigations, switched positions in publicizing the news about Flynn's post-government work related to Russia. Cummings was suddenly the accuser.

"I cannot recall any time in our nation's history when the President selected as his National Security Advisor someone who violated the Constitution by accepting tens of thousands of dollars from an agent of a global adversary that attacked our democracy," Cummings wrote in a letter to President Trump, Defense Secretary Jim Mattis and FBI Director James Comey.

### **Heating Up the New Cold War**

Cummings thus became another Democrat pouring gasoline on the smoldering tensions between nuclear-armed Russia and the United States. For the Democrats, any dealing with any entity that had some connection to Russia is now prima facie evidence of disloyalty.

The context of these contacts has become almost irrelevant, subordinated to the larger goal of ousting Trump, whatever the cost, even transforming the Democratic Party into the party of the New Cold War and the New McCarthyism.

Yet, further undercutting the new certainty that Putin lined Trump's pockets with rubles as a way to ensure his allegiance to the Kremlin is the story of Trump's failed luxury hotel project intended to be built in Moscow several years ago.

A source familiar with those negotiations told me that Trump had hoped to get a half interest in the \$2 billion project but that Russian-Israeli investor Mikhail Fridman, a founder of Russia's Alfa Bank, balked because Trump was unwilling to commit a significant investment beyond the branding value of the Trump name.

Again, if the Democratic narrative is to be believed – that Putin controls all

the businesses in Russia and wanted to pay off Trump – it’s hard to understand why the hotel deal fell through. Or, for that matter, why RT was nickel-and-diming Flynn.

The other problem with the Democratic narrative is that it always assumes that Putin could foretell that Trump would rise in 2016 to win the U.S. presidential election and thus there was value in corrupting Trump and his entourage with money and other favors.

The fact that almost no political pundit in the United States shared that prediction even last year would seem to demonstrate the kookiness of the Democratic assumptions and the flaws in the U.S. Intelligence Community’s “assessments” about alleged Russian “hacking” and distribution of Democratic emails.

Those “assessments” also assume that Putin’s motives were to hurt Hillary Clinton’s campaign, boost Trump and – as FBI Director Comey added on Monday – turn Americans against their democracy.

But there is a counter-argument to that thinking: Assuming that Putin read the polls like everyone else, would he risk infuriating the likely next President of the United States – Hillary Clinton – by embarrassing her with an email leak that would amount to a pinprick? Clinton herself blamed her surprise defeat on FBI Director Comey’s decision to briefly reopen the investigation into whether she endangered national security by using a private email server as Secretary of State.

Unless one assumes that Putin’s Ouija board also predicted Comey’s actions or perhaps that Comey is another Russian mole, wouldn’t it be a huge risk for Putin to anger Clinton without ensuring her defeat? There’s the old saying that “if you strike a king, you must kill him,” which would seem to apply equally to a queen. But logical thinking no longer applies to what’s going on in Official Washington.

**Investigative reporter Robert Parry broke many of the Iran-Contra stories for The Associated Press and Newsweek in the 1980s. You can buy his latest book, *America’s Stolen Narrative*, either in [print here](#) or as an e-book (from [Amazon](#) and [barnesandnoble.com](#)).**

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## NYT’s ‘Tinfoil Hat’ Conspiracy Theory

**Exclusive:** There is a “tinfoil-hat” quality to The New York Times’ pushing its

“Donald Trump Is Russia’s Manchurian Candidate” conspiracy theory as the newspaper sinks deeper into a New McCarthyism, reports Robert Parry.

By Robert Parry

There are real reasons to worry about President Donald Trump’s foreign policy, including his casual belligerence toward Iran and North Korea and his failure to rethink U.S. alliances with Saudi Arabia and Israel, but The New York Times obsesses on Trump’s willingness to work with Russia.

On Saturday, the Times devoted most of its op-ed page to the Times’ favorite conspiracy theory, that Trump is Vladimir Putin’s “Manchurian candidate” though evidence continues to be lacking.

