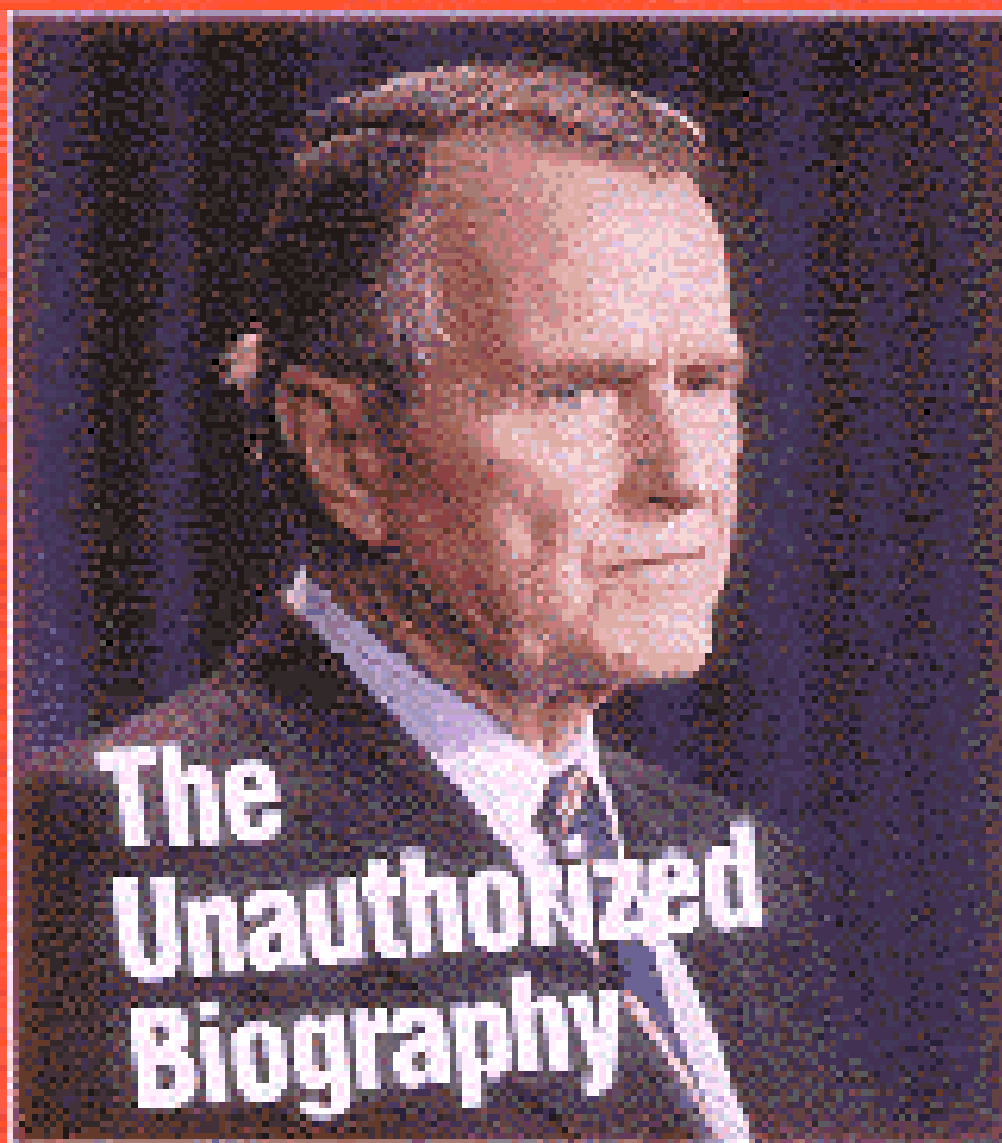


GEORGE BUSH



Webster Griffin Tarpley and
Anton Chaitkin

George Bush - The Unauthorized Biography

by Webster Griffin Tarpley and Anton Chaitkin

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George Bush: The Unauthorized Biography

by Webster Griffin Tarpley and Anton Chaitkin

With this issue of the New Federalist, Vol. V, No. 39, we begin to serialize the book, "George Bush: The Unauthorized Biography," by Webster Griffin Tarpley and Anton Chaitkin. This book will soon be published by "Executive Intelligence Review".

At the heart of any effort at biography is the attempt to discover the essence of the subject as a human personality. The essential character of the subject is what the biographer must strive to capture, since this is the indispensable ingredient that will provide coherence to the entire story whose unity must be provided by the course of a single human life.

During the preparation of the present work, there was one historical moment which more than any other delineated the character of George Bush. The scene was the Nixon White House during the final days of the Watergate debacle. White House officials, including George Bush, had spent the morning of that Monday, August 5, 1974 absorbing the impact of Nixon's notorious "smoking gun" tape, the recorded conversation between Nixon and his chief of staff, H.R. Haldemann, shortly after the original Watergate break-in, which could now no longer be withheld from the public. In that exchange of June 23, 1972, Nixon ordered that the CIA stop the FBI from further investigating how various sums of money found their way from Texas and Minnesota via Mexico City to the coffers of the Committee to Re-Elect the President (CREEP) and thence into the pockets of the "Plumbers" arrested in the Democratic Party headquarters in the Watergate building. These revelations were widely interpreted as establishing a "prima facie" case of obstruction of justice against Nixon. That was fine with George, who sincerely wanted his patron and benefactor Nixon to resign. George's great concern was that the smoking gun tape called attention to a money-laundering mechanism which he, together with Bill Liedtke of Pennzoil, and Robert Mosbacher, had helped to set up at Nixon's request. When Nixon, in the "smoking gun" tape, talked about "the Texans" and "some Texas people," Bush, Liedtke, and Mosbacher were among the most prominent of those referred to. The threat to George's political ambitions was great.

The White House that morning was gripped by panic. Nixon would be gone before the end of the week. In the midst of the furor, White House Congressional liaison William Timmons wanted to know if everyone who needed to be informed had been briefed about the smoking gun transcript. In a roomful of officials, some of whom were already sipping Scotch to steady

their nerves, Timmons asked Dean Burch, "Dean, does Bush know about the transcript yet?"

"Yes," responded Burch.

"Well, what did he do?" inquired Timmons.

"He broke out into assholes and shit himself to death," replied Burch.

In this exchange, which is recorded in Woodward and Bernstein's "The Final Days," we grasp the essential George Bush, in a crisis, and for all seasons.

Introduction

The thesis of this book is simple: if George Bush were to be re-elected in November 1992 for a second term as the President of the United States, this country and the rest of the world would face a catastrophe of gigantic proportions.

The necessity of writing this book became overwhelming in the minds of the authors in the wake of the ghastly slaughter of the Iraq war of January-February 1991. That war was an act of savage and premeditated genocide on the part of Bush, undertaken in connivance with a clique in London which has, in its historical continuity, represented both the worst enemy of the long-term interests of the American people, and the most implacable adversary of the progress of the human species.

The authors observed George Bush as the Gulf crisis and the war unfolded, and had no doubt that his enraged public outbursts constituted real psychotic episodes, indicative of a deranged mental state that was full of ominous portent for humanity. The authors were also horrified by the degree to which their fellow citizens willfully ignored the shocking reality of these public fits. A majority of the American people proved more than willing to lend its support to a despicable enterprise of killing.

By their roll-call votes of January 12, 1991, the Senate and the House of Representatives authorized Bush's planned war measures to restore the Emir of Kuwait, who owns and holds chattel slaves. That vote was a crime against God's justice.

This book is part of an attempt to help the American people to survive this terrible crime, both for the sake of the world and for their own sake. It is intended as a contribution to a process of education that might help to

save the American people from the awesome destruction of a second Bush presidency. It is further intended as a warning to all citizens that if they fail to deny Bush a second term, they will deserve what they get after 1993.

As this book goes to press, public awareness of the long-term depression of the American economy is rapidly growing. If Bush were re-elected, he would view himself as beyond the reach of the American electorate; with the federal deficit rising over a billion dollars a day, a second Bush administration would dictate such crushing austerity as to bring the country to the brink of civil war. Some examples of this point are described in the last chapter of this book.

Our goal has been to assemble as much of the truth about Bush as possible within the time constraints imposed by the 1992 election. Time and resources have not permitted us meticulous attention to certain matters of detail; we can say, nevertheless, that both our commitment to the truth and our final product are better than anything anyone else has been able to muster, including news organizations and intelligence agencies with capabilities that far surpass our own.

Why do we fight the Bush power cartel with a mere book? We have no illusions of easy success, but we were encouraged in our work by the hope that a biography might stimulate opposition to Bush and his policies. It will certainly pose a new set of problems for those seeking to get Bush re-elected. For although Bush is now what journalists call a world leader, no accurate account of his actual career exists in the public domain.

The volume which we submit to the court of world public opinion is, to the best of our knowledge, the first book-length, unauthorized biography of George Bush. It is the first approximation of the truth about his life. This is the first biography worthy of the name, a fact that says a great deal about the sinister and obsessive secrecy of this personage. None of the other biographies (including Bush's campaign autobiography) can be taken seriously; each of these books is a pastiche of lies, distortions and banalities that run the gamut from campaign panegyric, to the Goebbels Big Lie, to fake but edifying stories for credulous children. Almost without exception, the available Bush literature is worthless as a portrait of the subject.

Bush's family pedigree establishes him as a network asset of Brown Brothers Harriman, one of the most powerful political forces in the United States during much of the twentieth century, and for many years the largest private bank in the world. It suffices in this context to think of Averell

Harriman negotiating during World War II in the name of the United States with Churchill and Stalin, or of the role of Brown Brothers Harriman partner Robert Lovett in guiding John F. Kennedy's choice of his cabinet, to begin to see the implications of Senator Prescott Bush's post as managing partner of this bank. Brown Brothers Harriman networks pervade government and the mass media. Again and again in the course of the following pages we will see stories embarrassing to George Bush refused publication, documents embarrassing to Bush suspiciously disappear, and witnesses inculpatory to Bush be overtaken by mysterious and conveniently timed deaths. The few relevant facts which have found their way into the public domain have necessarily been filtered by this gigantic apparatus. This problem has been compounded by the corruption and servility of authors, journalists, news executives and publishers who have functioned more and more as kept advocates for a governmental regime of which Bush has been a prominent part for a quarter-century.

The Red Studebaker Myth

George Bush wants key aspects of his life to remain covert. At the same time, he senses that his need for coverup is a vulnerability. The need to protect this weak flank accounts for the steady stream of fake biographical material concerning George, as well as the spin given to many studies that may never mention George directly. Over the past several months, we have seen a new book about Watergate that pretends to tell the public something new by fingering Al Haig as Deep Throat, but ignoring the central role of George Bush and his business partners in the Watergate affair. We have a new book by Lt. Col. Oliver North which alleges that Reagan knew everything about the Iran-Contra affair, but that George Bush was not part of North's chain of command. The latter point merely paraphrases Bush's own lame excuse that he was "out of the loop" during all those illegal transactions. During the hearings on the nomination of Robert Gates to become director of Central Intelligence, nobody had anything new to add about the role of George Bush, the boss of the National Security Council's Special Situation Group crisis staff that was a command center for the whole affair. These charades are peddled to a very credulous public by operatives whose task goes beyond mere damage control to mind control -- the "MK" in the government's MK-Ultra operation.

Part of the free ride enjoyed by George Bush during the 1988 elections is reflected in the fact that at no point in the campaign was there any serious effort by any of the news organizations to provide the public with an accurate and complete account of his political career. At least two biographies of Dukakis appeared which, although hardly critical, were not uniformly laudatory either. But in the case of Bush, all the public could

turn to was Bush's old 1980 campaign biography and a newer campaign autobiography, both of them a tissue of lies.

Early in the course of our research for the present volume it became apparent that all books and most longer articles dealing with the life of George Bush had been generated from a single print-out of thoroughly approved "facts" about Bush and his family. We learned that during 1979-80, Bush aide Pete Roussel attempted to recruit biographers to prepare a life of Bush based on a collection of press releases, news summaries, and similar pre-digested material. Most biographical writing about Bush consists merely of the points from this printout, strung out chronologically and made into a narrative through the interpretation of comments, anecdotes, embellishments, or special stylistic devices.

The canonical Bush-approved printout is readily identified. One dead giveaway is the inevitability with which the hacks out to cover up the substance of Bush's life refer to a 1947 red Studebaker which George Bush allegedly drove into Odessa, Texas in 1948. This is the sort of detail which has been introduced into Bush's real life in a deliberate and deceptive attempt to humanize his image. It has been our experience that any text that features a reference to Bush's red Studebaker has probably been derived from Bush's list of approved facts, and is therefore practically worthless for serious research into Bush's life. We therefore assign such texts to the "red Studebaker school" of coverup and falsification.

Some examples? This is from Bush's campaign autobiography, "Looking Forward," ghost-written by his aide Vic Gold: "Heading into Texas in my Studebaker, all I knew about the state's landscape was what I'd seen from the cockpit of a Vultee Vibrator during my training days in the Navy." Note #1

Here is the same moment as recaptured by Bush's crony Fitzhugh Green, a friend of the Malthusian financier Russell Train, in his "George Bush: An Intimate Portrait," published after Bush had won the presidency: "He (Bush) gassed up his 1948 Studebaker, arranged for his wife and son to follow, and headed for Odessa, Texas." Note #2

Harry Hurt III wrote the following lines in a 1983 Texas magazine article that was even decorated with a drawing of what apparently is supposed to be a Studebaker, but which does not look like a Studebaker of that vintage at all: "When George Herbert Walker Bush drove his battered red Studebaker into Odessa in the summer of 1948, the town's population, though constantly increasing with newly-arrived oil field hands, was still under 30,000."

Note #3

We see that Harry Hurt has more imagination than many Bush biographers, and his article does provide a few useful facts. More degraded is the version offered by Richard Ben Kramer, whose biography of Bush is expected to be published during 1992. Cramer was given the unenviable task of breathing life once more into the same tired old printout. But the very fact that the Bush team feels that it requires another biography indicates that it still feels that it has a potential vulnerability here. Cramer has attempted to solve his problem by recasting the same old garbage into a frenetic and hyperkinetic, we would almost say "hyperthyroid" style. The following is from an excerpt of this forthcoming book that was published in "Esquire" in June 1991: "In June, after the College World Series and graduation day in New Haven, Poppy packed up his new red Studebaker (a graduation gift from Pres), and started driving south." Note #4

Was that Studebaker shiny and new, or old and battered? Perhaps the printout is not specific on this point; in any case, as we see, our authorities diverge.

Joe Hyams's 1991 romance of Bush at war, the "Flight of the Avenger," Note #5 does not include the obligatory "red Studebaker" reference, but this is more than compensated for by the most elaborate fawning over other details of our hero's war service. The publication of "Flight of the Avenger," which concentrates on an heroic retelling of Bush's war record, and ignores all evidence that might tend to puncture this myth, was timed to coincide with Bush's war with Iraq. This is a vile tract written with the open assistance of Bush, Barbara Bush, and the White House staff. "Flight of the Avenger" recalls the practice of totalitarian states according to which a war waged by the regime should be accompanied by propaganda which depicts the regime's strong man in a martial posture. In any case, this book deals with Bush's life up to the end of World War II; we never reach Odessa.

Only one of the full-length accounts produced by the Bush propaganda machine neglects the red Studebaker story. This is Nicholas King's "George Bush: A Biography," the first book-length version of Bush's life, produced as a result of Pete Roussel's efforts for the 1980 campaign. Nicholas King had served as Bush's spokesman when he was U.S. Ambassador to the United Nations. King admits in his preface that he can be impugned for writing a work of the most transparent apologetics: "In retrospect," he says, "this book may seem open to the charge of puffery, for the view of its subject is favorable all around." Note #6 Indeed.

Books about Barbara Bush slavishly rehearse the same details from the same

printout. Here is the relevant excerpt from the warmly admiring "Simply Barbara Bush: A Portrait of America's Candid First Lady," written by Donnie Radcliffe and published after Bush's 1988 election victory: "With \$3,000 left over after he graduated in June, 1948, he headed for Texas in the 1947 red Studebaker his father had given him for graduation after George's car died on the highway." Note #7

Even foreign journalists attempting to inform their publics about conditions in the United States have fallen victim to the same old Bush printout. The German author and reporter Rainer Bonhorst, the former Washington correspondent of the "Westdeutsche Allgemeine Zeitung," in his 1988 book "George Bush: The New Man in the White House," named a chapter of

this Bush political biography "To Texas in the Red Studebaker." Bonhorst writes as follows: "Then there was still the matter of the red Studebaker. It plays -- right after the world war effort -- a central role in the life history of George Bush. It is the history of his rebellion. The step which made a careless Texan out of a stiff New Englander, a self-made man out of a patrician's son, born into wealth.... Thus, George and Barbara Bush, 24 and 23 years old, he having just finished with his studies, she having prematurely withdrawn from her university and become a mother a few months earlier, packed their baby and their suitcases and loaded them into their glaring red Studebaker coupe.

"[A supermodern, smart car, certainly somewhat loud for the New England taste,' the Bushes later recalled. But finally it departed towards Texas." Note #8

We see that Bonhorst is acutely aware of the symbolic importance assumed by the red Studebaker in these hagiographic accounts of Bush's life.

What is finally the truth of the matter? There is good reason to believe that George Bush did not first come to Odessa, Texas, in a red Studebaker. One knowledgeable source is the well-known Texas oil man and Bush campaign contributor Oscar Wyatt of Houston. In a recent letter to the "Texas Monthly," Wyatt specifies that "when people speak of Mr. Bush's humble beginnings in the oil industry, it should be noted that he rode down to Texas on Dresser's private aircraft. He was accompanied by his father, who at that time was one of the directors of Dresser Industries.... I hate it when people make statements about Mr. Bush's humble beginnings in the oil industry. It just didn't happen that way," writes Mr. Wyatt. Note #9 Dresser was a Harriman company, and Bush got his start working for one of its subsidiaries. One history of Dresser Industries contains a photograph of George Bush with his parents, wife, and infant son "in front of a

Dresser company airplane in West Texas." Note #1 Note #0 Can this be a photo of Bush's arrival in Odessa during the summer of 1948? In any case, this most cherished myth of the Bush biographers is very much open to doubt.

The Roman Propaganda Machine

Fawning biographies of bloodthirsty tyrants are nothing new in world literature. The red Studebaker school goes back a long way; these writers of today can be usefully compared with a certain Gaius Velleius Paterculus, who lived in the Roman Empire under the emperors Augustus and Tiberius, and who was thus an approximate contemporary of Jesus Christ. Velleius Paterculus was an historian and biographer who is known today, if at all, for his biographical notes on the Emperor Tiberius, which are contained within Paterculus's history of Rome.

Paterculus, writing under Tiberius, gave a very favorable treatment of Julius Caesar, and became fulsome when he came to write of Augustus. But the worst excesses of flattery came in Velleius Paterculus's treatment of Tiberius himself. Here is part of what he writes about that tyrannical ruler:

"Of the transactions of the last sixteen years, which have passed in the view, and are fresh in the memory of all, who shall presume to give a full account? ... credit has been restored to mercantile affairs, sedition has been banished from the forum, corruption from the Campus Martius, and discord from the senate-house; justice, equity and industry, which had long lain buried in neglect, have been revived in the state; authority has been given to the magistrates, majesty to the senate, and solemnity to the courts of justice; the bloody riots in the theatre have been suppressed, and all men have had either a desire excited in them, or a necessity imposed on them, of acting with integrity. Virtuous acts are honored, wicked deeds are punished. The humble respects the powerful, without dreading him; the powerful takes precedence of the humble without condemning him. When were provisions more moderate in price? When were the

blessings of peace more abundant? Augustan peace, diffused over all the regions of the east and the west, and all that lies between the south and the north, preserves every corner of the world free from all dread of predatory molestation. Fortuitous losses, not only of individuals, but of cities, the munificence of the prince is ready to relieve. The cities of Asia have been repaired; the provinces have been secured from the oppression of their governors. Honor promptly rewards the deserving, and the punishment of the guilty, if slow, is certain. Interest gives place to

justice, solicitation to merit. For the best of princes teaches his countrymen to act rightly by his own practice; and while he is the greatest in power, he is still greater in example.

"Having exhibited a general view of the administration of Tiberius Caesar, let us now enumerate a few particulars respecting it.... How formidable a war, excited by the Gallic chief Sacrovir and Julius Florius, did he suppress, and with such amazing expedition and energy, that the Roman people learned that they were conquerors, before they knew that they were at war, and the news of the victory outstripped the news of the danger! The African war too, perilous as it was, and daily increasing in strength, was quickly terminated under his auspices and direction...." Note #1 Note #1

All of this was written in praise of the regime that crucified Jesus Christ, and one of the worst genocidal tyrannies in the history of the world. Paterculus, we must sadly conclude, was a sycophant of the Tiberius administration. Some of his themes are close parallels to the propaganda of today's Bush machine.

In addition to feeding the personality cult of Tiberius, Paterculus also lavished praise on Lucius Aelius Sejanus, the Prefect of the Praetorian Guard and for many years Tiberius's number one favorite, second in command, and likely successor. In many respects Sejanus was not unlike James Baker III under the Bush regime. While Tiberius spent all of his time in seclusion on his island of Capri near Naples, Sejanus assumed day to day control of the vast empire and its 100 million subjects. Paterculus wrote of Sejanus that he was "a most excellent coadjutor in all the toils of government ... a man of pleasing gravity, and of unaffected cheerfulness ... assuming nothing to himself." That was the voice of the red Studebaker school in about 30 A.D. Paterculus should have limited his fawning to Tiberius himself; somewhat later, the emperor, suspecting a coup plot, condemned Sejanus and had him torn limb from limb in gruesome retribution.

But why bring up Rome? Some readers may be scandalized by the things that truth obliges us to record about a sitting president of the United States. Are we not disrespectful to this high office? No. One of the reasons for glancing back at Imperial Rome is to remind ourselves that in times of moral and cultural degradation like our own, rulers of great evil have inflicted incalculable suffering on humanity. In our modern time of war and depression, this is once again the case. If Caligula was possible then, who could claim that the America of the New World Order should be exempt? Let us therefore tarry for a moment with these old Romans, because they can show us much about ourselves.

In order to find Roman writers who tell us anything reliable about the first dozen emperors, we must wait until the infamous Julio-Claudian dynasty of Julius Caesar, Augustus, Tiberius, Caligula, Claudius, Nero, and the rest had entirely passed from the scene, to be supplanted by new ruling houses. Tiberius reigned from 14 to 37 A.D.; Caligula, his designated successor, from 37 to 41 A.D.; and Nero from 54 to 68 A.D. But the first accurate account of the crimes of some of these emperors comes from Publius Cornelius Tacitus in about 115-17 A.D., late in the reign of the emperor Trajan. It was feasible for Tacitus to write and publish a more realistic account of the Julio-Claudian emperors because one of the constant themes of Trajan's propaganda was to glorify himself as an enlightened emperor through comparison with the earlier series of bloody tyrants.

Tacitus manages to convey how the destructiveness of these emperors in their personal lives correlated with their mass executions and their genocidal economic policies. Tacitus was familiar with the machinery of Roman Imperial power: he was of senatorial rank, served as consul in Italy in 97 A.D., and was the governor of the important province of western Anatolia (today's Turkey) which the Romans referred to simply as Asia. Tacitus writes of Tiberius: "... his criminal lusts shamed him. Their uncontrollable activity was worthy of an oriental tyrant. Free-born children were his victims. He was fascinated by beauty, youthful innocence, and aristocratic birth. New names for types of perversions were invented. Slaves were charged to locate and procure his requirements.... It was like the sack of a captured city."

Tiberius was able to dominate the legislative branch of his government, the senate, by subversion and terror: "It was, indeed, a horrible feature of this period that leading senators became informers even on trivial matters -- some openly, many secretly. Friends and relatives were as suspect as strangers, old stories as damaging as new. In the Main Square, at a dinner-party, a remark on any subject might mean prosecution. Everyone competed for priority in marking down the victim. Sometimes this was self-defense, but mostly it was a sort of contagion, like an epidemic.... I realize that many writers omit numerous trials and condemnations, bored by repetition or afraid that catalogues they themselves have found over-long and dismal may equally depress their readers. But numerous unrecorded incidents, which have come to my attention, ought to be known.

"... Even women were in danger. They could not be charged with aiming at supreme power. So they were charged with weeping: one old lady was executed for lamenting her son's death. The senate decided this case.... In the same year the high price of corn nearly caused riots....

"Frenzied with bloodshed, (Tiberius) now ordered the execution of all those arrested for complicity with Sejanus. It was a massacre. Without discrimination of sex or age, eminence or obscurity, there they lay, strewn about -- or in heaps. Relatives and friends were forbidden to stand by or lament them, or even gaze for long. Guards surrounded them, spying on their sorrow, and escorted the rotting bodies until, dragged to the Tiber, they floated away or grounded -- with none to cremate or touch them. Terror had paralyzed human sympathy. The rising surge of brutality drove compassion away." Note #1 Note #2

This is the same Tiberius administration so extravagantly praised by Velleius Paterculus.

Because of lacunae in the manuscripts of Tacitus's work that have come down to us, much of what we know of the rule of Caligula (Gaius Caesar, in power from 37 to 41 A.D.) derives from "The Lives of the Twelve Caesars," a book by Gaius Suetonius Tranquillus. The character and administration of Caligula present some striking parallels with the subject of the present book.

As a stoic, Caligula was a great admirer of his own "immovable rigor." His motto was "Remember that I have the right to do anything to anybody." He made no secret of his bloodthirsty vindictiveness. Caligula was a fan of the green team in the Roman arena, and when the crowd applauded a charioteer who wore a different color, Caligula cried out, "I wish the Roman people had but a single neck." At one of his state dinners Caligula burst into a fit of uncontrollable laughter, and when a consul asked him what was so funny, he replied that it was the thought that as emperor Caligula had the power to have the throats of the top officials cut at any time he chose. Caligula carried this same attitude into his personal life: whenever he kissed or caressed the neck of his wife or one of his mistresses, he liked to remark: "Off comes this beautiful head whenever I give the word."

Above all, Caligula was vindictive. After his death, two notebooks were found among his personal papers, one labelled "The Sword" and the other labelled "The Dagger." These were lists of the persons he had proscribed and liquidated, and were the forerunners of the enemies lists and discrediting committee of today. Suetonius frankly calls Caligula "a monster," and speculates on the psychological roots of his criminal disposition: "I think I may attribute to mental weakness the existence of two exactly opposite faults in the same person, extreme assurance and, on the other hand, excessive timorousness." Caligula was "full of threats" against "the barbarians," but at the same time prone to precipitous

retreats and flights of panic. Caligula worked on his "body language" by "practicing all kinds of terrible and fearsome expressions before a mirror."

Caligula built an extension of his palace to connect with the Temple of Castor and Pollux, and often went there to exhibit himself as an object of public worship, delighting in being hailed as "Jupiter Latiaris" by the populace. Later Caligula would officially open temples in his own name. Caligula was brutal in his intimidation of the senate, whose members he subjected to open humiliations and covert attacks; many senators were "secretly put to death." "He often inveighed against all the Senators alike.... He treated the other orders with like insolence and cruelty." Suetonius recites whole catalogues of "special instances of his innate brutality" toward persons of all walks of life. He enjoyed inflicting torture, and revelled in liquidating political opponents or those who had insulted or snubbed him in some way. He had a taste for capital executions as the perfect backdrop for parties and banquets. Caligula also did everything he could to denigrate the memory of the great men of past epochs, so that their fame could not eclipse his own: "He assailed mankind of almost every epoch with no less envy and malice than insolence and cruelty. He threw down the statues of famous men" and tried to destroy all the texts of Homer.

Caligula "respected neither his own chastity nor that of any one else." He was reckless in his extravagance, and soon emptied out the imperial treasury of all the funds that old Tiberius had squirreled away there. After that, Caligula tried to replenish his coffers through a system of spies, false accusations, property seizures, and public auctions. He also "levied new and unheard-of taxes," to the point that "no class of commodities was exempt from some kind of tax or other." Caligula taxed all foodstuffs, took a fortieth of the award in any lawsuit, an eighth of the daily wages of the porters, and demanded that the prostitutes pay him a daily fee equal to the average price charged to each individual customer. (It is rumored that this part of Caligula's career is under study by those planning George Bush's second term.) Caligula also opened a brothel in his palace as an additional source of income, which may prefigure today's White House staff. Among Caligula's more singular hobbies Suetonius includes his love of rolling and wallowing in piles of gold coins.

Caligula kept his wife, Caesonia (described by Suetonius as "neither beautiful nor young") with him until the very end. But his greatest devotion was to his horse, whom he made consul of the Roman state. Ultimately Caligula fell victim to a conspiracy of the Praetorian Guard, led by the tribune Gaius Chaerea, a man whom Caligula had taken special

delight in humiliating. Note #1 Note #3

The authors of the present study are convinced that these references to the depravity of the Roman emperors, and to the records of that depravity provided by such authors as Tacitus and Suetonius, are directly germane to our present task of following the career of a member of the senatorial class of the Anglo-American elite through the various stages of his formation and ultimate ascent to imperial power. The Roman Imperial model is germane because the American ruling elite of today is far closer to the world of Tiberius and Caligula than it is to the world of the American Revolution or the Constitutional Convention of 1789. The leitmotif of modern American presidential politics is unquestionably an imperial theme, most blatantly expressed by Bush in his slogan for 1990, "The New World Order," and for 1991, the "pax universalis." The central project of the Bush presidency is the creation and consolidation of a single, universal Anglo-American (or Anglo-Saxon) empire very directly modelled on the various phases of the Roman Empire.

The Olympian Delusion

There is one other aspect of the biographical-historical method of the Graeco-Roman world which we have sought to borrow. Ever since Thucydides composed his monumental work on the Peloponnesian War, those who have sought to imitate his style -- with the Roman historian Titus Livius prominent among them -- have employed the device of attributing long speeches to historical personages, even when it appears very unlikely that such lengthy orations could have been made by the protagonists at the time. This has nothing to do with the synthetic dialogue of current American political writing, which attempts to present historical events as a series of trivial and banal soap-opera exchanges, which carry on for such interminable lengths as to suggest that the authors are getting paid by the word. Our idea of fidelity to the classical style has simply been to let George Bush speak for himself wherever possible, through direct quotation. We are convinced that by letting Bush express himself directly in this way, we afford the reader a more faithful -- and damning -- account of Bush's actions.

George Bush might agree that "history is biography," although we suspect that he would not agree with any of our other conclusions. There may be a few peculiarities of the present work as biography that are worthy of explanation at the outset.

One of our basic theses is that George Bush is, and considers himself to be, an oligarch. The notion of oligarchy includes first of all the idea of

a patrician and wealthy family capable of introducing its offspring into such elite institutions as Andover, Yale, and Skull and Bones. Oligarchy also subsumes the self-conception of the oligarch as belonging to a special, exalted breed of mankind, one that is superior to the common run of mankind as a matter of hereditary genetic superiority. This mentality generally goes together with a fascination for eugenics, race science and just plain racism as a means of building a case that one's own family tree and racial stock are indeed superior. These notions of "breeding" are a constant in the history of the titled feudal aristocracy of Europe, especially Britain, towards inclusion in which an individual like Bush must necessarily strive. At the very least, oligarchs like Bush see themselves as demigods occupying a middle ground between the immortals above and the "hoi polloi" below. The culmination of this insane delusion, which Bush has demonstrably long since attained, is the obsessive belief that the principal families of the Anglo-American elite, assembled in their freemasonic orders, by themselves directly constitute an Olympian Pantheon of living deities who have the capability of abrogating and disregarding the laws of the universe according to their own irrational caprice. If we do not take into account this element of fatal and megalomaniac hubris, the lunatic Anglo-American policies in regard to the Gulf War, international finance, or the AIDS epidemic must defy all comprehension.

Part of the ethos of oligarchism as practiced by George Bush is the emphasis on one's own family pedigree. This accounts for the attention we dedicate in the opening chapters of this book to Bush's family tree, reaching back to the nineteenth century and beyond. It is impossible to gain insight into Bush's mentality unless we realize that it is important for him to be considered a cousin, however distant, of Queen Elizabeth II of the House of Mountbatten-Windsor and for his wife Barbara to be viewed in some sense a descendant of President Franklin Pierce.

The Family Firm

For related reasons, it is our special duty to illustrate the role played in the formation of George Bush as a personality by his maternal grandfather and uncle, George Herbert Walker and George Herbert Walker, Jr., and by George H.W. Bush's father, the late Senator Prescott Bush. In the course of this task, we must speak at length about the institution to which George Bush owes the most, the Wall Street international investment bank of Brown Brothers Harriman, the political and financial powerhouse mentioned above. For George Bush, Brown Brothers Harriman was and remains the family firm in the deepest sense. The formidable power of this bank and its ubiquitous network, wielded by Senator Prescott Bush up through the time of his death in 1972, and still active on George's behalf down to the

present day, is the single most important key to every step of George's business, covert operations, and political career.

In the case of George Bush, as many who have known him personally have noted, the network looms much larger than George's own character and will. The reader will search in vain for strong principled commitments in George Bush's personality; the most that will be found is a series of characteristic obsessions, of which the most durable are race, vanity, personal ambition, and settling scores with adversaries. What emerges by contrast is the decisive importance of Bush's network of connections. His response to the Gulf crisis of 1991 will be largely predetermined, not by any great flashes of geopolitical insight, but rather by his connections to the British oligarchy, to Kissinger, to Israeli and Zionist circles, to Texas oilmen in his fundraising base, to the Saudi Arabian and Kuwaiti royal houses. If the question is one of finance, then the opinions of J. Hugh Liedtke, Henry Kravis, Robert Mosbacher, T. Boone Pickens, Nicholas Brady, James Baker III and the City of London will be decisive. If covert operations and dirty tricks are on the agenda, then there is a whole stable of CIA old boys with whom he will consult, and so on down the line. During much of 1989, despite his control over the presidency, Bush appeared as a weak and passive executive, waiting for his networks to show him what it was he was supposed to do. When German reunification and the crumbling of the Soviet empire spurred those -- primarily British -- networks into action, Bush was suddenly capable of violent and daring adventures. As his battle for a second term approaches, Bush may be showing increasing signs of a rage-driven self-starter capability, especially when it comes to starting new wars designed to secure his re-election.

The United States in Decline

Biography has its own inherent discipline: It must be concerned with the life of its protagonist, and cannot stray too far away. In no way has it been our intention to offer an account of American history during the lifetime of George Bush. The present study nevertheless reflects many aspects of that recent history of U.S. decline. It will be noted that Bush has succeeded in proportion as the country has failed, and that Bush's advancement has proceeded "pari passu" with the degradation of the national stage upon which he has operated and which he has come to dominate. At various phases in his career, Bush has come into conflict with persons who were intellectually and morally superior to him. One such was Senator Ralph Yarborough, and another was Senator Frank Church. Our study will be found to catalogue the constant decline in the qualities of Bush's adversaries as human types until the 1980s, by which time his opponents, as in the case of Al Haig, are no better than Bush himself.

The exception to this trend is Bush's long-standing personal vendetta against Lyndon LaRouche, his most consistent and capable adversary. LaRouche was jailed seven days after Bush's inauguration in the most infamous political frameup of recent U.S. history. As our study will document, at critical moments in Bush's career, LaRouche's political interventions have frustrated some of Bush's best-laid political plans: A very clear example is LaRouche's role in defeating Bush's 1980 presidential bid in the New Hampshire primary. Over the intervening years, LaRouche has become George Bush's "man in the iron mask," the principled political adversary whom Bush seeks to jail and silence at all costs. The restoration of justice in this country must include the freeing of Lyndon LaRouche, LaRouche's political associates, and all the other political prisoners of the Bush regime.

As for the political relevance of our project, we think that it is very real. During the Gulf crisis, it would have been important for the public to know more about Bush's business dealings with the Royal Family of Kuwait. During the 1992 presidential campaign, as Wall Street's recent crop of junk-bond assisted leveraged buyouts line up at the entrance to bankruptcy court, and state workers all across the United States are informed that the retirement pensions they had been promised will never be paid, the relations between George Bush and Henry Kravis will surely constitute an explosive political issue. Similarly, once Bush's British and Kissingerian pedigree is recognized, the methods he is likely to pursue in regard to situations such as the planned Romanian-style overthrow of the Castro regime in Cuba, or the provocation of a splendid little nuclear war involving North Korea, or of a new Indo-Pakistani war, will hardly be mysterious.

The authors have been at some pains to make this work intelligible to readers around the world. We offer this book to those who share our aversion to the imperialist-colonialist New World Order, and our profound horror at the concept of a return to a single, worldwide Roman Empire as suggested by Bush's "pax universalis" slogan. This work is tangible evidence that there is an opposition to Bush inside the United States, and that the new Caligula is very vulnerable indeed on the level of the exposure of his own misdeeds.

It will be argued that this book should have been published before the 1988 election, when a Bush presidency might have been avoided. That is certainly true, but it is an objection which should also be directed to many institutions and agencies whose resources far surpass our modest capabilities. We can only remind our fellow citizens that when he asks for

their votes for his re-election, George Bush also enters that court of public opinion in which he is obliged to answer their questions. They should not waste this opportunity to grill him on all aspects of his career and future intentions, since it is Bush who comes forward appealing for their support. To aid in this process, we have provided a list of Twenty Questions for Candidate George Bush on the campaign trail, and this will be found in the appendix.

We do not delude ourselves that we have said the last word about George Bush. But we have for the first time sketched out at least some of the most salient features and gathered them into a comprehensible whole. We encourage an aroused citizenry, as well as specialized researchers, to improve upon what we have been able to accomplish. In so doing, we recall the words of the Florentine Giovanni Boccaccio when he reluctantly accepted the order of a powerful king to produce an account of the old Roman Pantheon: "If I don't succeed completely in this exposition, at least I will provide a stimulus for the better work of others who are wiser." -- Boccaccio, "Genealogy of the National Gods"

"To be continued."

Notes

1. George Bush and Vic Gold, "Looking Forward," (New York: Doubleday, 1987), p. 47.
2. Fitzhugh Green, "Looking Forward," (New York: Hippocrene, 1989), p. 53.
3. Harry Hurt III, "George Bush, Plucky Lad," "Texas Monthly," June, 1983, p. 142.
4. Richard Ben Cramer, "How He Got Here," "Esquire," June, 1991, p. 84.
5. Joe Hyams, "Flight of the Avenger" (New York, 1991).
6. Nicholas King, "George Bush: A Biography" (New York, Dodd, Mead, 1980), p. xi.
7. Donnie Radcliffe, "Simply Barbara Bush," (New York: Warner, 1989), p. 103.
8. Rainer Bonhorst, "George Bush, Der Neue Mann im Weissen Haus," (Bergisch Gladbach: Gustav Luebbe Verlag, 1988), pp. 80-81.
9. See "The Roar of the Crowd," "Texas Monthly," November, 1991. See also

Jan Jarboe, "Meaner Than a Junkyard Dog," "Texas Monthly," April 1991, p. 122 ff. Here Wyatt observes: "I knew from the beginning George Bush came to Texas only because he was politically ambitious. He flew out here on an airplane owned by Dresser Industries. His daddy was a member of the board of Dresser."

10. Darwin Payne, "Initiative in Energy" (New York: Simon and Shuster, 1979), p. 233.

11. John Selby Watson (translator), "Sallust, Florus, and Velleius Paterculus" (London: George Bell and Son, 1879), pp. 542-46.

12. Cornelius Tacitus, "The Annals of Imperial Rome" (Penguin, 1962), pp. 193-221.

13. Gaius Suetonius Tranquillus, "The Lives of the Twelve Caesars" (New York: Modern Library, 1931), pp. 165-204, "passim."

