

Did Reagan and Bush Delay the Hostage Release to Win the Election?

PHIL DONAHUE: Well, here's as complicated a program as we may ever attempt. Let me tell you, the question at hand is, "Was there a deal in 1980 between the Reagan-Bush campaign team headed by William Casey and the Iranians to hold American hostages until Ronald Reagan took the oath of office?" Did a political decision and power work to detain innocent Americans in captivity? How bad could this be and can we prove it? And is there a smoking gun? And what does this portend for the 1992 elections?

Incidentally, my president said on television last week he doesn't even know who this man is. Let me tell you who he is. He's Gary Sick. He was a member of the National Security Council from 1976 to '81, a member of the Carter administration, and spent, he will tell you, the first part of the 80's saying "This couldn't be true." Now he's not so sure. An op-ed piece in the *The New York Times* has ripped the scab off this story, which has been largely ignored by the so-called "mainstream press."

Daniel Pipes, director of the Foreign Policy Research Institute, believes Gary Sick arrived at the conclusion of a hostage deal because he strongly believed it when he began researching it. He thinks the man, without malice, was prejudiced to begin with and does not give credence to those who are standing up now to say, "George Bush, where were you in 1980?"

Moorehead Kennedy [sp?]- he has more than a passing interest in this issue. He's a former hostage. He recently wrote an op-ed piece stating— [audience applause] You may give him your applause. Go ahead. He recently wrote an op-ed piece stating his belief that— all right. I'm trying to get it all in here. Some day I'll have a three-hour show. Listen, he doesn't want to accuse anybody. Kennedy doesn't step forward to say necessarily he knows whose hands have the blood on them, but he is raising his eyebrow as well and he wants to know.

Christopher Hitchens has been on this story for along time. He's a writer for *The Nation* and *Harper's*. Is it because he's a Brit that we haven't altogether found his copy in, once again I use the euphemism, the "mainstream press"? He thinks that the fact that the hostages were released 20 minutes after Reagan took the oath of office — 20 minutes — and the minute the Reagan administration got into power, arms started flowing through Israel to Iran. How could this be? Is this a coincidence?

L. Bruce Laingen, former chargé d'affaires in Iran, the highest-ranking U.S. diplomat in Iran when he was taken hostage in 1979. He is deserving of our "welcome home" as well. Let me tell you this. Mr. Laingen does not believe assertions that the Reagan-Bush campaign team held up his release in exchange for arms. He does not believe that these proud Americans, even though they were desperate to become elected, could possibly engage in this activity.

And guess who else is here? On the satellite from Paris, France, is Abol Hassan Bani Sadr, the former president of Iran. He's been in exile in Paris since 1981. He has claimed to have proof that there was a deal, that there were meetings in Madrid between Casey and other operatives and people from Iran, as well as in Paris. And not a few folks have said, "Sure, you think there was a deal. You're trying to call attention to yourself because you're trying to sell a book that you wrote." He will be speaking with us through an interpreter.

Here is the moment that Ronald Reagan was inaugurated president, January 21st, 1981, and the remark that the hostages had been just freed. Watch this.

President RONALD REAGAN: I, Ronald Reagan, do solemnly swear—

JUDGE: —that I will faithfully execute the office of President of the United States—

Pres. REAGAN: —that I will faithfully execute the office of President of the United States—

JUDGE: —so help you God.

Pres. REAGAN: —so help me God.

JUDGE: May I congratulate you, sir?

Pres. REAGAN: Some 30 minutes ago, the planes bearing our prisoners left Iranian airspace and are now free—

DONAHUE: What do you think? And if there was a deal made, why wasn't the release after the election? Why keep 52 people hostage until the inauguration? What's the difference? Reagan already won.

We'll be back to have these people offer as honest an opinion based upon their research as they can possibly share with you regarding this story, which looms today in op-ed pieces in newspapers around the country and on the front page of the *Village Voice*, which quotes President Carter as saying, in effect, "I have a hard time believing this and I think you should forgive, but you know, I wondered about this myself."

And we'll be back in just a moment.

[Commercial break]

DONAHUE: Here is how my president responded to this issue publicly for the first time on the occasion of the announcement of the resignation of William Webster as head of the CIA. A reporter asked him about something else. Here it is.

REPORTER: [May 8, 1991] Don't you think that with all of these allegations coming from so many different continents and so many questions being raised, that at least an investigation would be warranted to lay some of these issues to rest?

President GEORGE BUSH: I think the Congress, some Democratic members, are looking at it right now, and that's fine. I can only say categorically that the allegations about me are grossly untrue, factually incorrect, bald-faced lies and I have my schedule out there. I think it was in— put in the days in question, it was in detail in the paper. And those critics, those who've continued to pass this little word-of-mouth, ugly rumor, ought to have the decency and the honor to say "This takes care of this question." I'm talking about

myself and I can categorically deny any contact with the Iranians or anything having to do with it. And to assign— let me give you a little more lecture on this, Rita. To assign a motive to a person that he'd want to keep an American in prison one day longer, I think is vicious. And I really am turned off by this— this— and I am disappointed in this Mr. Sick, whoever he is.