The op-ed package combined a “What to Ask About Russian Hacking” [article](#) by Louise Mensch, a former Conservative member of the British Parliament who now works for Rupert Murdoch’s News Corporation, and a connect-the-dots graphic that when filled out shows the Kremlin sitting atop the White House. But the featured article actually revealed how flimsy and wacky the Times’ conspiracy theory is.

Usually, an investigation doesn’t begin until there is specific evidence of a crime. For instance, the investigative articles that I have written over the years have always had information from insiders about how the misconduct had occurred before a single word was published.

In the early 1990s, for the investigation that I conducted for PBS “Frontline” into the so-called “October Surprise” case – whether Ronald Reagan’s campaign colluded with Iranians and others to sabotage President Jimmy Carter’s negotiations to free 52 American hostages in 1980 – we had some two dozen people providing information about those contacts from multiple perspectives – including from the U.S., Iran, Israel and Europe – before we aired the allegations.

We didn’t base our documentary on the suspicious circumstance that the Iranians held back the hostages until after Ronald Reagan was inaugurated President on Jan. 20, 1981, or on the point that Iran and the Republicans had motives to sandbag Carter. We didn’t casually throw out the names of a bunch of people who might have committed treason.

When we broadcast the documentary in April 1991, there was a strong evidentiary case of the Reagan’s campaign guilt – and even then we were highly circumspect in how we presented the story.

Ultimately, the 1980 “October Surprise” case came down to whether you believed



the Republican denials or the two dozen or so witnesses who described how this operation was carried out with the help of the Israeli government, French intelligence, and former and current CIA officers – along with former CIA Director George H.W. Bush and future CIA Director William Casey.

In the end, Official Washington was never willing to accept that the beloved Ronald Reagan could have done something as dastardly as conspire with Iranians to delay the release of 52 American hostages. It didn't matter what the evidence was or that Reagan quickly approved arms shipments to Iran via Israel in 1981, a prequel to the later Iran-Contra arms-for-hostages scandal of 1985-86.

### **No Direct Evidence**

By contrast, what the current "Russia Owns Trump" allegations are completely lacking is an insider who describes any nefarious collusion between the Trump campaign and Russia to arrange the Kremlin's help in defeating Hillary Clinton and electing Donald Trump.

What we do have is President Barack Obama's outgoing intelligence chiefs putting out evidence-free "assessments" that Russia was responsible for the "hacking" and the publicizing of two batches of Democratic emails, one from the Democratic National Committee and one from Clinton's campaign chairman John Podesta.

The DNC emails revealed that top Democratic Party officials had violated their duty to remain neutral during the primaries and instead tilted the playing field in favor of Hillary Clinton and against Sen. Bernie Sanders. The Podesta emails exposed the contents of Clinton's paid speeches to Wall Street, which she was trying to hide from voters, as well as some pay-to-play features of the Clinton Foundation.

When published by WikiLeaks last year, the emails embarrassed the Clinton campaign but were not regarded as a major factor in her defeat, which she blamed primarily on FBI Director James Comey's decision to briefly reopen the investigation into whether she endangered national security by using a private email server while Secretary of State.

However, after the shock of Donald Trump's election, Clinton supporters looked for reasons to block Trump's inauguration or to set the stage for his impeachment. That was when Obama's intelligence chiefs began circulating claims that Russia was behind the leaking of the Democratic emails as part of a scheme to put their favored candidate, Trump, in the White House.

The New York Times and other mainstream news outlets, which were strongly hostile to Trump, seized on the allegations, making them front-page news for the past several months despite the paucity of actual evidence that any collusion

occurred or that the Russians were even the ones who obtained and distributed the emails.

WikiLeaks denied getting the material from the Russians, suggesting instead that two different American insiders were the sources.

### **A Witch Hunt?**

How thin the Russia-Trump case is becomes evident in reading the Times' op-ed by Louise Mensch. After introducing herself as someone who has "followed the Russian hacking story closely," she lists 25 people by name, including various Trump advisers as well as Internet moguls Mark Zuckerberg and Peter Thiel, who should be hauled before the House Intelligence Committee for interrogation along with unnamed executives of several corporations and banks.