CHAPTER 2

THE HITLER PROJECT

Bush Property Seized -- Trading with the Enemy

In October 1942, ten months after entering World War II, America was preparing its first assault against Nazi military forces. Prescott Bush was managing partner of Brown Brothers Harriman. His 18-year-old son George, the future U.S. President, had just begun training to become a naval pilot.

On October 20, 1942, the U.S. government ordered the seizure of Nazi German banking operations in New York City which were being conducted by Prescott Bush.

Under the "Trading with the Enemy Act", the government took over the "Union Banking Corporation," in which Bush was a director. The U.S. Alien Property Custodian seized Union Banking Corp.'s stock shares, all of which were owned by Prescott Bush, E. Roland "Bunny" Harriman, three Nazi executives, and two other associates of Bush. Note #1

The order seizing the bank "vest[ed] [seized] all of the capital stock of Union Banking Corporation, a New York corporation," and named the holders of its shares as:

See #b|"E. Roland Harriman -- 3991 shares." Harriman was chairman and

director of Union Banking Corp. (UBC); this is "Bunny" Harriman, described by Prescott Bush as a place holder who didn't get much into banking affairs; Prescott managed his personal investments.

See #b|"Cornelis Lievense -- 4 shares." Lievense was president and director of UBC, and a New York resident banking functionary for the Nazis.

See #b|"Harold D. Pennington -- 1 share." Pennington was treasurer and director of UBC, and an office manager employed by Bush at Brown Brothers Harriman.

See #b|"Ray Morris -- 1 share." Morris was director of UBC, and a partner of Bush and the Harrimans.

See #b|"Prescott S. Bush -- 1 share." Bush was director of UBC, which was co-founded and sponsored by his father-in-law George Walker; he was senior managing partner for E. Roland Harriman and Averell Harriman.

See #b|"H.J. Kouwenhoven -- 1 share" Kouwenhoven was director of UBC; he organized UBC as the emissary of Fritz Thyssen in negotiations with George Walker and Averell Harriman; he was also managing director of UBC's Netherlands affiliate under Nazi occupation; industrial executive in Nazi Germany, and also director and chief foreign financial executive of the German Steel Trust.

See #b|"Johann G. Groeninger -- 1 share." Groeninger was director of UBC and of its Netherlands affiliate; he was an industrial executive in Nazi Germany.

The order also specified: "all of which shares are held for the benefit of ... members of the Thyssen family, [and] is property of nationals ... of a designated enemy country...."

By October 26, 1942, U.S. troops were underway for North Africa. On October 28, the government issued orders seizing two Nazi front organizations run by the Bush-Harriman bank: the "Holland-American Trading Corporation" and the "Seamless Steel Equipment Corporation." Note #2

U.S. forces landed under fire near Algiers on November 8, 1942; heavy combat raged throughout November. Nazi interests in the "Silesian-American Corporation," long managed by Prescott Bush and his father-in-law George Herbert Walker, were seized under the Trading with the Enemy Act on November 17, 1942. In this action, the government announced that it was seizing only the Nazi interests, leaving the Nazis' U.S. partners to carry on

the business. Note #3

These and other actions taken by the U.S. government in wartime were, tragically, too little and too late. President Bush's family had already played a central role in financing and arming Adolf Hitler for his takeover of Germany; in financing and managing the buildup of Nazi war industries for the conquest of Europe and war against the U.S.A.; and in the development of Nazi genocide theories and racial propaganda, with their well-known results.

The facts presented here must be known, and their implications reflected upon, for a proper understanding of President George Herbert Walker Bush and of the danger to mankind that he represents. The President's family fortune was largely a result of the Hitler project. The powerful Anglo-American family associations, which later boosted him into the Central Intelligence Agency and up to the White House, were his father's partners in the Hitler project.

President Franklin Roosevelt's Alien Property Custodian, Leo T. Crowley, signed Vesting Order Number 248 seizing the property of Prescott Bush under the Trading with Enemy Act. The order, published in obscure government record books and kept out of the news, Note #4 explained nothing about the Nazis involved; only that the Union Banking Corporation was run for the "Thyssen family" of "Germany and/or Hungary" -- "nationals ... of a designated enemy country."

By deciding that Prescott Bush and the other directors of the Union Banking Corp. were legally "front men for the Nazis", the government avoided the more important historical issue: In what way "were Hitler's Nazis themselves hired, armed, and instructed by" the New York and London clique of which Prescott Bush was an executive manager? Let us examine the Harriman-Bush Hitler project from the 1920s until it was partially broken up, to seek an answer for that question.

2. Origin and Extent of the Project

Fritz Thyssen and his business partners are universally recognized as the most important German financiers of Adolf Hitler's takeover of Germany. At the time of the order seizing the Thyssen family's Union Banking Corp., Mr. Fritz Thyssen had already published his famous book, "I Paid Hitler", Note #5 admitting that he had financed Adolf Hitler and the Nazi movement since October 1923. Thyssen's role as the leading early backer of Hitler's grab for power in Germany had been noted by U.S. diplomats in Berlin in 1932. Note #6 The order seizing the Bush-Thyssen bank was curiously quiet and

modest about the identity of the perpetrators who had been nailed.

But two weeks before the official order, government investigators had reported secretly that "W. Averell Harriman was in Europe sometime prior to 1924 and at that time became acquainted with Fritz Thyssen, the German industrialist." Harriman and Thyssen agreed to set up a bank for Thyssen in New York. "[C]ertain of [Harriman's] associates would serve as directors...." Thyssen agent "H.J. Kouwenhoven ... came to the United States ... prior to 1924 for conferences with the Harriman Company in this connection...." Note #7

When exactly was "Harriman in Europe sometime prior to 1924"? In fact, he was in Berlin in 1922 to set up the Berlin branch of W.A. Harriman & Co. under George Walker's presidency.

The Union Banking Corporation was established formally in 1924, as a unit in the Manhattan offices of W.A. Harriman & Co., interlocking with the Thyssen-owned "Bank voor Handel en Scheepvaart" (BHS) in the Netherlands. The investigators concluded that "the Union Banking Corporation has since its inception handled funds chiefly supplied to it through the Dutch bank by the Thyssen interests for American investment."

Thus by personal agreement between Averell Harriman and Fritz Thyssen in 1922, W.A. Harriman & Co. (alias Union Banking Corporation) would be transferring funds back and forth between New York and the "Thyssen interests" in Germany. By putting up about \$400,000, the Harriman organization would be joint owner and manager of Thyssen's banking operations outside of Germany.

"How important was the Nazi enterprise for which President Bush's father was the New York banker?"

The 1942 U.S. government investigative report said that Bush's Nazi-front bank was an interlocking concern with the Vereinigte Stahlwerke (United Steel Works Corporation or "German Steel Trust") led by Fritz Thyssen and his two brothers. After the war, congressional investigators probed the Thyssen interests, Union Banking Corp. and related Nazi units. The investigation showed that the Vereinigte Stahlwerke had produced the following approximate proportions of total German national output: "50.8% of Nazi Germany's pig iron; 41.4% of Nazi Germany's universal plate; 36.0% of Nazi Germany's heavy plate; 38.5% of Nazi Germany's galvanized sheet; 45.5% of Nazi Germany's pipes and tubes; 22.1% of Nazi Germany's wire; 35.0% of Nazi Germany's explosives." Note #8

This accounts for many, many Nazi submarines, bombs, rifles, gas chambers, etc.

Prescott Bush became vice president of W.A. Harriman & Co. in 1926. That same year, a friend of Harriman and Bush set up a giant new organization for their client Fritz Thyssen, prime sponsor of politician Adolf Hitler. The new "German Steel Trust," Germany's largest industrial corporation, was organized in 1926 by Wall Street banker Clarence Dillon. Dillon was the old comrade of Prescott Bush's father Sam Bush from the "Merchants of Death" bureau in World War I.

In return for putting up \$70 million to create his organization, majority owner Thyssen gave the Dillon Read company two or more representatives on the board of the new Steel Trust. Note #9

Thus there is a division of labor: Thyssen's own confidential accounts, for political and related purposes, were run through the Walker-Bush organization; the Steel Trust did its corporate banking through Dillon Read.

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The Walker-Bush firm's banking activities were not just politically neutral money-making ventures which happened to coincide with the aims of German Nazis. All of the firm's European business in those days was organized around anti-democratic political forces.

In 1927, criticism of their support for totalitarianism drew this retort from Bert Walker, written from Kennebunkport to Averell Harriman: "It seems to me that the suggestion in connection with Lord Bearsted's views that we withdraw from Russia smacks somewhat of the impertinent.... I think that we have drawn our line and should hew to it." Note #1 Note #0

Averell Harriman met with Italy's fascist dictator, Benito Mussolini. A representative of the firm subsequently telegraphed good news back to his chief executive Bert Walker: "... During these last days ... Mussolini ... has examined and approved our c[o]ntract 15 June." Note #1 Note #1

The great financial collapse of 1929-31 shook America, Germany, and Britain, weakening all governments. It also made the hard-pressed Prescott Bush even more willing to do whatever was necessary to retain his new place in the world. It was in this crisis that certain Anglo-Americans determined on the installation of a Hitler regime in Germany.

W.A. Harriman & Co., well-positioned for this enterprise and rich in assets from their German and Russian business, merged with the British-American investment house, Brown Brothers, on January 1, 1931. Bert Walker retired to his own G.H. Walker & Co. This left the Harriman brothers, Prescott Bush, and Thatcher M. Brown as the senior partners of the new Brown Brothers Harriman firm. (The London, England branch of the Brown family firm continued operating under its historic name -- Brown, Shipley.)

Robert A. Lovett also came over as a partner from Brown Brothers. His father, E.H. Harriman's lawyer and railroad chief, had been on the War Industries Board with Prescott's father. Though he remained a partner in Brown Brothers Harriman, the junior Lovett soon replaced his father as chief executive of Union Pacific Railroad.

Brown Brothers had a racial tradition that fitted it well for the Hitler project. American patriots had cursed its name back in Civil War days. Brown Brothers, with offices in the U.S.A. and in England, had carried on their ships fully 75 percent of the slave cotton from the American South over to British mill owners; through their usurious credit they controlled and manipulated the slave-owners.

Now, in 1931, the virtual dictator of world finance, Bank of England Governor Montagu Collet Norman, was a former Brown Brothers partner, whose grandfather had been boss of Brown Brothers during the U.S. Civil War. Montagu Norman was known as the most avid of Hitler's supporters within British ruling circles, and Norman's intimacy with this firm was essential to his management of the Hitler project.

In 1931, while Prescott Bush ran the New York office of Brown Brothers Harriman, Prescott's partner was Montagu Norman's intimate friend Thatcher Brown. The Bank of England chief always stayed at the home of Prescott's partner on his hush-hush trips to New York. Prescott Bush concentrated on the firm's German activities, and Thatcher Brown saw to their business in old England, under the guidance of his mentor Montagu Norman. Note #1 Note #2

3. Hitler's Ladder to Power

Adolf Hitler became Chancellor of Germany January 30, 1933, and absolute dictator in March 1933, after two years of expensive and violent lobbying and electioneering. Two affiliates of the Bush-Harriman organization played great parts in this criminal undertaking: Thyssen's German Steel Trust; and the Hamburg-Amerika Line and several of its executives. Note #1 Note #3

Let us look more closely at the Bush family's German partners.

"Fritz Thyssen" told Allied interrogators after the war about some of his financial support for the Nazi Party: "In 1930 or 1931 ... I told [Hitler's deputy Rudolph] Hess ... I would arrange a credit for him with a Dutch bank in Rotterdam, the Bank fussaur Handel und Schiff [i.e. Bank voor Handel en Scheepvaart (BHS), the Harriman-Bush affiliate]. I arranged the credit ... he would pay it back in three years.... I chose a Dutch bank because I did not want to be mixed up with German banks in my position, and because I thought it was better to do business with a Dutch bank, and I thought I would have the Nazis a little more in my hands....

"The credit was about 250-300,000 [gold] marks -- about the sum I had given before. The loan has been repaid in part to the Dutch bank, but I think some money is still owing on it...." Note #1 Note #4

The overall total of Thyssen's political donations and loans to the Nazis was well over a million dollars, including funds he raised from others -- in a period of terrible money-shortage in Germany.

"Friedrich Flick" was the major co-owner of the German Steel Trust with Fritz Thyssen, Thyssen's longtime collaborator and sometime competitor. In preparation for the war crimes tribunal at Nuremberg, the U.S. government said that Flick was "one of leading financiers and industrialists who from 1932 contributed large sums to the Nazi Party ... member of 'Circle of Friends' of Himmler who contributed large sums to the SS." Note #1 Note #5

Flick, like Thyssen, financed the Nazis to maintain their private armies called Schutzstaffel (S.S. or Black Shirts) and Sturmabteilung (S.A., storm troops or Brown Shirts).

The Flick-Harriman partnership was directly supervised by Prescott Bush, President Bush's father, and by George Walker, President Bush's grandfather.

The Harriman-Walker Union Banking Corp. arrangements for the German Steel Trust had made them bankers for Flick and his vast operations in Germany by no later than 1926.

The "Harriman Fifteen Corporation" (George Walker, president, Prescott Bush and Averell Harriman, sole directors) held a substantial stake in the Silesian Holding Co. at the time of the merger with Brown Brothers, January 1, 1931. This holding correlated to Averell Harriman's chairmanship of the "Consolidated Silesian Steel Corporation," the American group owning

one-third of a complex of steelmaking, coal-mining and zinc-mining activities in Germany and Poland, in which Friedrich Flick owned two-thirds.
Note #1 Note #6

The Nuremberg prosecutor characterized Flick as follows:

"Proprietor and head of a large group of industrial enterprises (coal and iron mines, steel producing and fabricating plants) ...
'Wehrwirtschaftsfuehrer,' 1938 [title awarded to prominent industrialists for merit in armaments drive -- 'Military Economy Leader']...." Note #1
Note #7

For this buildup of the Hitler war machine with coal, steel, and arms production, using slave laborers, the Nazi Flick was condemned to seven years in prison at the Nuremberg trials; he served three years. With friends in New York and London, however, Flick lived into the 1970s and died a billionaire.

On March 19, 1934, Prescott Bush -- then director of the German Steel Trust's Union Banking Corporation -- initiated an alert to the absent Averell Harriman about a problem which had developed in the Flick partnership. Note #1 Note #8 Bush sent Harriman a clipping from the "New York Times" of that day, which reported that the Polish government was fighting back against American and German stockholders who controlled "Poland's largest industrial unit, the Upper Silesian Coal and Steel Company...."

The "Times" article continued: "The company has long been accused of mismanagement, excessive borrowing, fictitious bookkeeping and gambling in securities. Warrants were issued in December for several directors accused of tax evasions. They were German citizens and they fled. They were replaced by Poles. Herr Flick, regarding this as an attempt to make the company's board entirely Polish, retaliated by restricting credits until the new Polish directors were unable to pay the workmen regularly."

The "Times" noted that the company's mines and mills "employ 25,000 men and account for 45 percent of Poland's total steel output and 12 percent of her coal production. Two-thirds of the company's stock is owned by Friedrich Flick, a leading German steel industrialist, and the remainder is owned by interests in the United States."

In view of the fact that a great deal of Polish output was being exported to Hitler's Germany under depression conditions, the Polish government thought that Bush, Harriman, and their Nazi partners should at least pay

full taxes on their Polish holdings. The U.S. and Nazi owners responded with a lockout. The letter to Harriman in Washington reported a cable from their European representative: "Have undertaken new steps London Berlin ... please establish friendly relations with Polish Ambassador [in Washington]."

A 1935 Harriman Fifteen Corporation memo from George Walker announced an agreement had been made "in Berlin" to sell an 8,000 block of their shares in Consolidated Silesian Steel. Note #1 Note #9 But the dispute with Poland did not deter the Bush family from continuing its partnership with Flick.

Nazi tanks and bombs "settled" this dispute in September, 1939 with the invasion of Poland, beginning World War II. The Nazi army had been equipped by Flick, Harriman, Walker, and Bush, with materials essentially stolen from Poland.

There were probably few people at the time who could appreciate the irony, that when the Soviets also attacked and invaded Poland from the East, their vehicles were fueled by oil pumped from Baku wells revived by the Harriman/Walker/Bush enterprise.

Three years later, nearly a year after the Japanese attack on Pearl Harbor, the U.S. government ordered the seizure of the Nazis' share in the Silesian-American Corporation under the Trading with the Enemy Act. Enemy nationals were said to own 49 percent of the common stock and 41.67 percent of the preferred stock of the company.

The order characterized the company as a "business enterprise within the United States, owned by [a front company in] Zurich, Switzerland, and held for the benefit of Bergwerksgesellschaft George von Giesche's Erben, a German corporation...." Note #2 Note #0

Bert Walker was still the senior director of the company, which he had founded back in 1926 simultaneously with the creation of the German Steel Trust. Ray Morris, Prescott's partner from Union Banking Corp. and Brown Brothers Harriman, was also a director.

The investigative report prior to the government crackdown explained the "NATURE OF BUSINESS: The subject corporation is an American holding company for German and Polish subsidiaries, which own large and valuable coal and zinc mines in Silesia, Poland and Germany. Since September 1939, these properties have been in the possession of and have been operated by the German government and have undoubtedly been of considerable assistance to

that country in its war effort." Note #2 Note #1

The report noted that the American stockholders hoped to regain control of the European properties after the war.

4. Control of Nazi Commerce

Bert Walker had arranged the credits Harriman needed to take control of the Hamburg-Amerika Line back in 1920. Walker had organized the "American Ship and Commerce Corp." as a unit of the W.A. Harriman & Co., with contractual power over Hamburg-Amerika's affairs.

As the Hitler project went into high gear, Harriman-Bush shares in American Ship and Commerce Corp. were held by the Harriman Fifteen Corp., run by Prescott Bush and Bert Walker. Note #2 Note #2

It was a convenient stroll for the well-tanned, athletic, handsome Prescott Bush. From the Brown Brothers Harriman skyscraper at 59 Wall Street -- where he was senior managing partner, confidential investments manager and advisor to Averell and his brother "Bunny" -- he walked across to the Harriman Fifteen Corporation at One Wall Street, otherwise known as G.H. Walker & Co. -- and around the corner to his subsidiary offices at 39 Broadway, former home of the old W.A. Harriman & Co., and still the offices for American Ship and Commerce, and of the Union Banking Corporation.

In many ways, Bush's Hamburg-Amerika Line was the pivot for the entire Hitler project.

Averell Harriman and Bert Walker had gained control over the steamship company in 1920 in negotiations with its post-World War I chief executive, "Wilhelm Cuno", and with the line's bankers, M.M. Warburg. Cuno was thereafter completely dependent on the Anglo-Americans, and became a member of the Anglo-German Friendship Society. In the 1930-32 drive for a Hitler dictatorship, Wilhelm Cuno contributed important sums to the Nazi Party. Note #2 Note #3

"Albert Voegler" was chief executive of the Thyssen-Flick German Steel Trust for which Bush's Union Banking Corp. was the New York office. He was a director of the Bush-affiliate BHS Bank in Rotterdam, and a director of the Harriman-Bush Hamburg-Amerika Line. Voegler joined Thyssen and Flick in their heavy 1930-33 Nazi contributions, and helped organize the final Nazi leap into national power. Note #2 Note #4

The "Schroeder" family of bankers was a linchpin for the Nazi activities of Harriman and Prescott Bush, closely tied to their lawyers Allen and John Foster Dulles.

Baron Kurt von Schroeder was co-director of the massive Thyssen-Huette foundry along with Johann Groeninger, Prescott Bush's New York bank partner. Kurt von Schroeder was treasurer of the support organization for the Nazi Party's private armies, to which Friedrich Flick contributed. Kurt von Schroeder and Montagu Norman's proteaageaa Hjalmar Schacht together made the final arrangements for Hitler to enter the government. Note #2 Note #5

Baron Rudolph von Schroeder was vice president and director of the Hamburg-Amerika Line. Long an intimate contact of Averell Harriman's in Germany, Baron Rudolph sent his grandson Baron Johann Rudolph for a tour of Prescott Bush's Brown Brothers Harriman offices in New York City in December 1932 -- on the eve of their Hitler-triumph. Note #2 Note #6

Certain actions taken directly by the Harriman-Bush shipping line in 1932 must be ranked among the gravest acts of treason in this century.

The U.S. Embassy in Berlin reported back to Washington that the "costly election campaigns" and "the cost of maintaining a private army of 300,000 to 400,000 men" had raised questions as to the Nazis' financial backers. The constitutional government of the German republic moved to defend national freedom by ordering the Nazi Party private armies disbanded. The U.S. Embassy reported that the "Hamburg-Amerika Line was purchasing and distributing propaganda attacks against the German government, for attempting this last-minute crackdown on Hitler's forces." Note #2 Note #7

Thousands of German opponents of Hitlerism were shot or intimidated by privately armed Nazi Brown Shirts. In this connection, we note that the original "Merchant of Death," Samuel Pryor, was a founding director of both the Union Banking Corp. and the American Ship and Commerce Corp. Since Mr. Pryor was executive committee chairman of Remington Arms and a central figure in the world's private arms traffic, his use to the Hitler project was enhanced as the Bush family's partner in Nazi Party banking and trans-Atlantic shipping.

The U.S. Senate arms-traffic investigators probed Remington after it was joined in a cartel agreement on explosives to the Nazi firm I.G. Farben. Looking at the period leading up to Hitler's seizure of power, the senators found that "German political associations, like the Nazi and others, are nearly all armed with American ... guns.... Arms of all kinds coming from

America are transshipped in the Scheldt to river barges before the vessels arrive in Antwerp. They then can be carried through Holland without police inspection or interference. The Hitlerists and Communists are presumed to get arms in this manner. The principal arms coming from America are Thompson submachine guns and revolvers. The number is great." Note #2 Note #8

The beginning of the Hitler regime brought some bizarre changes to the Hamburg-Amerika Line -- and more betrayals.

Prescott Bush's American Ship and Commerce Corp. notified Max Warburg of Hamburg, Germany, on March 7, 1933, that Warburg was to be the corporation's official, designated representative on the board of Hamburg-Amerika. Note #2 Note #9

Max Warburg replied on March 27, 1933, assuring his American sponsors that the Hitler government was good for Germany: "For the last few years business was considerably better than we had anticipated, but a reaction is making itself felt for some months. We are actually suffering also under the very active propaganda against Germany, caused by some unpleasant circumstances. These occurrences were the natural consequence of the very excited election campaign, but were extraordinarily exaggerated in the foreign press. The Government is firmly resolved to maintain public peace and order in Germany, and I feel perfectly convinced in this respect that there is no cause for any alarm whatsoever." Note #3 Note #0

This seal of approval for Hitler, coming from a famous Jew, was just what Harriman and Bush required, for they anticipated rather serious "alarm" inside the U.S.A. against their Nazi operations.

On March 29, 1933, two days after Max's letter to Harriman, Max's son Erich sent a cable to his cousin Frederick M. Warburg, a director of the Harriman railroad system. He asked Frederick to "use all your influence" to stop all anti-Nazi activity in America, including "atrocious news and unfriendly propaganda in foreign press, mass meetings, etc." Frederick cabled back to Erich: "No responsible groups here [are] urging [a] boycott [of] German goods[,] merely excited individuals." Two days after that, On March 31, 1933, the "American-Jewish Committee," controlled by the Warburgs, and the "B'nai B'rith," heavily influenced by the Sulzbergers' ("New York Times"), issued a formal, official joint statement of the two organizations, counselling "that no American boycott against Germany be encouraged, [and advising] ... that no further mass meetings be held or similar forms of agitation be employed." Note #3 Note #1

The American Jewish Committee and the B'nai B'rith (mother of the "Anti-Defamation League") continued with this hardline, no-attack-on-Hitler stance all through the 1930s, blunting the fight mounted by many Jews and other anti-fascists.

Thus the decisive interchange reproduced above, taking place entirely within the orbit of the Harriman/Bush firm, may explain something of the relationship of George Bush to American Jewish and Zionist leaders. Some of them, in close cooperation with his family, played an ugly part in the drama of Naziism. Is this why "professional Nazi-hunters" have never discovered how the Bush family made its money?

_ * * * _

The executive board of the "Hamburg Amerika Line" "(Hapag)" met jointly with the North German Lloyd company board in Hamburg on September 5, 1933. Under official Nazi supervision, the two firms were merged. Prescott Bush's American Ship and Commerce Corp. installed Christian J. Beck, a longtime Harriman executive, as manager of freight and operations in North America for the new joint Nazi shipping lines "(Hapag-Lloyd)" on November 4, 1933.

According to testimony of officials of the companies before Congress in 1934, a supervisor from the "Nazi Labor Front" rode with every ship of the Harriman-Bush line; employees of the New York offices were directly organized into the Nazi Labor Front organization; Hamburg-Amerika provided free passage to individuals going abroad for Nazi propaganda purposes; and the line subsidized pro-Nazi newspapers in the U.S.A., as it had done in Germany against the constitutional German government. Note #3 Note #2

In mid-1936, Prescott Bush's American Ship and Commerce Corp. cabled M.M. Warburg, asking Warburg to represent the company's heavy share interest at the forthcoming Hamburg-Amerika stockholders meeting. The Warburg office replied with the information that "we represented you" at the stockholders meeting and "exercised on your behalf your voting power for Rm [gold marks] 3,509,600 Hapag stock deposited with us."

The Warburgs transmitted a letter received from Emil Helfferich, German chief executive of both Hapag-Lloyd and of the Standard Oil subsidiary in Nazi Germany: "It is the intention to continue the relations with Mr. Harriman on the same basis as heretofore...." In a colorful gesture, Hapag's Nazi chairman Helfferich sent the line's president across the Atlantic on a Zeppelin to confer with their New York string-pullers.

After the meeting with the Zeppelin passenger, the Harriman-Bush office

replied: "I am glad to learn that Mr. Hellferich [sic] has stated that relations between the Hamburg American Line and ourselves will be continued on the same basis as heretofore." Note #3 Note #3

Two months before moving against Bush's Union Banking Corp., the U.S. government ordered the seizure of all property of the Hamburg-Amerika Line and North German Lloyd, under the Trading with the Enemy Act. The investigators noted in the pre-seizure report that Christian J. Beck was still acting as an attorney representing the Nazi firm. Note #3 Note #4

In May 1933, just after the Hitler regime was consolidated, an agreement was reached in Berlin for the coordination of all Nazi commerce with the U.S.A. The "Harriman International Co.," led by Averell Harriman's first cousin Oliver, was to head a syndicate of 150 firms and individuals, to conduct "all exports from Hitler's Germany to the United States". Note #3 Note #5

This pact had been negotiated in Berlin between Hitler's economics minister, Hjalmar Schacht, and John Foster Dulles, international attorney for dozens of Nazi enterprises, with the counsel of Max Warburg and Kurt von Schroeder.

John Foster Dulles would later be U.S. Secretary of State, and the great power in the Republican Party of the 1950s. Foster's friendship and that of his brother Allen (head of the Central Intelligence Agency), greatly aided Prescott Bush to become the Republican U.S. senator from Connecticut. And it was to be of inestimable value to George Bush, in his ascent to the heights of "covert action government," that both of these Dulles brothers were the lawyers for the Bush family's far-flung enterprise.

Throughout the 1930s, John Foster Dulles arranged debt restructuring for German firms under a series of decrees issued by Adolf Hitler. In these deals, Dulles struck a balance between the interest owed to selected, larger investors, and the needs of the growing Nazi warmaking apparatus for producing tanks, poison gas, etc.

Dulles wrote to Prescott Bush in 1937 concerning one such arrangement. The German-Atlantic Cable Company, owning Nazi Germany's only telegraph channel

to the United States, had made debt and management agreements with the Walker-Harriman bank during the 1920s. A new decree would now void those agreements, which had originally been reached with non-Nazi corporate officials. Dulles asked Bush, who managed these affairs for Averell Harriman, to get Averell's signature on a letter to Nazi officials,

agreeing to the changes. Dulles wrote: "Sept. 22, 1937 "Mr. Prescott S. Bush "59 Wall Street, New York, N.Y.

"Dear Press,

"I have looked over the letter of the German-American [sic] Cable Company to Averell Harriman.... It would appear that the only rights in the matter are those which inure in the bankers and that no legal embarrassment would result, so far as the bondholders are concerned, by your acquiescence in the modification of the bankers' agreement.

"Sincerely yours,

"John Foster Dulles"

Dulles enclosed a proposed draft reply, Bush got Harriman's signature, and the changes went through. Note #3 Note #6

In conjunction with these arrangements, the German Atlantic Cable Company attempted to stop payment on its debts to smaller American bondholders. The money was to be used instead for arming the Nazi state, under a decree of the Hitler government.

Despite the busy efforts of Bush and Dulles, a New York court decided that this particular Hitler "law" was invalid in the United States; small bondholders, not parties to deals between the bankers and the Nazis, were entitled to get paid. Note #3 Note #7

In this and a few other of the attempted swindles, the intended victims came out with their money. But the Nazi financial and political reorganization went ahead to its tragic climax.

For his part in the Hitler revolution, Prescott Bush was paid a fortune.

This is the legacy he left to his son, President George Bush.

Notes

1. Office of Alien Property Custodian, Vesting Order Number 248. Signed by Leo T. Crowley, Alien Property Custodian, executed October 20, 1942; F.R. Doc. 42-11568; Filed, November 6, 1942. 7 Fed. Reg. 9097 (November 7, 1942).

The "New York City Directory of Directors", 1930s-40s, list Prescott Bush

as a director of Union Banking Corp. from 1934 through 1943.

2. Alien Property Custodian Vesting Order No. 259: Seamless Steel Equipment Corporation; Vesting Order Number 261: Holland-American Trading Corp.

3. Alien Property Custodian Vesting Order No. 370: Silesian-American Corp.

4. "New York Times," December 16, 1944, ran a five-paragraph page 25 article on actions of the New York State Banking Department. Only the last sentence refers to the Nazi bank, as follows: "The Union Banking Corporation, 39 Broadway, New York, has received authority to change its principal place of business to 120 Broadway."

The "Times" omitted the fact that the Union Banking Corporation had been seized by the government for trading with the enemy, and the fact that 120 Broadway was the address of the government's Alien Property Custodian.

5. Fritz Thyssen, "I Paid Hitler", 1941, reprinted in (Port Washington, N.Y.: Kennikat Press, 1972), p. 133. Thyssen says his contributions began with 100,000 marks given in October 1923, for Hitler's attempted "putsch" against the constitutional government.

6. Confidential memorandum from U.S. Embassy, Berlin, to the U.S. Secretary of State, April 20, 1932, on microfilm in "Confidential Reports of U.S. State Dept., 1930s, Germany," at major U.S. libraries.

7. October 5, 1942, Memorandum to the Executive Committee of the Office of Alien Property Custodian, stamped CONFIDENTIAL, from the Division of Investigation and Research, Homer Jones, Chief. Now declassified in United States National Archives, Suitland, Maryland annex. Note Record Group 131, Alien Property Custodian, investigative reports, in file box relating to Vesting Order Number 248.

8. "Elimination of German Resources for War": Hearings Before a Subcommittee of the Committee on Military Affairs, United States Senate, Seventy-Ninth Congress; Part 5, Testimony of [the United States] Treasury Department, July 2, 1945. Page 507: Table of Vereinigte Stahlwerke output, figures are percent of German total as of 1938; Thyssen organization including Union Banking Corporation pp. 727-731.

9. Robert Sobel, "The Life and Times of Dillon Read" (New York: Dutton-Penguin, 1991), pp. 92-111. The Dillon Read firm cooperated in the development of Sobel's book.

10. George Walker to Averell Harriman, August 11, 1927, in W. Averell Harriman papers, Library of Congress (hereafter "WAH papers").

11. "Iaccarino" to G. H. Walker, RCA Radiogram Sept. 12, 1927.

12. Andrew Boyle, "Montagu Norman" (London: Cassell, 1967).

Sir Henry Clay, "Lord Norman" (London, MacMillan & Co., 1957), pp. 18, 57, 70-71.

John A. Kouwenhoven, "Partners in Banking ... Brown Brothers Harriman" (Garden City: Doubleday & Co., 1969).

13. Coordination of much of the Hitler project took place at a single New York address. The Union Banking Corporation had been set up by George Walker at 39 Broadway. Management of the Hamburg-Amerika Line, carried out through Harriman's American Ship and Commerce Corp., was also set up by George Walker at 39 Broadway.

14. Interrogation of Fritz Thyssen, EF/Me/1 of Sept. 4, 1945 in U.S. Control Council records, photostat on page 167 in Anthony Sutton, "An Introduction to The Order" (Billings, Mt.: Liberty House Press, 1986).

15. "Nazi Conspiracy and Aggression, Supplement B", by the Office of United States Chief of Counsel for Prosecution of Axis Criminality, U. S. Government Printing Office, (Washington, D.C., 1948), pp. 1597, 1686.

16. "Consolidated Silesian Steel Corporation - [minutes of the] Meeting of Board of Directors," October 31, 1930 (WAH papers), shows Averell Harriman as Chairman of the Board.

Prescott Bush to W.A. Harriman, Memorandum December 19, 1930 on their Harriman Fifteen Corp.

Annual Report of United Konigs and Laura Steel and Iron Works for the year 1930 (WAH papers) lists "Dr. Friedrich Flick ... Berlin" and "William Averell Harriman ... New York" on the Board of Directors.

"Harriman Fifteen Coporation Securities Position February 28, 1931," WAH papers. This report shows Harriman Fifteen Corporation holding 32,576 shares in Silesian Holding Co. V.T.C. worth (in scarce depression dollars) \$1,628,800, just over half the value of the Harriman Fifteen Corporation's total holdings.

The "New York City Directory of Directors" volumes for the 1930s (available at the Library of Congress) show Prescott Sheldon Bush and W. Averell Harriman as the directors of Harriman Fifteen Corp.

"Appointments," (three typed pages) marked "Noted May 18 1931 W.A.H.," (among the papers from Prescott Bush's New York Office of Brown Brothers Harriman, WAH papers), lists a meeting between Averell Harriman and Friedrich Flick in Berlin at 4:00 P.M., Wednesday April 22, 1931. This was followed immediately by a meeting with Wilhelm Cuno, chief executive of the Hamburg-Amerika Line.

The "Report To the Stockholders of the Harriman Fifteen Corporation," October 19, 1933 (WAH papers) names G.H. Walker as president of the corporation. It shows the Harriman Fifteen Corp.'s address as 1 Wall Street -- the location of G.H. Walker and Co.

17. "Nazi Conspiracy and Aggression, Supplement B", "op. cit.," p. 1686.

18. Jim Flaherty (a BBH manager, Prescott Bush's employee), March 19, 1934 to W.A. Harriman.

"Dear Averell:

"In Roland's absence Pres[cott] thought it adviseable for me to let you know that we received the following cable from [our European representative] Rossi dated March 17th [relating to conflict with the Polish government]...."

19. Harriman Fifteen Corporation notice to stockholders January 7, 1935, under the name of George Walker, President.

20. Order No. 370: Silesian-American Corp. Executed November 17, 1942. Signed by Leo T. Crowley, Alien Prop. Custodian. F.R. Doc. 42-14183; Filed, December 31, 1942; 8 Fed. Reg. 33 (Jan. 1, 1943).

The order confiscated the Nazis' holdings of 98,000 shares of common and 50,000 shares of preferred stock in Silesian-American.

The Nazi parent company in Breslau, Germany wrote to Averell Harriman at 59 Wall St. on Aug. 5, 1940, with "an invitation to take part in the regular meeting of the members of the Bergwerksgesellschaft Georg von Giesche's Erben...." WAH papers.

21. Sept. 25, 1942, Memorandum To the Executive Committee of the Office of Alien Property Custodian, stamped CONFIDENTIAL, from the Division of Investigation and Research, Homer Jones, Chief. Now declassified in United States National Archives, Suitland, Maryland annex. See Record Group 131, Alien Property Custodian, investigative reports, in file box relating to Vesting Order Number 370.

22. George Walker was a director of American Ship and Commerce from its organization through 1928. Consult "New York City Directory of Directors".

"Harriman Fifteen Corporation Securities Position February 28, 1931," "op. cit." The report lists 46,861 shares in the American Ship & Commerce Corp.

See "Message from Mr. Bullfin," August 30, 1934 (Harriman Fifteen section, WAH papers) for the joint supervision of Bush and Walker, respectively director and president of the corporation.

23. Cuno was later exposed by Walter Funk, Third Reich Press Chief and Under Secretary of Propaganda, in Funk's postwar jail cell at Nuremberg; but Cuno had died just as Hitler was taking power. William L. Shirer, L., "The Rise and Fall of the Third Reich" (New York: Simon and Schuster, 1960), p. 144. "Nazi Conspiracy and Aggression, Supplement B", "op. cit.," p. 1688.

24. See "Elimination of German Resources for War," "op. cit.," pages 881-882 on Voegler.

See Annual Report of the (Hamburg-Amerikanische-Packetfahrt-Aktien-Gesellschaft (Hapag or Hamburg-Amerika Line), March 1931, for the board of directors. A copy is in the New York Public Library Annex at 11th Avenue, Manhattan.

25. "Nazi Conspiracy and Aggression -- Supplement B," "op. cit.," pp. 1178, 1453-1454, 1597, 1599.

See "Elimination of German Resources for War," "op. cit.," pp. 870-72 on Schroeder; p. 730 on Groeninger.

26. Annual Report of Hamburg-Amerika, "op. cit."

Baron Rudolph Schroeder, Sr. to Averell Harriman, November 14, 1932. K[night] W[ooley] handwritten note and draft reply letter, December 9, 1932.

In his letter, Baron Rudolph refers to the family's American affiliate, J. Henry Schroder [name anglicized], of which Allen Dulles was a director, and his brother John Foster Dulles was the principal attorney.

Baron Bruno Schroder of the British branch was adviser to Bank of England Governor Montagu Norman, and Baron Bruno's partner Frank Cyril Tiarks was Norman's co-director of the Bank of England throughout Norman's career. Kurt von Schroeder was Hjalmar Schacht's delegate to the Bank for International Settlements in Geneva, where many of the financial arrangements for the Nazi regime were made by Montagu Norman, Schacht and the Schroeders for several years of the Hitler regime right up to the outbreak of World War II.

27. Confidential memorandum from U.S. Embassy, Berlin, "op. cit."

28. U.S. Senate "Nye Committee" hearings, Sept. 14, 1934, pp. 1197-1198, extracts from letters of Col. William N. Taylor, dated June 27, 1932 and January 9, 1933.

29. American Ship and Commerce Corporation to Dr. Max Warburg, March 7, 1933.

Max Warburg had brokered the sale of Hamburg-Amerika to Harriman and Walker in 1920. Max's brothers controlled the Kuhn Loeb investment banking house in New York, the firm which had staked old E.H. Harriman to his 1890s buyout of the giant Union Pacific Railroad.

Max Warburg had long worked with Lord Milner and others of the racist British Round Table concerning joint projects in Africa and Eastern Europe. He was an advisor to Hjalmar Schacht for several decades and was a top executive of Hitler's Reichsbank. The reader may consult David Farrer, "The Warburgs: The Story of A Family" (New York: Stein and Day, 1975).

30. Max Warburg, at M.M. Warburg and Co., Hamburg, to Averill [sic] Harriman, c/o Messrs. Brown Brothers Harriman & Co., 59 Wall Street, New York, N.Y., March 27, 1933.

31. This correspondence, and the joint statement of the Jewish organizations, are reproduced in Moshe R. Gottlieb, "American Anti-Nazi Resistance, 1933-41: An Historical Analysis" (New York: Ktav Publishing House, 1982).