DONAHUE: Were you surprised at that, Mr. Sick?

GARY SICK, Author/Professor of Mideastern Studies: No, not at all because, you know, he's been— he's been saying all along that if you want to get rid of the story, the way you do it is either deny it or try to pretend that nothing happened and let it go away and hope that the media will turn its attention away.

DONAHUE: His denial also extended only to his personal involvement.

Mr. SICK: Absolutely. He did not really address the issue of whether there was a deal done. All he said was, "I have no personal responsibility for it."

DONAHUE: Yes. What is the gist of your thesis, Mr. Sick? What, essentially, do you think happened and what leads you to believe that, especially after five, six years— well, almost a decade of silence in the issue?

Mr. SICK: It's a decade, basically. These rumors have been around for a long time. I started working on this, basically, really researching it intensely two years ago. And what I kept discovering was one person after another in all sorts— you know, 15 different people, three different continents, eight different countries, all of whom told me approximately the same story. And the story is basically this, that in July and August of 1980, William Casey, who was then the campaign manager for Mr. Reagan, met with Ayatollah Kharubi [sp?] in Madrid.

DONAHUE: He is, incidentally, now the speaker of the Iranian Parliament.

Mr. SICK: He's the speaker of the Iranian *majlis*, which is the parliament.

DONAHUE: This is 10, 11 years ago. Yes, sir?

Mr. SICK: They met and Mr. Casey, after some initial discussions, said to him, essentially, "I think you should make a gift of the hostages to the Reagan folks when they arrive and if you do that, make a gift of them to us, we will see that you're well reimbursed for that" and the reimbursement, basically, was going to be, "We'll give all your money back and we will make sure that you have an arms supply" and the fact that they were facing a war with Iraq at that time was really important.

DONAHUE: Right. You were the point man for Jimmy Carter—

Mr. SICK: That's right.

DONAHUE: —on the Middle East, with special experience with regard to Iran—

Mr. SICK: That was my—

DONAHUE: —and professional attention to Iran.

Mr. SICK: That was my job at that time.

DONAHUE: Very good. Did you not think you had this all squared up in September of '80?

Mr. SICK: Phil, we did. In fact, we thought we had it squared up in the middle of October.

DONAHUE: And it suddenly fell apart.

Mr. SICK: Everything collapses, absolutely. Suddenly—the Iranians had been talking to us. We'd been carrying this along and all of a sudden, the Iranians just said, "Forget it," and they walked away.

DONAHUE: Yeah. Mr. Sick, how could you be not suspicious from '80 to '85? I mean, come on! You're a veteran diplomat. Nobody will ever accuse you of being naive. You're hardly a greenhorn just out of college. I mean, 20 minutes after— in the middle of the— the planes took off from—

Mr. SICK: That's right. Well, first of all, I didn't learn all of that until later. I mean, about the planes going off from Israel to Iran with arms, I didn't learn that until several years later. But the fact is, you know, I felt that it could be explained by just circumstantial evidence and in fact I refused to believe it. I didn't really believe anybody could in fact do this, the sort of thing that George Bush just said. How could you say that about anybody, that they would do it? And I didn't. And it wasn't until I started working on this book really seriously that I really was prepared to say anything publicly on this.

DONAHUE: What would you like to ask of Mr. Sick, if anything, Daniel Pipes, director of the Foreign Policy Research Institute?

DANIEL PIPES, Director, Foreign Policy Research Institute: Well, I've read Mr. Sick's book and I reviewed it and I said it was a wise, even profound book.

DONAHUE: See *How They Fall*— [sic]

Mr. PIPES: *All Fall Down*.

DONAHUE: *All Fall Down*, sorry.

Mr. PIPES: I looked at it again—

DONAHUE: The book on the hostage drama— on the situation with Iran, et cetera.

Mr. PIPES: A good book.

DONAHUE: All right. But we're not talking about that book. We're talking about the book he's—

Mr. PIPES: No, I want to quote the book.

DONAHUE: Very good.

Mr. PIPES: I want to quote that book.

DONAHUE: Very good.

Mr. PIPES: It says on page 316 or so that President Carter on the 11th of October agreed privately with the Iranians to give them \$150 million worth of their matériel, their military equipment here, \$150 million, on the 11th of October. These allegations hold that Casey, the campaign manager, went to Paris and offered \$40 million or \$50 million. Now, my first question would be, if the President of the United States offered on the 11th of October \$150 million, why would the Iranians be interested in \$40 million or \$50 million from the campaign manager of the challenger?

Mr. SICK: No, they said—

Mr. PIPES: What sense does it make?

Mr. SICK: No, they said, you know, that Casey—

Mr. PIPES: This is your own evidence.

Mr. SICK: No, it isn't my own evidence and, you know—

Mr. PIPES: But it's your own book, isn't it?