"There are many more who need to be called but these would be a first step," Mensch wrote. In reviewing Mensch's long article, it's unclear if she's proposing only a "fishing expedition" or would prefer a full-fledged "witch hunt."

At one point earlier in this process, I wrote an article warning that the "investigation" could become something of a "did-you-talk-to-a-Russian" inquisition. Some readers probably felt I was going too far, but that now appears to be exactly what is happening.

Many of Mensch's suggestions pertain to people associated with the Trump campaign who gave speeches in Moscow or otherwise communicated with Russians. It appears any contact with a Russian, any discussion of disagreements between the U.S. and Russia, or any political comment that in any way echoes what some Russian may have said becomes "evidence" of collusion and treason.

The extremism of Mensch's tendentious article is further illustrated by her suggestion that Trump should be impeached if there is any truth to his widely discredited tweet that Obama had ordered wiretaps on Trump Tower. She wrote:

"If ... the president tweeted real news, he revealed the existence of intercepts that cover members of his team in a continuing investigation. That would be obstruction of justice, potentially an impeachable offense."

Most of us who have reported on Trump's bizarre "tapp" tweet have criticized him for making a serious charge without evidence (as well as his poor spelling), but Mensch seems to believe that the more serious offense would be if Trump somehow were telling the truth. She wants any truth-telling on this issue to be grounds for Trump's impeachment, even though he may have been referring, in part, to her November article reporting on the FISA warrant that supposedly granted

permission for members of Trump's team to be put under electronic surveillance.

### **A Tinfoil Hat**

To dramatize her arguments further, Mensch then demonstrates a thorough lack of knowledge about recent American history. She claims, "Never in American history has a president been suspected of collaborating with a hostile foreign power to win an election."

Whatever you want to think about the 1980 October Surprise case – and there is substantial evidence that it was real – it definitely constituted an example in American history when a president was "suspected of collaborating with a hostile foreign power to win an election."

Another case in 1968, which now even The New York Times grudgingly accepts, involved Richard Nixon colluding with the South Vietnamese government to torpedo President Lyndon Johnson's Paris peace talks to assure Nixon's election. Although South Vietnam was then an ally, the allegations about Nixon also included outreach to North Vietnam, although Hanoi ended up sending a delegation to Paris while Saigon did not.

Yet, what is perhaps most shocking about Mensch's op-ed and its prominent placement by the Times is that the story has all the elements of a "tinfoil-hat" conspiracy. It's the sort of wild-eyed smearing of American citizens that the Times would normally deride as an offensive fantasy that would be mentioned only to mock the conspiracists.

But the Times is now so deep into its campaign to demonize Russia and to destroy Trump that all normal journalistic standards have long ago been tossed out the window.

While there are many valid reasons to protest Trump and his policies, this descent into a New McCarthyism is both grotesque (because it impugns the patriotism of Americans without evidence, only breathless questions) and dangerous (because it escalates the New Cold War with Russia, a confrontation that could stumble into a nuclear holocaust).

At such moments, supposedly serious newspapers like The New York Times should show extraordinary caution and care, not a reckless disregard for truth and fairness. But no one in Official Washington seems willing to play the role of attorney Joseph Welch when he finally stood up to Sen. Joe McCarthy with the famous question, "At long last, have you left no sense of decency?"

**Investigative reporter Robert Parry broke many of the Iran-Contra stories for The Associated Press and Newsweek in the 1980s. You can buy his latest book,**

*America's Stolen Narrative*, either in [print here](#) or as an e-book (from [Amazon](#) and [barnesandnoble.com](#)).

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## The Trump/Obama 'Leak War'

"Leaks" can be whistleblowers exposing government wrongdoing, but many actually are government agencies manipulating the public or punishing enemies, as is playing out in today's Trump/Obama "leak war," says Rick Sterling.