32. "Investigation of Nazi Propaganda Activities and Investigation of

Certain Other Propaganda Activities": Public Hearings before A Subcommittee of the Special Committee on Un-American Activities, United States House of Representatives, Seventy Third Congress, New York City, July 9-12, 1934 -- Hearings No. 73-NY-7 (Washington, D.C., U.S. Govt. Printing Office, 1934). See testimony of Capt. Frederick C. Mensing, John Schroeder, Paul von Lilienfeld-Toal, and summaries by Committee members.

See "New York Times," July 16, 1933, p. 12, for organizing of Nazi Labor Front at North German Lloyd, leading to Hamburg-Amerika after merger.

33. American Ship and Commerce Corporation telegram to Rudolph Brinckmann at M.M. Warburg, June 12, 1936.

Rudolph Brinckmann to Averell Harriman at 59 Wall St., June 20, 1936, with enclosed note transmitting Helferrich's letter.

Reply to Dr. Rudolph Brinkmann c/o M.M. Warburg and Co, July 6, 1936, WAH papers. The file copy of this letter carries no signature, but is presumably from Averell Harriman.

34. Office of Alien Property Custodian, Vesting Order Number 126. Signed by Leo T. Crowley, Alien Property Custodian, executed August 28, 1942. F.R. Doc. 42-8774; Filed September 4, 1942, 10:55 A.M.; 7 F.R. 7061 (Number 176, Sept. 5, 1942.)

July 18, 1942, Memorandum To the Executive Committee of the Office of Alien Property Custodian, stamped CONFIDENTIAL, from the Division of Investigation and Research, Homer Jones, Chief. Now declassified in United States National Archives, Suitland, Maryland annex. See Record Group 131, Alien Property Custodian, investigative reports, in file box relating to Vesting Order Number 126.

35. "New York Times," May 20, 1933. Leading up to this agreement is a telegram which somehow escaped the shredder. It is addressed to Nazi official Hjalmar Schacht at the Mayflower Hotel, Washington, dated May 11, 1933: "Much disappointed to have missed seeing you Tuesday afternoon.... I hope to see you either in Washington or New York before you sail.

with my regards W.A. Harriman" (WAH papers).

36. Dulles to Bush, letter and draft reply in WAH papers.

37. "New York Times," Jan. 19, 1938.

Chapter 3

RACE HYGIENE:

Three Bush Family Alliances

"The [government] must put the most modern medical means in the service of this knowledge.... Those who are physically and mentally unhealthy and unworthy must not perpetuate their suffering in the body of their children.... The prevention of the faculty and opportunity to procreate on the part of the physically degenerate and mentally sick, over a period of only 600 years, would ... free humanity from an immeasurable misfortune."
See #1

"The per capita income gap between the developed and the developing countries is increasing, in large part the result of higher birth rates in the poorer countries.... Famine in India, unwanted babies in the United States, poverty that seemed to form an unbreakable chain for millions of people -- how should we tackle these problems?.... It is quite clear that one of the major challenges of the 1970s ... will be to curb the world's fertility."

These two quotations are alike in their mock show of concern for human suffering, and in their cynical remedy for it: Big Brother must prevent the "unworthy" or "unwanted" people from living.

Let us now further inquire into the family background of our President, so as to help illustrate how the second quoted author, "George Bush" Note #1 came to share the outlook of the first, "Adolf Hitler". Note #2

We shall examine here the alliance of the Bush family with three other families: "Farish, Draper" and "Gray."

The private associations among these families have led to the President's relationship to his closest, most confidential advisers. These alliances were forged in the earlier Hitler project and its immediate aftermath. Understanding them will help us to explain George Bush's obsession with the supposed overpopulation of the world's non-Anglo-Saxons, and the dangerous means he has adopted to deal with this "problem."

Bush and Farish

When George Bush was elected vice president in 1980, Texas mystery man William Stamps Farish III took over management of all of George Bush's

personal wealth in a "blind trust." Known as one of the richest men in Texas, Will Farish keeps his business affairs under the most intense secrecy. Only the source of his immense wealth is known, not its employment. Note #3

Will Farish has long been Bush's closest friend and confidante. He is also the unique private host to Britain's Queen Elizabeth: Farish owns and boards the studs which mate with the Queen's mares. That is her public rationale when she comes to America and stays in Farish's house. It is a vital link in the mind of our Anglophile President.

President Bush can count on Farish not to betray the violent secrets surrounding the Bush family money. For Farish's own family fortune was made in the same Hitler project, in a nightmarish partnership with George Bush's father.

On March 25, 1942, U.S. Assistant Attorney General Thurman Arnold announced that William Stamps Farish (grandfather of the President's money manager) had pleaded "no contest" to charges of criminal conspiracy with the Nazis. Farish was the principal manager of a worldwide cartel between Standard Oil Co. of New Jersey and the I.G. Farben concern. The merged enterprise had opened the Auschwitz slave labor camp on June 14, 1940, to produce artificial rubber and gasoline from coal. The Hitler government supplied political opponents and Jews as the slaves, who were worked to near death and then murdered.

Arnold disclosed that Standard Oil of New Jersey (later known as Exxon), of which Farish was president and chief executive, had agreed to stop hiding from the United States patents for artificial rubber which the company had provided to the Nazis. Note #4

A Senate investigating committee under Senator (later U.S. President) Harry Truman of Missouri had called Arnold to testify at hearings on corporations' collaboration with the Nazis. The Senators expressed outrage at the cynical way Farish was continuing an alliance with the Hitler regime that had begun back in 1933, when Farish became chief of Jersey Standard. Didn't he know there was a war on?

The Justice Department laid before the committee a letter, written to Standard president Farish by his vice president, shortly after the beginning of World War II (September 1, 1939) in Europe. The letter concerned a renewal of their earlier agreements with the Nazis:

Report on European Trip Oct. 12, 1939 Mr. W.S. Farish 30 Rockefeller Plaza

Dear Mr. Farish:

... I stayed in France until Sept. 17th.... In England I met by appointment the Royal Dutch [Shell Oil Co.] gentlemen from Holland, and ... a general agreement was reached on the necessary changes in our relations with the I.G. [Farben], in view of the state of war.... [T]he Royal Dutch Shell group is essentially British.... I also had several meetings with ... the [British] Air Ministry....

I required help to obtain the necessary permission to go to Holland.... After discussions with the [American] Ambassador [Joseph Kennedy] .. the situation was cleared completely.... The gentlemen in the Air Ministry ... very kindly offered to assist me [later] in reentering England....

Pursuant to these arrangements, I was able to keep my appointments in Holland [having flown there on a British Royal Air Force bomber], where I had three days of discussion with the representatives of I.G. They delivered to me assignments of some 2,000 foreign patents and "we did our best to work out complete plans for a modus vivendi which could operate through the term of the war, whether or not the U.S. came in...." [emphasis added]

Very truly yours, F[rank] A. Howard Note #5

Here are some cold realities behind the tragedy of World War II, which help explain the Bush-Farish family alliance -- and their peculiar closeness to the Queen of England:

Note #b|Shell Oil is principally owned by the British Royal family. Shell's chairman, Sir Henri Deterding, helped sponsor Hitler's rise to power, Note #6 by arrangement with the Royal Family's Bank of England Governor, Montagu Norman. Their ally, Standard Oil, would take part in the Hitler project right up to the bloody, gruesome end.

Note #b|When grandfather Farish signed the Justice Department's consent decree in March 1942, the government had already started picking its way through the tangled web of world-monopoly oil and chemical agreements between Standard Oil and the Nazis. Many patents and other Nazi-owned aspects of the partnership had been seized by the U.S. Alien Property Custodian.

Uncle Sam would not seize Prescott Bush's Union Banking Corporation for another seven months.

The Bush-Farish axis had begun back in 1929. In that year, the Harriman bank bought Dresser Industries, supplier of oil-pipeline couplers to Standard and other companies. Prescott Bush became a director and financial czar of Dresser, installing his Yale classmate Neil Mallon as chairman. Note #7 George Bush would later name one of his sons after the Dresser executive.

William S. Farish was the main organizer of the Humble Oil Co. of Texas, which Farish merged into the Standard Oil Company of New Jersey. Farish built up the Humble-Standard empire of pipelines and refineries in Texas. Note #8

The stock market crashed just after the Bush family got into the oil business. The world financial crisis led to the merger of the Walker-Harriman bank with Brown Brothers in 1931. Former Brown partner Montagu Norman and his protege Hjalmar Schacht, who was to become Hitler's economics minister, paid frantic visits to New York that year and the next, preparing the new Hitler regime for Germany.

The Congress on Eugenics

The most important American political event in those preparations for Hitler was the infamous Third International Congress on Eugenics, held at New York's American Museum of Natural History August 21-23, 1932, supervised by the International Federation of Eugenics Societies. Note #9 This meeting took up the stubborn persistence of African-Americans and other allegedly "inferior" and "socially inadequate" groups in reproducing, expanding their numbers, and "amalgamating" with others. It was recommended that these "dangers" to the "better" ethnic groups and to the "well-born," could be dealt with by sterilization or "cutting off the bad stock" of the "unfit."

Italy's fascist government sent an official representative. Averell Harriman's sister Mary, director of "entertainment" for the Congress, lived down in Virginia fox-hunting country; her state supplied the speaker on "racial purity," W.A. Plecker, Virginia commissioner of vital statistics. Plecker reportedly held the delegates spellbound with his account of the struggle to stop race-mixing and interracial sex in Virginia.

The Congress proceedings were dedicated to Averell Harriman's mother; she had paid for the founding of the race-science movement in America back in 1910, building the Eugenics Record Office as a branch of the Galton National Laboratory in London. She and other Harrimans were usually

escorted to the horse races by old George Herbert Walker -- they shared with the Bushes and the Farishes a fascination with "breeding thoroughbreds" among horses and humans. Note #1 Note #0

Averell Harriman personally arranged with the Walker/Bush Hamburg-Amerika Line to transport Nazi ideologues from Germany to New York for this meeting. Note #1 Note #1 The most famous among those transported was Dr. Ernst Rudin, psychiatrist at the Kaiser Wilhelm Institute for Genealogy and Demography in Berlin, where the Rockefeller family paid for Dr. Rudin to occupy an entire floor with his eugenics "research." Dr. Rudin had addressed the International Federation's 1928 Munich meeting, speaking on "Mental Aberration and Race Hygiene," while others (Germans and Americans) spoke on race-mixing and sterilization of the unfit. Rudin had led the German delegation to the 1930 Mental Hygiene Congress in Washington, D.C.

At the Harrimans' 1932 New York Eugenics Congress, Ernst Rudin was unanimously elected President of the International Federation of Eugenics Societies. This was recognition of Rudin as founder of the German Society for Race Hygiene, with his co-founder, Eugenics Federation vice president Alfred Ploetz.

As depression-maddened financiers schemed in Berlin and New York, Rudin was now official leader of the world eugenics movement. Components of his movement included groups with overlapping leadership, dedicated to:

Note #b|sterilization of mental patients ("mental hygiene societies");

Note #b|execution of the insane, criminals and the terminally ill ("euthanasia societies"); and

Note #b|eugenical race-purification by prevention of births to parents from inferior blood stocks ("birth control societies").

Before the Auschwitz death camp became a household word, these British-American-European groups called openly for the elimination of the "unfit" by means including force and violence. Note #1 Note #2

Ten months later, in June 1933, Hitler's interior minister Wilhelm Frick spoke to a eugenics meeting in the new Third Reich. Frick called the Germans a "degenerate" race, denouncing one-fifth of Germany's parents for producing "feeble-minded" and "defective" children. The following month, on a commission by Frick, Dr. Ernst Rudin wrote the "Law for the Prevention of Hereditary Diseases in Posterity," the sterilization law modeled on previous U.S. statutes in Virginia and other states.

Special courts were soon established for the sterilization of German mental patients, the blind, the deaf, and alcoholics. A quarter million people in these categories were sterilized. Rudin, Ploetz, and their colleagues trained a whole generation of physicians and psychiatrists -- as sterilizers and as killers.

When the war started, the eugenicists, doctors, and psychiatrists staffed the new "T4" agency, which planned and supervised the mass killings: first at "euthanasia centers," where the same categories which had first been subject to sterilization were now to be murdered, their brains sent in lots of 200 to experimental psychiatrists; then at slave camps such as Auschwitz; and finally, for Jews and other race victims, at straight extermination camps in Poland, such as Treblinka and Belsen. Note #1 Note #3

In 1933, as what Hitler called his "New Order" appeared, John D. Rockefeller, Jr. appointed William S. Farish the chairman of Standard Oil Co. of New Jersey (in 1937 he was made president and chief executive). Farish moved his offices to Rockefeller Center, New York, where he spent a good deal of time with Hermann Schmitz, chairman of I.G. Farben; his company paid a publicity man, Ivy Lee, to write pro-I.G. Farben and pro-Nazi propaganda and get it into the U.S. press.

Now that he was outside of Texas, Farish found himself in the shipping business -- like the Bush family. He hired Nazi German crews for Standard Oil tankers. And he hired "Emil Helfferich," chairman of the Walker/Bush/Harriman Hamburg-Amerika Line, as chairman also of the Standard Oil Company subsidiary in Germany. Karl Lindemann, board member of Hamburg-Amerika, also became a top Farish-Standard executive in Germany. Note #1 Note #4

This interlock between their Nazi German operations put Farish together with Prescott Bush in a small, select group of men operating from abroad through Hitler's "revolution," and calculating that they would never be punished.

In 1939, Farish's daughter Martha married Averell Harriman's nephew, Edward Harriman Gerry, and Farish in-laws became Prescott Bush's partners at 59 Broadway. Note #1 Note #5

Both Emil Helfferich and Karl Lindemann were authorized to write checks to Heinrich Himmler, chief of the Nazi SS, on a special Standard Oil account. This account was managed by the German-British-American banker, Kurt von

Schroeder. According to U.S. intelligence documents reviewed by author Anthony Sutton, Helfferich continued his payments to the SS into 1944, when the SS was supervising the mass murder at the Standard-I.G. Farben Auschwitz and other death camps. Helfferich told Allied interrogators after the war that these were not his personal contributions -- they were corporate Standard Oil funds. Note #1 Note #6

After pleading "no contest" to charges of criminal conspiracy with the Nazis, William Stamps Farish was fined \$5,000. (Similar fines were levied against Standard Oil -- \$5,000 each for the parent company and for several subsidiaries.) This of course did not interfere with the millions of dollars that Farish had acquired in conjunction with Hitler's New Order, as a large stockholder, chairman, and president of Standard Oil. All the government sought was the use of patents which his company had given to the Nazis -- the Auschwitz patents -- but had withheld from the U.S. military and industry.

But a war was on, and if young men were to be asked to die fighting Hitler .. something more was needed. Farish was hauled before the Senate committee investigating the national defense program. The committee chairman, Senator Harry Truman, told newsmen before Farish testified: "I think this approaches treason." Note #1 Note #7

Farish began breaking apart at these hearings. He shouted his "indignation" at the senators, and claimed he was not "disloyal."

After the March-April hearings ended, more dirt came gushing out of the Justice Department and the Congress on Farish and Standard Oil. Farish had deceived the U.S. Navy to prevent the Navy from acquiring certain patents, while supplying them to the Nazi war machine; meanwhile, he was supplying gasoline and tetraethyl lead to Germany's submarines and air force. Communications between Standard and I.G. Farben from the outbreak of World War II were released to the Senate, showing that Farish's organization had arranged to deceive the U.S. government into passing over Nazi-owned assets: They would nominally buy I.G.'s share in certain patents because "in the event of war between ourselves and Germany ... it would certainly be very undesirable to have this 20 percent Standard-I.G. pass to an alien property custodian of the U.S. who might sell it to an unfriendly interest." Note #1 Note #8

John D. Rockefeller, Jr. (father of David, Nelson, and John D. Rockefeller III), the controlling owner of Standard Oil, told the Roosevelt administration that he knew nothing of the day-to-day affairs of his company, that all these matters were handled by Farish and other

executives. Note #1 Note #9

In August, Farish was brought back for more testimony. He was now frequently accused of lying. Farish was crushed under the intense, public grilling; he became morose, ashen. While Prescott Bush escaped publicity when the government seized his Nazi banking organization in October, Farish had been nailed. He collapsed and died of a heart attack on November 29, 1942.

The Farish family was devastated by the exposure. Son William Stamps Farish, Jr., a lieutenant in the Army Air Force, was humiliated by the public knowledge that his father was fueling the enemy's aircraft; he died in a training accident in Texas six months later. Note #2 Note #0

With this double death, the fortune comprising much of Standard Oil's profits from Texas and Nazi Germany was now to be settled upon the little four-year-old grandson, William ("Will") Stamps Farish III. Will Farish grew up a recluse, the most secretive multimillionaire in Texas, with investments of "that money" in a multitude of foreign countries, and a host of exotic contacts overlapping the intelligence and financial worlds -- particularly in Britain.

The Bush-Farish axis started George Bush's career. After his 1948 graduation from Yale (and the Skull and Bones secret society), George Bush flew down to Texas on a corporate jet and was employed by his father's Dresser Industries. In a couple of years he got help from his uncle, George Walker, Jr., and Farish's British banker friends, to set him up in the oil property speculation business. Soon thereafter, George Bush founded the Zapata Oil Company, which put oil drilling rigs into certain locations of great strategic interest to the Anglo-American intelligence community.

Twenty-five-year-old Will Farish was personal aide to Zapata chairman George Bush in Bush's unsuccessful 1964 campaign for Senate. Farish used "that Auschwitz money" to back George Bush financially, investing in Zapata. When Bush was elected to Congress in 1966, Farish joined the Zapata board. Note #2 Note #1

When George Bush became U.S. vice president in 1980, the Farish and Bush family fortunes were again completely, secretly commingled. As we shall see, the old projects were now being revived on a breathtaking scale.

Bush and Draper

Twenty years before he was U.S. President, George Bush brought two

"race-science" professors in front of the Republican Task Force on Earth Resources and Population. As chairman of the Task Force, then-Congressman Bush invited Professors William Shockley and Arthur Jensen to explain to the committee how allegedly runaway birth-rates for African-Americans were "down-breeding" the American population.

Afterwards, Bush personally summed up for the Congress the testimony his black-inferiority advocates had given to the Task Force. Note #2 Note #2 George Bush held his hearings on the threat posed by black babies on August 5, 1969, while much of the world was in a better frame of mind -- celebrating mankind's progress from the first moon landing 16 days earlier. Bush's obsessive thinking on this subject was guided by his family's friend, Gen. William H. Draper, Jr., the founder and chairman of the Population Crisis Committee, and vice chairman of the Planned Parenthood Federation. Draper had long been steering U.S. public discussion about the so-called "population bomb" in the non-white areas of the world.

If Congressman Bush had explained to his colleagues "how his family had come to know General Draper," they would perhaps have felt some alarm, or even panic, and paid more healthy attention to Bush's presentation. Unfortunately, the Draper-Bush population doctrine is now official U.S. foreign policy.

William H. Draper, Jr. had joined the Bush team in 1927, when he was hired by Dillon Read & Co., New York investment bankers. Draper was put into a new job slot at the firm: handling the Thyssen account.

We recall that in 1924, Fritz Thyssen set up his Union Banking Corporation in George Herbert Walker's bank at 39 Broadway, Manhattan. Dillon Read & Co.'s boss, Clarence Dillon, had begun working with Fritz Thyssen some time after Averell Harriman first met with Thyssen -- at about the time Thyssen began financing Adolf Hitler's political career.

In January 1926, Dillon Read created the "German Credit and Investment Corporation" in Newark, New Jersey and Berlin, Germany, as Thyssen's short-term banker. That same year, Dillon Read created the "Vereinigte Stahlwerke" (German Steel Trust), incorporating the Thyssen family interests under the direction of New York and London finance. Note #2 Note #3

William H. Draper, Jr. was made director, vice president, and assistant treasurer of the German Credit and Investment Corp. His business was short-term loans and financial management tricks for Thyssen and the German Steel Trust. Draper's clients sponsored Hitler's terroristic takeover; his

clients led the buildup of the Nazi war industry; his clients made war against the United States. The Nazis were Draper's direct partners in Berlin and New Jersey: Alexander Kreuter, residing in Berlin, was president; Frederic Brandt, whose father was a top coal executive in the German Steel Trust, moved to the United States in 1926 and served as Draper's co-director in Newark.

Draper's role was crucial for Dillon Read & Co., for whom Draper was a partner and eventually vice president. The German Credit and Investment Corp. (GCI) was a "front" for Dillon Read: It had the same New Jersey address as U.S. & International Securities Corp. (USIS), and the same man served as treasurer of both firms. Note #2 Note #4

Clarence Dillon and his son C. Douglas Dillon were directors of USIS, which was spotlighted when Clarence Dillon was hauled before the Senate Banking Committee's famous "Pecora" hearings in 1933. USIS was shown to be one of the great speculative pyramid schemes which had swindled stockholders of hundreds of millions of dollars. These investment policies had rotted the U.S. economy to the core, and led to the Great Depression of the 1930s.

But William H. Draper, Jr.'s GCI "front" was not "apparently" affiliated with the USIS "front" or with Dillon, and the GCI escaped the congressmen's limited scrutiny. This oversight was to prove most unfortunate, particularly to the 50 million people who subsequently died in World War II.

Dillon Read hired public relations man Ivy Lee to prepare their executives for their testimony and to confuse and further baffle the congressmen. Note #2 Note #5 Lee apparently took enough time out from his duties as image-maker for William S. Farish and the Nazi I.G. Farben Co.; he managed the congressional thinking so that the congressmen did not disturb the Draper operation in Germany -- and did not meddle with Thyssen, or interfere with Hitler's U.S. money men.

Thus, in 1932, William H. Draper, Jr. was free to finance the International Eugenics Congress as a "Supporting Member." Note #2 Note #6 Was he using his own income as a Thyssen trust banker? Or did the funds come from Dillon Read corporate accounts, perhaps to be written off income tax as "expenses for German project: race purification"? Draper helped select Ernst Rudin as chief of the world eugenics movement, who used his office to promote what he called Adolf Hitler's "holy, national and international racial hygienic mission." Note #2 Note #7

W.S. Farish was publicly exposed in 1942, humiliated and destroyed. Just

before Farish died, Prescott Bush's Nazi banking office was quietly seized and shut down. But Prescott's close friend and partner in the Thyssen-Hitler business, William H. Draper, Jr., "neither died nor moved out of German affairs." Draper listed himself as a director of the German Credit and Investment Corp. through 1942, and the firm was not liquidated until November 1943. Note #2 Note #8 But a war was on. Draper, a colonel from previous military service, went off to the Pacific theater and became a general.

General Draper apparently had a hobby: magic -- illusions, sleight of hand, etc. -- and he was a member of the Society of American Magicians. This is not irrelevant to his subsequent career.

The Nazi regime surrendered in May 1945. In July 1945, General Draper was called to Europe by the American military government authorities in Germany. Draper was appointed head of the Economics Division of the U.S. Control Commission. He was assigned to take apart the Nazi corporate cartels. There is an astonishing but perfectly logical rationale to this -- Draper knew a lot about the subject! General Draper, who had spent about 15 years financing and managing the dirtiest of the Nazi enterprises, was now authorized to decide "who was exposed, who lost and who kept his business, and in practical effect, who was prosecuted for war crimes." Note #2 Note #9

(Draper was not unique within the postwar occupation government. Consider the case of John J. McCloy, U.S. Military Governor and High Commissioner of Germany, 1949-1952. Under instructions from his Wall Street law firm, McCloy had lived for a year in Italy, serving as an adviser to the fascist government of Benito Mussolini. An intimate collaborator of the Harriman/Bush bank, McCloy had sat in Adolf Hitler's box at the 1936 Olympic games in Berlin, at the invitation of Nazi chieftains Rudolf Hess and Hermann Goering.) Note #3 Note #0

William H. Draper, Jr., as a "conservative," was paired with the "liberal" U.S. Treasury Secretary Henry Morgenthau in a vicious game. Morgenthau demanded that Germany be utterly destroyed as a nation, that its industry be dismantled and it be reduced to a purely rural country. As the economic boss in 1945 and 1946, Draper "protected" Germany from the Morgenthau Plan ... but at a price.

Draper and his colleagues demanded that Germany and the world accept the "collective guilt of the German people" as "the "explanation for the rise of Hitler's New Order, and the Nazi war crimes. This, of course, was rather convenient for General Draper himself, as it was for the Bush family. It is

still convenient decades later, allowing Prescott's son, President Bush, to lecture Germany on the danger of Hitlerism. Germans are too slow, it seems, to accept his New World Order.

After several years of government service (often working directly for Averell Harriman in the North Atlantic Alliance), Draper was appointed in 1958 chairman of a committee which was to advise President Dwight Eisenhower on the proper course for U.S. military aid to other countries. At that time, Prescott Bush was a U.S. senator from Connecticut, a confidential friend and golf partner with National Security Director Gordon Gray, and an important golf partner with Dwight Eisenhower as well. Prescott's old lawyer from the Nazi days, John Foster Dulles, was Secretary of State, and his brother Allen Dulles, formerly of the Schroder bank, was head of the CIA.

This friendly environment emboldened our General Draper to pull off a stunt with his military aid advisory committee. He changed the subject under study. The following year, the Draper committee recommended that the U.S. government react to the supposed threat of the "population explosion" by formulating plans to depopulate the poorer countries. The growth of the world's non-white population, he proposed, should be regarded as dangerous to the national security of the United States! Note #3 Note #1

President Eisenhower rejected the recommendation. But in the next decade, General Draper founded the "Population Crisis Committee" and the "Draper Fund," joining with the Rockefeller and DuPont families to promote eugenics as "population control." The administration of President Lyndon Johnson, advised by Draper on the subject, began financing birth control in the tropical countries through the Agency for International Development.

General William Draper was George Bush's guru on the population question. Note #3 Note #2 But there was also Draper's money -- from that uniquely horrible source -- and Draper's connections on Wall Street and abroad. Draper's son and heir, William H. Draper III, was co-chairman for finance (chief of fundraising) of the Bush-for-President national campaign organization in 1980. With George Bush in the White House, the younger Draper heads up the depopulation activities of the United Nations throughout the world.

Draper was vice president of Dillon Read until 1953. During the 1950s and 1960s, the chief executive there was Frederic Brandt, the German who was Draper's co-director for the Nazi investments and his personal contact man with the Nazi Steel Trust. Nicholas Brady was Brandt's partner from 1954, and replaced him as the firm's chief executive in 1971. Nicholas Brady, who

knows where all the bodies are buried, was chairman of his friend George Bush's 1980 election campaign in New Jersey, and has been United States Treasury Secretary throughout Bush's presidency. Note #3 Note #3

Bush and Grey

The U.S. Agency for International Development (USAID) says that surgical sterilization is the Bush administration's "first choice" method of population reduction in the Third World. Note #3 Note #4

The United Nations Population Fund claims that 37 percent of contraception users in Ibero-America and the Caribbean have already been surgically sterilized. In a 1991 report, William H. Draper III's U.N. agency asserts that 254 million couples will be surgically sterilized over the course of the 1990s; and that if present trends continue, 80 percent of the women in Puerto Rico and Panama will be surgically sterilized. Note #3 Note #5

The U.S. government pays directly for these sterilizations.

Mexico is first among targeted nations, on a list which was drawn up in July 1991, at a USAID strategy session. India and Brazil are second and third priorities, respectively.

On contract with the Bush administration, U.S. personnel are working from bases in Mexico to perform surgery on millions of Mexican men and women. The acknowledged strategy in this program is to sterilize those young adults who have not already completed their families.

George Bush has a rather deep-seated personal feeling about this project, in particular as it pits him against Pope John Paul II in Catholic countries such as Mexico. (See Chapter 4 below, on the origin of a Bush-family grudge in this regard.)

The spending for birth control in the non-white countries is one of the few items that is headed upwards in the Bush administration budget. As its 1992 budget was being set, USAID said its Population Account would receive \$300 million, a 20 percent increase over the previous year. Within this project, a significant sum is spent on political and psychological manipulations of target nations, and rather blatant subversion of their religions and governments. Note #3 Note #6

These activities might be expected to cause serious objections from the victimized nationalities, or from U.S. taxpayers, especially if the program is somehow given widespread publicity.

Quite aside from moral considerations, "legal" questions would naturally arise, which could be summed up: "How does George Bush think he can get away with this?"

In this matter the President has expert advice. Mr. (Clayland) Boyden Gray has been counsel to George Bush since the 1980 election. As chief legal officer in the White House, Boyden Gray can walk the President through the dangers and complexities of waging such unusual warfare against Third World populations. Gray knows how these things are done.

When Boyden Gray was four and five years old, his father organized the pilot project for the present worldwide sterilization program, from the Gray family household in North Carolina.

It started in 1946. The eugenics movement was looking for a way to begin again in America.

Nazi death camps such as Auschwitz had just then seared the conscience of the world. The Sterilization League of America, which had changed its name during the war to "Birthright, Inc.," wanted to start up again. First they had to overcome public nervousness about crackpots proposing to eliminate "inferior" and "defective" people. The League tried to surface in Iowa, but had to back off because of negative publicity: a little boy had recently been sterilized there and had died from the operation.

They decided on North Carolina, where the Gray family could play the perfect host. Note #3 Note #7 Through British imperial contacts, Boyden Gray's grandfather Bowman Gray had become principal owner of the R.J. Reynolds Tobacco Co. Boyden's father, Gordon Gray, had recently founded the Bowman Gray (memorial) Medical School in Winston-Salem, using his inherited cigarette stock shares. The medical school was already a eugenics center.

As the experiment began, Gordon Gray's great aunt, Alice Shelton Gray, who had raised him from childhood, was living in his household. Aunt Alice had founded the "Human Betterment League," the North Carolina branch of the national eugenical sterilization movement.

Aunt Alice was the official supervisor of the 1946-47 experiment. Working under Miss Gray was Dr. Claude Nash Herndon, whom Gordon Gray had made assistant professor of "medical genetics" at Bowman Gray medical school.

Dr. Clarence Gamble, heir to the Proctor and Gamble soap fortune, was the sterilizers' national field operations chief.

The experiment worked as follows. "All children enrolled in the school district of Winston-Salem, N.C., were given a special "intelligence test." Those children who scored below a certain arbitrary low mark were then cut open and surgically sterilized."

We quote now from the official story of the project: "In Winston-Salem and in [nearby] Orange County, North Carolina, the [Sterilization League's] field committee had participated in testing projects to identify school age children who should be considered for sterilization. The project in Orange County was conducted by the University of North Carolina and was financed by a 'Mr. Hanes,' a friend of Clarence Gamble and supporter of the field work project in North Carolina. The Winston-Salem project was also financed by Hanes. ["Hanes" was underwear mogul James Gordon Hanes, a trustee of Bowman Gray Medical School and treasurer of Alice Gray's group]....

"The medical school had a long history of interest in eugenics and had compiled extensive histories of families carrying inheritable disease. In 1946, Dr. C. Nash Herndon ... made a statement to the press on the use of sterilization to prevent the spread of inheritable diseases....

"The first step after giving the mental tests to grade school children was to interpret and make public the results. In Orange County the results indicated that three percent of the school age children were either insane or feebleminded.... [Then] the field committee hired a social worker to review each case ... and to present any cases in which sterilization was indicated to the State Eugenics Board, which under North Carolina law had the authority to order sterilization...."

Race science experimenter Dr. Claude Nash Herndon provided more details in an interview in 1990: Note #3 Note #8

"Alice Gray was the general supervisor of the project. She and Hanes sent out letters promoting the program to the commissioners of all 100 counties in North Carolina.... What did I do? Nothing besides riding herd on the whole thing! The social workers operated out of my office. I was at the time also director of outpatient services at North Carolina Baptist Hospital. We would see the [targeted] parents and children there.... I.Q. tests were run on all the children in the Winston-Salem public school system. Only the ones who scored really low [were targeted for sterilization], the real bottom of the barrel, like below 70.

"Did we do sterilizations on young children? Yes. This was a relatively minor operation.... It was usually not until the child was eight or ten

years old. For the boys, you just make an incision and tie the tube.... We more often performed the operation on girls than with boys. Of course, you have to cut open the abdomen, but again, it is relatively minor."

Dr. Herndon remarked coolly that "we had a very good relationship with the press" for the project. This is not surprising, since Gordon Gray owned the "Winston-Salem Journal," the "Twin City Sentinel," and radio station WSJS.

In 1950 and 1951, John Foster Dulles, then chairman of the Rockefeller Foundation, led John D. Rockefeller III on a series of world tours, focusing on the need to stop the expansion of the non-white populations. In November 1952, Dulles and Rockefeller set up the Population Council, with tens of millions of dollars from the Rockefeller family.

At that point, the American Eugenics Society, still cautious from the recent bad publicity vis-a-vis Hitler, left its old headquarters at Yale University. The Society moved its headquarters into the office of the Population Council, and the two groups melded together. The long-time secretary of the Eugenics Society, Frederick Osborne, became the first president of the Population Council. The Gray family's child-sterilizer, Dr. C. Nash Herndon, became president of the American Eugenics Society in 1953, as its work expanded under Rockefeller patronage.

Meanwhile, the International Planned Parenthood Federation was founded in London, in the offices of the British Eugenics Society.

The undead enemy from World War II, renamed "Population Control," had now been revived.

George Bush was U.S. ambassador to the United Nations in 1972, when with prodding from Bush and his friends, the United States Agency for International Development first made an official contract with the old Sterilization League of America. The league had changed its name twice again, and was now called the "Association for Voluntary Surgical Contraception." The U.S. government began paying the old fascist group to sterilize non-whites in foreign countries.

The Gray family experiment had succeeded.

In 1988, the U.S. Agency for International Development signed its latest contract with the old Sterilization League (a.k.a. "Association for Voluntary Sterilization"), committing the U.S. government to spend \$80 million over five years.

Having gotten away with sterilizing several hundred North Carolina school children, "not usually less than eight to ten years old," the identical group is now authorized by President Bush to do it to 58 countries in Asia, Africa, and Ibero-America. The group modestly claims it has directly sterilized only 2 million people, with 87 percent of the bill paid by U.S. taxpayers.

Meanwhile, Dr. Clarence Gamble, Boyden Gray's favorite soap manufacturer, formed his own "Pathfinder Fund" as a split-off from the Sterilization League. Gamble's Pathfinder Fund, with additional millions from USAID, concentrates on penetration of local social groups in the non-white countries, to break down psychological resistance to the surgical sterilization teams.

Notes

1. Phyllis Tilson Piotrow, "World Population Crisis: The United States Response" (New York: Praeger Publishers, 1973), "Forward" by George H.W. Bush, pp. vii-viii.
2. Adolf Hitler, "Mein Kampf" (Boston, Houghton Mifflin Company, 1971), p. 404.
3. "The Ten Richest People in Houston," in "Houston Post Magazine," March 11, 1984. "\$150 milion to \$250 million from ... inheritance, plus subsequent investments ... chief heir to a family fortune in oil stock.... As to his financial interests, he is ... coy. He once described one of his businesses as a company that 'invests in and oversees a lot of smaller companies ... in a lot of foreign countries.]"
4. The announcements were made in testimony before a Special Committee of the U.S. Senate Investigating the National Defense Program. The hearings on Standard Oil were held March 5, 24, 26, 27, 31, and April 1, 2, 3 and 7, 1942. Available on microfiche, law section, Library of Congress. See also "New York Times," March 26 and March 27, 1942, and "Washington Evening Star," March 26 and March 27, 1942.
5. "Ibid.," Exhibit No. 368, printed on pp. 4584-87 of the hearing record. See also Charles Higham, "Trading With The Enemy" (New York: Delacorte Press, 1983), p. 36.
6. Confidential memorandum from U.S. Embassy, Berlin, "op. cit.," chapter 2. Sir Henri Deterding was among the most notorious pro-Nazis of the early war period.

7. See sections on Prescott Bush in Darwin Payne, "Initiative in Energy: Dresser Industries, Inc." (New York: Distributed by Simon and Schuster, 1979) (published by the Dresser Company).

8. William Stamps Farish obituary, "New York Times," Nov. 30, 1942.

9. "A Decade of Progress in Eugenics: Scientific Papers of the Third International Congress of Eugenics held at American Museum of Natural History New York, August 21-23, 1932." (Baltimore: Williams & Wilkins Company, September, 1934).

The term "eugenics" is taken from the Greek to signify "good birth" or "well-born," as in aristocrat. Its basic assumption is that those who are not "well-born" should not exist.

10. See among other such letters, George Herbert Walker, 39 Broadway, N.Y., to W. A. Harriman, London, February 21, 1925, in W.A. Harriman papers.

11. Averell Harriman to Dr. Charles B. Davenport, President, The International Congress of Eugenics, Cold Spring Harbor, L.I., N.Y.:

January 21, 1932

Dear Dr. Davenport:

I will be only too glad to put you in touch with the Hamburg-American Line .. they may be able to co-operate in making suggestions which will keep the expenses to a minimum. I have referred your letter to Mr. Emil Lederer [of the Hamburg-Amerika executive board in New York] with the request that he communicate with you.

Davenport to Mr. W.A. Harriman, 59 Wall Street, New York, N.Y.

January 23, 1932

Dear Mr. Harriman:

Thank you very much for your kind letter of January 21st and the action you took which has resulted at once in a letter from Mr. Emil Lederer. This letter will serve as a starting point for correspondence, which I hope will enable more of our German colleagues to come to America on the occasion of the congresses of eugenics and genetics, than otherwise.

Congressional hearings in 1934 established that Hamburg-Amerika routinely

provided free transatlantic passage for those carrying out Nazi propaganda chores. See "Investigation of Nazi Propaganda Activities and Investigation of Certain Other Propaganda Activities," "op. cit.," chapter 2.

12. Alexis Carrel, "Man the Unknown" (New York: Halcyon House, published by arrangement with Harper & Brothers, 1935), pp. 318-19.

The battle cry of the New Order was sounded in 1935 with the publication of "Man the Unknown," by Dr. Alexis Carrel of the Rockefeller Institute in New York. This Nobel Prize-winner said "enormous sums are now required to maintain prisons and insane asylums.... Why do we preserve these useless and harmful beings? This fact must be squarely faced. Why should society not dispose of the criminals and the insane in a more economical manner? ... The community must be protected against troublesome and dangerous elements.... Perhaps prisons should be abolished.... The conditioning of the petty criminal with the whip, or some more scientific procedure, followed by a short stay in hospital, would probably suffice to insure order. [Criminals, including those] who have ... misled the public on important matters, should be humanely and economically disposed of in small euthanasic institutions supplied with proper gases. A similar treatment could be advantageously applied to the insane, guilty of criminal acts."

Carrel claimed to have transplanted the head of a dog to another dog and kept it alive for quite some time.

13. Bernhard Schreiber, "The Men Behind Hitler: A German Warning to the World," France: La Hay-Mureaux, ca. 1975), English language edition supplied by H. & P. Tadeusz, 369 Edgewere Road, London W2. A copy of this book is now held by Union College Library, Syracuse, N.Y.

14. Higham, "op. cit.," p. 35.

15. Engagement announced Feb. 10, 1939, "New York Times," p. 20. See also "Directory of Directors" for New York City, 1930s and 1940s.

16. Higham, "op. cit.," pp. 20, 22 and other references to Schroeder and Lindemann.

Anthony Sutton, "Wall Street and the Rise of Hitler" (Seal Beach: '76 Press, 1976). Sutton is also a good source on the Harrimans.

17. "Washington Evening Star," March 27, 1942, p. 1.