Mr. SICK: Well, the book— the Carter offer of \$150 mil-

lion is in my book and that's true. But what you're saying, the \$40 million or \$50 million, which is what Casey had on the table, just isn't true at all. There may have been \$40 million or \$50 million at the table in Paris that they spread around to sort of smooth things out to the people that were involved. The real pay-off came later and the amount of military matériel that went to Iran after the election of Ronald Reagan was well over \$300 million.

Mr. PIPES: And where does that figure come from?

Mr. SICK: That comes from Israeli intelligence sources, who were involved in the actual delivery of it.

Mr. PIPES: Why— you talk about 15 people. Why don't you give us the names? It's 10 years ago.

Mr. SICK: Do we have time?

DONAHUE: Sure.

Mr. SICK: To go through 15 names?

DONAHUE: Well, can you do one or two just to make the point? And then we'll let you talk to the— we'll let you talk to the print press afterward, here.

Mr. SICK: No, but I mean, it really is true. I mean, this is a very long list of people that I've talked to. But let me give you a couple of examples.

DONAHUE: Fine. Fine. [*catcall from the audience*] Please! Please, let us— I appreciate your enthusiasm, want you to have it. It's consistent with the spirit of New York City. But it does take up time.

I want you in this, now, Mr. Sick. You wanted to say?

Mr. SICK: No. OK. Ahmad Madani [sp?], who was the candidate for president of Iran, he ran against Bani Sadr at the time—

DONAHUE: And Bani Sadr beat him.

Mr. SICK: Bani Sadr beat him and he was trying to play some games behind the scenes. A man named Jamshid Hashemi [sp?], who is presently in London, who is an arms dealer, but who was involved in it and who was personally present in Madrid when this happened.

DONAHUE: You saw this on the *Nightline*— on the *Frontline* documentary, did you not, Mr. Pipes?

Mr. PIPES: Yeah, but I didn't see 15 names.

Mr. SICK: Well, there were an awful lot of names. If you—

Mr. PIPES: I still don't see them. They're the same old names.

DONAHUE: OK. We'll be happy to allow the print people to pursue this issue after our program.

Mr. Kennedy, sir, share with us, if you will, please, your own feelings here, as a man who was held hostage perhaps longer than you would otherwise have been. Sir?

MOOREHEAD KENNEDY, former Hostage: Well, the President has written to me and given me his word that he was in no way involved, but my worry is that the President hasn't addressed the main issue and that is, "Was anyone else involved?" And if so, who? And if the President, and I assume — he's given me his word — was in no way involved, then he has nothing to fear. And he should be the one, then, calling for an investigation to clear the whole matter up for his party before the 1992 election. Why isn't the President at the lead?

DONAHUE: The letter about which you speak is offered to me now. We have this. [*to director Bryan Russo*] Can we

see this very briefly? Let's use part of this, Bryan. It's number 25.

From the White House— [*May 9, 1991*] "Dear Mr. Kennedy: I read with distress your comments reported in the attached clip from our news summary. I can categorically assure you that I was never in Paris as claimed by the rumor-mongers. I can also categorically assure you that I have no information, direct or indirect, of any contact with Iranians relating to this hostage" situation. Let's read that again. "I can also categorically assure you that I have no information, direct or indirect, of any contact with Iranians relating to this hostage question." That's a denial that goes beyond the personal. "I am disappointed that you would feel I might have been a participant in a scheme to keep any American held hostage. I emphatically deny any such complicity. One of the sad things about public life is you have to suffer attacks on your character, on your honor." Finally, the President says to Mr. Kennedy, "I can readily understand your concern when allegations are made like those made by Mr. Sick. A proposition so fundamentally immoral would certainly concern anyone. Please accept my word that I know nothing about anyone else's involvement in such an insidious plot and I know for a fact that I had no contact such as those being alleged by Mr. Sick. I wish you all the best and I hope that this has laid to rest some of your understandable concerns." [*"Sincerely, George Bush"*]

This is a Sherman if I ever heard one.

Mr. KENNEDY: Very Sherman, yes. Very Sherman.

DONAHUE: Mr. Hitchens, sir?

CHRISTOPHER HITCHENS, "The Nation" and "Harper's": Well, some things can be true even though George Bush says that they are true. [*sic*] He is, however, something of a specialist in saying that he was not at meetings which he later turns up at. If you look at the record of the Tower Commission, if you look even at the most recent transmission of *Bill Moyers' Journal*, if you look at the joint House and Senate investigation into the Iran-*contra* affair, I think you can tabulate certainly five meetings where the President — now the President, then the Vice President — says he wasn't there, and he was. In one case he says he was there, but he didn't speak and he did speak. Therefore I don't really believe anything until George Bush has denied it, as a general principal. And I think it would be—

DONAHUE: You think it would be what?

Mr. HITCHENS: In other words, to scout around a vulgar word that's dropped out of common use in the Reagan period because it had to drop out of common use or it would have become boring, he is a proven liar. Now, that doesn't prove that he did this. I come to this from the opposite end from Gary Sick, who I didn't meet till this year, though I've been on this story, as you know, for about eight years. I believe the evidence because I believe the theory. Gary Sick, who's a pragmatist and a professional intelligence analyst, believes the theory because he finds the evidence convincing.