By Rick Sterling

"Hacking" and "leaking" can be either good or bad depending on the motives behind the disclosures and your political perspective. Generally speaking, democracy benefits from transparency and from having a more fully informed citizenry.

But "leaks" can also be used to punish dissidents or to enflame public passions in favor of war or against some vulnerable minority group. Indeed, "leaks" can paradoxically be used to advance cover-ups by punishing people who tried to expose the truth.

An example of that sort of "leak" occurred during George W. Bush's presidency when his subordinates "leaked" derogatory information about former U.S. Ambassador Joe Wilson, who had offended the White House by exposing a key falsehood used to justify the Iraq War, that Iraq had been seeking yellowcake uranium from Niger.

To discredit and punish Wilson, Bush's aides [disclosed](#) through "leaks" that Wilson's wife, Valerie Plame, was a CIA officer as a way to suggest that Wilson's investigation was a junket, not a serious inquiry.

In other words, to discredit an attempt to honestly inform the American people about a false pretext for war, the Bush administration released classified information that was intended to undercut Wilson's reputation and which destroyed his wife's CIA career. The so-called Plamegate Affair sent a warning to other government officials who might be inclined to challenge the case for war in Iraq that – if you dare do so – you will pay a price. That "leak" was really part of a cover-up.

Still, as commonly understood, public-spirited "leaks" seek to expose the lies and the propaganda that are often used to justify war. Perhaps the most famous

“leak” occurred during the Vietnam War when former senior Pentagon official Daniel Ellsberg photocopied a top secret historical analysis known as the Pentagon Papers and, in 1971, began distributing copies to major news organizations.

Thus, Ellsberg exposed decades of lies that the U.S. government had used to pull the American people into the conflict. The Pentagon Papers led more Americans to oppose the war and hastened its end although President Nixon and other war supporters denounced Ellsberg as a traitor and unsuccessfully sought to prosecute him.

Some “leaks” have been even more controversial. In 1975, former CIA agent Philip Agee published *Inside the Company: CIA Diary* that exposed covert CIA operations in Latin America. Patrick Breslin of the Washington Post described the book this way: “Agee has provided the most complete description yet of what the CIA does abroad. In entry after numbing entry, U.S. foreign policy in Latin America is pictured as a web of deceit, hypocrisy and corruption.”

Agee identified corrupt politicians plus American and foreign CIA operatives throughout Latin America, thus reducing the CIA’s powers to manipulate America’s neighbors to the south.

In 1984, John Stockwell, former CIA director of the Angola Task Force, published *In Search of Enemies*, documenting how the CIA trained, armed and otherwise funded a “rebel” group to wage war in Angola ultimately leading to hundreds of thousands of deaths. Stockwell described how the CIA spread disinformation as part of an “information war.”

For example, when Cuban soldiers came to assist the Angolans against a South African invasion, Stockwell’s team invented a false report that Cuban soldiers were raping Angolan women. Stockwell described how the false story was planted in a small foreign newspaper before being republished all over the West. By detailing that sort of dirty trick, Stockwell’s exposé made it more difficult for the CIA to run such “black propaganda” for a while.

### **Manning’s Disclosures**

In 2010, Pvt. Chelsea (then Bradley) Manning leaked files revealing war crimes and government deceptions related to the wars in Afghanistan and Iraq. Manning copied war logs, including videos, and passed the files to WikiLeaks. One of the videos, entitled “Collateral Murder,” showed U.S. soldiers in an Apache helicopter attacking and killing two Reuters journalists along with other civilians on the streets of Baghdad. Other of Manning’s “leaked” documents revealed manipulations and schemes carried out by the U.S. State Department

around the world.

For his selfless efforts, Manning was convicted in a court martial and imprisoned. (Manning is scheduled for release in May.) No known punishments were meted out to the soldiers and other U.S. officials whose misconduct was exposed.

Former National Security Agency contractor Edward Snowden is perhaps the best known modern “leaker.” He copied files from the NSA computer system onto flash drives and then made the information public through the news media. The files confirmed that NSA was spying on foreign leaders including allies such as German Chancellor Angela Merkel and belied claims from Obama administration officials that the NSA was not collecting bulk data about Americans.