18. Higham, "op. cit." p. 50.

19. "Ibid.," p. 48.
20. "Washington Post," April 29, 1990, p. F4. Higham, "op. cit.," pp. 52-53.
21. Zapata annual reports, 1950s-1960s, Library of Congress microforms.
22. See "Congressional Record" for Bush speech in the House of Representatives, Sept. 4, 1969. Bush inserted in the record the testimony given before his Task Force on August 5, 1969.
23. Sobel, "op. cit.," pp. 92-111. See also Boyle, "op. cit.," chapter 1, concerning the Morgan-led Dawes Committee of Germany's foreign creditors.

Like Harriman, Dillon used the Schroeder and Warburg banks to strike his German bargains. All Dillon Read & Co. affairs in Germany were supervised by J.P. Morgan & Co. partner Thomas Lamont, and were authorized by Bank of England Governor Montagu Norman.

24. See "Poor's Register of Directors and Executives," (New York: Poor's Publishing Company, late 1920s, '30s and '40s). See also "Standard Corporation Records" (New York: Standard & Poor), 1935 edition pp. 2571-25, and 1938 edition pp. 7436-38, for description and history of the German Credit and Investment Corporation. For Frederic Brandt, See also Sobel, "op. cit.," p. 213-214.

25. Sobel, "op. cit.," pp. 180, 186. Ivy Lee had been hired to improve the Rockefeller family image, particularly difficult after their 1914 massacre of striking miners and pregnant women in Ludlow, Colorado. Lee got old John D. Rockefeller to pass out dimes to poor people lined up at his porch.

26. Third International Eugenics Congress papers "op. cit.," footnote 7, p. 512, "Supporting Members."

27. Schreiber, "op. cit.," p. 160. The Third Int. Eugenics Congress papers, p. 526, lists the officers of the International Federation as of publication date in September, 1934. Rudin is listed as president -- a year after he has written the sterilization law for Hitler.

28. "Directory of Directors for New York City," 1942. Interview with Nancy Bowles, librarian of Dillon Read & Co.

29. Higham, "op. cit.," p. 129, 212-15, 219-23.

30. Walter Isaacson and Evan Thomas, "The Wise Men: Six Friends and the World They Made -- Acheson, Bohlen, Harriman, Kennan, Lovett, McCloy" (New York: Simon and Schuster, 1986), pp. 122, 305.

31. Piotrow, "op. cit.," pp. 36-42.

32. "Ibid.," p. viii. "As chairman of the special Republican Task Force on Population and Earth Resources, I was impressed by the arguments of William H. Draper, Jr.... General Draper continues to lead through his tireless work for the U.N. Population Fund."

33. Sobel, "op. cit.," pp. 298, 354.

34. Interview July 16, 1991, with Joanne Grossi, an official with the USAID's Population Office.

35. Dr. Nafis Sadik, "The State of World Population," 1991, New York, United Nations Population Fund.

36. See "User's Guide to the Office of Population," 1991, Office of Population, Bureau for Science and Technology, United States Agency for International Development. Available from S&T/POP, Room 811 SA-18, USAID, Washington D.C. 20523-1819.

37. "History of the Association for Voluntary Sterilization [formerly Sterilization League of America], 1935-64," thesis submitted to the faculty of the graduate school of the University of Minnesota by William Ray Van Essendelft, March, 1978, available on microfilm, Library of Congress. This is the official history, written with full cooperation of the Sterilization League.

38. Interview with Dr. C. Nash Herndon, June 20, 1990.

CHAPTER 4: "THE CENTER OF POWER IS IN WASHINGTON"

Brown Brothers Harriman & Co. 59 Wall Street, New York Cable Address
"Shipley-New York" Business Established 1818

Private Bankers

September 5, 1944

The Honorable W. A. Harriman American Ambassador to the U.S.S.R. American Embassy, Moscow, Russia

Dear Averell:

Thinking that possibly Bullitt's article in the recent issue of "LIFE" may not have come to your attention, I have clipped it and am sending it to you, feeling that it will interest you.

At present writing all is well here.

With warm regards, I am, Sincerely yours,

Pres

'At present writing all is well here.' Thus the ambassador to Russia was reassured by the managing partner of his firm, Prescott Bush. Only 22 and a half months before, the U.S. government had seized and shut down the Union Banking Corporation, which had been operated on behalf of Nazi Germany by Bush and the Harrimans. But that was behind them now, and they were safe. There would be no publicity on the Harriman-Bush sponsorship of Hitlerism.

Prescott's son George, the future U.S. President, was also safe. Three days before this note to Moscow was written, George Bush had parachuted from a Navy bomber airplane over the Pacific Ocean, killing his two crew members when the unpiloted plane crashed.

Five months later, in February 1945, Prescott's boss Averell Harriman escorted President Franklin Roosevelt to the fateful summit meeting with Soviet leader Joseph Stalin at Yalta. In April Roosevelt died. The agreement reached at Yalta, calling for free elections in Poland once the war ended, was never enforced.

Over the next eight years (1945 through 1952), Prescott Bush was Harriman's anchor in the New York financial world. The increasingly powerful Mr. Harriman and his allies gave Eastern Europe over to Soviet dictatorship. A Cold War was then undertaken, to "counterbalance" the Soviets.

This British-inspired strategy paid several nightmarish dividends. Eastern Europe was to remain enslaved. Germany was "permanently" divided. Anglo-American power was jointly exercised over the non-Soviet "Free World." The confidential functions of the British and American governments were merged. The Harriman clique took possession of the U.S. national security apparatus, and in doing so, they opened the gate and let the Bush family in.

- * * * -

Following his services to Germany's Nazi Party, Averell Harriman spent several years mediating between the British, American, and Soviet governments in the war to stop the Nazis. He was ambassador to Moscow from 1943 to 1946.

President Harry Truman, whom Harriman and his friends held in amused contempt, appointed Harriman U.S. ambassador to Britain in 1946.

Harriman was at lunch with former British Prime Minister Winston Churchill one day in 1946, when Truman telephoned. Harriman asked Churchill if he should accept Truman's offer to come back to the U.S. as Secretary of Commerce. According to Harriman's account, Churchill told him: "Absolutely. The center of power is in Washington." Note #1

Jupiter Island

The reorganization of the American government after World War II -- the creation of the U.S. Central Intelligence Agency along British lines, for example -- had devastating consequences. We are concerned here with only certain aspects of that overall transformation, those matters of policy and family which gave shape to the life and mind of George Bush, and gave him access to power.

It was in these postwar years that George Bush attended Yale University, and was inducted into the Skull and Bones society. The Bush family's home at that time was in Greenwich, Connecticut. But it was just then that George's parents, Prescott and Dorothy Walker Bush, were wintering in a peculiar spot in Florida, a place that is excluded from mention in literature originating from Bush circles.

Certain national news accounts early in 1991 featured the observations on President Bush's childhood by his elderly mother Dorothy. She was said to be a resident of Hobe Sound, Florida. More precisely, the President's mother lived in a hyper-security arrangement created a half-century earlier by Averell Harriman, adjacent to Hobe Sound. Its correct name is Jupiter Island.

During his political career, George Bush has claimed many different "home" states, including Texas, Maine, Massachusetts, and Connecticut. It has not been expedient for him to claim Florida, though that state has a vital link to his role in the world, as we shall see. And George Bush's home base in Florida, throughout his adult life, has been Jupiter Island.

The unique, bizarre setup on Jupiter Island began in 1931, following the merger of W.A. Harriman and Co. with the British-American firm Brown Brothers.

The reader will recall Mr. Samuel Pryor, the "Merchant of Death." A partner with the Harrimans, Prescott Bush, George Walker, and Nazi boss Fritz Thyssen in banking and shipping enterprises, Sam Pryor remained executive committee chairman of Remington Arms. In this period, the Nazi private armies (SA and SS) were supplied with American arms -- most likely by Pryor and his company -- as they moved to overthrow the German republic. Such gun-running as an instrument of national policy would later become notorious in the "Iran-Contra" affair.

Sam Pryor's daughter Permelia married Yale graduate Joseph V. Reed on the last day of 1927. Reed immediately went to work for Prescott Bush and George Walker, as an apprentice at W.A. Harriman and Co.

During World War II, Joseph V. Reed had served in the "special services" section of the U.S. Army Signal Corps. A specialist in security, codes and espionage, Reed later wrote a book entitled "Fun with Cryptograms". Note #2

Sam Pryor had had property around Hobe Sound, Florida, for some time. In 1931, Joseph and Permelia Pryor Reed bought the entirety of Jupiter Island.

This is a typically beautiful Atlantic coast "barrier island," a half-mile wide and nine miles long. The middle of Jupiter Island lies just off Hobe Sound. The south bridge connects the island with the town of Jupiter, to the north of Palm Beach. It is about 90 minutes by auto from Miami -- today, a few minutes by helicopter.

Early in 1991, a newspaper reporter asked a friend of the Bush family about security arrangements on Jupiter Island. He responded, "If you called up the White House, would they tell you how many security people they had? It's not that Jupiter Island is the White House, although he [George Bush] does come down frequently."

But for several decades before Bush was President, Jupiter Island had an ordinance requiring the registration and fingerprinting of all housekeepers, gardeners, and other non-residents working on the island. The Jupiter Island police department says that there are sensors in the two main roads that can track every automobile on the island. If a car stops in the street, the police will be there within one or two minutes. Surveillance is a duty of all employees of the Town of Jupiter Island. News reporters are

to be prevented from visiting the island. Note #3

To create this astonishing private club, Joseph and Permelia Pryor Reed sold land only to those who would fit in. Permelia Reed was still the grande dame of the island when George Bush was inaugurated President in 1989. In recognition of the fact that the Reeds know where "all" the bodies are buried, President Bush appointed Permelia's son, Joseph V. Reed, Jr., chief of protocol for the U.S. State Dept., in charge of private arrangements with foreign dignitaries.

Averell Harriman made Jupiter Island a staging ground for his 1940s takeover of the U.S. national security apparatus. It was in that connection that the island became possibly the most secretive private place in America.

Let us briefly survey the neighborhood, back then in 1946-48, to see some of the uses various of the residents had for the Harriman clique.

Residence on Jupiter Island

Note #b|Jupiter Islander "Robert A. Lovett," Note #4, Prescott Bush's partner at Brown Brothers Harriman, had been Assistant Secretary of War for Air from 1941 to 1945. Lovett was the leading American advocate of the policy of terror-bombing of civilians. He organized the Strategic Bombing Survey, carried out for the American and British governments by the staff of the Prudential Insurance Company, guided by London's Tavistock Psychiatric Clinic.

In the postwar period, Prescott Bush was associated with Prudential Insurance, one of Lovett's intelligence channels to the British secret services. Prescott was listed by Prudential as a director of the company for about two years in the early 1950s.

Their Strategic Bombing Survey failed to demonstrate any real military advantage accruing from such outrages as the fire-bombing of Dresden, Germany. But the Harrimanites nevertheless persisted in the advocacy of terror from the air. They glorified this as "psychological warfare," a part of the utopian military doctrine opposed to the views of military traditionalists such as Gen. Douglas MacArthur.

Robert Lovett later advised President Lyndon Johnson to terror-bomb Vietnam. President George Bush revived the doctrine with the bombing of civilian areas in Panama, and the destruction of Baghdad.

On October 22, 1945, Secretary of War Robert Patterson created the Lovett Committee, chaired by Robert A. Lovett, to advise the government on the post-World War II organization of U.S. intelligence activities. The existence of this committee was unknown to the public until an official CIA history was released from secrecy in 1989. But the CIA's author (who was President Bush's prep school history teacher; see chapter 5) gives no real details of the Lovett Committee's functioning, claiming: "The record of the testimony of the Lovett Committee, unfortunately, was not in the archives of the agency when this account was written." Note #5

The CIA's self-history does inform us of the advice that Lovett provided to the Truman cabinet, as the official War Department intelligence proposal.

Lovett decided that there should be a separate Central Intelligence Agency. The new agency would "consult" with the armed forces, but it must be the sole collecting agency in the field of foreign espionage and counterespionage. The new agency should have an independent budget, and its appropriations should be granted by Congress without public hearings.

Lovett appeared before the Secretaries of State, War, and Navy on November 14, 1945. He spoke highly of the FBI's work because it had "the best personality file in the world." Lovett said the FBI was expert at producing false documents, an art "which we developed so successfully during the war and at which we became outstandingly adept." Lovett pressed for a virtual resumption of the wartime Office of Strategic Services (OSS) in a new CIA.

U.S. military traditionalists centered around Gen. Douglas MacArthur opposed Lovett's proposal. The continuation of the OSS had been attacked at the end of the war on the grounds that the OSS was entirely under British control, and that it would constitute an American Gestapo. Note #6 But the CIA was established in 1947 according to the prescription of Robert Lovett, of Jupiter Island.

/ Note #b|"Charles Payson" and his wife, "Joan Whitney Payson," were extended family members of Harriman's and business associates of the Bush family.

Joan's aunt, Gertrude Vanderbilt Whitney, was a relative of the Harrimans. Gertrude's son, Cornelius Vanderbilt ("Sonny") Whitney, long-time chairman of Pan American Airways (Prescott was a Pan Am director), became assistant secretary of the U.S. Air Force in 1947. Sonny's wife Marie had divorced him and married Averell Harriman in 1930. Joan and Sonny's uncle, Air Marshal Sir Thomas Elmhirst, was director of intelligence for the British Air Force from 1945 to 1947.

Joan's brother, John Hay ("Jock") Whitney, was to be ambassador to Great Britain from 1955 to 1961 ... when it would be vital for Prescott and George Bush to have such a friend. Joan's father, grandfather, and uncle were members of the Skull and Bones secret society.

Charles Payson organized a uranium refinery in 1948. Later, he was chairman of Vitro Corporation, makers of parts for submarine-launched ballistic missiles, equipment for frequency surveillance and torpedo guidance, and other subsurface weaponry.

Naval warfare has long been a preoccupation of the British Empire. British penetration of the U.S. Naval Intelligence service has been particularly heavy since the tenure of Joan's Anglophile grandfather, William C. Whitney, as secretary of the Navy for President Grover Cleveland. This traditional covert British orientation in the U.S. Navy, Naval Intelligence and the Navy's included service, the Marine Corps, forms a backdrop to the career of George Bush -- and to the whole neighborhood on Jupiter Island. Naval Intelligence maintained direct relations with gangster boss Meyer Lansky for Anglo-American political operations in Cuba during World War II, well before the establishment of the CIA. Lansky officially moved to Florida in 1953. / Note #7

/ Note #b|"George Herbert Walker, Jr." (Skull and Bones, 1927), was extremely close to his nephew George Bush, helping to sponsor his entry into the oil business in the 1950s. "Uncle Herbie" was also a partner of Joan Whitney Payson when they co-founded the New York Mets baseball team in 1960. His son, G.H. Walker III, was a Yale classmate of "Nicholas Brady" and Moreau D. Brown (Thatcher Brown's grandson), forming what was called the "Yale Mafia" on Wall Street.

/ Note #b|"Walter S. Carpenter, Jr." had been chairman of the finance committee of the Du Pont Corporation (1930-40). In 1933, Carpenter oversaw Du Pont's purchase of Remington Arms from Sam Pryor and the Rockefellers, and led Du Pont into partnership with the Nazi I.G. Farben company for the manufacture of explosives. Carpenter became Du Pont's president in 1940. His cartel with the Nazis was broken up by the U.S. government. Nevertheless, Carpenter remained Du Pont's president, as the company's technicians participated massively in the Manhattan Project to produce the first atomic bomb. He was chairman of Du Pont from 1948 to 1962, retaining high-level access to U.S. strategic activities.

Walter Carpenter and Prescott Bush were fellow activists in the Mental Hygiene Society. Originating at Yale University in 1908, the movement had

been organized into the World Federation of Mental Health by Montague Norman, himself a frequent mental patient, former Brown Brothers partner and Bank of England Governor. Norman had appointed as the federation's chairman, Brigadier John Rawlings Rees, director of the Tavistock Clinic, chief psychiatrist and psychological warfare expert for the British intelligence services. Prescott was a director of the society in Connecticut; Carpenter was a director in Delaware.

/ Note #b|"Paul Mellon" was the leading heir to the Mellon fortune, and a long-time neighbor of Averell Harriman's in Middleburg, Virginia, as well as Jupiter Island, Florida. Paul's father, Andrew Mellon, U.S. treasury secretary 1921-32, had approved the transactions of Harriman, Pryor, and Bush with the Warburgs and the Nazis. Paul Mellon's son-in-law, "David K.E. Bruce," worked in Prescott Bush's W.A. Harriman & Co. during the late 1920s; was head of the London branch of U.S. intelligence during World War II; and was Averell Harriman's Assistant Secretary of Commerce in 1947-48. Mellon family money and participation would be instrumental in many domestic U.S. projects of the new Central Intelligence Agency.

/ Note #b|"Carll Tucker" manufactured electronic guidance equipment for the Navy. With the Mellons, Tucker was an owner of South American oil properties. Mrs. Tucker was the great-aunt of "Nicholas Brady," later George Bush's Iran-Contra partner and U.S. treasury secretary. Their son Carll Tucker, Jr. (Skull and Bones, 1947), was among the 15 Bonesmen who selected George Bush for induction in the class of 1948.

/ Note #b|"C. Douglas Dillon" was the boss of William H. Draper, Jr. in the Draper-Prescott Bush-Fritz Thyssen Nazi banking scheme of the 1930s and 40s. His father, Clarence Dillon, created the Vereinigte Stahlwerke (Thyssen's German Steel Trust) in 1926. C. Douglas Dillon made "Nicholas Brady" the chairman of the Dillon Read firm in 1971 and himself continued as chairman of the Executive Committee. C. Douglas Dillon would be a vital ally of his neighbor Prescott Bush during the Eisenhower administration.

/ Note #b|"Publisher Nelson Doubleday" headed his family's publishing firm, founded under the auspices of J.P. Morgan and other British Empire representatives. When George Bush's "Uncle Herbie" died, Doubleday took over as majority owner and chief executive of the New York Mets baseball team.

Some other specialized corporate owners had their place in Harriman's strange club.

/ Note #b|"George W. Merck," chairman of Merck & Co., drug and chemical

manufacturers, was director of the War Research Service: Merck was the official chief of all U.S. research into biological warfare from 1942 until at least the end of World War II. After 1944, Merck's organization was placed under the U.S. Chemical Warfare Service. His family firm in Germany and the United States was famous for its manufacture of morphine.

/ Note #b|"James H. McGraw, Jr.," chairman of McGraw Hill Publishing Company, was a member of the advisory board to the U.S. Chemical Warfare Service and a member of the Army Ordnance Association Committee on Endowment.

/ Note #b|"Fred H. Haggerson," chairman of Union Carbide Corp., produced munitions, chemicals, and firearms.

/ Note #b|"A.L. Cole" was useful to the Jupiter Islanders as an executive of "Readers Digest." In 1965, just after performing a rather dirty favor for George Bush [which will be discussed in a coming chapter -- ed.], Cole became chairman of the executive committee of the "Digest," the world's largest-circulation periodical.

>From the late 1940s, Jupiter Island has served as a center for the direction of covert action by the U.S. government and, indeed, for the covert management of the government. Jupiter Island will reappear later on, in our account of George Bush in the Iran-Contra affair.

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Target: Washington

George Bush graduated from Yale in 1948. He soon entered the family's Dresser oil supply concern in Texas. We shall now briefly describe the forces that descended on Washington, D.C. during those years when Bush, with the assistance of family and powerful friends, was becoming "established in business on his own."

>From 1948 to 1950, Prescott Bush's boss Averell Harriman was U.S. "ambassador-at-large" to Europe. He was a non-military "Theater Commander," the administrator of the multi-billion-dollar Marshall Plan, participating in all military/strategic decision-making by the Anglo-American alliance.

The U.S. secretary of defense, James Forrestal, had become a problem to the Harrimanites. Forrestal had long been an executive at Dillon Read on Wall Street. But in recent years he had gone astray. As secretary of the navy in 1944, Forrestal proposed the racial integration of the Navy. As defense secretary, he pressed for integration in the armed forces and this

eventually became the U.S. policy.

Forrestal opposed the utopians' strategy of appeasement coupled with brinkmanship. He was simply opposed to communism. On March 28, 1949, Forrestal was forced out of office and flown on an Air Force plane to Florida. He was taken to "Hobe Sound" (Jupiter Island), where Robert Lovett and an army psychiatrist dealt with him. / Note #8

He was flown back to Washington, locked in Walter Reed Army Hospital and given insulin shock treatments for alleged "mental exhaustion." He was denied all visitors except his estranged wife and children -- his son had been Averell Harriman's aide in Moscow. On May 22, Forrestal's body was found, his bathrobe cord tied tightly around his neck, after he had plunged from a sixteenth-story hospital window. The chief psychiatrist called the death a suicide even before any investigation was started. The results of the Army's inquest were kept secret. Forrestal's diaries were published, 80 percent deleted, after a year of direct government censorship and rewriting.

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North Korean troops invaded South Korea in June 1950, after U.S. Secretary of State Dean Acheson (Harriman's very close friend) publicly specified that Korea would not be defended. With a new war on, Harriman came back to serve as President Truman's adviser, to "oversee national security affairs."

Harriman replaced Clark Clifford, who had been special counsel to Truman. Clifford, however, remained close to Harriman and his partners as they gained more and more power. Clifford later wrote about his cordial relations with Prescott Bush:

"Prescott Bush ... had become one of my frequent golfing partners in the fifties, and I had both liked and respected him.... Bush had a splendid singing voice, and particularly loved quartet singing. In the fifties, he organized a quartet that included my daughter Joyce.... They would sing in Washington, and, on occasion, he invited the group to Hobe Sound in Florida to perform. His son [George], though, had never struck me as a strong or forceful person. In 1988, he presented himself successfully to the voters as an outsider -- no small trick for a man whose roots wound through Connecticut, Yale, Texas oil, the CIA, a patrician background, wealth, and the Vice Presidency." / Note #9

With Forrestal out of the way, Averell Harriman and Dean Acheson drove to

Leesburg, Virginia, on July 1, 1950, to hire the British-backed U.S. Gen. George C. Marshall as secretary of defense. At the same time, Prescott's partner, Robert Lovett, himself became assistant secretary of defense.

Lovett, Marshall, Harriman, and Acheson went to work to unhorse Gen. Douglas MacArthur, commander of U.S. forces in Asia. MacArthur kept Wall Street's intelligence agencies away from his command, and favored real independence for the non-white nations. Lovett called for MacArthur's firing on March 23, 1951, citing MacArthur's insistence on defeating the Communist Chinese invaders in Korea. MacArthur's famous message, that there was "no substitute for victory," was read in Congress on April 5; MacArthur was fired on April 10, 1951.

That September, Robert Lovett replaced Marshall as secretary of defense. Meanwhile, Harriman was named director of the Mutual Security Agency, making him the U.S. chief of the Anglo-American military alliance. By now, Brown Brothers Harriman was everything but commander-in-chief.

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These were, of course, exciting times for the Bush family, whose wagon was hitched to the financial gods of Olympus -- to Jupiter, that is.

Brown Brothers Harriman & Co. 59 Wall Street, New York 5, N.Y. Business
Established 1818 Cable Address "Shipley-NewYork"

Private Bankers

April 2, 1951

The Honorable W.A. Harriman, The White House, Washington, D.C.

Dear Averell:

I was sorry to miss you in Washington but appreciate your cordial note. I shall hope for better luck another time.

I hope you had a good rest at Hobe Sound.

With affectionate regard, I am,

Sincerely yours,

Pres [signed]

Prescott S. Bush

A central focus of the Harriman security regime in Washington (1950-53) was the organization of covert operations, and "psychological warfare."

Harriman, together with his lawyers and business partners, Allen and John Foster Dulles, wanted the government's secret services to conduct extensive propaganda campaigns and mass-psychology experiments within the U.S.A., and paramilitary campaigns abroad. This would supposedly ensure a stable world-wide environment favorable to Anglo-American financial and political interests.

The Harriman security regime created the Psychological Strategy Board (PSB) in 1951. The man appointed director of the PSB, Gordon Gray, is familiar to the reader as the sponsor of the child sterilization experiments, carried out by the Harrimanite eugenics movement in North Carolina following World War II.

Gordon Gray was an avid Anglophile, whose father had gotten controlling ownership of the R.J. Reynolds Tobacco Company through alliance with the British Imperial tobacco cartel's U.S. representatives, the Duke family of North Carolina. Gordon's brother, R.J. Reynolds chairman Bowman Gray Jr., was also a naval intelligence officer, known around Washington as the "founder of operational intelligence." Gordon Gray became a close friend and political ally of Prescott Bush; and Gray's son became for Prescott's son, George, his lawyer and the shield of his covert policy.

But President Harry Truman, as malleable as he was, constituted an obstacle to the covert warriors. An insular Missouri politician vaguely favorable to the U.S. Constitution, he remained skeptical about secret service activities that reminded him of the Nazi Gestapo.

So, "covert operations" could not fully take off without a change of the Washington regime. And it was with the Republican Party that Prescott Bush was to get his turn.

Prescott Runs for Senate

Prescott had made his first attempt to enter national politics in 1950, as his partners took control of the levers of governmental power. Remaining in charge of Brown Brothers Harriman, he ran against Connecticut's William Benton for his seat in the U.S. Senate. (The race was actually for a two-year unexpired term, left empty by the death of the previous senator).

In those days, Wisconsin's drunken Senator Joseph R. McCarthy was making a circus-like crusade against communist influence in Washington. McCarthy attacked liberals and leftists, State Department personnel, politicians, and Hollywood figures. He generally left unscathed the Wall Street and London strategists who donated Eastern Europe and China to communist dictatorship -- like George Bush, their geopolitics was beyond left and right.

Prescott Bush had no public ties to the notorious Joe McCarthy, and appeared to be neutral about his crusade. But the Wisconsin senator had his uses. Joe McCarthy came into Connecticut three times that year to campaign for Bush and against the Democrats. Bush himself made charges of "Korea, Communism and Corruption" into a slick campaign phrase against Benton, which then turned up as a national Republican slogan.

The response was disappointing. Only small crowds turned out to hear Joe McCarthy, and Benton was not hurt. McCarthy's pro-Bush rally in New Haven, in a hall that seated 6,000, drew only 376 people. Benton joked on the radio that "200 of them were my spies."

Prescott Bush resigned from the Yale Board of Fellows for his campaign, and the board published a statement to the effect that the "Yale vote" should support Bush -- despite the fact that Benton was a Yale man, and in many ways identical in outlook to Bush. Yale's Whiffenpoof singers appeared regularly for Prescott's campaign. None of this was particularly effective, however, with the voting population. / Note #1 / Note #0

Then Papa Bush ran into a completely unexpected problem. At that time, the old Harriman eugenics movement was centered at Yale University. Prescott Bush was a Yale trustee, and his former Brown Brothers Harriman partner, Lawrence Tighe, was Yale's treasurer. In that connection, a slight glimmer of the truth about the Bush-Harriman firm's Nazi activities now made its way into the campaign.

Not only was the American Eugenics Society itself headquartered at Yale, but all parts of this undead fascist movement had a busy home at Yale. The coercive psychiatry and sterilization advocates had made the Yale/New Haven Hospital and Yale Medical School their laboratories for hands-on practice in brain surgery and psychological experimentation. And the Birth Control League was there, which had long trumpeted the need for eugenical births -- fewer births for parents with "inferior" bloodlines. Prescott's partner Tighe was a Connecticut director of the league, and the Connecticut league's medical advisor was the eugenics advocate, Dr. Winternitz of Yale Medical School.

Now in 1950, people who knew something about Prescott Bush knew that he had very unsavory roots in the eugenics movement. There were then, just after the anti-Hitler war, few open advocates of sterilization of "unfit" or "unnecessary" people. (That would be revived later, with the help of General Draper and his friend George Bush.) But the Birth Control League was public -- just about then it was changing its name to the euphemistic "Planned Parenthood."

Then, very late in the 1950 senatorial campaign, Prescott Bush was publicly exposed for being an activist in that section of the old fascist eugenics movement. Prescott Bush lost the election by about 1,000 out of 862,000 votes. He and his family blamed the defeat on the expose. The defeat was burned into the family's memory, leaving a bitterness and perhaps a desire for revenge.

In his foreword to a population control propaganda book, George Bush wrote about that 1950 election: "My own first awareness of birth control as a public policy issue came with a jolt in 1950 when my father was running for United States Senate in Connecticut. Drew Pearson, on the Sunday before Election day, 'revealed' that my father was involved with Planned Parenthood.... Many political observers felt a sufficient number of voters were swayed by his alleged contacts with the birth controllers to cost him the election...." / Note #1 / Note #1

Prescott Bush gave a graphic description of these events in his "oral history" interview at Columbia University: "In the 1950 campaign, when I ran against Benton, the very last week, Drew Pearson, famous columnist, was running a radio program at that time.... In this particular broadcast, just at the end of our campaign [Pearson said]: 'I predict that Benton will retain his seat in the United States Senate, because it has just been made known that Prescott Bush, his opponent, is president of the Birth Control Society' or chairman, member of the board of directors, or something, 'of the Birth Control Society. In this country, and of course with Connecticut's heavy Catholic population, and its laws against birth control ... this is going to be too much for Bush to rise above. Benton will be elected. I predict.'"

The next Sunday, they handed out, at these Catholic Churches in Waterbury and Torrington and Bridgeport, handbills, quoting Drew Pearson's statement on the radio about Prescott Bush, you see -- I predict. Well, my telephone started ringing that Sunday at home, and when I'd answer, or Dotty [Prescott's wife, George's mother] would answer -- "Is this true, what they say about Prescott Bush? This can't be true. Is it true?"

She'd say, "No, it isn't true." Of course, it wasn't true. But you never catch up with a thing like this -- the election's just day after tomorrow, you see? So there's no doubt, in the estimate of our political leaders, that this one thing cost me many thousand votes -- whether it was 1, 3, 5 or 10 thousand we don't know, we can't possibly tell, but it was enough. To have overcome that thousand vote, it would only have had to be 600 switch [sic].

[Mrs. Bush then corrected the timing in Prescott Bush's recollections.]

"I'd forgotten the exact sequence, but that was it.... The state then -- and I think still is -- probably about 55 percent Catholic population, with all the Italian derivation people [sic], and Polish is very heavy, and the Catholic church is very dominant here, and the archbishop was death on this birth control thing. They fought repeal every time it came up in the legislature, and "we never did get rid of that prohibition until just a year or two ago," as I recall it [emphasis added]. / Note #1 / Note #2

Prescott Bush was defeated, while the other Republican candidates fared well in Connecticut. He attributed his loss to the Catholic Church. After all, he had dependable friends in the news media. The "New York Times" loved him for his bland pleasantness. He just about owned CBS. Twenty years earlier, Prescott Bush had personally organized the credit to allow William S. Paley to buy the CBS (radio, later television) network outright. In return, Prescott was made a director and the financial leader of CBS; Paley himself became a devoted follower and servitor of Averell Harriman.

Well, when he tried again, Prescott Bush would not leave the outcome to the blind whims of the public.

Prescott Bush moved into action in 1952 as a national leader of the push to give the Republican presidential nomination to Gen. Dwight D. ("Ike") Eisenhower. Among the other team members were Bush's Hitler-era lawyer John Foster Dulles, and Jupiter Islander C. Douglas Dillon.

Dillon and his father were the pivots as the Harriman-Dulles combination readied Ike for the presidency. As a friend put it: "When the Dillons ... invited [Eisenhower] to dinner it was to introduce him to Wall Street bankers and lawyers." / Note #1 / Note #3

Ike's higher level backers believed, correctly, that Ike would not interfere with even the dirtiest of their covert action programs. The bland, pleasant Prescott Bush was in from the beginning: a friend to Ike,

and an original backer of his presidency.

On July 28, 1952, as the election approached, Connecticut's senior U.S. senator, James O'Brien McMahon, died at the age of 48. (McMahon had been Assistant U.S. Attorney General, in charge of the Criminal Division, from 1935 to 1939. Was there a chance he might someday speak out about the unpunished Nazi-era crimes of the wealthy and powerful?)

This was "extremely" convenient for Prescott. He got the Republican nomination for U.S. senator at a special delegated meeting, with backing by the Yale-dominated state party leadership. Now he would run in a special election for the suddenly vacant Senate seat. He could expect to be swept into office, since he would be on the same electoral ticket as the popular war hero, General Ike. By a technicality, he would instantly become Connecticut's senior senator, with extra power in Congress. And the next regularly scheduled senatorial race would be in 1956 (when McMahon's term would have ended), so Prescott could run again in that presidential election year ... once again on Ike's coattails!

With this arrangement, things worked out very smoothly. In Eisenhower's 1952 election victory, Ike won Connecticut by a margin of 129,507 votes out of 1,092,471. Prescott Bush came in last among the statewide Republicans, but managed to win by 30,373 out of 1,088,799, his margin nearly 100,000 behind Eisenhower. He took the traditionally Republican towns.

In Eisenhower's 1956 re-election, Ike won Connecticut by 303,036 out of 1,114,954 votes, the largest presidential margin in Connecticut's history. Prescott Bush managed to win again, by 129,544 votes out of 1,085,206 -- his margin this time 290,082 smaller than Eisenhower's. / Note #1 / Note #4

In January 1963, when this electoral strategy had been played out and his second term expired, Prescott Bush retired from government and returned to Brown Brothers Harriman.

The 1952 Eisenhower victory made John Foster Dulles Secretary of State, and his brother Allen Dulles head of the CIA. The reigning Dulles brothers were the "Republican" replacements for their client and business partner, "Democrat" Averell Harriman. Occasional public posturings aside, their strategic commitments were identical to his.

Undoubtedly the most important work accomplished by Prescott Bush in the new regime was on the golf links.

Those who remember the Eisenhower presidency know that Ike played ... quite

a bit of golf! Democrats sneered at him for mindlessness, Republicans defended him for taking this healthy recreation. Golf was Ike's ruling passion. And there at his side was the loyal, bland, pleasant Senator Prescott Bush, former president of the U.S. Golf Association, son-in-law of the very man who had reformulated the rules of the game.

Prescott Bush was Dwight Eisenhower's favorite golf partner. Prescott could reassure Ike about his counselors, allay his concerns, and monitor his moods. Ike was very grateful to Prescott, who never revealed the President's scores.

The public image of his relationship to the President may be gleaned from a 1956 newspaper profile of Prescott Bush's role in the party. The "New York Times," which 11 years before had consciously protected him from public exposure as a Nazi banker, fawned over him in an article entitled, "His Platform: Eisenhower": "A tall, lean, well-dressed man who looks exactly like what he is -- a wealthy product of the Ivy League -- is chairman of the Republican Convention's platform committee. As such, Prescott Bush, Connecticut's senior United States Senator, has a difficult task: he has to take one word and expand it to about 5,000.

"The one word, of course, is 'Ike' -- but no party platform could ever be so simple and direct....

"Thus it is that Senator Bush and his fellow committee members ... find themselves confronted with the job of wrapping around the name Eisenhower sufficient verbiage to persuade the public that it is the principles of the party, and not the grin of the man at the head of it, which makes it worthy of endorsement in [the] November [election].

"For this task Prescott Bush, a singularly practical and direct conservative, may not be entirely fitted. It is likely that left to his own devices he would simply offer the country the one word and let it go at that.

"He is ... convinced that this would be enough to do the trick ... if only the game were played that way.

"Since it is not, he can be expected to preside with dignity, fairness and dispatch over the sessions that will prepare the party credo for the 1956 campaign.

"If by chance there should be any conflicts within the committee ... the Senator's past can offer a clue to his conduct.

"A former Yale Glee Club and second bass in the All-Time Whiffenpoofs Quartet, he is ... [called] 'the hottest close-harmony man at Yale in a span of twenty-five years.'

"Close harmony being a Republican specialty under President Eisenhower, the hottest close-harmony man at Yale in twenty-five years would seem to be an ideal choice for the convention job he holds at San Francisco....

"[In addition to his business background, he] also played golf, competing in a number of tournaments. For eight years he was a member of the executive committee of the United States Golf Association....

"As a Senator, Connecticut's senior spokesman in the upper house has followed conservative policies consistent with his business background.

He resigned all his corporate directorships, took a leave from Brown Brothers, Harriman, and proceeded to go down the line for the Eisenhower program....

"Around the Senate, he is known as a man who does his committee work faithfully, defends the Administration stoutly, and fits well into the clublike atmosphere of Capitol Hill...." / Note #1 / Note #5

"To be continued."

Notes

1. Walter Isaacson and Evan Thomas, "The Wise Men": Six Friends and the World They Made -- Acheson, Bohlen, Harriman, Kennan, Lovett, McCloy" (New York: Simon and Schuster, 1986), p. 377.

2. Reed was better known in high society as a minor diplomat, the founder of the Triton Press and the president of the American Shakespeare Theater.

3. "Palm Beach Post," January 13, 1991.

4. For Lovett's residency there see Isaacson and Thomas, "op. cit.," p. 417. Some Jupiter Island residencies were verified by their inclusion in the 1947 membership list of the Hobe Sound Yacht Club, in the Harriman papers, Library of Congress; others were established from interviews with long-time Jupiter Islanders.

5. Arthur Burr Darling, "The Central Intelligence Agency: An Instrument of

Government, to 1950", (College Station: Pennsylvania State University, 1990), p. 59.

6. The "Chicago Tribune", Feb 9, 1945, for example, warned of "Creation of an all-powerful intelligence service to spy on the postwar world and to pry into the lives of citizens at home. "Cf. Anthony Cave Brown, "Wild Bill Donovan: The Last Hero", (New York: Times Books, 1982), p. 625, on warnings to FDR about the British control of U.S. intelligence.

7. Dennis Eisenberg, Uri Dan, Eli Landau, "Meyer Lansky: Mogul of the Mob" (New York: Paddington Press, 1979) pp. 227-28.

8. See John Ranelagh, "The Agency: The Rise and Decline of the CIA", (New York: Simon and Schuster, 1987), pp. 131-32.

9. Clark Clifford, "Counsel to the President" (New York: Random House, 1991).

10. Sidney Hyman, "The Life of William Benton" (Chicago: The University of Chicago Press, 1969), pp. 438-41.

11. Phyllis Tilson Piotrow, "World Population Crisis: The United States Response" (New York: Praeger Publishers, 1973), "Forward" by George H.W. Bush, p. vii.

12. Interview with Prescott Bush in the Oral History Research Project conducted by Columbia University in 1966, Eisenhower Administration Part II; pp. 62-4.

13. Herbert S. Parmet, "Eisenhower and the American Crusades" (New York: The Macmillan Company, 1972), p. 14.

14. "New York Times", Sept. 6, 1952, Nov. 5, 1952, Nov. 7, 1956.

15. "New York Times", Aug. 21, 1956.

Continuing CHAPTER 4: "THE CENTER OF POWER IS IN WASHINGTON"

Prescott Bush was a most elusive, secretive senator. By diligent research, his views on some issues may be traced: He was opposed to the development of public power projects like the Tennessee Valley Authority; he opposed the constitutional amendment introduced by Ohio Senator John W. Bricker, which would have required congressional approval of international agreements by the executive branch.

But Prescott Bush was essentially a covert operative in Washington.

In June 1954, Bush received a letter from Connecticut resident H. Smith Richardson, owner of Vick Chemical Company (cough drops, Vapo-Rub). It read, in part, "... At some time before Fall, Senator, I want to get your advice and counsel on a [new] subject -- namely what should be done with the income from a foundation which my brother and I set up, and which will begin its operation in 1956...." / Note #1 / Note #6

This letter presages the establishment of the "H. Smith Richardson Foundation", a Bush family-dictated private slush fund which was to be utilized by the Central Intelligence Agency, and by Vice President Bush for the conduct of his Iran-Contra adventures.