Let me just tell you what the theory is, if I can take a second. The first reason to suppose there was funny business in the 1980 election was the following, and you'll re-

member this. Ronald Reagan prepared for his debate with Jimmy Carter— when Reagan was only a governor. He prepared for that debate with President Carter the same way President Carter prepared for the debate. He had President Carter's briefing book, which was stolen from the White House. There was an inquiry in Washington as to how the Reagan campaign got private presidential papers. That inquiry was inconclusive. The Reagan Justice Department opposed the appointment of a special prosecutor to find it out. I followed that story carefully and what I found was that we only know they used the book against Carter and we know they had it in their hands and they didn't report they had stolen property, we don't know where they got it from, but we do know and the House Committee found that they had a committee run by William Casey and Edwin Meese, two very honorable men, which was called "the October Surprise Committee." It was obsessed with "Can President Carter save himself by success with the hostages in Iran?" It was a paramilitary wing of the Reagan campaign and it used serving, active, former and retired CIA and National Security types, some of whom had a grudge against the President. And I believe myself that from that first evidence of skullduggery, trying to fix and buy and rig the 1980 election, when you read that against the later disclosures of Iran-*contra* and then the intelligence analysis that's been very carefully done by Gary Sick who, after all, was appointed to the NSC by President Ford, let's not forget, who is in every sense a bipartisan civil servant, there is only one conclusion you can come to. William Casey had the idea put to him that he could make his man President. He had it put to him by the Iranians and he knew the price. If you don't believe this story, you have to believe Casey could have been told that, which we know he was, could have gone to the meetings, which we know he did, and could have decided, "I'll just leave it at that. Let's let it go no further." Nobody believes that. Nobody can possibly believe that William Casey, given such a scheme, having had it put to him, having been given the chance, wouldn't take it. I rest my case there.

Mr. PIPES: This is what's known as "cadaver journalism." We cannot know what William Casey would have done. We do not know what his thoughts were and you certainly don't know, Christopher, what he was up to. You are engaging in the purest speculation and what I am producing is fact.

Mr. HITCHENS: What was he doing in Madrid, then? That's not speculation.

DONAHUE: You're not denying he was in Madrid?

PANELIST: [off camera] Are you?

Mr. PIPES: I don't know what he was up to. [crosstalk]

Mr. HITCHENS: He doesn't know. He doesn't know! He's not interested in—

DONAHUE: He was in Madrid twice.

Mr. HITCHENS: He was in Madrid twice, as far as— Pipes doesn't know that.

Mr. PIPES: It's the Parisian one—

Mr. HITCHENS: He doesn't care.

Mr. PIPES: —that I'm most interested in.

DONAHUE: And then there was the Parisian meeting. I

think it's not unfair to say that— first of all, reminding us that this was tight two weeks before the election. That's hard to imagine when you consider the landslide that Reagan— but two weeks before the election, the pollsters were— I think the Reagan team saw the hostage release as Carter's only possible avenue of victory and if you accept this speculation, it would lead to at least the suggestion that they were desperate to ensure that it didn't happen. Mr. Sick?

Mr. SICK: No, they were really frightened. They had three things on their mind, as we got to the middle of October. One, they knew that the polls were closing and in fact Jimmy Carter was even with Ronald Reagan at that point. Once in the polls, in the late part of October, he actually passed Ronald Reagan in the polls. They had reason to be nervous about that. Two, there was a war going on in Iran and they felt that the Iranians would do anything to get the arms that Carter could offer them quickly, so they were worried about a deal. And thirdly, they thought there was— they knew because it had been leaked to them that there was a second rescue mission planned and they thought Carter was going to launch it right away. They were really worried at the second half of October.

DONAHUE: Steps forward now Lloyd Cutler [sp?] in the day's *The New York Times* op-ed piece, counsel for Jimmy Carter. Loves Jimmy Carter. Served with Jimmy Carter. He wants to know how could— if there was a deal, nobody could blackmail the United States of America faster and the Republicans faster than could the Iranians—

Mr. SICK: Who did it.

DONAHUE: —and the Israelis— and the Israelis. Why would the Reagan administration pursue the court case of the Hashemi brothers, who were the ones that held the blackmail cards? He doesn't see that as—

Mr. SICK: Well, there are two things about that. The first one is that in fact the indictment was prepared before 1981. All of the evidence in the indictment relates to 1981. The Reagan people sat on it for three years until 1984, until they brought it. So they had some reason for not rushing into the indictment. And secondly, once they brought the indictment, he turned state's evidence and they did a deal with him. So I don't think the argument is that persuasive.

DONAHUE: Now may I ask Mr. Laingen to offer us his feelings. You were a hostage. You get to speak, Mr. Laingen, if anybody does.

L. BRUCE LAINGEN, former Hostage, former Chargé d'Affaires in Iran: I've got to make a commercial for you, Phil. This is a gentleman who never lets us forget that there are some other hostages. There are six in Beirut and Phil doesn't let us forget that and I salute him for that.