Instead, Snowden’s “leak” revealed that the NSA was collecting data on the computer and phone communications of nearly all American citizens in violation of the U.S. Constitution and exposed Director of National Intelligence James Clapper’s lie to Congress denying the bulk collection. For Snowden’s public service, he was indicted by the Obama administration and ended up stranded in Russia which granted him political asylum.

By and large, the Ellsberg, Agee, Stockwell, Manning and Snowden “leaks” were praised by liberals and progressives because the revelations lifted curtains of lies and deceptions that had prevented the American people from understanding what a secretive government was doing in their names. While some libertarian conservatives also hailed this challenge to government secrecy, many other conservatives denounced these “leaks” as endangering “national security.”

### **The ‘Leaks’ of Election 2016**

But the “leaks” (or “hacks”) that are now center stage in U.S. politics are more complicated because they have been caught up in the politics surrounding Donald Trump’s election which many liberals and progressives abhor. Also the ongoing hysteria over Russia’s alleged “meddling” in the U.S. election has further muddied the waters.

The key “leaks” during Campaign 2016 occurred when WikiLeaks published two batches of emails – one from the Democratic National Committee and one from Hillary Clinton’s campaign chairman John Podesta. The DNC “leak” revealed that the DNC abused its powers by favoring Clinton over Sen. Bernie Sanders during the primaries. The Podesta “leak” exposed the contents of paid speeches that Clinton had given to Wall Street banks (but wanted to hide from the voters) and revealed pay-to-play features of the Clinton Foundation.

These “leaks” caused some embarrassment for the Clinton campaign but had only a marginal impact as the election seemed to be turning on disclosures about Donald

Trump's crude remarks in which he boasted of grabbing women's genitals – comments that were caught on a “hot mic” and made public.

But then the campaign turned again when FBI Director James Comey briefly reopened the investigation into Clinton's use of an unsecure private server for her emails when she was Secretary of State. After losing the close election to Trump on Nov. 8, Clinton blamed Comey's decision for her defeat.

However, in the four-plus months since the election, claims by President Obama's outgoing intelligence chiefs – “assessing” that the DNC/Podesta “hacks” were carried out by Russian intelligence to tip the election to Trump – have sparked a political firestorm.

Though WikiLeaks has denied receiving the two batches of emails from Russians – instead suggesting that they came from two different American insiders – the intelligence assessments have been embraced by Democratic Party leaders, influential neoconservatives and many “never-Trump” activists as grounds for blocking Trump's planned détente with Russia and possibly even justifying his impeachment.

So, the political backlash against those “leaks” have become instrumental in escalating the New Cold War with Russia and further explaining away Clinton's defeat.

But there is another concern about the “leaks” that have been used to counter the DNC-Podesta “leaks.” Many of these later “leaks” appear to be coming from U.S. intelligence agencies with the goal of thwarting President Trump's foreign policy.

For instance, a Dec. 29 phone call between incoming National Security Adviser Michael Flynn (who was on vacation in the Dominican Republic at the time) and Russian Ambassador Sergey Kislyak (based in Washington) was revealed although not its precise contents.

Though there is nothing wrong or unusual about incoming officials talking with foreign emissaries during a presidential transition, Obama holdovers in the Justice Department cited the archaic and never-prosecuted Logan Act of 1799 (barring private citizens from conducting foreign policy) to justify Flynn's interrogation by FBI agents who had access to the NSA transcript and thus caught Flynn on his failure to recall some details of the conversation.

Vice President Mike Pence's anger over Flynn's similar failure to provide him a full and accurate account of the call then led a panicked President Trump to fire his National Security Adviser and thus remove a key advocate for reduced tensions with Russia.

After Flynn's firing, a concern among some anti-war progressives was that the back story of the Flynn case was an attempt by U.S. intelligence agencies to sabotage a possible détente with Russia.