The Bush family knew Richardson and his wife through their mutual friendship with Sears Roebuck's chairman, General Robert E. Wood. General Wood had been president of the America First organization, which had lobbied against war with Hitler's Germany. H. Smith Richardson had contributed the start-up money for America First and had spoken out against the United States "joining the Communists" by fighting Hitler. Richardson's wife was a proud relative of Nancy Langehorne from Virginia, who married Lord Astor and backed the Nazis from their Cliveden Estate.

General Wood's daughter Mary had married the son of Standard Oil president William Stamps Farish. The Bushes had stuck with the Farishes through their disastrous exposure during World War II (See Chapter 3). Young George Bush and his bride Barbara were especially close to Mary Farish, and to her son W.S. Farish III, who would be the great confidante of George's presidency. / Note #1 / Note #7

H. Smith Richardson was Connecticut's leading "McCarthyite." He planned an elaborate strategy for Joe McCarthy's intervention in Connecticut's November 1952 elections, to finally defeat Senator Benton. / Note #1 / Note #8 (Benton's 1950 victory over Prescott Bush was only for a two-year unexpired term. He was running in this election for a full term, at the same time that Prescott Bush was running to fill the seat left vacant by Senator McMahon's death). / Note #1 / Note #8

The H. Smith Richardson Foundation was organized by Eugene Stetson, Jr., Richardson's son-in-law. Stetson (Skull and Bones, 1934) had worked for Prescott Bush as assistant manager of the New York branch of Brown Brothers Harriman.

In the late 1950s, the Smith Richardson Foundation took part in the

"psychological warfare" of the CIA. This was not a foreign, but a domestic covert operation, carried out mainly against unwitting U.S. citizens. CIA director Allen Dulles and his British allies organized "MK-Ultra," the testing of psychotropic drugs including LSD on a very large scale, allegedly to evaluate "chemical warfare" possibilities.

In this period, the Richardson Foundation helped finance experiments at Bridgewater Hospital in Massachusetts, the center of some of the most brutal MK-Ultra tortures. These outrages have been graphically portrayed in the movie, "Titticut Follies."

During 1990, an investigator for this book toured H. Smith Richardson's "Center for Creative Leadership" just north of Greensboro, North Carolina. The tour guide said that in these rooms, agents of the Central Intelligence Agency and the Secret Service are trained. He demonstrated the two-way mirrors through which the government employees are watched, while they are put through mind-bending psychodramas. The guide explained that "virtually everyone who becomes a general" in the U.S. armed forces also goes through this "training" at the Richardson Center.

Another office of the Center for Creative Leadership is in Langley, Virginia, at the headquarters of the Central Intelligence Agency. Here also, Richardson's center trains leaders of the CIA.

The Smith Richardson Foundation will be seen in a later chapter, performing in the Iran-Contra drama around Vice President George Bush.

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Prescott Bush worked throughout the Eisenhower years as a confidential ally of the Dulles brothers. In July 1956, Egypt's President Gamel Abdul Nasser announced he would accept the U.S. offer of a loan for the construction of the Aswan dam project. John Foster Dulles then prepared a statement telling the Egyptian ambassador that the U.S.A. had decided to retract its offer. Dulles gave the explosive statement in advance to Prescott Bush for his approval. Dulles also gave the statement to President Eisenhower, and to the British government. / Note #1 / Note #9

Nasser reacted to the Dulles brush-off by nationalizing the Suez Canal to pay for the dam. Israel, then Britain and France, invaded Egypt to try to overthrow Nasser, leader of the anti-imperial Arab nationalists. However, Eisenhower refused (for once) to play the Dulles-British game, and the invaders had to leave Egypt when Britain was threatened with U.S. economic sanctions.

During 1956, Senator Prescott Bush's value to the Harriman-Dulles political group increased when he was put on the Senate Armed Services Committee. Bush toured U.S. and allied military bases throughout the world, and had increased access to the national security decision-making process.

In the later years of the Eisenhower presidency, Gordon Gray rejoined the government. As an intimate friend and golfing partner of Prescott Bush, Gray complemented the Bush influence on Ike. The Bush-Gray family partnership in the "secret government" continues up through the George Bush presidency.

Gordon Gray had been appointed head of the new Psychological Strategy Board in 1951 under Averell Harriman's rule as assistant to President Truman for national security affairs. From 1958 to 1961 Gordon Gray held the identical post under President Eisenhower. Gray acted as Ike's intermediary, strategist and hand-holder, in the President's relations with the CIA and the U.S. and allied military forces.

Eisenhower did not oppose the CIA's covert action projects; he only wanted to be protected from the consequences of their failure or exposure. Gray's primary task, in the guise of "oversight" on all U.S. covert action, was to protect and hide the growing mass of CIA and related secret government activities.

It was not only covert "projects" which were developed by the Gray-Bush-Dulles combination; it was also new, hidden "structures" of the United States government.

Senator Henry Jackson challenged these arrangements in 1959 and 1960. Jackson created a Subcommittee on National Policy Machinery of the Senate Committee on Governmental Operations, which investigated Gordon Gray's reign at the National Security Council. On January 26, 1960, Gordon Gray warned President Eisenhower that a document revealing the existence of a secret part of the U.S. government had somehow gotten into the bibliography being used by Senator Jackson. The unit was Gray's "5412 Group" within the administration, officially but secretly in charge of approving covert action. Under Gray's guidance, Ike "I was clear and firm in his response that Jackson's staff 'not' be informed of the existence of this unit [emphasis in the original]." / Note #2 / Note #0

On January 1, 1959, Fidel Castro took power in Cuba. Thereafter, in the last Eisenhower years, with Castro as a target and universal pretext, the fatal Cuban-vectored gangster section of the American government was

assembled.

Several figures of the Eisenhower administration must be considered the fathers of this permanent Covert Action monolith, men who continued shepherding the monster after its birth in the Eisenhower era:

/ Note #b|"Gordon Gray", the shadowy Assistant to the President for National Security Affairs, Prescott Bush's closest executive branch crony and golf partner along with Eisenhower. By 1959-60, Gray had Ike's total confidence and served as the Harrimanites' monitor on all U.S. military and non-military projects.

British intelligence agent Kim Philby defected to the Russians in 1963. Philby had gained virtually total access to U.S. intelligence activities beginning in 1949, as the British secret services' liaison to the Harriman-dominated CIA. After Philby's defection, it seemed obvious that the aristocratic British intelligence service was in fact a menace to the western cause. In the 1960s, a small team of U.S. counterintelligence specialists went to England to investigate the situation. They reported back that the British secret service could be thoroughly trusted. The leader of this "expert" team, Gordon Gray, was the head of the counterespionage section of the President's Foreign Intelligence Advisory Board (PFIAB) for Presidents Kennedy through Ford.

/ Note #b|"Robert Lovett," Bush's Jupiter Island neighbor and Brown Brothers Harriman partner, from 1956 on a member of the President's Foreign Intelligence Advisory Board. Lovett later claimed to have criticized -- from the "inside" -- the plan to invade Cuba at the Bay of Pigs. Lovett was asked to choose the cabinet for John Kennedy in 1961.

/ Note #b|"CIA Director Allen Dulles," Bush's former international attorney. Kennedy fired Dulles after the Bay of Pigs invasion, but Dulles served on the Warren Commission, which whitewashed President Kennedy's murder.

/ Note #b|"C. Douglas Dillon," neighbor of Bush on Jupiter Island, became undersecretary of state in 1958 after the death of John Foster Dulles. Dillon had been John Foster Dulles's ambassador to France (1953-57), coordinating the original U.S. covert backing for the French imperial effort in Vietnam, with catastrophic results for the world. Dillon was treasury secretary for both John Kennedy and Lyndon Johnson.

/ Note #b|"Ambassador to Britain Jock Whitney," extended family member of the Harrimans and neighbor of Prescott Bush on Jupiter Island. Whitney set

up a press service in London called Forum World Features, which published propaganda furnished directly by the CIA and the British intelligence services. Beginning in 1961, Whitney was chairman of the British Empire's "English Speaking Union."

/ Note #b|"Senator Prescott Bush," friend and counselor of President Eisenhower.

Bush's term continued on in the Senate after the Eisenhower years, throughout most of the aborted Kennedy presidency.

In 1962, the National Strategy Information Center was founded by Prescott Bush and his son Prescott, Jr., William Casey (the future CIA chief), and Leo Cherne. The center came to be directed by Frank Barnett, former program officer of the Bush family's Smith Richardson Foundation. The center conduited funds to the London-based Forum World Features, for the circulation of CIA-authored "news stories" to some 300 newspapers internationally. / Note #2 / Note #1

"Democrat" Averell Harriman rotated back into official government in the Kennedy administration. As assistant secretary and undersecretary of state, Harriman helped push the United States into the Vietnam War. Harriman had no post in the Eisenhower administration. Yet he was perhaps more than anyone the leader and the glue for the incredible evil that was hatched by the CIA in the final Eisenhower years: a half-public, half-private Harrimanite army, never since demobilized, and increasingly associated with the name of Bush.

Following the rise of Castro, the U.S. Central Intelligence Agency contracted with the organization of Mafia boss Meyer Lansky to organize and train assassination squads for use against the Cuban government. Among those employed were John Rosselli, Santos Trafficante, and Sam Giancana. Uncontested public documentation of these facts has been published by congressional bodies and by leading Establishment academics. / Note #2 / Note #2

But the disturbing implications and later consequences of this engagement are a crucial matter for further study by the citizens of every nation. This much is established:

On August 18, 1960, President Eisenhower approved a \$13 million official budget for a secret CIA-run guerrilla war against Castro. It is known that Vice President Richard M. Nixon took a hand in the promotion of this initiative. The U.S. military was kept out of the covert action plans until

very late in the game.

The first of eight admitted assassination attempts against Castro took place in 1960.

The program was, of course, a failure, if not a circus. The invasion of Cuba by the CIA's anti-Castro exiles was put off until after John Kennedy took over the presidency. As is well known, Kennedy balked at sending in U.S. air cover and Castro's forces easily prevailed. But the program continued.

In 1960, Felix Rodriguez, Luis Posada Carriles, Rafael "Chi Chi" Quintero, Frank Sturgis (or "Frank Fiorini") and other Florida-based Cuban exiles were trained as killers and drug-traffickers in the Cuban initiative; their supervisor was E. Howard Hunt. Their overall CIA boss was Miami station chief Theodore G. Shackley, seconded by Thomas Clines. In later chapters we will follow the subsequent careers of these characters -- increasingly identified with George Bush -- through the Kennedy assassination, the Watergate coup, and the Iran-Contra scandal.

Chapter 5

Poppy and Mommy

""Oh Mother, Mother! What have you done? Behold! the heavens do open. The gods look down, and this unnatural scene they laugh at." -- "Coriolanus," Shakespeare."

The Silver Spoon

George Herbert Walker Bush was born in Milton, Massachusetts, on June 12, 1924. During the next year the family moved to Greenwich, Connecticut, and established their permanent residency.

Prescott and Dorothy Walker Bush had had a son, Prescott, Jr., before George. Later there was a little sister, Nancy, and another brother, Jonathan; a fourth son, William ("Bucky"), was born 14 years after George, in 1939.

George was named after his grandfather, George Herbert Walker. Since George's mother called Grandfather Walker "Pop," she began calling her son, his namesake, "little Pop," or "Poppy." Hence, Poppy Bush is the name the President's family friends have called him since his youth.

Prescott, Sr. joined W.A. Harriman & Co. May 1, 1926. With his family's lucrative totalitarian projects, George Bush's childhood began in comfort and advanced dramatically to luxury and elegance.

The Bushes had a large, dark-shingled house with "broad verandas and a portecochere" (originally a roofed structure extending out to the driveway to protect the gentry who arrived in coaches) on Grove Lane in the Deer Park section of Greenwich. / Note #1

Here they were attended by four servants -- three maids, one of whom cooked, and a chauffeur.

The U.S.A. was plunged into the Great Depression beginning with the 1929-31 financial collapse. But George Bush and his family were totally insulated from this crisis. Before and after the crash, their lives were a frolic, sealed off from the concerns of the population at large.

During the summers, the Bushes stayed in a second home on the family's ten-acre spread at Walker's Point at Kennebunkport, Maine. Flush from the Soviet oil deals and the Thyssen-Nazi Party arrangements, Grandfather Walker had built a house there for Prescott and Dorothy. They and other well-to-do summer colonists used Kennebunkport's River Club for tennis and the club's yachting facilities.

In the winter season, they took the train to Grandfather Walker's plantation, called "Duncannon," near Barnwell, South Carolina. The novices were instructed in skeet shooting, then went out on horseback, following the hounds in pursuit of quail and dove. George's sister Nancy recalled "the care taken" by the servants "over the slightest things, like the trimmed edges of the grapefruit. We were waited on by the most wonderful black servants who would come into the bedrooms early in the morning and light those crackling pine-wood fires...." / Note #2

The money poured in from the Hamburg-Amerika steamship line, its workforce crisply regulated by the Nazi Labor Front. The family took yet another house at Aiken, South Carolina. There the Bush children had socially acceptable "tennis and riding partners. Aiken was a southern capital of polo in those days, a winter resort of considerable distinction and serenity that attracted many Northerners, especially the equestrian oriented. The Bush children naturally rode there, too...." / Note #3
Averell Harriman, a world-class polo player, also frequented Aiken.

Poppy Bush's father and mother anxiously promoted the family's distinguished lineage, and its growing importance in the world. Prescott

Bush claimed that he "could trace his family's roots back to England's King Henry III, making George a thirteenth cousin, twice removed of Queen Elizabeth." / Note #4

This particular conceit may be a bad omen for President Bush. The cowardly, acid-tongued Henry III was defeated by France's Louis IX (Saint Louis) in Henry's grab for power over France and much of Europe. Henry's own barons at length revolted against his blundering arrogance, and his power was curbed.

As the 1930s economic crisis deepened, Americans experienced unprecedented hardship and fear. The Bush children were taught that those who suffered these problems had no one to blame but themselves.

A hack writer, hired to puff President Bush's "heroic military background," wrote these lines from material supplied by the White House:

"Prescott Bush was a thrifty man.... He had no sympathy for the nouveau riches who flaunted their wealth -- they were without class, he said. As a sage and strictly honest businessman, he had often turned failing companies around, making them profitable again, and he had scorn for people who went bankrupt because they mismanaged their money. Prescott's lessons were absorbed by young George...." / Note #5

When he reached the age of five, George Bush joined his older brother Pres in attending the Greenwich Country Day School. The brothers' "lives were charted from birth. Their father had determined that his sons would be ... educated and trained to be members of America's elite.... Greenwich Country Day School [was] an exclusive all-male academy for youngsters slated for private secondary schools....

"Alec, the family chauffeur, drove the two boys to school every morning after dropping Prescott, Sr. at the railroad station for the morning commute to Manhattan. The Depression was nowhere in evidence as the boys glided in the family's black Oldsmobile past the stone fences, stables, and swimming pools of one of the wealthiest communities in America." / Note #6

But though the young George Bush had no concerns about his material existence, one must not overlook the important, private anxiety gnawing at him from the direction of his mother.

The President's wife, Barbara, has put most succinctly the question of Dorothy Bush and her effect on George: ""His mother was the most competitive living human."" / Note #7

If we look here in his mother's shadow, we may find something beyond the routine medical explanations for President Bush's "driven" states of rage, or hyperactivity.

Mother Bush was the best athlete in the family, the fastest runner. She was hard. She expected others to be hard. They must win, but they must always "appear" not to care about winning.

This is put politely, delicately, in a "biography" written by an admiring friend of the President: "She was with them day after day, ... often curbing their egos as only a marine drill instructor can. Once when ... George lost a tennis match, he explained to her that he had been off his game that morning. She retorted, 'You don't have a game.']" / Note #8

According to this account, Barbara was fascinated by her mother-in-law's continuing ferocity: "George, playing mixed doubles with Barbara on the Kennebunkport court, ran into a porch and injured his right shoulder blade. 'His mother said it was my ball to hit, and it happened because I didn't run for it. She was probably right,' Barbara told [an interviewer].... When a discussion of someone's game came up, as Barbara described it, 'if Mrs. Bush would say, "'She had some good shots," it meant she stank. That's just the way she got the message across. When one of the grandchildren brought this girl home, everybody said, "We think he's going to marry her," and she said, "Oh, no, she won't play net.']" / Note #9 (i.e., she was not tough enough to stand unflinchingly and return balls hit to her at close range.)

A goad to "rapid motion" became embedded in his personality. It is observable throughout George Bush's life.

A companion trait was Poppy's uncanny urge, his master obsession with the need to "kiss up," to propitiate those who might in any way advance his interests. A life of such efforts could at some point reach a climax of released rage, where the triumphant one may finally say, "Now it is only I who must be feared."

This dangerous cycle began very early, a response to his mother's prodding and intimidation; it intensified as George became more able to calculate his advantage.

His mother says: "George was a most unselfish child. When he was only a little more than two years old ... we bought him one of those pedal cars you climb into and work with your feet.

"[His brother] Pres knew just how to work it, and George came running over and grabbed the wheel and told Pres he should 'have half,' meaning half of his new possession. 'Have half, have half,' he kept repeating, and for a while around the house we called him 'Have half.'" / Note #1 / Note #0

George "learned to ask for no more than what was due him. Although not the school's leading student, his report card was always good, and his mother was particularly pleased that he was always graded 'excellent' in one category she thought of great importance: 'Claims no more than his fair share of time and attention.' This consistent ranking led to a little family joke -- George always did best in 'Claims no more.'

"He was not a selfish child, did not even display the innocent possessiveness common to most children...." / Note #1 / Note #1

At Andover

George Bush left Greenwich Country Day School in 1936. He joined his older brother at Phillips Academy in Andover, Massachusetts, 20 miles north of Boston. "Poppy" was 12 years old, handsome, and rich. Though the U.S. economy took a savage turn for the worse the following year, George's father was piling up a fortune, arranging bond swindles for the Nazis with John Foster Dulles.

Only about one in 14 U.S. secondary school students could afford to be in private schools during George Bush's stay at Andover (1936-42). The New England preparatory or "prep" schools were the most exclusive. Their students were almost all rich white boys, many of them Episcopalians. And Andover was, in certain strange ways, the most exclusive of them all.

A 1980 campaign biography prepared by Bush's own staff concedes that "it was to New England that they returned to be educated at select schools that produce leaders with a patrician or aristocratic stamp -- adjectives, incidentally, which cause a collective wince among the Bushes.... At the close of the 1930s ... these schools ... brought the famous 'old-boy networks' to the peak of their power." / Note #1 / Note #2

These American institutions have been consciously modeled on England's elite private schools (confusingly called "public" schools because they were open to all English boys with sufficient money). The philosophy inculcated into the son of a British Lord Admiral or South African police chief, was to be imbibed by sons of the American republic.

George made some decisive moral choices about himself in these first years

away from home. The institution which guided these choices, and helped shape the peculiar obsessions of the 41st President, was a pit of Anglophile aristocratic racialism when George Bush came on the scene.

"Andover was ... less dedicated to 'elitism' than some [schools].... There were even a couple of blacks in the classes, tokens of course, but this at a time when a black student at almost any other Northeastern prep school would have been unthinkable." / Note #1 / Note #3

Andover had a vaunted "tradition," intermingled with the proud bloodlines of its students and alumni, that was supposed to reach back to the school's founding in 1778. But a closer examination reveals this "tradition" to be a fraud. It is part of a larger, highly significant historical fallacy perpetrated by the Anglo-Americans -- and curiously stressed by Bush's agents in foreign countries.

Thomas Cochran, a partner of the J.P. Morgan banking firm, donated considerable sums to construct swanky new Andover buildings in the 1920s. Among these were George Washington Hall and Paul Revere Hall, named for leaders of the American Revolution against the British Empire. These and similar "patriotic" trappings, with the alumni's old school-affiliated genealogies, might seem to indicate an unbroken line of racial imperialists like Cochran and his circle, reaching back to the heroes of the Revolution!

Let us briefly tour Andover's history, and then ponder whether General Washington would want to be identified with Poppy Bush's school.

Thirty years after Samuel Phillips founded the Academy at Andover, Massachusetts, the quiet little school became embroiled in a violent controversy. On one side were certain diehard pro-British families, known as Boston Brahmins, who had prospered in the ship transportation of rum and black slaves. They had regained power in Boston since their allies had lost the 1775-83 Revolutionary War.

In 1805 these cynical, neo-pagan, "Tory" families succeeded in placing their representative in the Hollis chair of Philosophy at Harvard College. The Tories, parading publicly as liberal religionists called Unitarians, were opposed by American nationalists led by the geographer-historian Rev. Jedidiah Morse (1761-1826). The nationalists rallied the Christian churches of the northeastern states behind a plan to establish, at Andover, a new religious institution which would counter the British spies, atheists, and criminals who had taken over Harvard.

British Empire political operatives Stephen Higginson, Jr. and John Lowell,

Jr. published counterattacks against Rev. Morse, claiming he was trying to rouse the lower classes of citizens to hatred against the wealthy merchant families. Then the Tories played the "conservative" card. Ultra-orthodox Calvinists, actually business partners to the Harvard liberals, threatened to set up their own religious institution in Tory-dominated Newburyport. Their assertion, that Morse was not conservative enough, split the resources of the region's Christians, until the Morse group reluctantly brought the Newburyport ultras as partners into the management of the Andover Theological Seminary in 1808.

The new theological seminary and the adjacent boys' academy were now governed together under a common board of trustees (balanced between the Morse nationalists and the Newburyport anti-nationalists, the opposing wings of the old Federalist Party).

Jedidiah Morse made Andover the headquarters of a rather heroic, anti-racist, Christian missionary movement, bringing literacy, printing presses, medicine, and technological education to Southeast Asia and American Indians, notably the Georgia Cherokees. This activist Andover doctrine of racial equality and American Revolutionary spirit was despised and feared by British opium pushers in East Asia and by Boston's blueblood Anglophiles. Andover missionaries were eventually jailed in Georgia; their too-modern Cherokee allies were murdered and driven into exile by proslavery mobs.

When Jedidiah Morse's generation died out, the Andover missionary movement was crushed by New England's elite families -- who were then Britain's partners in the booming opium traffic. Andover was still formally Christian after 1840; Boston's cynical Brahmins used Andover's orthodox Protestant board to prosecute various of their opponents as "heretics."

Neo-paganism and occult movements bloomed after the Civil War with Darwin's new materialist doctrines. In the 1870s, the death-worshipping Skull and Bones Society sent its alumni members back from Yale University, to organize aristocratic secret satanic societies for the teenagers at the Andover prep school. But these cults did not yet quite flourish. National power was still precariously balanced between the imperial Anglo-American financiers, and the old-line nationalists who built America's railroads, steel and electrical industries.

The New Age aristocrats proclaimed their victory under Theodore Roosevelt's presidency (1901-09). The Andover Theological Seminary wound up its affairs and moved out of town, to be merged with the Harvard Divinity School! Andover prep school was now largely free of the annoyance of religion, or

any connection whatsoever with the American spirit. Secret societies for the school's children, modeled on the barbarian orders at Yale, were now established in permanent, incorporated headquarters buildings just off campus at Andover. Official school advisers were assigned to each secret society, who participated in their cruel and literally insane rituals.

When J.P. Morgan partner Thomas Cochran built Andover's luxurious modern campus for boys like Poppy Bush, the usurpers of America's name had cause to celebrate. Under their supervision, fascism was rising in Europe. The new campus library was named for Oliver Wendell Holmes, Andover class of 1825. This dreadful poet of the "leisure class," a tower of Boston blue-blooded conceit, was famous as the father of the twentieth century U.S. Supreme Court justice. His son, Oliver Wendell Holmes, Jr., symbolized the arbitrary rule of the racial purity advocates, the usurpers, over American society.

The Secret Societies

Andover installed a new headmaster in 1933. Claude Moore Fuess (rhymes with fleece) replaced veteran headmaster Alfred E. Stearns, whom the Brahmins saw as a dyed-in-the-wool reactionary. Stearns was forced out over a "scandal": a widower, he had married his housekeeper, who was beneath his social class.

The new headmaster was considered forward-looking and flexible, to meet the challenges of the world political crisis: for example, Fuess favored psychiatry for the boys, something Stearns wouldn't tolerate.

Claude Fuess had been an Andover history teacher since 1908, and gained fame as an historian. He was one of the most skillful liars of the modern age.

Fuess had married into the Boston Cushing family. He had written the family-authorized whitewash biography of his wife's relative, Caleb Cushing, a pro-slavery politician of the middle nineteenth century. The outlandish, widely known corruption of Cushing's career was matched by Fuess's bold, outrageous coverup. / Note #1 / Note #4

During George Bush's years at Andover, his headmaster, Fuess, wrote an authorized biography of Calvin Coolidge, the late U.S. President. This work was celebrated in jest as a champion specimen of unwholesome flattery. In other books, also about the bluebloods, Fuess was simply given the family papers and designated the chief liar for the "Bostonian Race."

Both the Cushing and Coolidge families had made their fortunes in opium trafficking. Bush's headmaster named his son John Cushing Fuess, perhaps after the fabled nineteenth century dope kingpin who had made the Cushings rich. / Note #1 / Note #5

Headmaster Fuess used to say to his staff, "I came to power with Hitler and Mussolini." / Note #1 / Note #6 This was not merely a pleasantry, referring to his appointment the year Hitler took over Germany.

In his 1939 memoirs, Headmaster Fuess expressed the philosophy which must guide the education of the well-born young gentlemen under his care:

"Our declining birth rate ... may perhaps indicate a step towards national deterioration. Among the so-called upper and leisure classes, noticeably among the university group, the present birth rate is strikingly low. Among the Slavonic and Latin immigrants, on the other hand, it is relatively high. We seem thus to be letting the best blood thin out and disappear; while at the same time our humanitarian efforts for the preservation of the less fit, those who for some reason are crippled and incapacitated, are being greatly stimulated. The effect on the race will not become apparent for some generations and certainly cannot now be accurately predicted; but the phenomenon must be mentioned if you are to have a true picture of what is going on in the United States." / Note #1 / Note #7

Would George Bush adopt this anti-Christian outlook as his own? One can never know for sure how a young person will respond to the doctrines of his elders, no matter how cleverly presented. There is a much higher degree of certainty that he will conform to criminal expectations, however, if the student is brought to practice cruelty against other youngsters, and to degrade himself in order to get ahead. At Andover, this was where the secret societies came in.

Nothing like Andover's secret societies existed at any other American school. What were they all about?

Bush's friend Fitzhugh Greene wrote in 1989: "Robert L. 'Tim' Ireland, Bush's longtime supporter [and Brown Brothers Harriman partner], who later served on the Andover board of trustees with him, said he believed [Bush] had been in AUV. 'What's that?' I asked. 'Can't tell you,' laughed Ireland. 'It's secret!' Both at Andover and Yale, such groups only bring in a small percentage of the total enrollment in any class. 'That's a bit cruel to those who don't make AU[V] or 'Bones,|'" conceded Ireland. / Note #1 / Note #8

A retired teacher, who was an advisor to one of the groups, cautiously disclosed in his bicentennial history of Andover, some aspects of the secret societies. The reader should keep in mind that this account was published by the school, to celebrate itself: "A charming account of the early days of K.O.A, the oldest of the Societies, was prepared by Jack [i.e. Claude Moore] Fuess, a member of the organization, on the occasion of their Fiftieth Anniversary. The Society was founded in ... 1874....

"[A] major concern of the membership was the initiation ceremony. In K.O.A. the ceremony involved visiting one of the local cemeteries at midnight, various kinds of tortures, running the gauntlet -- though the novice was apparently punched rather than paddled, being baptized in a water tank, being hoisted in the air by a pulley, and finally being placed in a coffin, where he was cross-examined by the members.... K.O.A. was able to hold the loyalty of its members over the years to become a powerful institution at Phillips Academy and to erect a handsome pillared Society house on School Street.

"The second Society of the seven that would survive until 1950 was A.U.V. [George Bush's group]. The letters stood for Auctoritas, Unitas, Veritas. [Authority, Unity, Truth]. This organization resulted from a merger of two ... earlier Societies ... in 1877. A new constitution was drawn up ... providing for four chief officers -- Imperator [commander], Vice Imperator [vice-commander], Scriptor [secretary], and Quaestor [magistrate or inquisitor]....

"Like K.O.A, A.U.V. had an elaborate initiation ceremony. Once a pledge had been approved by the Faculty, he was given a letter with a list of rules he was to follow. He was to be in the cemetery every night from 12:30 to 5:00, deliver a morning paper to each member of the Society each morning, must not comb or brush his hair nor wash his face or hands, smoke nothing but a clay pipe with Lucky Strike tobacco, and not speak to any student except members of A.U.V.

"After the pledge had memorized these rules, his letter of instruction was burned. The pledge had now become a 'scut' and was compelled to learn many mottoes and incantations. On Friday night of initiation week the scut was taken to Hartigan's drugstore downtown and given a 'scut sundae,' which consisted of pepper, ice cream, oysters, and raw liver. Later that night he reported to the South Church cemetery, where he had to wait for two hours for the members to arrive. There followed the usual horseplay -- the scut was used as a tackling dummy, threats were made to lock him in a tomb, and various other ceremonies observed. On Saturday afternoon the scut was taken on a long walk around town, being forced to stop at some houses and ask for

food, to urinate on a few porches, and generally to make a fool of himself. On Saturday night came the initiation proper. The scut was prepared by reporting to the cellar in his underwear and having dirt and flour smeared all over his body. He was finally cleaned up and brought to the initiation room, where a solemn ceremony followed, ending with the longed-for words 'Let him have light,' at which point his blindfold was removed, some oaths were administered, and the boy was finally a member...."

Notes for Chapter 4

16. Richardson to Prescott Bush, June 10, 1954, H. Smith Richardson Papers, University of North Carolina, Chapel Hill.

17. Wayne S. Cole, "America First: The Battle Against Intervention, 1940-1941" (Madison: the University of Wisconsin Press, 1953); Interviews with Richardson family employees; H. Smith Richardson Foundation annual reports; Richardson to Prescott Bush, March 26, 1954, Richardson Papers. "Washington Post", April 29, 1990.

18. Richardson to Chase Bank executive Cole Younger, Sept. 17, 1952, H. Smith Richardson Papers, University of North Carolina, Chapel Hill.

19. Parmet, Herbert S., "Eisenhower and the American Crusades" (New York: MacMillan Company, 1972), p. 481.

20. John Prados, "Keepers of the Keys: A History of the National Security Council from Truman to Bush" (New York: William Morrow, 1991) pp. 92-95.

21. Robert Callaghan in "Covert Action", No. 33, Winter 1990. Prescott, Jr. was a board member of the National Strategy Information Center as of 1991. Both Prescott Sr. and Jr. were deeply involved along with Casey in the circles of Pan American Airlines, Pan Am's owners the Grace family, and the CIA's Latin American affairs. The Center, based in Washington D.C., declines public inquiries about its founding.

See also "EIR Special Report", "American Leviathan: Administrative Fascism under the Bush Regime" (Wiesbaden, Germany: Executive Intelligence Review Nachrichtenagentur, April, 1990), p. 192.

22. For example, see Trumbull Higgins, "The Perfect Failure: Kennedy, Eisenhower, and the CIA at the Bay of Pigs" (New York: W.W. Norton and Co., 1987), pp.55-56, 89-90.

Unverified information on the squads is provided in the affidavit of Daniel

P. Sheehan, attorney for the Christic Institute, reproduced in "EIR Special Report" "Project Democracy: The 'Parallel Government' behind the Iran Contra Affair" (Washington, D.C.: Executive Intelligence Review, 1987), pp. 249-50.

Some of the hired assassins have published their memoirs. See, for example Felix Rodriguez and John Weisman, "Secret Warrior" (New York: Simon and Schuster, 1989); and E. Howard Hunt, "Undercover: Memoirs of an American Secret Agent" (New York: G.P. Putnam's Sons, 1974).

Notes for Chapter 5

1. Nicholas King, "George Bush: A Biography" (New York: Dodd, Mead & Company, 1980), pp. 13-14.
2. "Ibid.," p. 19.
3. "Ibid."
4. Joe Hyams, "Flight of the Avenger: George Bush at War" (New York: Harcourt, Brace, Jovanovitch, 1991), p. 14.
5. "Ibid.," p. 17.
6. "Ibid.," pp. 16-17.
7. Donnie Radcliffe, "Simply Barbara Bush" (New York: Warner Books, 1989), p. 132.
8. Fitzhugh Green, "George Bush: An Intimate Portrait" (New York: Hippocrene Books, 1989), p. 16.
9. Radcliffe, "op. cit.," p. 133.
10. King, "op. cit.," p. 14.
11. Hyams, "op. cit.," pp. 17-19.
12. King, "op. cit.," pp. 10, 20.
13. "Ibid.," p. 21.
14. Claude M. Fuess, "The Life of Caleb Cushing," 2 vols. (New York: Harcourt, Brace and Company, 1923).

15. John Perkins Cushing was a multi-millionaire opium smuggler who retired to Watertown, Massachusetts with servants dressed as in a Canton gangster carnival. See Vernon L. Briggs, "History and Genealogy of the Cabot Family, 1475-1927" (Boston: privately printed, 1927), Vol. II, pp. 558-559. John Murray Forbes, "Letters and Recollections", (reprinted New York: Arno Press, 1981), Vol. I, p. 62-63. Mary Caroline Crawford, "Famous Families of Massachusetts" (Boston: Little, Brown & Co., 1930), 2 vols.

16. Interview with a retired Andover teacher.

17. Claude M. Fuess, "Creed of a Schoolmaster" (reprinted Freeport, New York: Books for Libraries Press, 1970), pp. 192-93.

18. Green, "op. cit.," p. 49.

19. Frederick S. Allis, "Youth from Every Quarter: A Bicentennial History of Phillips Academy, Andover" (Andover, Mass.: Phillips Academy, 1979), distributed by the University Press of New England, Hanover, N.H.), pp. 505-7.

The hierarchical top banana of the AUV secret society in George's 1942 Andover class was Godfrey Anderson ("Rocky") Rockefeller. In the yearbook just above the AUV roster is a photograph of "Rocky Rockefeller" and "Lem [Lehman F.] Beardsley"; Rockefeller stands imperiously without a shirt, Beardsley scowls from behind sunglasses. Certainly the real monarch of George Bush's Andover secret society, and George's sponsor, was this "Rocky"'s father, "Godfrey S. Rockefeller."

The latter gentleman had been on the staff of the Yale University establishment in China in 1921-22. Yale and the Rockefellers were breeding a grotesque communist insurgency with British Empire ideology; another Yale staffer there was Mao Zedong, later the communist dictator and mass murderer. While he was over in China, Papa Godfrey's cousin Isabel had been the bridesmaid at the wedding of George Bush's parents. His Uncle Percy had co-founded the Harriman bank with George Walker, and backed George Bush's father in several Nazi German enterprises. His grandfather had been the founding treasurer of the Standard Oil Company, and had made the Harrimans (and thus ultimately George Bush) rich.

Faculty adviser to AUV in those days was Norwood Penrose Hallowell; his father by the same name was chairman of Lee, Higginson & Co. private bankers, the chief financiers of Boston's extreme racist political movements. The elder Hallowell was based in London throughout the 1930s, on

intimate terms with Montagu Norman and his pro-Hitler American banking friends....

One of Poppy Bush's teachers at Andover, now in retirement, offered to an interviewer for this book, a striking picture of his former pupil. How was the President as a student?

"He never said a word in class. He was bored to death. And other teachers told me Bush was the worst English student ever in the school."

But was this teenager simply slow, or dull? On the contrary.

"He was the classic 'BMOC' (Big Man On Campus). A great glad-hander. Always smiling." / Note #2 / Note #1....

George Bush was the most insistent self-promoter on the campus. He was able to pursue this career, being fortunately spared from the more mundane chores some other students had to do. For example, he mailed his dirty laundry home each week, to be done by the servants. It was mailed back to him clean and folded. / Note #2 / Note #2....

One may ask, in what way are President Bush and his backers conscious of an oligarchical tradition? For a clue, let us look at the case of Arthur Burr Darling, George Bush's prep school history teacher.

Just after Claude Fuess "came into power with Hitler and Mussolini" in 1933, Fuess brought [Arthur Burr] Darling in to teach. Dr. Darling was head of the Andover history department from 1937 to 1956, and Faculty Guardian of one of the secret societies. His "Political Changes in Massachusetts, 1824 to 1848" covered the period of Andover's eclipse by Boston's aristocratic opium lords. Darling's book attacks Andover's greatest humanitarian, Jedidiah Morse, as a dangerous lunatic, because Morse warned about international criminal conspiracies involving these respectable Bostonians. The same book attacks President John Quincy Adams as a misguided troublemaker, responsible with Morse for the anti-freemasonic movement in the 1820s-30s.

Arthur Burr Darling, while still head of Andover's history department, was chosen by the Harrimanites to organize the historical files of the new Central Intelligence Agency, and to write the CIA's own official account of its creation and first years. Since this cynical project was secret, Darling's 1971 obituary did not reflect his CIA employment. / Note #3 / Note #0

Darling's "The Central Intelligence Agency: An Instrument of Government, to 1950" was classified Secret on its completion in December 1953.... This mercenary work was finally declassified in 1989 and was published by Pennsylvania State University in 1990. Subsequent editions of "Who Was Who in America" were changed, in the fashion of Joe Stalin's "history revisers," to tell the latest, official version of what George Bush's history teacher had done with his life....

Secretary of War Henry Stimson, who was also the president of the board of Andover Prep, made a famous speech in June 1942, to Poppy Bush and the other graduating Andover boys. Stimson told them the war would be long, and they, the elite, should go on to college.

But George Bush had some very complicated problems. The decision had already been made that he would join the service and get quite far away from where he had been. For reasons of family (which will be discussed in Chapter 7 on Skull and Bones) there was a very special niche waiting for him in naval aviation.

There was one serious hitch in this plan. It was illegal. Though he would be 18 years old on June 12, he would not have the two years of college the Navy required for its aviators.

Well, if you had an "urgent" problem, perhaps the law could be simply "set aside, for you and you alone," ahead of all the 5 million poor slobs who had to go in the mud with the infantry or swab some stinking deck -- especially if your private school's president was currently Secretary of War (Henry Stimson), if your father's banking partner was currently Assistant Secretary of War for Air (Robert Lovett), and if your father had launched the career of the current Assistant Navy Secretary for Air (Artemus Gates).

And it was done.

As a Bush-authorized version puts it, "One wonders why the Navy relaxed its two years of college requirement for flight training in George Bush's case. He had built an outstanding record at school as a scholar [sic], athlete and campus leader, but so had countless thousands of other youths.

"Yet it was George Bush who appeared to be the only beneficiary of this rule-waiving, and thus he eventually emerged as the youngest pilot in the Navy -- a fact that he can still boast about and because of which he enjoyed a certain celebrity during the war." / Note #3 / Note #4

Notes

21. Spoke on condition of non-attribution.

22. Hyams, "op. cit.," pp. 23-24.

30. See "New York Times," Nov. 29, 1971.

32. Allis, "op. cit.," p. 512.

33. "Newsweek," August 9, 1943; "Boston Globe," July 22, 1943.

34. Green, "op. cit.," page 28.

"Plut aux dieux que ce fut le dernier de ses crimes!