Phil, I'm not prepared to accept these charges for a variety of reasons, not least because I'm not prepared to accept that anybody is as bad as that in responsible positions in the American government or political scene. Secondly, I cannot conceive how, in the middle of an election campaign in leaky Washington, that something of this caliber could have been kept secret. And thirdly, I have serious reservations about a good many of the characters who are described as sources. Their credibility has been not the highest on

other counts, as well. As far as— and I have not seen this letter from— that Mike has received. That's a very strong statement.

Mr. KENNEDY: It's a very strong statement.

Mr. LAINGEN: And I would say that in— back to what I said about keeping anything secret in Washington, that if anybody would have known about this in 1980, surely it would have been the two candidates, the President and the Vice President, that is, Mr. Bush and Mr. Reagan. I cannot conceive that people of that level would have engaged in this kind of a thing and therefore I'm prepared to accept that.

Mr. HITCHENS: Then you have to answer one question.

DONAHUE: What is that, briefly?

Mr. HITCHENS: Mr. Pipes used the word "speculative," as if to discredit what I have been saying, but of course one speculates. For example, if you speculate that there was a deal done between the Reagan campaign and the Iranians in 1980, you would expect to find, by speculation, that weapons went from Washington to Teheran not long after Reagan's inauguration.

DONAHUE: And they did.

Mr. HITCHENS: And oddly enough, if you speculate that, and you then go into it and take the trouble, that's what you do find.

Mr. LAINGEN: The Israelis had their own reasons for sending arms to Teheran at that point. *[crosstalk]*

Mr. HITCHENS: Ambassador, if you'll allow me? And I know I've talked already and you were very brief and I don't want to seem immodest, but we have the testimony on television recently of General Alexander Haig, then Secretary of State and of Assistant Secretary of State Nicholas Veliotis *[sp?]*, that those shipments went with the express approval of the United States government at a time when, to the extent that Iran was a four-letter word to audiences like this around the country, it was because of the Reagan campaign. They said, "We'll never deal weapons with these people. We were elected to show how tough we were on Iran." Almost as soon as the inaugural chords had died away, much-needed, very vital spare parts start landing in Teheran with U.S. government approval.

Now, it may be evidence for nothing, but it is not inconsistent with what, if you want, you can call a speculation. Everyone behaves as if they have done a deal, in other words. And we know they met and we know they had the idea and we know that they have sometimes gone so far as to be untruthful with us in the past and we know that they, in '85, were caught in the wholesale business of weaponry with Iran. And where did they get that idea?

DONAHUE: So Iran-*contra* was an extension—

Mr. HITCHENS: Yeah.

DONAHUE: —of an operation that began before they even became elected?

Mr. HITCHENS: The diagram was drawn in October, 1980, yes.

DONAHUE: We still have Bani Sadr on the satellite from Paris, France. You do get to speak on American television, sir. I beg your indulgence for just a couple of more minutes as we cue one more interruption before inquiring as to your

feelings as you listen in on our panel here in New York City. And we'll be back in a moment.

[Commercial break]

DONAHUE: Mr. Bani Sadr in Paris, can you hear me, sir?
ABOL HASSAN BANI SADR, former President of Iran: *[through interpreter]* I can hear you.

DONAHUE: Very good. You'll be speaking I think French. Sir, may I ask you to begin with— you do believe— let me say that you're on the record as saying you believe there was a deal between revolutionary forces in Iran and the Reagan-Bush team in 1980. How much sooner, in your opinion, would the hostages have been released had there been no artificial intervention by the Reagan campaign?

Mr. BANI SADR: *[through interpreter]* I would say by the 20th of October the hostages could have been freed.

DONAHUE: So that's three months, three months that the hostages would have been held, in your opinion, unnecessarily. What— make your case, sir. What is your evidence that such a deal existed?

Mr. BANI SADR: *[through interpreter]* There is a great deal of evidence. Richard Allen agreed to a contact with the Iranians and at that time there was a proposal made for a deal. This was in September, '80. And when I returned to Paris, I found a letter from Gotsadi *[sp?]*, the minister of foreign affairs, to the Iranian parliament, the 20th of September. And he finishes up his letter saying "We are informed that the U.S. Republican Party is using its best efforts to make sure that the hostages will not be released until the presidential election of November." There are of course many other facts.

DONAHUE: All right.

Mr. BANI SADR: *[through interpreter]* For example, the arms moving to Iran. Alexander Haig agreed to the transfer of those arms, of those weapons, and we published documents authorizing the transfer of weaponry dated March, 1981.

DONAHUE: Yes. Mr. Bani Sadr, sir, you make another allegation, reported in an interview with *USA Today* and other media here in the West, here in the United States, that the Reagan-Bush team tipped off Iranian revolutionaries about a second rescue attempt, so?

Mr. BANI SADR: *[through interpreter]* That is so. As president, of course, I was not informed. The students who had occupied the embassy started to spread the hostages, place them in different cities. And their answer was that they had been informed that the Americans were preparing a second rescue attempt. I don't know where they got that information from. Wherever they got it from, the president of Iran did not have it.

