

Failing to Hide Israel-Iran-Iraq Secrets

Exclusive: Many Americans think secret U.S. documents become public after, say, 30 years, but many are hidden indefinitely to conceal inconvenient truths that could enlighten public debate, as Robert Parry discovered in getting a redacted version of a “top secret” paper from 1981 that he had already found in unredacted form.

By Robert Parry

By recently releasing a redacted version of top secret “talking points” that Secretary of State Alexander Haig used to brief President Ronald Reagan about Mideast developments in spring 1981, the U.S. government has inadvertently revealed what it still wants to hide from the public some 34 years later because I found the full version in congressional files in late 1994 and first wrote about it in early 1996.

The key points that the U.S. government still doesn't want you to know include that in early 1981 Israel already was supplying U.S. military equipment to Iran for its war with Iraq; that the Saudis had conveyed a “green light” supposedly from President Jimmy Carter to Saddam Hussein to invade Iran in 1980; and that the Saudis agreed to finance arms sales to Pakistan and other states in the region.

All three points have relevance today because they reveal the early seeds of policies that have grown over the past three decades into the twisted vines of today's bloody conflicts. The still-hidden sections of Haig's “talking points” also could cause some embarrassment to the nations mentioned.

For instance, the Israelis like to present their current hostility toward Iran as derived from a principled opposition to the supposed extremism of the Islamic state, so the revelation that they were supplying U.S. military hardware to Ayatollah Ruhollah Khomeini's government, which had held 52 American diplomats hostage for 444 days, suggests that less noble motivations were driving Israel's decisions.

Though ex-President Carter has denied encouraging Iraq to invade Iran in September 1980 at the height of the hostage crisis which was destroying his reelection bid the Saudis' “green light” assertion at least indicates that they led Iraq's Saddam Hussein to believe that his invasion had U.S. backing.

Whether the Saudis deceived Hussein about the “green light” or not, their instigation of the war exposes the origins of the modern Sunni-Shiite conflict, though now the Saudis are accusing the Iranians of regional aggression. The Haig

“talking points” reveal that the first blow in the revival of this ancient fight was thrown not by the Shiites of Iran but by the Sunnis of Saddam Hussein’s Iraqi regime with Saudi backing and encouragement.

The Saudi agreement to pay for arms purchases by Pakistan and other regional government sheds light on another aspect of today’s Mideast crisis. Saudi financial help to Pakistan in the 1980s became a key element in the expansion of a radical Sunni jihadist movement that coalesced along the Pakistan-Afghanistan border to carry on the CIA-backed war against the Soviet army and secular Afghan forces.

That war with the United States and Saudi Arabia each eventually pouring in \$500 million a year led to the withdrawal of Soviet troops and the collapse of the modernist, leftist regime in Kabul to be replaced by the ultra-fundamentalist Taliban which, in turn, gave sanctuary to Al-Qaeda led by a wealthy Saudi, Osama bin Laden.

Thus, the outlines of today’s violent chaos across the Middle East were sketched in those years, albeit with many subsequent twists and turns.

The Persian Gulf War

After the Iran-Iraq War ended in 1988 with both countries financially drained Saddam Hussein turned on his suddenly stingy Sunni benefactors who began refusing further credit and demanding repayment of wartime loans. In reaction, Hussein after consulting with U.S. Ambassador April Glaspie and thinking he had another “green light” invaded Kuwait. That, in turn, prompted a U.S.-led deployment to both defend Saudi Arabia and drive Iraqi forces out of Kuwait.

Although Hussein soon signaled a readiness to withdraw his troops, President George H.W. Bush rebuffed those overtures and insisted on a bloody ground war both to demonstrate the qualitative superiority of the modern U.S. military and to excite the American people about a military victory and thus to “kick the Vietnam Syndrome.” [See Robert Parry’s [Secrecy & Privilege](#).]

Bush’s military offensive succeeded in those goals but also provoked bin Laden’s outrage over the placement of U.S. troops near Islamic holy sites. The United States became the new target of Al-Qaeda’s terrorist revenge. And, for Official Washington’s emerging neoconservatives, the need to finally and completely destroy Saddam Hussein then Israel’s bête noire became an article of faith.

The Persian Gulf War’s demonstration of U.S. military prowess combined with the collapse of the Soviet Union in 1991 also encouraged the neocons to envision a strategy of “regime changes” for any government that showed hostility toward Israel. Iraq was listed as target number one, but Syria also was high on the hit

list.