-- Racine, "Britannicus"

George Bush has always traded shamelessly on his alleged record as a naval aviator during the Second World War in the Pacific theatre. During the 1964 Senate campaign in Texas against Senator Ralph Yarborough, Bush televised a grainy old film which depicted young George being rescued at sea by the crew of the submarine "USS Finnback" after his Avenger torpedo bomber was hit by Japanese anti-aircraft fire during a bombing raid on the island of Chichi Jima on September 2, 1944. That film, retrieved from the Navy archives, backfired when it was put on the air too many times, eventually becoming something of a maladroitness cliché.

Bush's campaign literature has always celebrated his alleged military exploits and the Distinguished Flying Cross he received. As we become increasingly familiar with the power of the Brown Brothers Harriman/Skull and Bones network working for Senator Prescott Bush, we will learn to become increasingly skeptical of such official accolades and of the official accounts on which they are premised.

During Bush's Gulf war adventure of 1990-91, the adulation of Bush's ostensible warrior prowess reached levels that were previously considered characteristic of openly totalitarian and militaristic regimes. Late in 1990, after Bush had committed himself irrevocably to his campaign of bombing and savagery against Iraq, hack writer Joe Hyams completed an authorized account of George Bush at war. This was entitled "Flight of the Avenger," and appeared during the time of the Middle East conflagration that was the product of Bush's obsessions.

Hyams's work had the unmistakable imprimatur of the regime: Not just George, but also Barbara had been interviewed during its preparation, and its adulatory tone placed this squalid text squarely within the "red Studebaker" school of political hagiography.

The appearance of such a book at such a time is suggestive of the practice of the most infamous twentieth-century dictatorships, in which the figure of the strong man, Fuehrer, duce, or vozhd as he might be called, has been used for the transmission of symbolic-allegorical directives to the subject population. Was fascist Italy seeking to assert its economic autarky in food production in the face of trade sanctions by the League of Nations? Then a film would be produced by the MINCULPOP (the Ministry of Popular Culture, or propaganda) depicting Mussolini indefatigably harvesting grain. Was Nazi Germany in the final stages of preparation of a military campaign against a neighboring state? If so, Goebbels would orchestrate a cascade of magazine articles and best-selling pulp evoking the glories of Hitler in the trenches of 1914-18. Closer to our own time, Leonid Brezhnev sought to aliment his own personality cult with a little book called "Malaya Zemlya," an account of his war experiences which was used by his propagandists to motivate his promotion to Marshal of the U.S.S.R. and the erection of a statue in his honor during his own lifetime. This is the tradition to which "Flight of the Avenger" belongs.

Bush tells us in his campaign autobiography that he decided to enlist in the armed forces, specifically naval aviation, shortly after he heard of the Japanese attack on Pearl Harbor. About six months later, Bush graduated from Phillips Academy at Andover, and the commencement speaker was Secretary of War Henry Stimson, eminence grise of the U.S. ruling elite. Stimson was possibly mindful of the hecatomb of young members of the British ruling classes which had occurred in the trenches of World War I on the western front. In any event, Stimson's advice to the Andover graduates was that the war would go on for a long time, and that the best way of serving the country was to continue one's education in college. Prescott Bush supposedly asked his son if Stimson's recommendation had altered his plan to enlist. Young Bush answered that he was still committed to join the Navy.

Henry L. Stimson was certainly an authoritative spokesman for the Eastern Liberal Establishment, and Bushman propaganda has lately exalted him as one of the seminal influences on Bush's political outlook. Stimson had been educated at both Yale (where he had been tapped by Skull and Bones) and Harvard Law School. He became the law partner of Elihu Root, who was Theodore Roosevelt's Secretary of State. Stimson had been Theodore

Roosevelt's anti-corruption, trust-busting U.S. Attorney in New York City during the first years of the FBI, then Taft's secretary of war, a colonel of artillery in World War I, governor general of the Philippines for Coolidge, secretary of state for Hoover, and enunciator of the "Stimson doctrine." This last was a piece of hypocritical posturing directed against Japan, asserting that changes in the international order brought about by force of arms (and thus in contravention of the Kellogg-Briand Pact of 1928) should not be given diplomatic recognition. This amounted to a U.S. commitment to uphold the Versailles system, the same policy upheld by Baker, Eagleburger and Kissinger in the Serbian war on Slovenia and Croatia during 1991. Stimson, though a Republican, was brought into Roosevelt's war cabinet in 1940 in token of bipartisan intentions.

But in 1942, Bush was not buying Stimson's advice. It is doubtless significant that in the mind of young George Bush, World War II meant exclusively the war in the Pacific, against the Japanese. In the Bush-approved accounts of this period of his life, there is scarcely a mention of the European theatre, despite the fact that Roosevelt and the entire Anglo-American establishment had accorded strategic priority to the "Germany first" scenario. Young George, it would appear, had his heart set on becoming a Navy flier.

Rules Bent for Bush

Normally the Navy required two years of college from volunteers wishing to become naval aviators. But, for reasons which have never been satisfactorily explained, young George was exempted from this requirement. Had father Prescott's crony Artemus Gates, the assistant secretary of the navy for air, been instrumental in making the exception, which was the key to allowing George to become the youngest of all navy pilots?

On June 12, 1942, his eighteenth birthday, Bush joined the Navy in Boston as a seaman second class. / Note #1 He was ordered to report for active duty as an aviation cadet on August 6, 1942. After a last date with Barbara, George was taken to Penn Station in New York City by father Prescott to board a troop train headed for Chapel Hill, North Carolina. At Chapel Hill Naval Air Station, one of Bush's fellow cadets was the well-known Boston Red Sox hitter Ted Williams, who would later join Bush on the campaign trail in his desperate fight in the New Hampshire primary in February 1988.

After preflight training at Chapel Hill, Bush moved on to Wold-Chamberlain Naval Airfield in Minneapolis, Minnesota, where he flew solo for the first time in November 1942. In February 1943 Bush moved on to Corpus Christi,

Texas for further training. Bush received his commission as an ensign at Corpus Christi on June 9, 1943.

After this, Bush moved through a number of naval air bases over a period of almost a year for various types of advanced training. In mid-June 1943, he was learning to fly the Grumman TBF Avenger torpedo-bomber at Fort Lauderdale, Florida. In August, he made landings on the "USS Sable," a paddle-wheel ship that was used as an aircraft carrier for training purposes. During the summer of 1943, Bush spent a couple of weeks of leave with Barbara at Walker's Point in Kennebunkport; their engagement was announced in the "New York Times" of December 12, 1943.

Later in the summer of 1943, Bush moved on to the Naval Air Base at Norfolk, Virginia. In September 1943 Bush's new squadron, called VT-51, moved on to the Naval Air Station at Chincoteague, Virginia, located on the Delmarva peninsula. On December 14, 1943 Bush and his squadron were brought to Philadelphia to attend the commissioning of the "USS San Jacinto" (CVL30), a light attack carrier built on a cruiser hull. Since the name of the ship recalled Sam Houston's defeat of the Mexican leader Santa Ana in 1836, and since the ship flew a Lone Star flag, Bushman propaganda has made much of these artifacts in an attempt to buttress "carpetbag" Bush's tenuous connections to the state of Texas. Bush's VF-51 squadron reported on board this ship for a shakedown cruise on February 6, 1944, and on March 25, 1944 the "San Jacinto" left for San Diego by way of the Panama Canal. The "San Jacinto" reached Pearl Harbor on April 20, 1944, and was assigned to Admiral Marc A. Mitscher's Task Force 58/38, a group of fast carriers, on May 2, 1944.

Bush Bails Out

In June, Bush's ship joined battle with Japanese forces in the Marianas archipelago. Here Bush flew his first combat missions. On June 17, a loss of oil pressure forced Bush to make an emergency landing at sea. Bush, along with his two crew members, gunner Leo Nadeau and radioman-tail gunner John L. Delaney, were picked up by a U.S. destroyer after some hours in the water. Bush's first Avenger, named by him the Barbara, was lost.

During July 1944 Bush took part in 13 air strikes, many in connection with the U.S. Marines' landing on Guam. In August, Bush's ship proceeded to the area of Iwo Jima and Chichi Jima in the Bonin Islands for a new round of sorties.

On September 2, 1944 Bush and three other Avenger pilots, escorted by Hellcat fighter planes, were directed to attack a radio transmitter on

Chichi Jima. Planes from the "USS Enterprise" would also join in the attack. On this mission Bush's rear-seat gunner would not be the usual Leo Nadeau, but rather Lt. Junior Grade William Gardner "Ted" White, the squadron ordnance officer of VT-51, already a Yale graduate and already a member of Skull and Bones. White's father had been a classmate of Prescott Bush. White took his place in the rear-facing machine gun turret of Bush's TBM Avenger, the Barbara II. The radioman-gunner was John L. Delaney, a regular member of Bush's crew.

What happened in the skies of Chichi Jima that day is a matter of lively controversy. Bush has presented several differing versions of his own story. In his campaign autobiography published in 1987 Bush gives the following account:

"The flak was the heaviest I'd ever flown into. The Japanese were ready and waiting: their anti-aircraft guns were set up to nail us as we pushed into our dives. By the time VT-51 was ready to go in, the sky was thick with angry black clouds of exploding anti-aircraft fire.

"Don Melvin led the way, scoring hits on a radio tower. I followed, going into a thirty-five degree dive, an angle of attack that sounds shallow but in an Avenger felt as if you were headed straight down. The target map was strapped to my knee, and as I started into my dive, I'd already spotted the target area. Coming in, I was aware of black splotches of gunfire all around.

"Suddenly there was a jolt, as if a massive fist had crunched into the belly of the plane. Smoke poured into the cockpit, and I could see flames rippling across the crease of the wing, edging towards the fuel tanks. I stayed with the dive, homed in on the target, unloaded our four 500-pound bombs, and pulled away, heading for the sea. Once over water, I leveled off and told Delaney and White to bail out, turning the plane to starboard to take the slipstream off the door near Delaney's station.

"Up to that point, except for the sting of dense smoke blurring my vision, I was in fair shape. But when I went to make my jump, trouble came in pairs." / Note #2

In this account, there is no more mention of White and Delaney until Bush hit the water and began looking around for them. Bush says that it was only after having been rescued by the "USS Finnback," a submarine, that he "learned that neither Jack Delaney nor Ted White had survived. One went down with the plane; the other was seen jumping, but his parachute failed to open." The Hyams account of 1991 was written after an August 1988

interview with Chester Mierzejewski, another member of Bush's squadron, had raised important questions about the haste with which Bush bailed out, rather than attempting a water landing. Mierzejewski's account, which is summarized below, contradicted Bush's own version of these events, and hinted that Bush might have abandoned his two crew members to a horrible and needless death. The Hyams account, which is partly intended to refute Mierzejewski, develops as follows:

"... Bush was piloting the third plane over the target, with Moore flying on his wing. He nosed over into a thirty-degree glide, heading straight for the radio tower. Determined to finally destroy the tower, he used no evasive tactics and held the plane directly on target. His vision ahead was occasionally cancelled by bursts of black smoke from the Japanese anti-aircraft guns. The plane was descending through thickening clouds of flak pierced by the flaming arc of tracers.

"There was a sudden flash of light followed by an explosion. 'The plane was lifted forward, and we were enveloped in flames,' Bush recalls. 'I saw the flames running along the wings where the fuel tanks were and where the wings fold. I thought, This is really bad! It's hard to remember the details, but I looked at the instruments and couldn't see them for the smoke.'

"Don Melvin, circling above the action while waiting for his pilots to drop their bombs and get out, thought the Japanese shell had hit an oil line on Bush's Avenger. 'You could have seen that smoke for a hundred miles.'"

Perhaps so, but it is difficult to understand why the smoke from Bush's plane was so distinctly visible in such a smoke-filled environment. Hyams goes on to describe Bush's completion of his bombing run. His account continues:

"By then the wings were covered in flames and smoke, and the engine was blazing. He considered making a water landing but realized it would not be possible. Bailing out was absolutely the last choice, but he had no other option. He got on the radio and notified squadron leader Melvin of his decision. Melvin radioed back, 'Received your message. Got you in sight. Will follow.'

"[...] Milt Moore, flying directly behind Bush, saw the Avenger going down smoking. 'I pulled up to him; then he lost power and I went sailing by him.'

"As soon as he was back over water, Bush shouted on the intercom for White

and Delaney to 'hit the silk!' [...] Dick Gorman, Moore's radioman-gunner, remembers hearing someone on the intercom shout, 'Hit the silk!' and asking Moore, 'Is that you, Red?'

"['No,' Moore replied. 'It's Bush, he's hit!'

"Other squadron members heard Bush repeating the command to bail out, over and over, on the radio.

"There was no response from either of Bush's crewmen and no way he could see them; a shield of armor plate between him and Lt. White blocked his view behind. He was certain that White and Delaney had bailed out the moment they got the order." / Note #3

Hyams quotes a later entry by Melvin in the squadron log as to the fate of Bush's two crewmen: "At a point approximately nine miles bearing 045'T (degrees) from Minami Jima, Bush and one other person were seen to bail out from about 3,000 feet. Bush's chute opened and he landed safely in the water, inflated his raft, and paddled farther away from Chichi Jima. The chute of the other person who bailed out did not open. Bush has not yet been returned to the squadron ... so this information is incomplete. While Lt. junior grade White and J.L. Delaney are reported missing in action, it is believed that both were killed as a result of the above described action." / Note #4

But it is interesting to note that this report, contrary to usual standard Navy practice, has no date. This should alert us to that tampering with public records, such as Bush's filings at the Securities and Exchange Commission during the 1960s, which appears to be a specialty of the Brown Brothers Harriman/Skull and Bones network.

For comparison, let us now cite the cursory account of this same incident provided by Bush's authorized biographer in the candidate's 1980 presidential campaign biography:

"On a run toward the island, Bush's plane was struck by Japanese antiaircraft shells. One of his two crewmen was killed instantly and the aircraft was set on fire. Bush was able to score hits on the enemy installations with a couple of five-hundred pound bombs before he wriggled out of the smoking cockpit and floated towards the water. The other crewman also bailed out but died almost immediately thereafter because, as the fighter pilot behind Bush's plane was later to report, his parachute failed to open properly. Bush's own parachute became momentarily fouled on the tail of the plane after he hit the water." / Note #5

King's account is interesting for its omission of any mention of Bush's injury in bailing out, a gashed forehead he got when he struck the tail assembly of the plane. This had to have occurred long before Bush had hit the water, so this account is garbled indeed.

Let us also cite parts of the account provided by Fitzhugh Green in his 1989 authorized biography. Green has Bush making his attack "at a 60-degree angle." "For his two crew members," notes Green, "life was about to end." His version goes on:

"Halfway through Bush's dive, the enemy found his range with one or more shells. Smoke filled his cabin; his plane controls weakened; the engine began coughing, and still he wasn't close enough to the target. He presumed the TBM to be terminally damaged. Fighting to stay on course, eyes smarting, Bush managed to launch his bombs at the last possible moment. He couldn't discern the result through black fumes. But a companion pilot affirmed later that the installation blew up, along with two other buildings. The Navy would decorate Bush for literally sticking to his guns until he completed his mission under ferocious enemy fire.

"Good! Now the trick was to keep the plane aloft long enough to accomplish two objectives: first, get far enough away from the island to allow rescue from the sea before capture or killing by the enemy; second, give his plane mates time to parachute out of the burning aircraft.

"The TBM sputtered on its last few hundred yards. Unbeknownst to Bush, one man freed himself. Neither fellow squadron pilots nor Bush ever were sure which crew member this was. As he jumped, however, his parachute snarled and failed to open." / Note #6

Green writes that when Bush was swimming in the water, he realized that "his crew had disappeared" and that "the loss of the two men numbed Bush."

Still Another Story

For the 1992 presidential campaign, the Bushmen have readied yet another rehash of the adulatory "red Studebaker" printout in the form of a new biography by Richard Ben Cramer. This is distinguished as a literary effort above all by the artificial verbal pyrotechnics with which the author attempts to breathe new life into the dog-eared Bush canonical printout. For these, Cramer relies on a hyperkinetic style with non-verbal syntax, which to some degree echoes Bush's own disjointed manner of speaking. The resulting text may have found favor with Bush when he was gripped by his

hyperthyroid rages during the buildup for the Gulf war. A part of this text has appeared in "Esquire" magazine. / Note #7 Here is Cramer's description of the critical phase of the incident:

"He felt a jarring lurch, a crunch, and his plane leaped forward, like a giant had struck it from below with a fist. Smoke started to fill the cockpit. He saw a tongue of flame streaming down the right wing toward the crease. Christ! The fuel tanks!

"He called to Delaney and White -- We've been hit! He was diving. Melvin hit the tower dead-on -- four five hundred pounders. West was on the same beam. Bush could have pulled out. Have to get rid of these bombs. Keep the dive.... A few seconds....

"He dropped on the target and let 'em fly. The bombs spun down, the plane shrugged with release, and Bush banked away hard to the east. No way he'd get to the rendezvous point with Melvin. The smoke was so bad he couldn't see the gauges. Was he climbing? Have to get to the water. They were dead if they bailed out over land. The Japs killed pilots. Gonna have to bail out. Bush radioed the skipper, called his crew. No answer. Does White know how to get to his chute? Bush looked back for an instant. God, was White hit? He was yelling the order to bail out, turning right rudder to take the slipstream off their hatch ... had to get himself out. He leveled off over water, only a few miles from the island ... more, ought to get out farther ... that's it, got to be now.... He flicked the red toggle switch on the dash -- the IFF, Identification Friend or Foe -- supposed to alert any U.S. ship, send a special frequency back to his own carrier ... no other way to communicate, had to get out now, had to be ... NOW."

It will be seen that these versions contain numerous internal contradictions, but that the hallmark of "red Studebaker" orthodoxy, especially after the appearance of the Mierzejewski account, is that Bush's plane was on fire, with visible smoke and flames. The Bush propaganda machine needs the fire on board the Avenger in order to justify Bush's precipitous decision to bail out, leaving his two crew members to their fate, rather than attempting the water landing which might have saved them.

The only person who has ever claimed to have seen Bush's plane get hit, and to have seen it hit the water, is Chester Mierzejewski, who was the rear turret gunner in the aircraft flown by Squadron Commander Douglas Melvin. During 1987-88, Mierzejewski became increasingly indignant as he watched Bush repeat his canonical account of how he was shot down. Shortly before the Republican National Convention in 1988, Mierzejewski, by then a 68-year-old retired aircraft foreman living in Cheshire, Connecticut,

decided to tell his story to Allan Wolper and Al Ellenberg of the "New York Post," which printed it as a copyrighted article. / Note #8

"That guy is not telling the truth," Mierzejewski said of Bush.

As the rear-looking turret gunner on Commander Melvin's plane, Mierzejewski had the most advantageous position for observing the events in question here. Since Melvin's plane flew directly ahead of Bush's, he had a direct and unobstructed view of what was happening aft of his own plane. When the "New York Post" reporters asked former Lt. Legare Hole, the executive officer of Bush's squadron, about who might have best observed the last minutes of the Barbara II, Hole replied: "The turret gunner in Melvin's plane would have had a good view. If the plane was on fire, there is a very good chance he would be able to see that. The pilot can't see everything that the gunner can, and he'd miss an awful lot," Hole told the "New York Post."

Gunner Lawrence Mueller of Milwaukee, another former member of Bush's squadron who flew on the Chichi Jima mission, when asked who would have had the best view, replied: "The turret gunner of Melvin's plane." Mierzejewski for his part said that his plane was flying about 100 feet ahead of Bush's plane during the incident -- so close that he could see into Bush's cockpit.

Mierzejewski, who is also a recipient of the Distinguished Flying Cross, told the "New York Post" that he saw "a puff of smoke" come out of Bush's plane and quickly dissipate. He asserted that after that there was no more smoke visible, that Bush's "plane was never on fire" and that "no smoke came out of his cockpit when he opened his canopy to bail out." Mierzejewski stated that only one man ever got out of the Barbara II, and that was Bush himself. "I was hoping I would see some other parachutes. I never did. I saw the plane go down. I knew the guys were still in it. It was a helpless feeling."

Mierzejewski has long been troubled by the notion that Bush's decision to parachute from his damaged aircraft might have cost the lives of Radioman second class John Delaney, a close friend of Mierzejewski, as well as gunner Lt. junior grade William White. "I think [Bush] could have saved those lives, if they were alive. I don't know that they were, but at least they had a chance if he had attempted a water landing," Mierzejewski told the "New York Post."

Former executive officer Legare Hole summed up the question for the "New York Post" reporters as follows: "If the plane is on fire, it hastens your

decision to bail out. If it is not on fire, you make a water landing." The point is that a water landing held out more hope for all members of the crew. The Avenger had been designed to float for approximately two minutes, giving the tailgunner enough time to inflate a raft and giving everyone an extra margin of time to get free of the plane before it sank. Bush had carried out a water landing back in June when his plane had lost oil pressure.

The official -- but undated -- report on the incident among the squadron records was signed by Commander Melvin and an intelligence officer named Lt. Martin E. Kilpatrick. Kilpatrick is deceased, and Melvin in 1988 was hospitalized with Parkinson's disease and could not be interviewed. Mierzejewski in early August 1988 had never seen the undated intelligence report in question. "Kilpatrick was the first person I spoke to when we got back to the ship," he said. "I told him what I saw. I don't understand why it's not in the report."

Gunner Lawrence Mueller tended to corroborate Mierzejewski's account. Mueller had kept a log book of his own in which he made notations as the squadron was debriefed in the ready room after each mission. For September 2, 1944, Mueller's personal log had the following entry: "White and Delaney presumed to have gone down with plane." Mueller told the "New York Post" that "no parachute was sighted except Bush's when the plane went down." The "New York Post" reporters were specific that, according to Mueller, no one in the "San Jacinto" ready room during the debriefing had said anything about a fire on board Bush's plane. Mueller said: "I would have put it in my logbook if I had heard it."

According to this "New York Post" article, the report of Bush's debriefing aboard the submarine "Finnback" after his rescue makes no mention of any fire aboard the plane. When the "New York Post" reporters interviewed Thomas R. Keene, an airman from another carrier, who had been picked up by the "Finnback" a few days after Bush, they referred to the alleged fire on board Bush's plane and "Keene was surprised to hear" it. "Did he say that?," Keene asked.

Leo Nadeau, Bush's usual rear turret gunner, who had been in contact with Bush during the 1980s, attempted to undercut Mierzejewski's credibility by stating that "Ski," as Mierzejewski was called, would have been "too busy shooting" to have been able to focus on the events involving Bush's plane. But even the pro-Bush accounts agree that the reason that White had been allowed to come aloft in the first place was the expectation that there would be no Japanese aircraft over the target, making a thoroughly trained and experienced gunner superfluous. Indeed, no account alleges that any

Japanese aircraft appeared over Chichi Jima.

Bush and Mierzejewski met again on board the "San Jacinto" after the downed pilot was returned from the "Finnback" about a month after the loss of the Barbara II. According to the "New York Post" account, about a month after all these events Bush, clad in Red Cross pajamas, returned to the "San Jacinto." "He came into the ready room and sat down next to me," Mierzejewski recounted. "He [Bush] knew I saw the whole thing. He said, 'Ski, I'm sure those two men were dead. I called them on the radio three times. They were dead.' When he told me they were dead, I couldn't prove they weren't. He seemed distraught. He was trying to assure me he did the best he could. I'm thinking what am I going to say to him," Mierzejewski commented in 1988.

Mierzejewski began to become concerned about Bush's presentation of his war record while watching Bush's December 1987 interview with David Frost, which was one of the candidate's most sanctimonious performances. In March 1988, Mierzejewski wrote to Bush and told him that his recollections were very different from the Vice President's story. Mierzejewski's letter was not hostile in tone, but voiced concern that political opponents might come forward to dispute Bush. There was no reply to this letter, and Chester Mierzejewski ultimately elected to tell his own unique eye-witness version of the facts to the "New York Post." Certainly his authoritative, first-hand account places a large question mark over the events of September 2, 1944, which Bush has so often sought to exploit for political gain.

Several days after Mierzejewski's interview was published, Bush's office obtained and released to the press a copy of the (undated) squadron log report. One Donald Rhodes of Bush's office called Mierzejewski to offer him a copy of the report.

It is typical of Joe Hyams's hack work for Bush in "The Flight of the Avenger" that he never mentions Mierzejewski's critical account, although he is obviously acutely aware of the objections raised by Mierzejewski and wants very much to discredit those objections. Indeed, Hyams totally ignores Mierzejewski as a source, and also studiously ignores the other witness who would have supported Mierzejewski, that is to say Mueller. Hyams had the support of Bush's White House staff in arranging interviews for his book, but somehow he never got around to talking to Mierzejewski and Mueller. This must increase our suspicion that Bush has some damning circumstance he wishes to hide.

Bush himself admits that he was in a big hurry to get out of his cockpit:

"The wind was playing tricks, or more likely, I pulled the rip cord too soon." / Note #9 This caused his gashed forehead and damaged his parachute.

Concerning the ability of Brown Brothers Harriman to fix a combat report in naval aviation, it is clear that this could be accomplished as easily as fixing a parking ticket. Artemus Gates is someone who could have helped out. Other Brown Brothers Harriman assets in powerful posts included Secretary of War Stimson, Secretary of War for Air Robert Lovett, Special Envoy W. Averell Harriman, and even President Roosevelt's confidant and virtual alter ego, Harry Hopkins, an asset of the Harriman family.

Bush was very upset about what had happened to his two crewmen. Later, during one of his Skull and Bones "Life History" self-exposures, Bush referred to Lt. White, the Skull and Bones member who had gone to his death with the Barbara II: "I wish I hadn't let him go," said Bush, according to former Congressman Thomas W. L. (Lud) Ashley, a fellow Skull and Bones member and during 1991 one of the administrators of the Neil Bush legal defense fund. According to Ashley, "Bush was heartbroken. He had gone over it in his mind 100,000 times and concluded he couldn't have done anything.... He didn't feel guilty about anything that happened.... But the incident was a source of real grief to him. It tore him up, real anguish. It was so fresh in his mind. He had a real friendship with this man," said Ashley. / Note #1 / Note #0

Bush later wrote letters to the families of the men who had died on his plane. He received a reply from Delaney's sister, Mary Jane Delaney. The letter read in part:

"You mention in your letter that you would like to help me in some way. There is a way, and that is to stop thinking you are in any way responsible for your plane accident and what has happened to your men. I might have thought you were if my br other Jack had not always spoken of you as the best pilot in the squadron." / Note #1 / Note #1

Bush also wrote a letter to his parents in which he talked about White and Delaney: "I try to think about it as little as possible, yet I cannot get the thought of those two out of my mind. Oh, I'm OK -- I want to fly again and I won't be scared of it, but I know I won't be able to shake the memory of this incident and I don't believe I want to completely." / Note #1 / Note #2

As Bush himself looked back on all these events from the threshold of his genocidal assault on Iraq, he complacently concluded that the pagan fates had preserved his life for some future purpose. He told Hyams:

"There wasn't a sudden revelation of what I wanted to do with the rest of my life, but there was an awakening. There's no question that underlying all that were my own religious beliefs. In my own view there's got to be some kind of destiny and I was being spared for something on earth." / Note #1 / Note #3

After having deliberately ignored the relevant dissenting views about the heroism of his patron, Hyams chooses to conclude his book on the following disturbing note:

"When flying his Avenger off the deck of the San Jac, Bush was responsible for his own fate as well as his crewmen's. As President he is responsible for the fate of all Americans as well as that of much of the world."

And that is precisely the problem.

Notes

* Would to the gods that this be the last of his crimes!

1. For details of Bush's Navy career, see Joe Hyams, "Flight of the Avenger: George Bush at War" (New York: Harcourt, Brace, Jovanovitch, 1991), "passim."

2. George Bush and Victor Gold, "Looking Forward," (New York: Doubleday, 1987), p. 36.

3. Hyams, "op. cit.," pp. 106-7.

4. "Ibid.," p. 111.

5. Nicholas King, "George Bush: A Biography" (New York: Dodd, Mead & Company, 1980), pp. 30-31.

6. Fitzhugh Green, "George Bush: An Intimate Portrait" (New York: Hippocrene Books, 1989), pp. 36-37.

7. Richard Ben Cramer, "George Bush: How He Got Here," "Esquire," June 1991.

8. Allan Wolper and Al Ellenberg, "The Day Bush Bailed Out," "New York Post," August 12, 1988, p. 1 "ff."

9. Bush and Gold, "op. cit.," p. 36.

10. "Washington Post," August 7, 1988. For the Skull and Bones Society and its "life history" self-exposure, see Chapter 7.

11. Hyams, "op. cit.," p. 143.

12. Bush and Gold, "op. cit.," pp. 40-41.

13. Hyams, "op. cit.," p. 134.

Correction

Corrections to errors in Chapter 3, in volume 6, No. 1, Jan. 6, 1992:

There was an extraneous footnote ("1") following the first paragraph, which might have made that quote appear to be from George Bush, rather than Hitler. Bush's (similar) quote in fact follows that one.

"After his 1948 graduation ... George Bush flew down to Texas on a corporate jet" should have read "on a corporate aircraft."

The U.S. Navy delivered George Bush back home for good on Christmas Eve 1944; the war in the Pacific raged on over the next half year, with Allied forces taking Southeast Asia, the Netherlands East Indies (Indonesia), and islands such as Iwo Jima and Okinawa.

Barbara Pierce quit Smith College in her sophomore year to marry George. Prescott and Mother Bush gave a splendid prenuptial dinner at the Greenwich Field Club. The wedding took place January 6, 1945, in the Rye, New York Presbyterian Church, as the U.S. Third Fleet bombarded the main Philippine island of Luzon in preparation for invasion. Afterwards there was a glamorous reception for 300 at Appawamis Country Club. The newlyweds honeymooned at The Cloisters, a five-star hotel on Sea Island, Georgia, with swimming, tennis, and golf....

Japan surrendered in August. That fall, George and Barbara Bush moved to New Haven where Bush entered Yale University. He and Barbara moved into an apartment at 37 Hillhouse Avenue, across the street from Yale President Charles Seymour.

College life was good to George, what he saw of it. A college career usually occupies four years. But we know that George Bush is a rapidly moving man. Thus he was pleased with the special arrangement made for veterans, by which Yale allowed him to get his degree after attending

classes for only two and a half years....

In 1947, Barbara gave birth to George W. Bush, Jr.

By the time of his 1948 graduation, he had been elected to Phi Beta Kappa, an honor traditionally associated with academic achievement. Not a great deal is known about George Bush's career at Yale, especially the part about books and studies. Unfortunately for those who would wish to consider his intellectual accomplishment, everything about "that" has been sealed shut and is top secret. The Yale administration says they have turned over to the FBI custody of all of Bush's academic records, allegedly because the FBI needs such access to check the resumes of important office holders.

>From all available testimony, his mental life before college was anything but outstanding. His campaign literature claims that, as a veteran, Bush was "serious" at Yale. But we cannot check exactly how he achieved election to Phi Beta Kappa, in his abbreviated college experience. Without top secret clearance, we cannot consult his test results, read his essays, or learn much about his performance in class. We know that his father was a trustee of the university, in charge of "developmental" fundraising. And his family friends were in control of the U.S. secret services.

A great deal is known, however, about George Bush's "status" at Yale.

His fellow student John H. Chafee, later a U.S. senator from Rhode Island and secretary of the navy, declared: "We didn't see much of him because he was married, but I guess my first impression was that he was -- and I don't mean this in a derogatory fashion -- in the inner set, the movers and shakers, the establishment. I don't mean he put on airs or anything, but .. just everybody knew him."

Chafee, like Bush and Dan Quayle, was in the important national fraternity, Delta Kappa Epsilon (DKE or the "Dekes"). But Chafee says, "I never remember seeing him there. He wasn't one to hang around with the fellows."
/ Note #5

The Tomb

George Bush, in fact, passed his most important days and nights at Yale in the strange companionship of the senior-year Skull and Bones Society. /
Note #6

Out of those few who were chosen for Bones membership, George was the last one to be notified of his selection -- this honor is traditionally reserved

for the highest of the high and mighty.

His father, Prescott Bush, several other relatives and partners, and Roland and Averell Harriman, who sponsored the Bush family, were also members of this secret society....

The order was incorporated in 1856 under the name "Russell Trust Association." By special act of the state legislature in 1943, its trustees are exempted from the normal requirement of filing corporate reports with the Connecticut secretary of state.

As of 1978, all business of the Russell Trust [which founded Skull and Bones] was handled by its lone trustee, Brown Brothers Harriman partner John B. Madden, Jr. Madden started with Brown Brothers Harriman in 1946, under senior partner Prescott Bush, George Bush's father.

Each year, Skull and Bones members select ("tap") 15 third-year Yale students to replace them in the senior group the following year. Graduating members are given a sizeable cash bonus to help them get started in life. Older graduate members, the so-called "Patriarchs," give special backing in business, politics, espionage and legal careers to graduate Bonesmen who exhibit talent or usefulness.

The home of Skull and Bones on the Yale campus is a stone building resembling a mausoleum, and known as "the Tomb." Initiations take place on Deer Island in the St. Lawrence River (an island owned by the Russell Trust Association), with regular reunions on Deer Island and at Yale. Initiation rites reportedly include strenuous and traumatic activities of the new member, while immersed naked in mud, and in a coffin. More important is the "sexual autobiography": The initiate tells the order all the sex secrets of his young life. Weakened mental defenses against manipulation, and the blackmail potential of such information, have obvious permanent uses in enforcing loyalty among members.

The loyalty is intense. One of Bush's former teachers, whose own father was a Skull and Bones member, told our interviewer that his father used to stab his little Skull and Bones pin into his skin to keep it in place when he took a bath.

Members continue throughout their lives to unburden themselves on their psycho-sexual thoughts to their Bones Brothers, even if they are no longer sitting in a coffin. This has been the case with President George Bush, for whom these ties are reported to have a deep personal meaning. Beyond the psychological manipulation associated with freemasonic mummery, there are

very solid political reasons for Bush's strong identification with this cult....

Skull and Bones -- the Russell Trust Association -- was first established among the class graduating from Yale in 1833. Its founder was William Huntington Russell of Middletown, Connecticut. The Russell family was the master of incalculable wealth derived from the largest U.S. criminal organization of the nineteenth century: Russell and Company, the great opium syndicate.

There was at that time a deep suspicion of, and national revulsion against, freemasonry and secret organizations in the United States, fostered in particular by the anti-masonic writings of former U.S. President John Quincy Adams. Adams stressed that those who take oaths to politically powerful international secret societies cannot be depended on for loyalty to a democratic republic.

But the Russells were protected as part of the multiply intermarried grouping of families then ruling Connecticut. The blood-proud members of the Russell, Pierpont, Edwards, Burr, Griswold, Day, Alsop, and Hubbard families were prominent in the pro-British party within the state. Many of their sons would be among the members chosen for the Skull and Bones Society over the years.

Opium and Empire

The background to Skull and Bones is a story of Opium and Empire, and a bitter struggle for political control over the new U.S. republic.

Samuel Russell, second cousin to Bones founder William H., established Russell and Company in 1823. Its business was to acquire opium from Turkey and smuggle it into China, where it was strictly prohibited, under the armed protection of the British Empire.

The prior, predominant American gang in this field had been the syndicate created by Thomas Handasyd Perkins of Newburyport, Massachusetts, an aggregation of the self-styled "bluebloods" or Brahmins of Boston's north shore. Forced out of the lucrative African slave trade by U.S. law and Caribbean slave revolts, leaders of the Cabot, Lowell, Higginson, Forbes, Cushing, and Sturgis families had married Perkins siblings and children. The Perkins opium syndicate made the fortune and established the power of these families, under the direct protection of the British navy and British imperial finance. By the 1830s, the Russells had bought out the Perkins syndicate and made Connecticut the primary center of the U.S. opium racket.

Massachusetts families (Coolidge, Sturgis, Forbes, and Delano) joined Connecticut (Alsop) and New York (Low) smuggler-millionaires under the Russell (and British) auspices....

Samuel and William Huntington Russell were quiet, wary builders of their faction's power. An intimate colleague of opium gangster Samuel Russell wrote this about him:

"While he lived no friend of his would venture to mention his name in print. While in China, he lived for about twenty-five years almost as a hermit, hardly known outside of his factory [the Canton warehouse compound] except by the chosen few who enjoyed his intimacy, and by his good friend, Hoqua [Chinese security director for the East India Company], but studying commerce in its broadest sense, as well as its minutest details. Returning home with well-earned wealth he lived hospitably in the midst of his family, and a small circle of intimates. Scorning words and pretensions from the bottom of his heart, he was the truest and staunchest of friends; hating notoriety, he could always be absolutely counted on for every good work which did not involve publicity."

The Russells' Skull and Bones Society was the most important of their domestic projects "which did not involve publicity."

... Yale was the northern college favored by southern slaveowning would-be aristocrats. Among Yale's southern students were John C. Calhoun, later the famous South Carolina defender of slavery against nationalism, and Judah P. Benjamin, later secretary of state for the slaveowners' Confederacy....

In 1832-33, Skull and Bones was launched under the Russell pirate flag.

Among the early initiates of the order were Henry Rootes Jackson (S&B 1839), a leader of the 1861 "Georgia" Secession Convention and post-Civil War president of the Georgia Historical Society; ... John Perkins, Jr. (S&B 1840), chairman of the 1861 "Louisiana" Secession Convention;... and William Taylor Sullivan Barry (S&B 1841), a national leader of the secessionist wing of the Democratic Party during the 1850s, and chairman of the 1861 "Mississippi" Secession Convention.

Alphonso Taft was a Bonesman alongside William H. Russell in the Class of 1833. As U.S. attorney general in 1876-77, Alphonso Taft helped organize the backroom settlement of the deadlocked 1876 presidential election. The bargain gave Rutherford B. Hayes the presidency (1877-81) and withdrew the U.S. troops from the South, where they had been enforcing blacks' rights.

Alphonso's son, William Howard Taft (S&B 1878), was U.S. President from 1909 to 1913. President Taft's son, Robert Alphonso Taft (S&B 1910), was a leading U.S. senator after World War II; his family's Anglo-Saxon racial/ancestral preoccupation was the disease which crippled Robert Taft's leadership of American nationalist "conservatives."

Leading Bonesmen

Other pre-Civil War Bonesmen were:

/ Note #b|""William M. Evarts "(S&B 1837), Wall Street attorney for British and southern slaveowner projects, collaborator of Taft in the 1876 bargain, U.S. secretary of state 1877-81;

/ Note #b|"Morris R. Waite "(S&B 1837), chief justice of the U.S. Supreme Court 1874-88, whose rulings destroyed many rights of African-Americans gained in the Civil War; he helped his cohorts Taft and Evarts arrange the 1876 presidential settlement scheme to pull the rights-enforcing U.S. troops out of the South;

/ Note #b|"Daniel Coit Gilman "(S&B 1852), co-incorporator of the Russell Trust; founding president of Johns Hopkins University as a great center for the racist eugenics movement;

/ Note #b|"Andrew D. White "(S&B 1853), founding president of Cornell University; psychic researcher; and diplomatic cohort of the Venetian, Russian and British oligarchies;

/ Note #b|"Chauncey M. Depew "(S&B 1856), general counsel for the Vanderbilt railroads, he helped the Harriman family to enter into high society....

/ Note #b|"Irving Fisher "(S&B 1888) became the racist high priest of the economics faculty (Yale professor 1896-1946), and a famous merchant of British Empire propaganda for free trade and reduction of the non-white population. Fisher was founding president of the American Eugenics Society under the financial largesse of Averell Harriman's mother.

/ Note #b|"Gifford Pinchot "(S&B 1889) invented the aristocrats' "conservation" movement. He was President Theodore Roosevelt's chief forester, substituting federal land-control in place of Abraham Lincoln's free-land-to-families farm creation program. Pinchot's British Empire activism included the Psychical Research Society and his vice presidency of the first International Eugenics Congress in 1912....