DONAHUE: Right. Did you remember that, Mr. Kennedy?

Mr. KENNEDY: I was kept in Comite *[sp?]* Prison throughout that period, but I believe others were moved.

Mr. SICK: Mr. Scott *[sp?]*, who is another hostage that I've talked to in great detail, said that on the 21st of October, right after these meetings in Paris, he was moved from one prison to another prison to disperse him out and they were talking about a rescue mission.

DONAHUE: Right. So let's understand this allegation, now. Here is the allegation, that Casey, working for the

Reagan-Bush team, somehow worked it out to tell— found out from somebody in the Carter camp, with a lot of people looking at Donald Greg [sp?], then in the CIA under Carter, informing the students that Carter, after the failure of Desert One, is launching another— you know, this is pretty rough.

Mr. SICK: It is pretty rough. And you know, the thing that—

Mr. LAINGEN: If you believe that, then you're going to believe somebody who's got a bridge to sell somewhere.

DONAHUE: Well, but let's— Mr. Laingen, may I just make this point, sir?

Mr. LAINGEN: Let me make one more point about Mr. Bani Sadr.

DONAHUE: Yes?

Mr. LAINGEN: At that point, he was elected president. He had a strong mandate back in early 1980, something like 75 percent of the vote. By the time we're talking about here, his role had been reduced massively. I think we should take what he's saying with a large grain of salt.

DONAHUE: Well—

Mr. LAINGEN: The radicals were out to get him. He was not a major player. Indeed, the final resolution of this crisis in the Algiers Accord was one that he wasn't prepared to accept. At that point, he wanted to keep us longer to get a better deal.

DONAHUE: I should say Mr. Bani Sadr's book is titled *My Turn to Speak* and the foreword to this book is written by none other than Ambassador Laingen. So you liked what he said in this book, but you think he's gone too far with this speculative—

Mr. LAINGEN: No, I did not say I liked it. I said it's an interesting statement by a major player in that regime—

DONAHUE: Well, you consented to the foreword.

Mr. LAINGEN: I called it "vintage Bani Sadr," "vintage Iranian"—

DONAHUE: Yes, "vintage Iranian." "It's a classic example"—

Mr. LAINGEN: "A classic example of the Persian penchant for intrigue."

DONAHUE:—"penchant for intrigue."

Mr. LAINGEN: And he's very good at that.

DONAHUE: All right, but— anyone else—

Mr. HITCHENS: While it's certainly true that the extremists in Iran were intriguing against president Bani Sadr, it was the extremists with whom the Reagan people always chose to deal. In other words, the blow that was struck by this bargaining was not just against the democratic process in America. The man you look at on the television screen is the last elected president of Iran, and also the first. And also the only one that doesn't believe that Islam should be a theocratic principal in governing his country. He lost by this deal, too, because the deal was always with the militants.

Now, here's my question. I want it to stick in the mind. When they were caught trading weapons with Iran in 1985, and they couldn't deny it this time, they said, "Well, it was to get the hostages out and it was to help the moderates." Now, in 1980, '81, there were no hostages any more

in Teheran or in Beirut and there certainly weren't any moderates. And as we found out from the Tower Commission, all the trading of arms in any case was with the Revolutionary Guard, who were the personal forces of the Ayatollah Khomeini used to depose president Bani Sadr from office in Iran. If that isn't too much for you to follow, you'll see that the very evidence they give when they're squealing and defending themselves is evidence for the deal.

DONAHUE: One more point, and I benefit from a wonderfully constructed documentary seen on PBS titled *Frontline*, the look at this inquiry—

Mr. BANI SADR: [through interpreter] Could I—

DONAHUE: Yes, I just have one second. The CIA hated Jimmy Carter. Comes Stansfield Turner, firing people left and right. The CIA is an old man's network. We've got to change the new deal, kinder, gentler nation— hated him. Bush— Reagan-Bush campaign stickers on the wall of the CIA! Comes Donald Greg from the CIA to become the number two man for George Bush during his eight years as vice president. Mr. Greg, who did not get the job as CIA director, is now ambassador to South Korea.

Mr. Bani Sadr wanted to say? Go ahead, Paris. Go ahead, Paris.

Mr. BANI SADR: [through interpreter] Yes, I wanted to answer Mr. Laingen.

DONAHUE: Go ahead.

Mr. BANI SADR: [through interpreter] No, I asked to speak because I want to answer Mr. Laingen.

DONAHUE: Yes? Oh, I'm sorry. I wanted to give him a chance to make his point. We're trying as best we can. With this problem of language, it's a wonder world leaders haven't succeeded in blowing up the late, great planet Earth by now, anyway. We'll give Mr. Bani Sadr an opportunity to make the point he wished to make and we hope you'll give us an "A" for effort here, as we attempt to put into a one-hour program perhaps one of the most complicated stories of recent political history.

And we'll be back in just a moment.