By the early 1990s, Israel had grown alienated from cash-strapped Iran, which had withdrawn from the lucrative arms bazaar that Israel had been running for that Shiite government through the 1980s. Gradually, Israel began to realign itself with the Sunnis bankrolled by Saudi Arabia.

The 9/11 attacks in 2001 were an expression of the anti-U.S. outrage among Sunni fundamentalists, who were funded by the Saudis and other Persian Gulf oil states, but the intricate realities of the Middle East were then little known to the American people who didn't much know the difference between Sunni and Shiite and who lacked knowledge about the hostilities between secularists like Hussein and fundamentalists like bin Laden.

President George W. Bush and his administration exploited that ignorance to rally the public behind an invasion of Iraq in 2003 out of unrealistic fears that Saddam Hussein would share weapons of mass destruction with Osama bin Laden. Beyond the false claims about Iraq having WMDs and about a connection between Hussein and bin Laden, there was little appreciation even within the higher levels of the Bush administration about how the ouster and killing of Hussein would shatter the fragile equilibrium between Sunnis and Shiites.

With Hussein removed, the Shiite majority gained control of Iraq, distressing the Saudis who had, in many ways, launched the modern Sunni-Shiite war by pushing Iraq's invasion of Iran in 1980 but who now saw Iran's allies gaining control of Iraq. The Saudis and other Gulf sheiks began financing Sunni extremists who flooded into Iraq to fight the Shiites and their enablers, the U.S. military.

The Saudis also built a behind-the-scenes alliance with Israel, which saw its financial and geopolitical interests advanced by this secret collaboration. Soon, the Israelis were identifying their old arms-trading partners, the Iranians, as an "existential threat" to Israel and pushing the United States into a more direct confrontation with Iran. [See Consortiumnews.com's "[Did Money Seal Israel-Saudi Alliance?](#)"]

Expanding Conflicts

The battlefield in the Sunni-Shiite conflict moved to Syria, where Israel, Saudi Arabia, Turkey and other Sunni states joined in supporting a rebellion to oust the government of President Bashar al-Assad, an Alawite, an offshoot of Shiite Islam. As that conflict grew bloodier and bloodier, Assad's relatively secular regime became the protector of Christians, Shiites, Alawites and other minorities against the Sunni forces led by al-Qaeda's Nusra Front and the hyper-

brutal Islamic State.

In 2014, pressed by President Barack Obama, the Saudis joined an alliance against the Islamic State, although Saudi participation was tepid at best. Saudi Arabia's true enthusiasm was to push a series of regional proxy wars against Iran and any Shiite-related movements, such as the Houthis in Yemen and the Alawites in Syria. If that helped Al-Qaeda and the Islamic State, so be it, was the Saudi view.

Though the two redacted paragraphs from Haig's "talking points" from 34 years ago might seem to be ancient history no longer worthy of the secrecy stamp, the U.S. government still insists on shielding that information from the American people, not letting them know too much about how these entangling alliances took shape and who was responsible for them.

The primary sources for Haig were Egyptian President Anwar Sadat and Saudi Prince Fahd (later King Fahd), both of whom are dead, as are several other principals in these events, including Reagan, Hussein and Haig. The two redacted paragraphs that Haig used in his presentation to Reagan read as follows, with underlined sections in the original "talking points":

"Fahd was also very enthusiastic toward your policies. As a measure of his good faith, he intends to insist on a common oil policy at a forthcoming meeting of his Arab colleagues which will include a single price and a commitment to no drop in production. Also of importance was Fahd's agreement in principle to fund arms sales to the Pakistanis and other states in the area.

"Both Sadat and Fahd provided other bits of useful intelligence (e.g. Iran is receiving military spares for U.S. equipment from Israel). It was also interesting to confirm that President Carter gave the Iraqis a green light to launch the war against Iran through Fahd."

The redacted version with those two paragraphs blacked out was released by the George H.W. Bush presidential library after the "talking points" went through a declassification process. The release was in response to a Freedom of Information Act request that I had filed in connection with the so-called October Surprise affair, in which the Reagan-Bush campaign in 1980 was alleged to have conspired with Iranian officials and Israeli intelligence officers to delay the release of the 52 American hostages held in Iran to ensure President Carter's reelection defeat.

In 1991, Congress began an investigation into the 1980 issue, suspecting that it may have been a prequel to the Iran-Contra scandal which had involved Reagan's secret arms-for-hostage deals with Iran in 1985-86 (also with Israeli help). The

George H.W. Bush administration collected documents possibly related to the 1980 events and shared some with the congressional investigation, including the Haig “talking points.”