/ Note #b|"Frederick E. Weyerhaeuser "(S&B 1896), owner of vast tracts of American forest, was a follower of Pinchot's movement, while the Weyerhaeusers were active collaborators of British-South African super-racist Cecil Rhodes. This family's friendship with President George Bush is a factor in the present environmentalist movement.

"Henry L. Stimson" (S&B 1888) was President Taft's secretary of war (1911-13), and President Herbert Hoover's secretary of state (1929-33). As secretary of war (1940-45), Stimson pressed President Truman to drop the atomic bomb on the Japanese. This decision involved much more than merely "pragmatic" military considerations. These Anglophiles, up through George Bush, have opposed the American republic's tradition of alliance with national aspirations in Asia. And they worried that the invention of nuclear energy would too powerfully unsettle the world's toleration for poverty and misery. Both the United States and the atom had better be dreaded, they thought.

The present century owes much of its record of horrors to certain Anglophile American families which have employed Skull and Bones as a political recruiting agency, particularly the Harrimans, Whitneys, Vanderbilts, Rockefellers and their lawyers, the Lords and Tafts and Bundys.

The politically aggressive Guaranty Trust Company, run almost entirely by Skull and Bones initiates, was a financial vehicle of these families in the early 1900s. Guaranty Trust's support for the Bolshevik and Nazi revolutions overlapped the more intense endeavors in these fields by the Harrimans, George Walker, and Prescott Bush a few blocks away, and in Berlin.

Skull and Bones was dominated from 1913 onward by the circles of Averell Harriman. They displaced remaining traditionalists such as Douglas MacArthur from power in the United States.

For George Bush, the Skull and Bones Society is more than simply the British, as opposed to the American, strategic tradition. It is merged in the family and personal network within which his whole life has been, in a sense, handed to him prepackaged.

Britain's Yale Flying Unit

During Prescott Bush's student days, the Harriman set at Yale decided that World War I was sufficiently amusing that they ought to get into it as

recreation. They formed a special Yale Unit of the Naval Reserve Flying Corps, at the instigation of "F. Trubee Davison". Since the United States was not at war, and the Yale students were going to serve Britain, the Yale Unit was privately and lavishly financed by F. Trubee's father, Henry Davison, the senior managing partner at J.P. Morgan and Co. (the official financial agency for the British government in the United States). The Yale Unit's leader was amateur pilot Robert A. Lovett. They were based first on Long Island, New York, then in Palm Beach, Florida.

The Yale Unit has been described by Lovett's family and friends in a collective biography of the Harriman set:

"Training for the Yale Flying Unit was not exactly boot camp. Davison's father ... helped finance them royally, and newspapers of the day dubbed them "the millionaires' unit." They cut rakish figures, and knew it; though some dismissed them as diletantes, the hearts of young Long Island belles fluttered at the sight....

"[In] Palm Beach ... they ostentatiously pursued a relaxed style. 'They were rolled about in wheel chairs by African slaves amid tropical gardens and coconut palms,' wrote the unit's historian.... 'For light exercise, they learned to glance at their new wristwatches with an air of easy nonchalance'.... [Lovett] was made chief of the unit's private club, the Wags, whose members started their sentences, 'Being a Wag and therefore a superman'....

"Despite the snide comments of those who dismissed them as frivolous rich boys, Lovett's unit proved to be daring and imaginative warriors when they were dispatched for active duty in 1917 with Britain's Royal Naval Air Service." / Note #7

Lovett was transferred to the U.S. Navy after the United States joined Britain in World War I.

The Yale Flying Unit was the glory of Skull and Bones. Roland Harriman, Prescott Bush, and their 1917 Bonesmates selected for 1918 membership in the secret order these Yale Flying Unit leaders: "Robert Lovett, F. Trubee Davison, Artemus Lamb Gates," and "John Martin Vorys." Unit flyers "David Sinton Ingalls" and F. Trubee's brother, "Harry P. Davison" (who became Morgan vice chairman), were tapped for the 1920 Skull and Bones.

Lovett did not actually have a senior year at Yale: "He was tapped for Skull and Bones not on the Old Campus but at a naval station in West Palm Beach; his initiation, instead of being conducted in the 'tomb' on High

Street, occurred at the headquarters of the Navy's Northern Bombing Group between Dunkirk and Calais." / Note #8

Some years later, Averell Harriman gathered Lovett, Prescott Bush, and other pets into the utopian oligarchs' community a few miles to the north of Palm Beach, called Jupiter Island.

British Empire loyalists flew right from the Yale Unit into U.S. strategy-making positions:

/ Note #b|"F. Trubee Davison was assistant U.S. secretary of war for air from 1926 to 1933. David S. Ingalls (on the board of Jupiter Island's Pan American Airways) was meanwhile assistant secretary of the navy for aviation (1929-32). Following the American Museum of Natural History's Hitlerite 1932 eugenics congress, Davison resigned his government Air post to become the museum's president. Then, under the Harriman-Lovett national security regime of the early 1950s, F. Trubee Davison became director of personnel for the new Central Intelligence Agency.

/ Note #b|"Robert Lovett was assistant secretary of war for Air from 1941-45.

/ Note #b|"Lovett's 1918 Bonesmate, Artemus Gates (chosen by Prescott and his fellows), became assistant navy secretary for air in 1941. Gates retained this post throughout the war until 1945. Having a man like Gates up there, who owed his position to Averell, Bob, Prescott, and their set, was quite reassuring to young naval aviator George Bush; especially so, when Bush would have to worry about the record being correct concerning his controversial fatal crash.

Other Important Bonesmen

/ Note #b|"Richard M. Bissell, Jr." was a very important man to the denizens of Jupiter Island.

He graduated from Yale in 1932, the year after the Harrimanites bought the island. Though not in Skull and Bones, Bissell was the younger brother of William Truesdale Bissell, a Bonesman from the class of 1925. Their father, Connecticut insurance executive Richard M. Bissell, Sr., was a powerful Yale alumnus, and the director of the Neuro-Psychiatric Institute of the Hartford Retreat for the Insane. There, in 1904, Yale graduate Clifford Beers underwent mind-destroying treatment which led this mental patient to found the Mental Hygiene Society, a Yale-based Skull and Bones project. This would evolve into the CIA's cultural engineering effort of the 1950s, the drugs and brainwashing adventure known as "MK-Ultra."

Richard M. Bissell, Jr. studied at the London School of Economics in 1932 and 1933, and taught at Yale from 1935 to 1941. He worked as an assistant or adviser to Averell Harriman in various government posts between 1942 and 1952, participating in the Harriman clique's takeover of the Truman administration.

Bissell then joined F. Trubee Davison at the Central Intelligence Agency. When Allen Dulles became CIA director in 1953, Bissell was one of his three aides. The great anti-Castro covert initiative of 1959-61 was supervised by an awesome array of Harriman agents -- and the detailed management of the invasion of Cuba, and of the assassination planning, and the training of the squads for these jobs, was given into the hands of Richard M. Bissell, Jr.

This 1961 invasion failed. President Kennedy refused to give air cover at the Bay of Pigs. Fidel Castro survived the widely discussed assassination plots against him. But the initiative succeeded in what was probably its core purpose: to organize a force of multi-use professional assassins.

The Florida-trained killers stayed in business under the leadership of Ted Shackley. They were all around the assassination of President Kennedy in 1963. They kept going with the Operation Phoenix mass murder of Vietnamese civilians, with Middle East drug and terrorist programs, and with George Bush's Contra wars in Central America.

/ Note #b|""Harvey Hollister Bundy" (S&B 1909) was Henry L. Stimson's assistant secretary of state (1931-33); then he was Stimson's special assistant secretary of war, alongside Assistant Secretary Robert Lovett of Skull and Bones and Brown Brothers Harriman.

Harvey's son "William P. Bundy" (S&B 1939) was a CIA officer from 1951 to 1961; as a 1960s defense official, he pushed the Harriman-Dulles scheme for a Vietnam war. Harvey's other son, "McGeorge Bundy" (S&B 1940) coauthored Stimson's memoirs in 1948. As President John Kennedy's director of national security, McGeorge Bundy organized the whitewash of the Kennedy assassination, and immediately switched the U.S. policy away from the Kennedy pullout and back toward war in Vietnam.

/ Note #b|"There was also "Henry Luce," a Bonesman of 1920 with David Ingalls and Harry Pomeroy. Luce published "Time" magazine, where his ironically named "American Century" blustering was straight British Empire doctrine: Bury the republics, hail the Anglo-Saxon conquerors.

/ Note #b|""William Sloane Coffin," tapped for 1949 Skull and Bones by George Bush and his Bone companions, was from a long line of Skull and Bones Coffins. William Sloane Coffin was famous in the Vietnam War protest days as a leader of the left protest against the war. Was the fact that he was an agent of the Central Intelligence Agency embarrassing to William Sloane?

This was no contradiction. His uncle, the Reverend Henry Sloane Coffin (S&B 1897), had also been a "peace" agitator, and an oligarchical agent. Uncle Henry was for 20 years president of the Union Theological Seminary, whose board chairman was Prescott Bush's partner Thatcher Brown. In 1937, Henry Coffin and John Foster Dulles led the U.S. delegation to England to found the "World Council of Churches", as a "peace movement" guided by the pro-Hitler faction in England.

The Coffins have been mainstays of the liberal death lobby for euthanasia and eugenics. The Coffins outlasted Hitler, arriving into the CIA in 1950s.

/ Note #b|"Amory Howe Bradford" (S&B 1934) married Carol Warburg Rothschild in 1941. Carol's mother, Carola, was the acknowledged head of the Warburg family in America after World War II. This family had assisted the Harrimans' rise into the world in the nineteenth and early twentieth centuries; in concert with the Sulzbergers at the "New York Times," they had used their American Jewish Committee and B'nai Brith to protect the Harriman-Bush deals with Hitler.

This made it nice for Averell Harriman, just like family, when Amory Howe worked on the Planning Group of Harriman's NATO secretariat in London, 1951-52. Howe was meanwhile assistant to the publisher of the "New York Times," and went on to become general manager of the "Times."

Thus, we could be assured of "responsible news coverage," with due emphasis on the necessary role of "moderates" named Harriman and Bush.

/ Note #b|Other modern Bonesmen have been closely tied to George Bush's career. "George Herbert Walker, Jr." (S&B 1927) was the President's uncle and financial angel. In the 1970s he sold G.H. Walker & Co. to White, Weld & Co. and became a vice president of White, Weld; company heir William Weld, the original federal prosecutor of Lyndon LaRouche and current Massachusetts governor, is an active Bush Republican.

Publisher "William F. Buckley" (S&B 1950) had a family oil business in Mexico. There, Buckley was a close ally to CIA assassinations manager E. Howard Hunt, whose lethal antics were performed under the eyes of Miami

Station and Jupiter Island.

"David Lyle Boren" (S&B 1963) ... was elected to the U.S. Senate in 1979 and became chairman of the Senate Intelligence Committee.

Though a Democrat (who spoke knowingly of the "parallel government" operating in Iran-Contra), Boren's Intelligence Committee rulings have been (not unexpectedly) more and more favorable to his "Patriarch" in the White House.

Among the traditional artifacts the Skulland collected and maintained within the High Street Tomb are human remains of various derivations. The following concerns one such set of Skull and Bones.

Geronimo, an Apache faction leader and warrior, led a party of warriors on a raid in 1876, after Apaches were moved to the San Carlos Reservation in Arizona territory. He led other raids against U.S. and Mexican forces well into the 1880s; he was captured and escaped many times.

Geronimo became a farmer and joined a Christian congregation. He died at the age of 79 years in 1909, and was buried at Fort Sill, Oklahoma. Three-quarters of a century later, his tribesmen raised the question of getting their famous warrior reinterred back in Arizona.

Ned Anderson was Tribal Chairman of the San Carlos Apache Tribe from 1978 to 1986. This is the story he tells / Note #9:

Around the fall of 1983, the leader of an Apache group in another section of Arizona said he was interested in having the remains of Geronimo returned to his tribe's custody. Taking up this idea, Anderson said that the remains properly belonged to his group as much as to the other Apaches. After much discussion, several Apache groups met at a kind of summit meeting held at Fort Sill, Oklahoma. The army authorities were not favorable to the meeting, and it only occurred through the intervention of the office of the Governor of Oklahoma.

As a result of this meeting, Ned Anderson was written up in the newspapers as an articulate Apache activist. Soon afterwards, in late 1983 or early 1984, a Skull and Bones member contacted Anderson and leaked evidence that Geronimo's remains had long ago been pilfered -- by Prescott Bush, George's father. The informant said that in May of 1918, Prescott Bush and five other officers at Fort Sill desecrated the grave of Geronimo. They took turns on guard while they robbed the grave, taking items including a skull, some other bones, a horse bit and straps. These prizes were taken back to

the Tomb, the home of the Skull and Bones Society at Yale in New Haven, Connecticut. They were put into a display case, which members and visitors could easily view upon entry to the building.

The informant provided Anderson with photographs of the stolen remains, and a copy of a Skull and Bones log book in which the 1918 grave robbery had been recorded. "The informant said that Skull and Bones members used the pilfered remains in performing some of their Thursday and Sunday night rituals, with Geronimo's skull sitting out on a table in front of them"....

Through an attorney, Anderson asked the FBI to move into the case. The attorney conveyed to him the Bureau's response: If he would turn over every scrap of evidence to the FBI, and completely remove himself from the case, they would get involved. He rejected this bargain, since it did not seem likely to lead towards recovery of Geronimo's remains.

Due to his persistence, he was able to arrange a September, 1986 Manhattan meeting with Jonathan Bush, George Bush's brother. Jonathan Bush vaguely assured Anderson that he would get what he had come after, and set a followup meeting for the next day. But Bush stalled -- Anderson believes this was to gain time to hide and secure the stolen remains against any possible rescue action.

The Skull and Bones attorney representing the Bush family and managing the case was Endicott Peabody Davison. His father was the F. Trubee Davison mentioned above, who had been president of New York's American Museum of Natural History, and personnel director for the Central Intelligence Agency. The attitude of this Museum crowd has long been that "Natives" should be stuffed and mounted for display to the Fashionable Set.

Finally, after about 11 days, another meeting occurred. A display case was produced, which did in fact match the one in the photograph the informant had given to Anderson. But the skull he was shown was that of a ten-year-old child, and Anderson refused to receive it or to sign a legal document promising to shut up about the matter.

Anderson took his complaint to Arizona Congressmen Morris Udall and John McCain III, but with no results. George Bush refused Congressman McCain's request that he meet with Anderson.

Anderson wrote to Udall, enclosing a photograph of the wall case and skull at the "Tomb," showing a black and white photograph of the living Geronimo, which members of the Order had boastfully posted next to their display of his skull. Anderson quoted from a Skull and Bones Society

internal history, entitled "Continuation of the History of Our Order for the Century Celebration, 17 June 1933, by The Little Devil of D'121."

"From the war days [W.W. I] also sprang the mad expedition from the School of Fire at Fort Sill, Oklahoma, that brought to the T[omb] its most spectacular 'crook,' the skull of Geronimo the terrible, the Indian Chief who had taken forty-nine white scalps. An expedition in late May, 1918, by members of four [graduating-class years of the Society], Xit D.114, Barebones, Caliban and Dingbat, D.115, S'Mike D.116, and Hellbender D.117, planned with great caution since in the words of one of them: 'Six army captains robbing a grave wouldn't look good in the papers.'

The stirring climax was recorded by Hellbender in the Black Book of D.117: '... The ring of pick on stone and thud of earth on earth alone disturbs the peace of the prairie. An axe pried open the iron door of the tomb, and Pat[riarch] Bush entered and started to dig. We dug in turn, each on relief taking a turn on the road as guards.... Finally Pat[riarch] Ellery James turned up a bridle, soon a saddle horn and rotten leathers followed, then wood and then, at the exact bottom of the small round hole, Pat[riarch] James dug deep and pried out the trophy itself....

We quickly closed the grave, shut the door and sped home to Pat[riarch] Mallon's room, where we cleaned the Bones. Pat[riarch] Mallon sat on the floor liberally applying carbolic acid. The Skull was fairly clean, having only some flesh inside and a little hair. I showered and hit the hay ... a happy man...." / Note #1 / Note #0

The other grave robber whose name is given, Ellery James, we encountered in Chapter One -- he was to be an usher at Prescott's wedding three years later. And the fellow who applied acid to the stolen skull, burning off the flesh and hair, was "Neil Mallon." Years later, Prescott Bush and his partners chose Mallon as chairman of Dresser Industries; Mallon hired Prescott's son, George Bush, for George's first job; and George Bush named his son, "Neil Mallon Bush," after the flesh-picker.

In 1988 the "Washington Post" ran an article entitled "Skull for Scandal: Did Bush's Father Rob Geronimo's Grave?" There was a small quote from the 1933 Skull and Bones "History of Our Order": "An axe pried open the iron door of the tomb, and ... Bush entered and started to dig...." and so forth, but neglected to include other names beside Bush.

According to the "Washington Post," the document which Bush attorney Davison tried to get the Apache leader to sign, stipulated that Anderson agreed it would be "inappropriate for you, me [Jonathan Bush] or anyone in

association with us to make or permit any publication in connection with this transaction." Anderson called the document "very insulting to Indians." Davison claimed later that the Order's own history book is a hoax, but during the negotiations with Anderson, Bush's attorney demanded Anderson give up his copy of the book. / Note #1 / Note #1

Bush crony Fitzhugh Green gives the view of the President's backers on this affair, and conveys the arrogant racial attitude typical of Skull and Bones:

"Prescott Bush had a colorful side. In 1988 the press revealed the complaint of an Apache leader about Bush. This was Ned Anderson of San Carlos, Oklahoma [sic], who charged that as a young army officer Bush stole the skull of Indian Chief [sic] Geronimo and had it hung on the wall of Yale's Skull and Bones Club. After exposure of 'true facts' by Anderson, and consideration by some representatives in Congress, the issue faded from public sight. Whether or not this alleged skullduggery actually occurred, "the mere idea casts the senior Bush in an adventurous light"" / Note #1 / Note #2 [emphasis added].

George Bush's crowning as a Bonesman was intensely, personally important to him....

Survivors of his 1948 Bones group were interviewed for a 1988 "Washington Post" campaign profile of George Bush. The members described their continuing intimacy with and financial support for Bush up through his 1980s vice presidency. Their original sexual togetherness at Yale is stressed:

The relationships that were formed in the "Tomb" ... where the Society's meetings took place each Thursday and Sunday night during the academic year, have had a strong place in Bush's life, according to all 11 of his fellow Bonsemen who are still alive.

Several described in detail the ritual in the organization that builds the bonds. Before giving his life history, each member had to spend a Sunday night reviewing his sex life in a talk known in the Tomb as CB, or "connubial bliss"....

"The first time you review your sex life.... We went all the way around among the 15, said Lucius H. Biglow Jr., a retired Seattle attorney. "That way you get everybody committed to a certain extent.... It was a gradual way of building confidence."

The sexual histories helped break down the normal defenses of the members, according to several of the members from his class. William J. Connelly Jr. ... said, "In Skull and Bones we all stand together, 15 brothers under the skin. [It is] the greatest allegiance in the world.".... / Note #1 / Note #3

- Notes -

5. Fitzhugh Green, "George Bush: An Intimate Portrait", (New York: Hippocrene Books, 1989), p. 48.

6. Among the sources used for this section are:

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Ron Chernow, "The House of Morgan: An American Banking Dynasty and the Rise of Modern Finance", (New York: Atlantic Monthly Press, 1990).

Anthony C. Sutton, "How the Order Creates War and Revolution", (Phoenix: Research Publications, Inc., 1984).

Anthony C. Sutton, "America's Secret Establishment: An Introduction to the Order of Skull and Bones", (Billings, Mt.: Liberty House Press, 1986).

Anton Chaitkin, "Treason in America: From Aaron Burr to Averell Harriman", second edition, (New York: New Benjamin Franklin House, 1985).

Anton Chaitkin, "Station Identification: Morgan, Hitler, NBC," "New Solidarity", Oct. 8, 1984.

Interviews with Bones members and their families.

7. Walter Isaacson and Evan Thomas, "The Wise Men: Six Friends and the World They Made -- Acheson, Bohlen, Harriman, Kennan, Lovett, McCloy", (New York: Simon and Schuster, 1986), p. 90-91.

8. "Ibid.", p. 93.

9. Interview with Ned Anderson, Nov. 6, 1991.
10. Quoted in Ned Anderson to Anton Chaitkin, Dec. 2, 1991, in possession of the present authors.
11. Article by Paul Brinkley-Rogers of the "Arizona Republic", in the "Washington Post", Oct. 1, 1988.
12. Green, "op. cit.", p. 50.
13. Bob Woodward and Walter Pincus, "Bush Opened Up To Secret Yale Society," "Washington Post", August 7, 1988.

Chapter 8

THE PERMIAN BASIN GANG, 1948-59

Pecunia non olet. [Money doesn't smell.]

-- Vespasian During the years following the Second World War, the patrician families of the Eastern Anglophile Liberal Establishment sent numbers of their offspring to colonize those geographic regions of the United States which, the families estimated, were likely to prosper in the postwar period. On the surface, this appears as a simple reflex of greed: Cadet sons were dispatched to those areas of the provinces where their instinctive methods of speculation and usury could be employed to parasitize emerging wealth. More fundamentally, this migration of young patrician bankers answered the necessity of political control.

The Eastern Establishment, understood as an agglomeration of financier factions headquartered in Wall Street, had been the dominant force in American politics since J.P. Morgan had bailed out the Grover Cleveland regime in the 1890s. Since the assassination of William McKinley and the advent of Theodore Roosevelt, the power of the Wall Street group had grown continuously. The Eastern Establishment may have had its earliest roots north of Boston and in the Hudson River Valley, but it was determined to be, not a mere regional financier faction, but the undisputed ruling elite of the United States as a whole, from Boston to Bohemian Grove and from Palm Beach to the Pacific Northwest. It was thus imperative that the constant tendency toward the formation of regional factions be preempted by the pervasive presence of men bound by blood loyalty to the dominant cliques of Washington, New York, and the "mother country," the City of London.

If the Eastern Liberal Establishment were thought of as a cancer, then after 1945 that cancer went into a new phase of malignant metastasis, infecting every part of the American body politic. George Bush was one of those motile, malignant cells. He was not alone; Robert Mosbacher also made the journey from New York to Texas, in Mosbacher's case directly to Houston.

The various sycophant mythographers who have spun their yarns about the life of George Bush have always attempted to present this phase of Bush's life as the case of a fiercely independent young man who could have gone straight to the top in Wall Street by trading on father Prescott's name and connections, but who chose instead to strike out for the new frontier among the wildcatters and roughnecks of the west Texas oil fields and become a self-made man.

As George Bush himself recounted in a 1983 interview, "If I were a psychoanalyst, I might conclude that I was trying to, not compete with my father, but do something on my own. My stay in Texas was no Horatio Alger thing, but moving from New Haven to Odessa just about the day I graduated was quite a shift in lifestyle." / Note #1

These fairy tales from the "red Studebaker" school seek to obscure the facts: that Bush's transfer to Texas was arranged from the top by Prescott's Brown Brothers Harriman cronies, and that every step forward made by Bush in the oil business was assisted by the capital resources of our hero's maternal uncle, George Herbert Walker, Jr., "Uncle Herbie," the boss of G.H. Walker & Co. investment firm of Wall Street. Uncle Herbie had graduated from Yale in 1927, where he had been a member of Skull and Bones. This is the Uncle Herbie who will show up as lead investor and member of the board of Bush-Overbey oil, of Zapata Petroleum, and of Zapata Offshore after 1959...

Father Prescott procured George not one job, but two, in each case contacting cronies who depended at least partially on Brown Brothers Harriman for business.

One crony contacted by father Prescott was "Ray Kravis," who was in the oil business in Tulsa, Oklahoma. Oklahoma had experienced a colossal oil boom between the two world wars, and Ray Kravis had cashed in, building up a personal fortune of some \$25 million. Ray was the son of a British tailor whose father had come to America and set up a haberdashery in Atlantic City, New Jersey. Young Ray Kravis had arrived in Tulsa in 1925, in the midst of the oil boom that was making the colossal fortunes of men like J. Paul Getty. Ray Kravis was primarily a tax accountant, and he had invented

a very special tax shelter which allowed oil properties to be "packaged" and sold in such a way as to reduce the tax on profits earned from the normal oil property rate of 81 percent to a mere 15 percent. This meant that the national tax base was eroded, and each individual taxpayer bilked, in order to subsidize the formation of immense private fortunes; this will be found to be a constant theme among George Bush's business associates down to the present day.

Ray Kravis's dexterity in setting up these tax shelters attracted the attention of Joseph P. Kennedy, the bucaneeering bootlegger, entrepreneur, political boss and patriarch of the Massachusetts Kennedy clan. For many years Ray Kravis functioned as the manager of the Kennedy family fortune (or fondo), the same job that later devolved to Stephen Smith. Ray Kravis and Joe Kennedy both wintered in Palm Beach, where they were sometimes golf partners. / Note #2

In 1948-49, father Prescott was the managing partner of Brown Brothers Harriman. Prescott knew Ray Kravis as a local Tulsa finance mogul and wheeler-dealer, who was often called upon by Wall Street investment houses as a consultant to evaluate the oil reserves of various companies. The estimates that Ray Kravis provided often involved the amount of oil in the ground that these firms possessed, and these estimates went to the heart of the oil business as a ground-rent exploitation in which current oil production was far less important than the reserves still beneath the soil.

Such activity imparted the kind of primitive-accumulation mentality that was later seen to animate Ray Kravis's son Henry. During the 1980s, as we will see, Henry Kravis personally generated some \$58 billion in debt for the purpose of acquiring 36 companies and assembling the largest corporate empire, in paper terms, of all time. Henry Kravis would be one of the leaders of the leveraged buyout gang which became a mainstay of the political machine of George Bush....

So father Prescott asked Ray if he had a job for young George. The answer was, of course he did.

But in the meantime, Prescott Bush had also been talking with another crony beholden to him, "Henry Neil Mallon," who was the president and chairman of the board of Dresser Industries, a leading manufacturer of drill bits and related oil well drilling equipment. Dresser had been incorporated in 1905 by Solomon R. Dresser, but had been bought up and reorganized by W.A. Harriman & Co. in 1928-29.

Henry Neil Mallon, for whom the infamous Neil Mallon Bush of Hinckley and

Silverado fame is named, came from a Cincinnati family who were traditional retainers for the Taft clan, in the same way that the Bush-Walker family were retainers for the Harrimans. As a child, Neil Mallon had gone with his family to visit their close friends, President William Howard Taft and his family, at the White House. Mallon had then attended the Taft School in Watertown, Connecticut, and had gone on to Yale University in the fall of 1913, where he met Bunny Harriman, Prescott Bush, Knight Wooley, and the other Bonesmen.

As we recall from the previous chapter: the society's internal history boasted that in 1918, Mallon burned the flesh and hair off the skull of Geronimo, which Prescott Bush and his friends stole from the despoiled grave at Fort Sill, Oklahoma.

One day in December 1928, Bunny Harriman, father Prescott and Knight Wooley were sitting around the Harriman counting house discussing their reorganization of Dresser Industries. Mallon, who was returning to Ohio after six months spent mountaineering in the Alps, came by to visit. At a certain point in the conversation, Bunny pointed to Mallon and exclaimed, "Dresser! Dresser!" Mallon was subsequently interviewed by George Herbert Walker, the president of W.A. Harriman & Co. As a result of this interview, Mallon was immediately made president of Dresser, although he had no experience in the oil business. Mallon clearly owed the Walker-Bush clan some favors. / Note #3

Prescott Bush had become a member of the board of directors of Dresser Industries in 1930, in the wake of the reorganization of the company, which he had personally helped to direct. Prescott Bush was destined to remain on the Dresser board for 22 years, until 1952, when he entered the United States Senate. Father Prescott was thus calling in a chit which procured George a second job offer, this time with Dresser Industries or one of its subsidiaries.

George Bush knew that the oil boom in Oklahoma had passed its peak, and that Tulsa would no longer offer the sterling opportunities for a fast buck it had presented 20 years earlier. Dresser, by contrast, was a vast international corporation, ideally suited to gaining a rapid overview of the oil industry and its looting practices. George Bush accordingly called Ray Kravis and, in the ingratiating tones he was wont to use as he clawed his way toward the top, said that he wished respectfully to decline the job that Kravis had offered him in Tulsa. His first preference was to go to work for Dresser. Ray Kravis, who looked to Prescott for business, released him at once. "I know George Bush well," said Ray Kravis years later. "I've known him since he got out of school. His father was a very good friend of

mine." / Note #4

Bush in Odessa

This is the magic moment in which all the official Bush biographies show our hero riding into Odessa, Texas in the legendary red Studebaker, to take up a post as an equipment clerk and trainee for the Dresser subsidiary IDECO (International Derrick and Equipment Company).

But the red Studebaker myth, as already noted, misrepresents the facts. According to the semi-official history of Dresser Industries, George Bush was first employed by Dresser at their corporate headquarters in Cleveland, Ohio, where he worked for Dresser executive R.E. Reimer, an ally of Mallon. / Note #5 This stint in Cleveland is hardly mentioned by the pro-Bush biographers, making us wonder what is being covered up. On the same page that relates these interesting facts, there is a picture that shows father Prescott, Dorothy, Barbara Bush, and George holding his infant son George Walker Bush. Young George W. is wearing cowboy boots. They are all standing in front of a Dresser Industries executive airplane, apparently a DC-3. Could this be the way George really arrived in Odessa?

The Dresser history also has George Bush working for Pacific Pumps, another Dresser subsidiary, before finally joining IDECO. According to Bush's campaign autobiography, he had been with IDECO for a year in Odessa, Texas before being transferred to work for Pacific Pumps in Huntington Park and Bakersfield, California. Bush says he worked at Huntington Park as an assemblyman, and it was here that he claims to have joined the United Steelworkers Union, obtaining a union card that he will still pull out when confronted for his long history of union-busting, as for example when he was heckled at a shipyard in Portland, Oregon during the 1988 campaign. Other accounts place Bush in Ventura, Compton and "Richard Nixon's home town of Whittier" during this same period. / Note #6

If Bush actually went to California first and only later to Odessa, he may be lying in order to stress that he chose Texas as his first choice, a distortion that may have been concocted very early in his political career to defend himself against the constant charge that he was a carpetbagger.

Odessa, Texas, and the nearby city of Midland were both located in the geological formation known as the "Permian Basin," the scene of an oil boom that developed in the years after the Second World War. Odessa at this time was a complex of yards and warehouses, where oil drilling equipment was brought for distribution to the oil rigs that were drilling all over the landscape.

At IDECO, Bush worked for supervisor Bill Nelson, and had one Hugh Evans among his co-workers. Concerning this period, we are regaled with stories about how Bush and Barbara moved into a shotgun house, an apartment that had been divided by a partition down the middle, with a bathroom they shared with a mother and daughter prostitute team. There was a pervasive odor of gas, which came not from a leak in the oven, but from nearby oil wells where the gas was flared off. George and Barbara were to spend some time slumming in this setting. But Bush was anxious to ingratiate himself with the roughnecks and roustabouts; he began eating the standard Odessa diet of a bowl of chili with crackers and beer for lunch, and chicken-fried steak for dinner. Perhaps his affected liking for country and western music and pork rinds, and other public relations ploys go back to this time. Bush is also fond of recounting the story of how, on Christmas Eve, 1948, he got drunk during various IDECO customer receptions and passed out, dead drunk, on his own front lawn, where he was found by Barbara. George Bush, we can see, is "truly a regular guy."

According to the official Bush version of events, George and "Bar" peregrinated during 1949 far from their beloved Texas to various towns in California where Dresser had subsidiaries. Bush claims that he drove 1,000 miles a week through the Carrizo Plains and the Cuyama Valley. Some months later they moved to Midland, another tumbleweed town in west Texas. Midland offered the advantage of being the location of the west Texas headquarters of many of the oil companies that operated in Odessa and the surrounding area....

The Bush social circle in Odessa was hardly composed of oil field roughnecks. Rather, their peer group was composed more of the sorts of people they had known in New Haven: a clique of well-heeled recent graduates of prestigious eastern colleges who had been attracted to the Permian Basin in the same way that Stanford, Hopkins, Crocker and their ilk were attracted to San Francisco during the gold rush. Here were Toby Hilliard, John Ashmun, and Pomeroy Smith, all from Princeton. Earle Craig had been at Yale. Midland thus boasted a Yale Club and a Harvard Club and a Princeton Club. The natives referred to this clique as "the Yalies." Also present on the scene in Midland were J. Hugh Liedtke and William Liedtke, who had grown up in Oklahoma, but who had attended college at Amherst in Massachusetts.

Many of these individuals had access to patrician fortunes back East for the venture capital they mobilized behind their various deals. Toby Hilliard's full name was "Harry Talbot Hilliard" of Fox Chapel near Pittsburgh, where the Mellons had their palatial residence. "Earle Craig"

was also hooked up to big money in the same area. The "Liedtke brothers," as we will see, had connections to the big oil money that had emerged around Tulsa. Many of these "Yalies" also lived in the Easter Egg Row neighborhood. A few houses away from George Bush there lived a certain "John Overbey." According to Overbey, the "people from the East and the people from Texas or Oklahoma all seemed to have two things in common. They all had a chance to be stockbrokers or investment bankers. And they all wanted to learn the oil business instead." / Note #7

The Landman

Overbey made his living as a landman. Since George Bush would shortly also become a landman, it is worth investigating what this occupation actually entails; in doing so, we will gain a permanent insight into Bush's character. The role of the landman in the Texas oil industry was to try to identify properties where oil might be found, sometimes on the basis of leaked geological information, sometimes after observing that one of the major oil companies was drilling in the same locale. The landman would scout the property, and then attempt to get the owner of the land to sign away the mineral rights to the property in the form of a lease. If the property owner were well informed about the possibility that oil might in fact be found on his land, the price of the lease would obviously go up, because signing away the mineral rights meant that the income (or "royalties") from any oil that might be found would never go to the owner of the land.

A cunning landman would try to gather as much insider information as he could and keep the rancher as much in the dark as possible. In rural Texas in the 1940s, the role of the landman could rather easily degenerate into that of the ruthless, money-grubbing con artist, who would try to convince an ill-informed and possibly ignorant Texas dirt farmer, who was just coming up for air after the great depression, that the chances of finding oil on his land were just about zero, and that even a token fee for a lease on the mineral rights would be eminently worth taking.

Once the farmer or rancher had signed away his right to future oil royalties, the landman would turn around and attempt to "broker" the lease by selling it at an inflated price to a major oil company that might be interested in drilling, or to some other buyer. There was a lively market in such leases in the restaurant of the Scharbauer Hotel in Midland, where maps of the oil fields hung on the walls and oil leases could change hands repeatedly in the course of a single day. Sometimes, if a landman were forced to sell a lease to the mineral rights of land where he really thought there might be oil, he would seek to retain an override, perhaps

amounting to a sixteenth or a thirty-second of the royalties from future production. But that would mean less cash or even no cash received now, and small-time operators like Overbey, who had no capital resources of their own, were always strapped for cash. Overbey was lucky if he could realize a profit of a few hundred dollars on the sale of a lease.

This form of activity clearly appealed to the mean-spirited and the greedy, to those who enjoyed rooking their fellowman. It was one thing for Overbey, who may have had no alternative to support his family. It was quite another thing for George Herbert Walker Bush, a young plutocrat out slumming. But Bush was drawn to the landman and royalty game, so much so that he offered to raise capital back East if Overbey would join him in a partnership. / Note #8

Overbey accepted Bush's proposition that they capitalize a company that would trade in the vanished hopes of the ranchers and farmers of northwest Texas. Bush and Overbey flew back East to talk with Uncle Herbie in the oak-paneled board room of G.H. Walker & Co. in Wall

Street. According to "Newsweek," "Bush's partner, John Overbey, still remembers the dizzying whirl of a money-raising trip to the East with George and Uncle Herbie: lunch at New York's 21 Club, weekends at Kennebunkport where a bracing Sunday dip in the Atlantic off Walker's Point ended with a servant wrapping you in a large terry towel and handing you a martini." / Note #9

The result of the odyssey back East was a capital of \$300,000, much of it gathered from Uncle Herbie's clients in the City of London, who were of course delighted at the prospect of parasitizing Texas ranchers. One of those eager to cash in was "Jimmy Gammell" of Edinburgh, Scotland, whose Ivory and Sime counting house put up \$50,000 from its Atlantic Asset Trust. Gammell's father had been head of the British military mission in Moscow in 1945, part of the Anglo-American core group there with U.S. Ambassador Averell Harriman. James Gammell is today the eminence grise of the Scottish investment community, and he has retained a close personal relation to Bush over the years. Mark this Gammell well; he will return to our narrative shortly.

"Eugene Meyer," the owner of the "Washington Post" and the father of that paper's present owner, Katharine Meyer Graham, anted up an investment of \$50,000 on the basis of the tax-shelter capabilities promised by Bush-Overbey. Meyer, a president of the World Bank, also procured an investment from his son-in-law Phil Graham for the Bush venture. Father Prescott Bush was also counted in, to the tune of about \$50,000. In the

days of real money, these were considerable sums. The London investors got shares of stock in the new company, called Bush-Overbey, as well as Bush-Overbey bonded debt. Bush and Overbey moved into an office on the ground floor of the Petroleum Building in Midland.

The business of the landman, it has been pointed out, rested entirely on personal relations and schmooze. One had to be a dissembler and an intelligencer. One had to learn to cultivate friendships with the geologists, the scouts, the petty bureaucrats at the county court house where the land records were kept, the journalists at the local paper, and with one's own rivals, the other landmen, who might invite someone with some risk capital to come in on a deal. Community service was an excellent mode of ingratiation, and George Bush volunteered for the Community Chest, the YMCA, and the Chamber of Commerce. It meant small talk about wives and kids, attending church -- deception postures that in a small town had to pervade the smallest details of one's life.

It was at this time in his life that Bush seems to have acquired the habit of writing ingratiating little personal notes to people he had recently met, a habit that he would use over the years to cultivate and maintain his personal network. Out of all this ingratiating Babbity and boosterism would come acquaintances and the bits of information that could lead to windfall profits.

There had been a boom in Scurry County, but that was subsiding. Bush drove to Pyote, to Snyder, to Sterling City, to Monahans, with Rattlesnake Air Force Base just outside of town. How many Texas ranchers can remember selling their mineral rights for a pittance to smiling George Bush, and then having oil discovered on the land, oil from which their family would never earn a penny?

Across the street from Bush-Overbey were the offices of Liedtke & Liedtke, Attorneys-at-law. "J. Hugh Liedtke" and "William Liedtke" were from Tulsa, Oklahoma, where they, like Bush, had grown up rich, as the sons of a local judge who had become one of the top corporate lawyers for Gulf Oil. The Liedtkes' grandfather had come from Prussia, but had served in the Confederate Army. J. Hugh Liedtke had found time along the way to acquire the notorious Harvard Master of Business Administration degree in one year. After service in the Navy during World War II, the Liedtkes obtained law degrees at the University of Texas law school, where they rented the servants' quarters of the home of U.S. Senator Lyndon B. Johnson, who was away in Washington most of the time...

The Liedtkes combined the raw, uncouth primitive accumulation mentality of

the oil boom town with the refined arts of usury and speculation as Harvard taught them. Their law practice was such in name only; their primary and almost exclusive activity was buying up royalty leases on behalf of a moneybags in Tulsa who was a friend of their family...