[Commercial break]

DONAHUE: The *Village Voice* has come out with a story which is by Robert Morse [sp?] and co-written — I should give credit here. A lot of hard-working journalists on this — co-written with *Creative Loafing*, a— speaking of the spirit of the free press, *Creative Loafing* does not claim to be as powerful as *The New York Times*, but they did interview Jimmy Carter and cooperated with the *Village Voice*, in which the article says, among other things, "Carter was asked who he thought was responsible for leaking information to the Republicans. Carter's response: 'I'm not prepared to name names, but there were some. There was one particular key member of my National Security Council who stayed on and worked full-time for Vice President Bush.' When asked if he meant the man who now happens to be the current ambassador to South Korea," Carter replied, "That's correct." [May 21, 1981]

That means Carter suspects Donald Greg, who served as the number two man to the Vice President, George Bush, for eight years as the man in the Carter administra-

tion leaking information to the Reagan-Bush administration.

With all kinds of people wanting in on this—

Are you there, caller? I know you'll be brief.

1st CALLER: Yes, I am.

DONAHUE: Go ahead.

1st CALLER: Hello, Phil?

DONAHUE: Yeah?

1st CALLER: OK. Please forgive me. I'm a little nervous.

DONAHUE: Yeah, me, too. Let's go.

1st CALLER: I am against the premise that the Reagan administration was responsible for the— whatever— whatever we're talking about.

DONAHUE: Yeah. OK. Because why?

1st CALLER: Because, number one— I'll speak to Bani Sadr first. He is a man in ill-repute in this country. He needs something to climb on. It took him 11 years. He wrote a terrible book with no— no proof, OK? Number two is Mr. Sick. He's a Mideast expert. That's all I've heard for 10 years. And it took him 11 years and he timed it with the release of Mr. Bani Sadr's book. He timed his whole premise against the Reagan administration—

DONAHUE: OK. And what's your third reason.

1st CALLER: And number three— please bear with me.

DONAHUE: Yes?

1st CALLER: Number three is that, how can we ever trust an Iranian to tell the truth?

DONAHUE: OK. Very good.

Are you there, caller? I'm glad you waited. Go ahead.

2nd CALLER: Yeah, I'd like the Bush supporters on the panel to comment on Bush's propensity for truth-telling, when he consistently lied about being out of the loop in the Iran-*contra* matter and lied about dealing with Noriega as vice president long after our government knew Noriega was a corrupt, vile drug dealer.

DONAHUE: Mr. Laingen, would you want to comment on that? She's saying that, you know, that we have other instances of—

Mr. LAINGEN: Related to the Iran-*contra* affair, working an arrangement to get hostages out, however wrong it was at the time, is a lot different from a scheme to keep hostages in, which I refuse to accept.

DONAHUE: Does it bother you that we sold them the hardware immediately after Reagan took office when there were no hostages, when there were no moderates, when there was absolutely no reason for Reagan, who got elected by saying he'll never deal with terrorists?

Mr. LAINGEN: It bothers me that we've sold any arms to the Iranians yet, including 1985. It bothers me enormously.

DONAHUE: But you don't see that as—

Mr. LAINGEN: No, I don't. I think most of those are linked to the Israeli penchant, themselves, for policy purposes to get arms to the Iranians.

DONAHUE: So it would be an Israeli-sponsored initiative, in your opinion?

Mr. LAINGEN: I think largely that, yes.

Mr. PIPES: You've got to remember there's a war taking place. The Iraqis are doing quite well against the Iranians

who are fearful that Saddam Hussein is going to beat the Iranians, that Iran is going to split up, the Soviets are going to move in—

Mr. SICK: Mr. Sick offers that as the reason for the Iranians being desperate to do business, so that they can fight the Iraqis and they thought they'd get a better deal with Reagan and Casey proved to him that they would.

Mr. PIPES: The President of the United States, the sitting President of the United States, offered them privately and then publicly the release of all their matériel here if they let go of the hostages.

DONAHUE: Yes, and they were ready to do business, as I understand the scenario, without proof, until Casey shows up in Madrid and says, "You don't know goods until you— until Reagan is elected."

Mr. PIPES: Who was Casey?

DONAHUE: Huh?

Mr. PIPES: Who was Casey? He's a campaign manager.

PANELIST: [off camera] And Reagan's choice to head the CIA. And Bush's choice [crosstalk]

DONAHUE: Possibly being advised by Donald Greg.

Mr. PIPES: But what if they lose? Then he's worth nothing. The President of the United States is offering them this and he can give it in the next 30 days. [crosstalk]

Mr. SICK: Look, the Iranians couldn't lose on this. If Reagan loses the election, they get the deal from Carter that you just suggested.

Mr. PIPES: Who knows they get the deal from Carter? It didn't get through.

Mr. SICK: No, no. But that's what they did get. And they got it anyway. And in the meantime, they had another offer on the table that was even better. So they had no way to lose.

Mr. PIPES: Your logic—

Mr. SICK: There's an old Iranian proverb that says "The only thing better than having a rich man that wants to buy your carpet is two rich men that want to buy your carpet."

DONAHUE: And we'll be back in just—

Mr. SICK: And the Iranians had one at that time.