But Bush’s operatives trying to protect his reelection chances in 1991-92 engaged in delays and obstructions of the congressional inquiry, which finally agreed after Bush’s defeat by Bill Clinton in November 1992 to say that it could find “no credible evidence” that Reagan and Bush had orchestrated a delay in Iran’s release of the hostages. The hostages were finally freed on Jan. 20, 1981, immediately after Reagan was sworn in as president.

Subsequent disclosures of evidence, however, buttressed the long-held suspicions of a Republican-Iranian deal, including documents that the Bush-41 White House had withheld from Congress as well as other documents that the congressional investigation possessed but ignored. [See Consortiumnews.com’s “[Second Thoughts on October Surprise](#)” or, for more details, Robert Parry’s [America’s Stolen Narrative](#).]

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](#)). You also can order Robert Parry’s trilogy on the Bush Family and its connections to various right-wing operatives for only \$34. The trilogy includes *America’s Stolen Narrative*. For details on this offer, [click here](#).

Saddam’s Green Light

From the Archive: An article from the first investigative series published at Consortiumnews in early 1996 revealed top-secret “[talking points](#)” used by Secretary of State Haig in 1981 to brief President Reagan about the Middle East, including an alleged U.S. “green light” for Iraq to invade Iran. Journalist Robert Parry found the document in old congressional files.

By Robert Parry

In summer 1980, Iraq’s wily president Saddam Hussein saw opportunities in the chaos sweeping the Persian Gulf. Iran’s Islamic revolution had terrified the Saudi princes and other Arab royalty who feared uprisings against their own corrupt life styles. Saddam’s help was sought, too, by CIA-backed Iranian exiles who wanted a base to challenge the fundamentalist regime of Ayatollah Ruhollah

Khomeini. And as always, the Western powers were worried about the Middle East oil fields.

So because of geography and his formidable Soviet-supplied army, Saddam was suddenly a popular fellow.

On Aug. 5, 1980, the Saudi rulers welcomed Saddam to Riyadh for his first state visit to Saudi Arabia, the first for any Iraqi president. The Saudis, of course, wanted something. At those fateful meetings, amid the luxury of the ornate palaces, the Saudis would encourage Saddam to invade Iran. The Saudis also would claim to pass on a secret message about President Jimmy Carter's geo-political desires.

During that summer of 1980, President Carter was facing his own crisis. His failure to free 52 American hostages held in Iran was threatening his political survival. As he wrote in his memoirs, *Keeping Faith*, "The election might also be riding on their freedom." Equally alarming, President Carter had begun receiving reports that the Republicans were making back-channel contacts with Iran about the hostage crisis, as he would state in a letter to a journalist nearly a decade later.

Though it was unclear then, this multi-sided political intrigue would shape the history from 1980 to the present day. Iraq's invasion of Iran in September 1980 would deteriorate into eight years of bloody trench warfare that did little more than kill and maim an estimated one million people. What little more the war did was to generate billions of dollars in profits for well-connected arms merchants – and spawn a series of national security scandals.

In 1986-87, the Iran-Contra Affair peeled back some of the layers of secrecy, but bipartisan investigations dumped the blame mostly on White House aide Oliver North and a few low-level "men of zeal." Later inquiries into Iraqgate allegations of secret U.S. military support for Saddam Hussein also ended inconclusively. The missing billions from the sleazy Bank of Credit and Commerce International disappeared into the mist of complex charge and counter-charge, too. So did evidence implicating the CIA and Nicaraguan Contra rebels in cocaine trafficking.

A similar fate befell the October Surprise story and President Carter's old suspicion of Republican interference in the 1980 hostage crisis. A special House task force concluded in 1993 that it could find "no credible evidence" to support the October Surprise charges.

Haig's Talking Points

Still, I gained access to documents from that investigation, including papers

marked "secret" and "top secret" which apparently had been left behind by accident in a remote Capitol Hill storage room. Those papers filled in a number of the era's missing pieces and established that there was more to the reports that President Carter heard in 1980 than the task force publicly acknowledged.

But besides undermining the task force's October Surprise debunking, the papers clarified President Reagan's early strategy for a clandestine foreign policy hidden from Congress and the American people. One such document was a two-page "Talking Points" prepared by Secretary of State Alexander Haig for a briefing of President Reagan. Marked "top secret/sensitive," the paper recounted Haig's first trip to the Middle East in April 1981.