Former Rep. Dennis Kucinich, D-Ohio, commented: "General Flynn has admitted misleading the Vice President but I think we need to look at this a little bit deeper. A phone call from the incoming national security director was intercepted and the contents given to the media ... at the core of this is an effort by some in the intelligence community to upend a positive relationship between the U.S. and Russia... There are people trying to separate the U.S. and Russia so that the military industrial and intelligence axis can cash in... The American people need to know that there's a game going on inside the intelligence community there are those who ...want to reignite the cold war. That's what's at the bottom of all this ...Wake Up America!"

However, for many liberals and progressives, Trump's policies on education, health care, environmental protection, immigration and law enforcement are horrible. Some on the Left are so alarmed by these policies that they are willing to ally themselves with neoconservatives and the national-security state to somehow "stop Trump."

The "bash Russia" club is considered a handy way of doing that. But that means siding with war hawks who are determined to derail Trump's campaign pledges to work with Russia in combatting terrorism and his potential cooperation with President Putin on resolving international conflicts in Syria, Ukraine, Libya and elsewhere.

Such prospects for peace are anathema to neoconservatives and elements of the intelligence community which are fighting back with their own campaign of "leaks." But – for Americans who are tired of "perpetual war" – these "leaks" are not for the public good.

**Rick Sterling is an investigative journalist. He lives in the SF Bay Area and can be contacted at [rsterling1@gmail.com](mailto:rsterling1@gmail.com)**

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## America First or Saudi Arabia First?

Saudi Arabia is testing President Trump's "America First" promise by demanding U.S. alignment with Saudi interests in the Mideast, a betrayal that Trump should reject, says 9/11 widow Kristen Breitweiser in a letter to the President.



By Kristen Breitweiser

Dear President Trump,

This week you are scheduled to meet with Saudi Deputy Crown Prince Mohammed Bin Salman. As a 9/11 widow who has fought for more than 15 years for truth, justice, accountability and transparency with regard to the murder of my husband, Ron, I have a considerable interest in your upcoming meeting with the Deputy Crown Prince.

First, foremost and for good reason, I fear that the Deputy Crown Prince will not be forthright with you about his Kingdom's role in the 9/11 attacks and global terrorism.

Indeed, many in the Kingdom refuse to tell the truth about their continued, long-standing, and well-documented clandestine, logistical and financial support of radical Islamist terrorist groups that target and kill innocent Americans.

For example, last summer when the infamous 2002 Joint Inquiry of Congress' "28 pages" were finally released, Saudi Foreign Minister Adel al Jubeir claimed that the Saudis were exonerated and that the matter surrounding the Saudi role in the 9/11 attacks was "now finished."

In reality, the Kingdom of Saudi Arabia and its role in facilitating the 9/11 attacks is far from over. And, in truth, the "28 pages" – actually 29 pages of the 832-page report – prove to be quite illuminating, devastating and damning towards that end:

On page 415: "While in the United States, some of the September 11 hijackers were in contact with, and received support and assistance from, individuals who may be connected to the Saudi Government... [A]t least two of those individuals were alleged by some to be Saudi intelligence officers."

On page 417: One of the individuals identified in the pages as a financial supporter of two of the 9/11 hijackers, Osama Bassnan, later received a "significant amount of cash" from "a member of the Saudi Royal Family" during a 2002 trip to Houston.

On page 418: "Another Saudi national with close ties to the Saudi Royal Family, [deleted], is the subject of FBI counterterrorism investigations."

On pages 418 and 419: Detained al Qaeda leader Abu Zubaida had in his phone book the unlisted number for the security company that managed the Colorado residence of the then-Saudi ambassador to the United States, Prince Bandar bin Sultan.

On page 421: "a [deleted], dated July 2, 2002, [indicates] 'incontrovertible

evidence that there is support for these terrorists inside the Saudi Government.’”

On page 426: Bassnan’s wife was receiving money “from Princess Haifa Bint Sultan,” the wife of the Saudi ambassador. (Her correct name is actually Princess Haifa bin Faisal.)