DONAHUE: —a moment.

[Commercial break]

DONAHUE: Yes, ma'am?

1st AUDIENCE MEMBER: I'd just like to say, I think Mr. Laingen is being extremely naive in believing that there could be no involvement.

DONAHUE: Yes? Anyone else? Sir?

2nd AUDIENCE MEMBER: I would like to say that I think this will continue to happen as long as we elect former CIA directors as our presidents.

DONAHUE: Anybody else?

3rd AUDIENCE MEMBER: I think that if we remember the record of the Reagan administration and the Nixon administration and the litany of people that had problems and were indicted, I think it's pretty naive to think that this could not have happened.

DONAHUE: Yes, ma'am?

4th AUDIENCE MEMBER: I believe from day one, there was a conspiracy.

DONAHUE: Yes, sir?

5th AUDIENCE MEMBER: It's not enough for the President of the United States to simply deny being in Paris on such-and-such a date in October— I mean, in 1980.

DONAHUE: He should call for an investigation?

5th AUDIENCE MEMBER: Absolutely.

DONAHUE: Call for an investigation.

Sir?

6th AUDIENCE MEMBER: Reagan is an actor and as far as I'm concerned, it's just another show.

7th AUDIENCE MEMBER: We're going under the assumption that the Democratic Party could have gotten them out of there when apparently, after 400 days, they couldn't and the Republicans had to move out and get them out of there.

8th AUDIENCE MEMBER: Do the last hostages have to wait to the next election to get out?

DONAHUE: Do the hostages being held now—

Mr. HITCHENS: *[unintelligible]*

DONAHUE: Oh, please God, let's not let our suspicion overwhelm us here!

Yes?

9th AUDIENCE MEMBER: I just have to say that if these allegations are true, our Founding Fathers must be spinning around in their graves because this is not what the United States of America is supposed to represent.

DONAHUE: Yes?

10th AUDIENCE MEMBER: This sounds like political power play to me and the Democratic Party's only chance of getting reelected.

DONAHUE: Yes? Mr. Bani Sadr, sir, you're entitled to speak. May I ask you, do you have anything you want to share with us from Paris, please?

Mr. BANI SADR: *[through interpreter]* Firstly, I wanted to say that it was in my obvious best interests for the hostages to be freed quickly. I was in charge of the armed forces, after all, and Iran was under attack. So depending on whether— I mean, if I had received the weapons, then it was the legal government that was the winner, in a sense. But if the mullahs got the weapons, then one of the uses to which they would be put was against me, was against Bani Sadr. And so, for that reason, they did everything possible to make sure that a democratically elected president should not receive these arms. And my position was not comparable to that of Presidents Reagan and Bush. If I lie, I lose everything. Is it the same thing for Mr. Bush?

DONAHUE: Mr. Hitchens commenting.

Mr. BANI SADR: *[through interpreter]* If he says that—

DONAHUE: Excuse me just one second, Paris. Forgive me, Paris, just one second. Yes, Christopher?

Mr. HITCHENS: Well, it was just to underline the point I was trying to make, that this is an attack on democracy at both ends. It was an attack on the elected, presidential, entitled, empowered forces by people who wished to overthrow them illegally from the right—

DONAHUE: In both countries.

Mr. HITCHENS: —in both countries, yes. And it also gives the reason why President Bani Sadr has no motive now for saying this if it's not true. He has been a loser, it's true, but he can gain nothing by saying it and he exposes

himself—

Mr. PIPES: Christopher, you don't know anything about Iranian politics.

Mr. HITCHENS: Excuse me. He, like the people who tried to expose these dealings in the newspapers in Beirut, exposed themselves to people who really will try and have tried to kill them. Very serious. Incidentally, those of you who said you should never believe an Iranian should be ashamed of yourselves. It's a disgraceful thing for an American to say.

11th AUDIENCE MEMBER: Hi. I just think that patriotism is wonderful and it's what keeps this country going, even though I'm from Australia.

DONAHUE: Yes. Let's go.

11th AUDIENCE MEMBER: But I really think that it's blind and that politics is business and big business and they'll do whatever they can to get wherever they're going.

DONAHUE: Oh, you're so cynical, Australia!

Yes?

12th AUDIENCE MEMBER: I just want to ask, if the Bush administration is really not guilty, you know, of any wrong-doing, then why did he choose a nincompoop like Dan Quayle to run—

DONAHUE: And we'll be back in just a moment.

[Commercial break]

DONAHUE: Mr. Sick, sir, you met with Congress in secret— no C-Span, no open hearing. Do you expect an inquiry, a Congressional inquiry?

Mr. SICK: I met with them for, you know, three hours. We sat and talked. And it was— yes, I do. I think they're going to go for it, but I think it's going to go slow and it's going to— the next thing that's really going to happen is a big news story that is going to make Congress do it whether they want to or not.

DONAHUE: I hope you'll join me in thanking all our guests.

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FURTHER INFORMATION:

All Fall Down by Gary Sick and *My Turn to Speak* by Abol Hassan Bani Sadr, available in book stores.