In the report, Haig wrote that he was impressed with "bits of useful intelligence" that he had learned. "Both [Egypt's Anwar] Sadat and [Saudi Prince] Fahd [explained that] Iran is receiving military spares for U.S. equipment from Israel." This fact might have been less surprising to President Reagan, whose intermediaries allegedly collaborated with Israeli officials in 1980 to smuggle weapons to Iran behind President Carter's back.

But Haig followed that comment with another stunning assertion: "It was also interesting to confirm that President Carter gave the Iraqis a green light to launch the war against Iran through Fahd." In other words, according to Haig's information, Saudi Prince Fahd (later King Fahd) claimed that President Carter, apparently hoping to strengthen the U.S. hand in the Middle East and desperate to pressure Iran over the stalled hostage talks, gave clearance to Saddam's invasion of Iran. If true, Jimmy Carter, the peacemaker, had encouraged a war.

Haig's written report contained no other details about the "green light," and Haig declined my request for an interview about the Talking Points. But the paper represented the first documented corroboration of Iran's long-held belief that the United States backed Iraq's 1980 invasion.

In 1980, President Carter termed Iranian charges of U.S. complicity "patently false." He mentioned Iraq's invasion only briefly in his memoirs, in the context of an unexpected mid-September hostage initiative from a Khomeini in-law, Sadeq Tabatabai.

"Exploratory conversations [in Germany] were quite encouraging," President Carter wrote about that approach, but he added: "As fate would have it, the Iraqis chose the day of [Tabatabai's] scheduled arrival in Iran, September 22, to invade Iran and to bomb the Tehran airport. Typically, the Iranians accused me of planning and supporting the invasion."

The Iraqi invasion did make Iran more desperate to get U.S. spare parts for its

air and ground forces. Yet the Carter administration continued to demand that the American hostages be freed before military shipments could resume. But according to House task force documents that I found in the storage room, the Republicans were more accommodating.

Secret FBI wiretaps revealed that an Iranian banker, the late Cyrus Hashemi, who supposedly was helping President Carter on the hostage talks, was assisting Republicans with arms shipments to Iran and peculiar money transfers in fall 1980. Hashemi's older brother, Jamshid, testified that the Iran arms shipments, via Israel, resulted from secret meetings in Madrid between the GOP campaign director, William J. Casey, and a radical Islamic mullah named Mehdi Karrubi.

For whatever reasons, on Election Day 1980, President Carter still had failed to free the hostages and Ronald Reagan won in a landslide.

A 'Private Channel'

Within minutes of President Reagan's Inauguration on Jan. 20, 1981, the hostages finally were freed. In the following weeks, the new administration put in place discreet channels to Middle East powers, as Haig flew to the region for a round of high-level consultations.

The trim silver-haired former four-star general met with Iraq's chief allies, Saudi Arabia and Egypt, and with Israel, which was continuing to support Iran as a counter-weight to Iraq and the Arab states.

On April 8, 1981, Haig ended his first round of meetings in Riyadh and issued a diplomatic statement lauding Saudi Arabia's "dedication to building a better world and the wisdom of your leaders." More to the point, he announced that "the foundation has been laid during this trip for the strengthening of U.S.-Saudi relations."

After Haig's return to Washington, his top secret Talking Points fleshed out for President Reagan the actual agreements that were reached at the private sessions in Saudi Arabia, as well as at other meetings in Egypt and Israel.

"As we discussed before my Middle East trip," Haig explained to President Reagan, "I proposed to President Sadat, [Israel's] Prime Minister [Menachem] Begin and Crown Prince Fahd that we establish a private channel for the consideration of particularly sensitive matters of concern to you. Each of the three picked up on the proposal and asked for early meetings."

Haig wrote that on his return, he immediately dispatched his counselor, Robert "Bud" McFarlane, to Cairo and Riyadh to formalize those channels. "He held extremely useful meetings with both Sadat and Fahd," Haig boasted. "In fact,

Sadat kept Ed Muskie [President Carter's secretary of state] waiting for an hour and a half while he [Sadat] extended the meeting."

These early contacts with Fahd, Sadat and Begin solidified their three countries as the cornerstones of the administration's clandestine foreign policy of the 1980s: the Saudis as the moneymen, the Israelis as the middlemen, and the Egyptians as a ready source for Soviet-made equipment.

Although President Carter had brokered a historic peace treaty between Egypt and Israel, Sadat, Begin and Fahd had all been alarmed at signs of U.S. weakness, especially Washington's inability to protect the Shah of Iran from ouster in 1979. Haig's Talking Points captured that relief at President Carter's removal from office.