On page 436: The general counsel of the U.S. Treasury Department, David Aufhauser, testified that “offices [of the Saudi charity al-Haramain] have significant contacts with extremists, Islamic extremists.” CIA officials also testified “that they were making progress on their investigations of al-Haramain... [T]he head of the central office is complicit in supporting terrorism, and it also raised questions about [then-Saudi Interior Minister] Prince Nayef.”

### **Holding the Saudis Accountable**

Fortunately, as you know President Trump, JASTA (Justice Against Sponsors of Terrorism Act) was enacted into law – overriding President Obama’s veto – on Sept. 28, 2016 and the 9/11 Families were given the right to hold the Kingdom of Saudi Arabia accountable in a court of law for its alleged role in the 9/11 attacks.

Thanks to discovery and subpoena power, the 9/11 families hope to unearth and reveal a panoply of compelling information surrounding the Saudi role in the 9/11 attacks. Suffice it to say, we do not believe the Saudis should be considered an ally of America.

Unsurprisingly, the Saudis continue to wage war against the 9/11 Families and JASTA by paying millions to their 14 powerful, insider Washington DC lobbying firms, like the Podesta Group, to repeal JASTA and rob us of our day in court.

In addition, some of the Saudis’ key legislative supporters who threaten to repeal JASTA are Senators Lindsey Graham and John McCain. Sadly, McCain and Graham choose to protect the Saudis rather than American victims of terrorism.

Quite horrifically, one of the Saudi lobbyists – Qorvis – was recently caught trying to dupe, manipulate, and pit U.S. veterans against the 9/11 families. According to media reports, Qorvis offered vets an all-expense-paid trip to Washington (staying at the Trump Hotel) to lobby against JASTA without telling the vets that it was Saudi money funding their trip. Given that many of these vets had joined the military in the wake of 9/11, the discovery that they were now being duped into “working” for the enemy they enlisted and risked their lives to fight against, was extremely upsetting. Pitting American veterans against American victims is the lowest of the low – yet, there seems to be no

lengths that the Saudis will not go.

Which brings me to my last point – the Saudi Aramco IPO on Wall Street. Mr. President, my husband was burnt to death on September 11th. The remains I received included his two arms, a few fingers, and his wedding band.

Thousands of innocent people were brutally slaughtered and turned to ash in broad daylight on that horrific day, now more than 15 years ago. The notion that the Saudis – whom the 9/11 Families are currently trying to hold accountable in a court of law for their role in the murder of our loved ones – want to return to the scene of their own alleged crime to make billions of dollars is immoral and simply untenable.

As my fellow 9/11 widows and I have repeatedly said—not over our husbands’ dead bodies.

President Trump, you have structured your campaign and current policies around being for America First. The 9/11 Families certainly hope that you remain steadfast in your belief that Americans must be protected, supported, and heard, first and foremost above all others—particularly those like the Saudis who fund radical Islamic terrorists that target and kill Americans.

**Kristen Breitweiser is a 9/11 widow and activist who – working with other 9/11 widows known collectively as the “Jersey Girls” – pressured the U.S. government to conduct a formal investigation into the terror attacks on Sept. 11, 2001. Follow Kristen Breitweiser on Twitter: [www.twitter.com/kdbreitweiser](http://www.twitter.com/kdbreitweiser). [This article originally appeared as a blog post at HuffingtonPost.]**

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## The Misguided ‘Vault 7’ Whodunit

Typically, the mainstream U.S. media responds to a major leak of U.S. intelligence secrets as a whodunit search for the leaker rather than focus on the troubling disclosures, as Jesselyn Radack notes after the “Vault 7” release.

By Jesselyn Radack

It is the leakiest of times in the Executive Branch. Last week, Wikileaks published a massive and, by all accounts genuine, trove of documents revealing that the CIA has been stockpiling, and lost control of, hacking tools it uses against targets.

Particularly noteworthy were the revelations that the CIA developed a tool to

hack Samsung TVs and turn them into recording devices and that the CIA worked to infiltrate both Apple and Google smart phone operating systems since it could not break encryption. No one in government has challenged the authenticity of the documents disclosed.

We do not know the identity of the source or sources, nor can we be 100 percent certain of his or her motivations. Wikileaks writes that the source sent a statement that policy questions “urgently need to be debated in public, including whether the CIA’s hacking capabilities exceed its mandated powers and the problem of public oversight of the agency” and that the source “wishes to initiate a public debate about the security, creation, use, proliferation and democratic control of cyber-weapons.”

The FBI has already begun hunting down the source as part of a criminal leak investigation. Historically, the criminal justice system has been a particularly inept judge of who is a whistleblower. Moreover, it has allowed the use of the pernicious Espionage Act – an arcane law meant to go after spies – to go after whistleblowers who reveal information the public interest.

My client, former NSA senior official Thomas Drake, was prosecuted under the Espionage Act, only to later be widely recognized as a whistleblower. There is no public interest defense to Espionage Act charges, and courts have ruled that a whistleblower’s motive, however salutary, is irrelevant to determining guilt.

The Intelligence Community is an equally bad judge of who is a whistleblower, and has a vested interest in giving no positive reinforcement to those who air its dirty laundry. The Intelligence Community reflexively claims that anyone who makes public secret information is not a whistleblower. Former NSA and CIA Director General Michael V. Hayden speculated that the recent leaks are to be blamed on young millennials harboring some disrespect for the venerable intelligence agencies responsible for mass surveillance and torture.

Not only is his speculation speculative, but it’s proven wrong by the fact that whistleblowers who go to the press span the generational spectrum from Pentagon Papers whistleblower Daniel Ellsberg to mid-career and senior level public servants like CIA torture whistleblower John Kiriakou and NSA whistleblower Thomas Drake to early-career millennials like Army whistleblower Chelsea Manning and NSA whistleblower Edward Snowden. The lawbreaker does not get to decide who is a whistleblower.

### **Whistleblowing or Not**

Not all leaks of information are whistleblowing, and the word “whistleblower” is a loaded term, so whether or not the Vault 7 source conceives of him or herself

as a whistleblower is not a particularly pertinent inquiry. The label “whistleblower” does not convey some mythical power or goodness, or some “moral narcissism,” a term used to describe me when I blew the whistle.

Rather, whether an action is whistleblowing depends on whether or not the information disclosed is in the public interest and reveals fraud, waste, abuse, illegality or dangers to public health and safety. Even if some of the information revealed does not qualify, it should be remembered that whistleblowers are often faulted with being over- or under-inclusive with their disclosures. Again, it is the quality of the information, not the quantity, nor the character of the source.

Already, the information in the Vault 7 documents revealed that the Intelligence Community has misled the American people. In the wake of Snowden’s revelations, the Intelligence Community committed to avoid the stockpiling of technological vulnerabilities, publicly claiming that its bias was toward “disclosing them” so as to better protect everyone’s privacy. However, the Vault 7 documents reveal just the opposite: not only has the CIA been stockpiling exploits, it has been aggressively working to undermine our Internet security.

Even assuming the CIA is using its hacking tools against the right targets, a pause-worthy presumption given the agency’s checkered history, the CIA has empowered the rest of the hacker world and foreign adversaries by hoarding vulnerabilities, and thereby undermined the privacy rights of all Americans and millions of innocent people around the world. Democracy depends on an informed citizenry, and journalistic sources – whether they call themselves whistleblowers or not – are a critical component when the government uses national security as justification to keep so much of its activities hidden from public view.

As we learn more about the Vault 7 source and the disclosures, our focus should be on the substance of the disclosures. Historically, the government’s reflexive instinct is to shoot the messenger, pathologize the whistleblower, and drill down on his or her motives, while the transparency community holds its breath that he or she will turn out to be pure as the driven snow.

But that’s all deflection from plumbing the much more difficult questions, which are: Should the CIA be allowed to conduct these activities, and should it be doing so in secret without any public oversight? These are questions we would not even be asking without the Vault 7 source.

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