"It is clear that your policies of firmness toward the Soviets has restored Saudi and Egyptian confidence in the leadership of the U.S.," Haig wrote for the presentation to his boss. "Both [Fahd and Sadat] went much further than ever before in offering to be supportive."

Haig said "Sadat offered to host a forward headquarters for the Rapid Deployment Force, including a full-time presence of U.S military personnel." Sadat also outlined his strategy for invading Libya to disrupt Moammar Khadafy's intervention in Chad. "Frankly," observed Haig, "I believe he [Sadat] could easily get overextended in such an undertaking and [I] will try to moderate his ambitions on this score."

'Special Status,' Money and Guns

Haig reported that Prince Fahd was "also very enthusiastic" about President Reagan's foreign policy. Fahd had agreed "in principle to fund arms sales to the Pakistanis and other states in the region," Haig wrote. The Saudi leader was promising, too, to help the U.S. economy by committing his oil-rich nation to a position of "no drop in production" of petroleum.

"These channels promise to be extremely useful in forging compatible policies with the Saudis and Egyptians," Haig continued. "Both men value the 'special status' you have conferred on them and both value confidentiality. I will follow up with [Defense Secretary] Cap Weinberger and [CIA Director] Bill Casey. ...The larger message emerging from these exchanges, however, is that your policies are correct and are already eliciting the enthusiastic support of important leaders abroad."

In the following years, the Reagan administration would exploit the "special status" with all three countries to skirt Constitutional restrictions on Executive war-making powers. Secretly, the administration would tilt back and

forth in the Iran-Iraq war, between aiding the Iranians with missiles and spare parts and helping the Iraqis with intelligence and indirect military shipments.

When the Soviets shot down an Israeli-leased Argentine plane carrying U.S. military supplies to Iran on July 18, 1981, the State Department showed it, too, valued confidentiality. At the time, State denied U.S. knowledge. But in a later interview, Assistant Secretary of State Nicholas Veliotos said "it was clear to me after my conversations with people on high that indeed we had agreed that the Israelis could transship to Iran some American-origin military equipment."

According to a sworn affidavit by former Reagan national security staffer Howard Teicher, the administration enlisted the Egyptians in a secret "Bear Spares" program that gave the United States access to Soviet-designed military equipment. Teicher asserted that the Reagan administration funneled some of those weapons to Iraq and also arranged other shipments of devastating cluster bombs that Saddam's air force dropped on Iranians troops.

In 1984, facing congressional rejection of continued CIA funding of the Nicaraguan Contra rebels, President Reagan exploited the "special status" again. He tapped into the Saudi slush funds for money to support the Nicaraguan Contra rebels in their war in Central America. The President also authorized secret weapons shipments to Iran in another arms-for-hostages scheme, with the profits going to "off-the-shelf" intelligence operations. That gambit, like the others, was protected by walls of "deniability" and outright lies.

Some of those lies collapsed in the Iran-Contra scandal, but the administration quickly constructed new stonewalls that were never breached. Republicans fiercely defended the secrets and Democrats lacked the nerve to fight for the truth. The Washington media also lost interest because the scandals were complex and official sources steered the press in other directions.

'Read Machiavelli'

When I interviewed Haig several years ago, I asked him if he was troubled by the pattern of deceit that had become the norm among international players in the 1980s. "Oh, no, no, no, no," he boomed, shaking his head. "On that kind of thing? No. Come on. Jesus! God! You know, you'd better get out and read Machiavelli or somebody else because I think you're living in a dream world! People do what their national interest tells them to do and if it means lying to a friendly nation, they're going to lie through their teeth."

But sometimes the game-playing did have unintended consequences. In 1990, a decade after Iraq's messy invasion of Iran, an embittered Saddam Hussein was looking for pay-back from the sheikhdoms that he felt had egged him into war.

Saddam was especially furious with Kuwait for slant drilling into Iraq's oil fields and refusing to extend more credit. Again, Saddam was looking for a signal from the U.S. president, this time George H.W. Bush.

When Saddam explained his confrontation with Kuwait to U.S. Ambassador April Glaspie, he received an ambiguous reply, a reaction he apparently perceived as another "green light." Eight days later, Saddam unleashed his army into Kuwait, an invasion that required 500,000 U.S. troops and thousands more dead to reverse.

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](#)). You also can order Robert Parry's trilogy on the Bush Family and its connections to various right-wing operatives for only \$34. The trilogy includes *America's Stolen Narrative*. For details on this offer, [click here](#).