Hugh Liedtke was always on the lookout for the Main Chance. Following in the footsteps of his fellow Tulsan Ray Kravis, Hugh Liedtke schemed and schemed until he had found a way to go beyond hustling for royalty leases: He concocted a method of trading oil-producing properties in such a way as to permit the eventual owner to defer all tax liabilities until the field was depleted. Sometimes Hugh Liedtke would commute between Midland and Tulsa on an almost daily basis. He would spend the daylight hours prowling the Permian Basin for a land deal, make the 13-hour drive to Tulsa overnight to convince his backers to ante up the cash, and then race back to Midland to close the deal before the sucker got away. It was during this phase that it occurred to Liedtke that he could save himself a lot of marathon commuter driving if he could put together a million dollars in venture capital and "inventory" the deals he was otherwise forced to make on a piecemeal, ad hoc basis. / Note #1 / Note #0

Zapata Petroleum

The Liedtke brothers now wanted to go beyond royalty leases and land sale tax dodges, and begin large-scale drilling and production of oil. George Bush, by now well versed in the alphas and omegas of oil as ground rent, was thinking along the same lines. In a convergence that was full of ominous portent for the U.S. economy of the 1980s, the Liedtke brothers and George Bush decided to pool their capital and their rapacious talents by going into business together. Overbey was on board initially, but would soon fall away.

The year was 1953, and Uncle Herbie's G.H. Walker & Co. became the principal underwriter of the stock and convertible debentures that were to be offered to the public. Uncle Herbie would also purchase a large portion of the stock himself. When the new company required further infusions of capital, Uncle Herbie would float the necessary bonds. Jimmy Gammell remained a key participant and would find a seat on the board of directors of the new company. Another of the key investors was the Clark Family Estate, meaning the trustees who managed the Singer Sewing machine fortune. / Note #1 / Note #1 Some other money came from various pension funds and endowments, sources that would become very popular during the leveraged buyout orgy Bush presided over in the 1980s. Of the capital of the new Bush-Liedtke concern, about \$500,000 would come from Tulsa cronies of the Liedtke brothers, and the other \$500,000 from the circles of Uncle Herbie.

The latter were referred to by Hugh Liedtke as "the New York guys."

The name chosen for the new concern was "Zapata Petroleum." According to Hugh Liedtke, the new entrepreneurs were attracted to the name when they saw it on a movie marquee, where the new release "Viva Zapata!," starring Marlon Brando as the Mexican revolutionary, was playing. Liedtke characteristically explains that part of the appeal of the name was the confusion as to whether Zapata had been a patriot or a bandit. / Note #1 / Note #2

The Bush-Liedtke combination concentrated its attention on an oil property in Coke County called JamesonField, a barren expanse of prairie and sagebrush where six widely separated wells had been producing oil for some years. Hugh Liedtke was convinced that these six oil wells were tapping into a single underground pool of oil, and that dozens or even hundreds of new oil wells drilled into the same field would all prove to be gushers. In other words, Liedtke wanted to gamble the entire capital of the new firm on the hypothesis that the wells were, in oil parlance, "connected." One of Liedtke's Tulsa backers was supposedly unconvinced, and argued that the wells were too far apart; they could not possibly connect. "Goddamn, they do!" was Hugh Liedtke's rejoinder. He insisted on shooting the works in a "va-banque" operation. Uncle Herbie's circles were nervous: "The New York guys were just about to pee in their pants," boasted Liedtke years later. Bush and Hugh Liedtke obviously had the better information: The wells were connected, and 127 wells were drilled without encountering a single dry hole. As a result, the price of a share of stock in Zapata went up from seven cents a share to \$23.

During this time, Hugh Liedtke collaborated on several small deals in the Midland area with a certain "T. Boone Pickens," later one of the most notorious corporate raiders of the 1980s, one of the originators of the "greenmail" strategy of extortion, by which a raider would accumulate part of the shares of a company and threaten to go all the way to a hostile takeover unless the management of the company agreed to buy back those shares at an outrageous premium. Pickens is the buccaneer who was self-righteously indignant when the Japanese business community attempted to prevent him from introducing these shameless looting practices into the Japanese economy.

Pickens, too, was a product of the Bush-Liedtke social circle of Midland. When he was just getting started in the mid-fifties, Pickens wanted to buy the Hugoton Production Company, which owned the Hugoton field, one of the world's great onshore deposits of natural gas. Pickens engineered the hostile takeover of Hugoton by turning to Hugh Liedtke to be introduced to

the trustees of the Clark Family Estate, who, as we have just seen, had put up part of the capital for Zapata. Pickens promised the Clark trustees a higher return than was being provided by the current management, and this support proved to be decisive in permitting Pickens's Mesa Petroleum to take over Hugoton, launching this corsair on a career of looting and pillage that still continues. In 1988, George Bush would give an interview to a magazine owned by Pickens in which the Vice President would defend hostile leveraged buyouts as necessary to the interests of the shareholders.

In the meantime, after two to three years of operations, the oil flow out of Zapata's key Jameson field had begun to slow down. Although there was still abundant oil in the ground, the natural pressure had been rapidly depleted, so Bush and the Liedtkes had to begin resorting to stratagems in order to bring the oil to the surface. They began pumping water into the underground formations in order to force the oil to the surface. From then on, "enhanced recovery" techniques were necessary to keep the Jameson field on line.

During 1955 and 1956, Zapata was able to report a small profit. In 1957, the year of the incipient Eisenhower recession, this turned into a loss of \$155,183, as the oil from the Jameson field began to slow down. In 1958, the loss was \$427,752, and in 1959, there was \$207,742 of red ink. 1960 (after Bush had departed from the scene) brought another loss, this time of \$372,258. It was not until 1961 that Zapata was able to post a small profit of \$50,482. / Note #1 / Note #3 Despite the fact that Bush and the Liedtkes all became millionaires through the increased value of their shares, it was not exactly an enviable record; without the deep pockets of Bush's Uncle Herbie Walker and his British backers, the entire venture might have foundered at an early date.

Bush and the Liedtkes had been very lucky with the Jameson field, but they could hardly expect such results to be repeated indefinitely. In addition, they were now posting losses, and the value of Zapata stock had gone into a decline. Bush and the Liedtke brothers now concluded that the epoch in which large oil fields could be discovered within the continental United States was over. Mammoth new oil fields, they believed, could only be found offshore, located under hundreds of feet of water on the continental shelves, or in shallow seas like the Gulf of Mexico and the Caribbean.

By a happy coincidence, in 1954 the U.S. federal government was just beginning to auction the mineral rights for these offshore areas. With father Prescott Bush directing his potent Brown Brothers Harriman/Skull and Bones network from the U.S. Senate while regularly hob-nobbing with

President Eisenhower on the golf links, George Bush could be confident of receiving special privileged treatment when it came to these mineral rights. Bush and his partners therefore judged the moment ripe for launching a for-hire drilling company, Zapata Offshore, a Delaware corporation that would offer its services to the companies making up the Seven Sisters international oil cartel in drilling underwater wells. Forty percent of the offshore company's stock would be owned by the original Zapata firm. The new company would also be a buyer of offshore royalty leases. Uncle Herbie helped arrange a new issue of stock for this Zapata offshoot. The shares were easy to unload because of the 1954 boom in the New York stock market. "The stock market lent itself to speculation," Bush would explain years later, "and you could get equity capital for new ventures." / Note #1/ Note #4

1954 was also the year that the CIA overthrew the government of Jacobo Arbenz in Guatemala. This was the beginning of a dense flurry of U.S. covert operations in Central America and the Caribbean, featuring especially Cuba.

The first asset of Zapata Offshore was the SCORPION, a \$3.5 million deep-sea drilling rig that was financed by \$1.5 million from the initial stock sale plus another \$2 million from bonds marketed with the help of Uncle Herbie. The SCORPION was the first three-legged, self-elevating mobile drilling barge, and it was built by R. G. LeTourneau, Inc. of Vicksburg, Mississippi. The platform weighed some 9 million pounds and measured 180 by 150 feet, and the three legs were 140 feet long when fully extended. The rig was floated into the desired drilling position before the legs were extended, and the main body was then pushed up above the waves by electric motors. The SCORPION was delivered early in 1956, was commissioned at Galveston in March, 1956 and was put to work at exploratory drilling in the Gulf of Mexico during the rest of the year.

During 1956, the Zapata Petroleum officers included J. Hugh Liedtke as president, George H.W. Bush as vice president, and William Brumley of Midland, Texas, as treasurer. The board of directors lined up as follows:

/ Note #b|George H.W. Bush, Midland, Texas;

/ Note #b|J.G.S. Gammell, Edinburgh, Scotland, manager of British Assets Trust, Ltd.;

/ Note #b|J. Hugh Liedtke, Midland, Texas;

/ Note #b|William C. Liedtke, independent oil operator, Midland, Texas;

/ Note #b|Arthur E. Palmer, Jr., New York, N.Y., a partner in Winthrop, Stimson, Putnam, and Roberts;

/ Note #b|G.H. Walker, Jr. (Uncle Herbie), managing partner of G.H. Walker and Co., New York, N.Y.;

/ Note #b|Howard J. Whitehill, independent oil producer, Tulsa, Oklahoma;

/ Note #b|Eugene F. Williams, Jr., secretary of the St. Louis Union Trust Company of St. Louis, Missouri; fellow member with "Poppy" Bush in the class of 1942 AUV secret society at Andover prep, later chairman of the Andover board;

/ Note #b|D.D. Bovaird, president of the Bovaird Supply Co. of Tulsa, Oklahoma, and chairman of the board of the Oklahoma City branch of the Tenth Federal District of the Federal Reserve Board; and

/ Note #b|George L. Coleman, investments, Miami, Oklahoma.

An interim director that year had been Richard E. Fleming of Robert Fleming and Co., London, England. Counsel were listed as Baker, Botts, Andrews & Shepherd of Houston, Texas; auditors were Arthur Andersen in Houston, and transfer agents were J.P. Morgan & Co., Inc., of New York City and the First National Bank and Trust Company of Tulsa. / Note #1 / Note #5

George Bush personally was much more involved with the financial management of the company than with its actual oil-field operations. His main activity was not finding oil or drilling wells but, as he himself put it, "stretching paper" -- rolling over debt and making new financial arrangements with the creditors. / Note #1 / Note #6

During 1956, despite continuing losses and thanks again to Uncle Herbie, Zapata was able to float yet another offering, this time a convertible debenture for \$2.15 million, for the purchase of a second Le Tourneau drilling platform, the VINEGARROON, named after a west Texas stinging insect. The VINEGARROON was delivered during 1957, and soon scored a "lucky" hit drilling in block 86 off Vermilion Parish, Louisiana. This was a combination of gas and oil, and one well was rated at 113 barrels of distillate and 3.6 million cubic feet of gas per day. / Note #1 / Note #7 This was especially remunerative, because Zapata had acquired a half-interest in the royalties from any oil or gas that might be found. VINEGARROON then continued to drill offshore from Vermilion Parish, Louisiana, on a farmout from Continental Oil.

As for the SCORPION, during part of 1957 it was under contract to the Bahama-California Oil Company, drilling between Florida and Cuba. It was then leased by Gulf Oil and Standard Oil of California, on whose behalf it started drilling during 1958 at a position on the Cay Sal Bank, 131 miles south of Miami, Florida, and just 54 miles north of Isabela, Cuba. Cuba was an interesting place just then; the U.S.-backed insurgency of Fidel Castro was rapidly undermining the older U.S.-imposed regime of Fulgencio Batista. That meant that SCORPION was located at a hot corner. We note that Allen Dulles, then director of the Central Intelligence Agency, had previously been legal counsel to Gulf Oil for Latin American operations, and counsel to George Bush's father at Brown Brothers Harriman for eastern Europe.

During 1957 a certain divergence began to appear between Uncle Herbie Walker, Bush, and the "New York guys" on the one hand, and the Liedtke brothers and their Tulsa backers on the other. As the annual report for that year noted, "There is no doubt that the drilling business in the Gulf of Mexico has become far more competitive in the last six months than it has been at any time in the past." Despite that, Bush, Walker and the New York investors wanted to push forward into the offshore drilling and drilling services business, while the Liedtkes and the Tulsa group wanted to concentrate on acquiring oil in the ground and natural gas deposits.

The 1958 annual report notes that, with no major discoveries made, 1958 had been "a difficult year." It was, of course, the year of the brutal Eisenhower recession. SCORPION, VINEGARROON, and NOLA I, the offshore company's three drilling rigs, could not be kept fully occupied in the Gulf of Mexico during the whole year, and so Zapata Offshore had lost \$524,441, more than Zapata Petroleum's own loss of \$427,752 for that year. The Liedtke viewpoint was reflected in the notation that "disposing of the offshore business had been considered." The great tycoon Bush conceded in the Zapata Offshore annual report for 1958: "We erroneously predicted that most major [oil] companies would have active drilling programs for 1958. These drilling programs simply did not materialize...." In 1990, Bush denied for months that there was a recession, and through 1991 claimed that the recession had ended, when it had, in fact, long since turned into a depression. His current blindness about economic conjunctures would appear to be nothing new.

By 1959, there were reports of increasing personal tensions between the domineering and abrasive J. Hugh Liedtke, on the one hand, and Bush's Uncle Herbie Walker on the other. Liedtke was obsessed with his plan for creating a new major oil company, the boundless ambition that would propel him down a path littered with asset-stripped corporations into the devastating

Pennzoil-Getty-Texaco wars of a quarter-century later. During the course of this year, the two groups of investors arrived at a separation that was billed as "amicable," and which in any case never interrupted the close cooperation among Bush and the Liedtke brothers. The solution was that the ever-present Uncle Herbie would buy out the Liedtke-Tulsa 40 percent stake in Zapata Offshore, while the Liedtke backers would buy out the Bush-Walker interest in Zapata Petroleum.

For this to be accomplished, George Bush would require yet another large infusion of capital. Uncle Herbie now raised yet another tranche for George, this time over \$800,000. The money allegedly came from Bush-Walker friends and relatives. / Note #1 / Note #8 Even if the faithful efforts of Uncle Herbie are taken into account, it is still puzzling to see a series of large infusions of cash into a poorly managed small company that had posted a series of substantial losses and whose future prospects were anything but rosy. At this point it is therefore legitimate to pose the question: Was Zapata Offshore an intelligence community front at its foundation in 1954, or did it become one in 1959, or perhaps at some later point? This question cannot be answered with finality, but some relevant evidence will be discussed in the following chapter.

George Bush was now the president of his own company, the undisputed boss of Zapata Offshore. Although the company was falling behind the rest of the offshore drilling industry, Bush made a desultory attempt at expansion through diversification, investing in a plastics machinery company in New Jersey, a Texas pipe lining company, and a gas transmission company; none of these investments proved to be remunerative.

Notes

1. Harry Hurt III, "George Bush, Plucky Lad," "Texas Monthly," June 1983.
2. See Sarah Bartlett, "The Money Machine: How KKR Manufactured Power and Profits" (New York, 1991), pp. 9-12.
3. Darwin Payne, "Initiative in Energy: Dresser Industries, Inc., 1880-1978" (New York: Simon and Schuster, ca. 1979), p. 232 "ff."
4. Bartlett, "op. cit.," p. 268.
5. Darwin Payne, "op. cit.," p. 232-33.
6. Hurt, "op. cit."

7. "Ibid."
8. "Bush Battles the 'Wimp Factor'," "Newsweek," Oct. 19, 1987.
9. See Richard Ben Kramer, "How He Got Here," "Esquire," June 1991.
10. See Thomas Petzinger, Jr., "Oil and Honor: The Texaco-Pennzoil Wars" (New York, 1987), p. 37 "ff."
11. "Ibid.," p. 93.
12. "Ibid.," p. 40.
13. See Zapata Petroleum annual reports, Library of Congress Microform Reading Room.
14. Petzinger, "op. cit.," p. 41.
15. See Zapata Petroleum Corporation Annual Report for 1956, Library of Congress, Microform Reading Room.
16. Hurt, "op. cit.," p. 194.
17. "Zapata Petroleum Corp.," "Fortune," April 1958.
18. Walter Pincus and Bob Woodward, "Doing Well With Help From Family, Friends," "Washington Post," Aug. 11, 1988.

CHAPTER 9

THE BAY OF PIGS AND THE KENNEDY ASSASSINATION

"JM/WAVE ... proliferated across [Florida] in preparation for the Bay of Pigs invasion. A subculture of fronts, proprietaries, suppliers, transfer agents, conduits, dummy corporations, blind drops, detective agencies, law firms, electronic firms, shopping centers, airlines, radio stations, the mob and the church and the banks: a false and secret nervous system twitching to stimuli supplied by the cortex in Clandestine Services in Langley. After defeat on the beach in Cuba, JM/WAVE became a continuing and extended Miami Station, CIA's largest in the continental United States. A large sign in front of the ... building complex reads: U.S. GOVERNMENT REGULATIONS PROHIBIT DISCUSSION OF THIS ORGANIZATION OR FACILITY."

-- Donald Freed, "Death in Washington" (Westport, Connecticut, 1980), p. 141.

The review offered so far of George Bush's activities during the late 1950s and early 1960s is almost certainly incomplete in very important respects. There is good reason to believe that Bush was engaged in something more than just the oil business during those years. Starting about the time of the Bay of Pigs invasion in the spring of 1961, we have the first hints that Bush, in addition to working for Zapata Offshore, may also have been a participant in certain covert operations of the U.S. intelligence community.

Such participation would certainly be coherent with George's role in the Prescott Bush, Skull and Bones, and Brown Brothers Harriman networks. During the twentieth century, the Skull and Bones/Harriman circles have always maintained a sizeable and often decisive presence inside the intelligence organizations of the State Department, the Treasury Department, the Office of Naval Intelligence, the Office of Strategic Services, and the Central Intelligence Agency.

A body of leads has been assembled which suggests that George Bush may have been associated with the CIA at some time before the autumn of 1963. According to Joseph McBride of "The Nation," "a source with close connections to the intelligence community confirms that Bush started working for the agency in 1960 or 1961, using his oil business as a cover for clandestine activities." / Note #1 By the time of the Kennedy assassination, we have an official FBI document which refers to "Mr. George Bush of the Central Intelligence Agency," and despite official disclaimers, there is every reason to think that this is indeed the man in the White House today.

The mystery of George Bush as a possible covert operator hinges on four points, each one of which represents one of the great political and espionage scandals of postwar American history. These four cardinal points are:

1. The abortive Bay of Pigs invasion of Cuba, launched on April 16-17, 1961, prepared with the assistance of the CIA's "Miami Station" (also known under the code name JM/WAVE). After the failure of the amphibious landings of Brigade 2506, Miami station, under the leadership of Theodore Shackley, became the focus for Operation Mongoose, a series of covert operations directed against Castro, Cuba, and possibly other targets.

2. The assassination of President John F. Kennedy in Dallas on November 22,

1963, and the coverup of those responsible for this crime.

3. The Watergate scandal, beginning with an April 1971 visit to Miami, Florida by E. Howard Hunt on the tenth anniversary of the Bay of Pigs invasion to recruit operatives for the White House Special Investigations Unit (the "Plumbers" and later Watergate burglars) from among Cuban-American Bay of Pigs veterans.

4. The Iran-Contra affair, which became a public scandal during October-November 1986, several of whose central figures, such as Felix Rodriguez, were also veterans of the Bay of Pigs.

George Bush's role in both Watergate and the October Surprise/Iran-Contra complex will be treated in detail at later points in this book. Right now, it is important to see that thirty years of covert operations, in many respects, form a single continuous whole. This is especially true in regard to the "dramatis personae." Georgie Anne Geyer points to the obvious in a recent book: "... an entire new Cuban cadre now emerged from the Bay of Pigs. The names Howard Hunt, Bernard Barker, Rolando Martinez, Felix Rodriguez and Eugenio Martinez would, in the next quarter century, pop up, often decisively, over and over again in the most dangerous American foreign policy crises. There were Cubans flying missions for the CIA in the Congo and even for the Portuguese in Africa; Cubans were the burglars of Watergate; Cubans played key roles in Nicaragua, in Irangate, in the American move into the Persian Gulf." / Note #2 Felix Rodriguez tells us that he was infiltrated into Cuba with the other members of the "Grey Team" in conjunction with the Bay of Pigs landings; this is the same man we will find directing the Contra supply effort in Central America during the 1980s, working under the direct supervision of Don Gregg and George Bush. / Note #3 Theodore Shackley, the JM/WAVE station chief, will later show up in Bush's 1979-80 presidential campaign.

To a very large degree, such covert operations have drawn upon the same pool of personnel. They are to a significant extent the handiwork of the same crowd. It is therefore revealing to extrapolate forward and backward in time the individuals and groups of individuals who appear as the cast of characters in one scandal, and compare them with the cast of characters for the other scandals, including the secondary ones that have not been enumerated here. E. Howard Hunt, for example, shows up as a confirmed part of the overthrow of the Guatemalan government of Jacopo Arbenz in 1954, as an important part of the chain of command in the Bay of Pigs, as a person repeatedly accused of having been in Dallas on the day Kennedy was shot, and as one of the central figures of Watergate.

George Bush is demonstrably one of the most important protagonists of the Watergate scandal, and was the overall director of Iran-Contra. Since he appears especially in Iran-Contra in close proximity to Bay of Pigs holdovers, it is surely legitimate to wonder when his association with those Bay of Pigs Cubans might have started.

1959 was the year that Bush started operating out of his Zapata Offshore headquarters in Houston; it was also the year that Fidel Castro seized power in Cuba. Officially, as we have seen, George was now a businessman whose work took him at times to Louisiana, where Zapata had offshore drilling operations. George must have been a frequent visitor to New Orleans. Because of his family's estate on Jupiter Island, he would also have been a frequent visitor to the Hobe Sound area. And then, there were Zapata Offshore drilling operations in the Florida strait.

The Jupiter Island connection and father Prescott's Brown Brothers Harriman/Skull and Bones networks are doubtless the key. Jupiter Island meant Averell Harriman, Robert Lovett, C. Douglas Dillon and other Anglophile financiers who had directed the U.S. intelligence community long before there had been a CIA at all. And, in the backyard of the Jupiter Island Olympians, and under their direction, a powerful covert operations base was now being assembled, in which George Bush would have been present at the creation as a matter of birthright.

Operation Zapata

During 1959-60, Allen Dulles and the Eisenhower administration began to assemble in south Florida the infrastructure for covert action against Cuba. This was the JM/WAVE capability, later formally constituted as the CIA Miami station. JM/WAVE was an operational center for the Eisenhower regime's project of staging an invasion of Cuba using a secret army of anti-Castro Cuban exiles, organized, armed, trained, transported, and directed by the CIA. The Cubans, called Brigade 2506, were trained in secret camps in Guatemala, and they had air support from B-26 bombers based in Nicaragua. This invasion was crushed by Castro's defending forces in less than three days.

Before going along with the plan so eagerly touted by Allen Dulles, Kennedy had established the precondition that under no circumstances whatsoever would there be direct intervention by U.S. military forces against Cuba. On the one hand, Dulles had assured Kennedy that the news of the invasion would trigger an insurrection which would sweep Castro and his regime away. On the other, Kennedy had to be concerned about provoking a global thermonuclear confrontation with the U.S.S.R., in the eventuality that

Nikita Khrushchev decided to respond to a U.S. Cuban gambit by, for example, cutting off U.S. access to Berlin.

Hints of the covert presence of George Bush are scattered here and there around the Bay of Pigs invasion. According to some accounts, the code name for the Bay of Pigs was Operation Pluto. / Note #4 But Bay of Pigs veteran E. Howard Hunt scornfully denies that this was the code name used by JM/WAVE personnel; Hunt writes: "So perhaps the Pentagon referred to the Brigade invasion as Pluto. CIA did not." / Note #5 But Hunt does not tell us what the CIA code name was, and the contents of Hunt's Watergate-era White House safe, which might have told us the answer, were, of course, "deep-sixed" by FBI Director Patrick Gray.

According to reliable sources and published accounts, the CIA code name for the Bay of Pigs invasion was Operation Zapata, and the plan was so referred to by Richard Bissell of the CIA, one of the plan's promoters, in a briefing to President Kennedy in the Cabinet Room on March 29, 1961. / Note #6 Does Operation Zapata have anything to do with Zapata Offshore? The run-of-the-mill Bushman might respond that Emiliano Zapata, after all, had been a public figure in his own right, and the subject of a recent Hollywood movie starring Marlon Brando. A more knowledgeable Bushman might argue that the main landing beach, the Playa Giron, is located south of the city of Cienfuegos on the Zapata Peninsula, on the south coast of Cuba.

Then there is the question of the Brigade 2506 landing fleet, which was composed of five older freighters bought or chartered from the Garcia Steamship Lines, bearing the names of "Houston," "Rio Escondido," "Caribe," "Atlantic," and "Lake Charles." In addition to these vessels, which were outfitted as transport ships, there were two somewhat better armed fire support ships, the "Blagar" and the "Barbara." (In some sources "Barbara J.") / Note #7 The "Barbara" was originally an LCI (Landing Craft Infantry) of earlier vintage. Our attention is attracted at once to the "Barbara" and the "Houston," in the first case because we have seen George Bush's habit of naming his combat aircraft after his wife, and, in the second case, because Bush was at this time a resident and Republican activist of Houston, Texas. But of course, the appearance of names like "Zapata," "Barbara," and "Houston" can by itself only arouse suspicion, and proves nothing.

After the ignominious defeat of the Bay of Pigs invasion, there was great animosity against Kennedy among the survivors of Brigade 2506, some of whom eventually made their way back to Miami after being released from Castro's prisoner of war camps. There was also great animosity against Kennedy on the part of the JM/WAVE personnel.

During the early 1950s, E. Howard Hunt had been the CIA station chief in Mexico City. As David Atlee Phillips (another embittered JM/WAVE veteran) tells us in his autobiographical account, "The Night Watch," E. Howard Hunt had been the immediate superior of a young CIA recruit named William F. Buckley, the Yale graduate and Skull and Bones member who later founded the "National Review." In his autobiographical account written during the days of the Watergate scandal, Hunt includes the following tirade about the Bay of Pigs:

"No event since the communization of China in 1949 has had such a profound effect on the United States and its allies as the defeat of the U.S.-trained Cuban invasion brigade at the Bay of Pigs in April 1961.

"Out of that humiliation grew the Berlin Wall, the missile crisis, guerrilla warfare throughout Latin America and Africa, and our Dominican Republic intervention. Castro's beachhead triumph opened a bottomless Pandora's box of difficulties that affected not only the United States, but most of its allies in the Free World.

"These bloody and subversive events would not have taken place had Castro been toppled. Instead of standing firm, our government pyramided crucially wrong decisions and allowed Brigade 2506 to be destroyed. The Kennedy administration yielded Castro all the excuse he needed to gain a tighter grip on the island of Jose Marti, then moved shamefacedly into the shadows and hoped the Cuban issue would simply melt away." / Note #8

Kennedy and MacArthur

Hunt was typical of the opinion that the debacle had been Kennedy's fault, and not the responsibility of men like Allen Dulles and Richard Bissell, who had designed it and recommended it. After the embarrassing failure of the invasion, which never evoked the hoped-for spontaneous anti-Castro insurrection, Kennedy fired Allen Dulles, his Harrimanite deputy Bissell, and CIA Deputy Director Charles Cabell (whose brother was the mayor of Dallas at the time Kennedy was shot).

During the days after the Bay of Pigs debacle, Kennedy was deeply suspicious of the intelligence community and of proposals for military escalation in general, including in places like South Vietnam. Kennedy sought to procure an outside, expert opinion on military matters. For this he turned to the former commander in chief of the Southwest Pacific Theatre during World War II, General Douglas MacArthur. Almost ten years ago, a reliable source shared with one of the authors an account of a meeting

between Kennedy and MacArthur in which the veteran general warned the young President that there were elements inside the U.S. government who emphatically did not share his patriotic motives, and who were seeking to destroy his administration from within. MacArthur warned that the forces bent on destroying Kennedy were centered in the Wall Street financial community and its various tentacles in the intelligence community.

It is a matter of public record that Kennedy met with MacArthur in the latter part of April 1961, after the Bay of Pigs. According to Kennedy aide Theodore Sorenson, MacArthur told Kennedy, "The chickens are coming home to roost, and you happen to have just moved into the chicken house." / Note #9 At the same meeting, according to Sorenson, MacArthur "warned [Kennedy] against the commitment of American foot soldiers on the Asian mainland, and the President never forgot this advice." / Note #1 / Note #0 This point is grudgingly confirmed by Arthur M. Schlesinger, a Kennedy aide who had a vested interest in vilifying MacArthur, who wrote that "MacArthur expressed his old view that anyone wanting to commit American ground forces to the mainland [of Asia] should have his head examined." / Note #1 / Note #1 MacArthur restated this advice during a second meeting with Kennedy when the General returned from his last trip to the Far East in July 1961.

Kennedy valued MacArthur's professional military opinion highly, and used it to keep at arms length those advisers who were arguing for escalation in Laos, Vietnam, and elsewhere. He repeatedly invited those who proposed to send land forces to Asia to convince MacArthur that this was a good idea. If they could convince MacArthur, then he, Kennedy, might also go along.

At this time, the group proposing escalation in Vietnam (as well as preparing the assassination of President Diem) had a heavy Brown Brothers Harriman/Skull and Bones overtone: The hawks of 1961-63 were Harriman, McGeorge Bundy, William Bundy, Henry Cabot Lodge, and some key London oligarchs and theoreticians of counterinsurgency wars. And of course, George Bush during these years was calling for escalation in Vietnam and challenging Kennedy to "muster the courage" to try a second invasion of Cuba.

In the meantime, the JM/WAVE-Miami station complex was growing rapidly to become the largest of Langley's many satellites. During the years after the failure of the Bay of Pigs, this complex had as many as 3,000 Cuban agents and subagents, with a small army of case officers to direct and look after each one. According to one account, there were at least 55 dummy corporations to provide employment, cover, and commercial disguise for all these operatives. There were detective bureaus, gun stores, real estate brokerages, boat repair shops, and party boats for fishing and other

entertainments. There was the clandestine Radio Swan, later renamed Radio Americas. There were fleets of specially modified boats based at Homestead Marina, and at other marinas throughout the Florida Keys. Agents were assigned to the University of Miami and other educational institutions.

The *raison d'etre* of the massive capability commanded by Theodore Shackley was now Operation Mongoose, a program for sabotage raids and assassinations to be conducted on Cuban territory, with a special effort to eliminate Fidel Castro personally. In order to run these operations from U.S. territory, flagrant and extensive violation of federal and state laws was the order of the day. Documents regarding the incorporation of businesses were falsified. Income tax returns were faked. FAA regulations were violated by planes taking off for Cuba or for forward bases in the Bahamas and elsewhere. Explosives moved across highways that were full of civilian traffic. The Munitions Act, the Neutrality Act, the customs and immigrations laws were routinely flaunted. / Note #1 / Note #2

Above all, the drug laws were massively violated as the gallant anticommunist fighters filled their planes and boats with illegal narcotics to be smuggled back into the United States when they returned from their missions. By 1963, the drug-running activities of the covert operatives were beginning to attract attention. JM/WAVE, in sum, accelerated the slide of south Florida towards the status of drug and murder capital of the United States it achieved during the 1980s.

The Kennedy Assassination

It cannot be the task of this study even to begin to treat the reasons for which certain leading elements of the Anglo-American financial oligarchy, perhaps acting with certain kinds of support from continental European aristocratic and neofascist networks, ordered the murder of John F. Kennedy. The British and the Harrimanites wanted escalation in Vietnam; by the time of his assassination Kennedy was committed to a pullout of U.S. forces. Kennedy, as shown by his American University speech of 1963, was also interested in seeking a more stable path of war avoidance with the Soviets, using the U.S. military superiority demonstrated during the Cuban missile crisis to convince Moscow to accept a policy of world peace through economic development. Kennedy was interested in the possibilities of anti-missile strategic defense to put an end to that nightmare of Mutually Assured Destruction which appealed to Henry Kissinger, a disgruntled former employee of the Kennedy administration whom the President had denounced as a madman.

Kennedy was also considering moves to limit or perhaps abolish the

usurpation of authority over the national currency by the Wall Street and London interests controlling the Federal Reserve System. If elected to a second term, Kennedy was likely to reassert presidential control, as distinct from Wall Street control, over the intelligence community. There is good reason to believe that Kennedy would have ousted J. Edgar Hoover from his purported life tenure at the FBI, subjecting that agency to presidential control for the first time in many years. Kennedy was committed to a vigorous expansion of the space program, the cultural impact of which was beginning to alarm the finance oligarchs.

Above all, Kennedy was acting like a man who thought he was President of the United States, violating the collegiality of oligarchical trusteeship of that office that had been in force since the final days of Roosevelt. Kennedy furthermore had two younger brothers who might succeed him, putting a strong presidency beyond the control of the the Eastern Anglophile Liberal Establishment for decades. George Bush joined in the Harrimanite opposition to Kennedy on all of these points.

After Kennedy was killed in Dallas on November 22, 1963, it was alleged that E. Howard Hunt and Frank Sturgis had both been present, possibly together, in Dallas on the day of the shooting, although the truth of these allegations has never been finally established. Both Hunt and Sturgis were of course Bay of Pigs veterans who would later appear center stage in Watergate. There were also allegations that Hunt and Sturgis were among a group of six to eight derelicts who were found in boxcars sitting on the railroad tracks behind the grassy knoll near Dealey Plaza, and who were rounded up and taken in for questioning by the Dallas police on the day of the assassination. Some suspected that Hunt and Sturgis had participated in the assassination. Some of these allegations were at the center of the celebrated 1985 defamation case of "Hunt v. Liberty Lobby," in which a Florida federal jury found against Hunt. But, since the Dallas Police Department and County Sheriff never photographed or fingerprinted the "derelicts" in question, it has so far proven impossible definitively to resolve this question. But these allegations and theories about the possible presence and activities of Hunt and Sturgis in Dallas were sufficiently widespread as to compel the Commission on CIA Activities Within the United States (the Rockefeller Commission) to attempt to refute them in its 1975 report. / Note #1 / Note #3

According to George Bush's official biography, he was during 1963 a well-to-do businessman residing in Houston, the busy president of Zapata Offshore and the chairman of the Harris County Republican Organization, supporting Barry Goldwater as the GOP's 1964 presidential candidate, while at the same time actively preparing his own 1964 bid for the U.S. Senate.

But during that same period of time, Bush may have shared some common acquaintances with Lee Harvey Oswald.

The De Mohrenschildt Connection

Between October 1962 and April 1963, Lee Harvey Oswald and his Russian wife Marina were in frequent contact with a Russian emigre couple living in Dallas: These were George de Mohrenschildt and his wife Jeanne. During the Warren Commission investigation of the Kennedy assassination, De Mohrenschildt was interviewed at length about his contacts with Oswald. When, in the spring of 1977, the discrediting of the Warren Commission report as a blatant coverup had made public pressure for a new investigation of the Kennedy assassination irresistible, the House Assassinations Committee planned to interview De Mohrenschildt once again. But in March 1977, just before de Mohrenschildt was scheduled to be interviewed by Gaeton Fonzi of the House committee's staff, he was found dead in Palm Beach, Florida. His death was quickly ruled a suicide. One of the last people to see him alive was Edward Jay Epstein, who was also interviewing De Mohrenschildt about the Kennedy assassination for an upcoming book. Epstein is one of the writers on the Kennedy assassination who enjoyed excellent relations with the late James Angleton of the CIA. If de Mohrenschildt were alive today, he might be able to enlighten us about his relations with George Bush, and perhaps afford us some insight into Bush's activities during this epoch.

Jeanne De Mohrenschildt rejected the finding of suicide in her husband's death. "He was eliminated before he got to that committee," the widow told a journalist in 1978, "because someone did not want him to get to it." She also maintained that George de Mohrenschildt had been surreptitiously injected with mind-altering drugs. / Note #1 / Note #4

After De Mohrenschildt's death, his personal address book was located, and it contained this entry: "Bush, George H.W. (Poppy) 1412 W. Ohio also Zapata Petroleum Midland." There is of course the problem of dating this reference. George Bush had moved his office and home from Midland to Houston in 1959, when Zapata Offshore was constituted, so perhaps this reference goes back to some time before 1959. There is also the number: "4-6355." There are, of course, numerous other entries, including one W.F. Buckley of the Buckley brothers of New York City, William S. Paley of CBS, plus many oil men, stockbrokers, and the like. / Note #1 / Note #5

George De Mohrenschildt recounted a number of different versions of his life, so it is very difficult to establish the facts about him. According to one version, he was the Russian Count Sergei De Mohrenschildt, but when he

arrived in the United States in 1938 he carried a Polish passport identifying him as Jerzy Sergius von Mohrenschildt, born in Mozyr, Russia in 1911. He may in fact have been a Polish officer, or a correspondent for the Polish News Service, or none of these. He worked for a time for the Polish Embassy in Washington, D.C. Some say that de Mohrenschildt met the chairman of Humble Oil, Blaffer, and that Blaffer procured him a job. Other sources say that during this time De Mohrenschildt was affiliated with the War Department. According to some accounts, he later went to work for the French Deuxieme Bureau, which wanted to know about petroleum exports from the United States to Europe.

De Mohrenschildt in 1941 became associated with a certain Baron Konstantin von Maydell in a public affairs venture called "Facts and Film." Maydell was considered a Nazi agent by the FBI, and in September 1942 he was sent to North Dakota for an internment that would last four years. De Mohrenschildt was also reportedly in contact with Japanese networks at this time. In June 1941, De Mohrenschildt was questioned by police at Port Arthur, Texas, on the suspicion of espionage after he was found making sketches of port facilities. During 1941, De Mohrenschildt applied for a post in the U.S. Office of Strategic Services (OSS). According to the official account, he was not hired. Soon after he made the application, he went to Mexico where he stayed until 1944. In the latter year, he began study for a master's degree in petroleum engineering at the University of Texas. According to some accounts, during this period De Mohrenschildt was investigated by the Office of Naval Intelligence because of alleged communist sympathies.

After the war, De Mohrenschildt worked as a petroleum engineer in Cuba and Venezuela, and in Caracas he had several meetings with the Soviet ambassador. During the postwar years, he also worked in the Rangely oil field in Colorado. During the 1950s, after having married Winifred Sharpless, the daughter of an oil millionaire, de Mohrenschildt was active as an independent oil entrepreneur.

In 1957, De Mohrenschildt was approved by the CIA Office of Security to be hired as a U.S. government geologist for a mission to Yugoslavia. Upon his return he was interviewed by one J. Walter Moore of the CIA's Domestic Contact Service, with whom he remained in contact. During 1958, de Mohrenschildt visited Ghana, Togo, and Dahomey (now Benin); during 1959, he visited Africa again and returned by way of Poland. In 1959, he married Jeanne, his fourth wife, a former ballet dancer and dress designer who had been born in Manchuria, where her father had been one of the directors of the Chinese Eastern Railroad.

During the summer of 1960, George and Jeanne De Mohrenschildt told their friends that they were going to embark on a walking tour of 11,000 miles along Indian trails from Mexico to Central America. One of their principal destinations was Guatemala City, where they were staying at the time of the Bay of Pigs invasion in April 1961, after which they made their way home by way of Panama and Haiti. After two months in Haiti, the De Mohrenschildts returned to Dallas, where they came into contact with Lee Harvey Oswald, who had come back to the United States from his sojourn in the Soviet Union in June 1962. By this time, de Mohrenschildt was also in frequent contact with Admiral Henry C. Bruton and his wife, to whom he introduced the Oswalds. Admiral Bruton was the former director of naval communications.

It is established that between October 1962 and late April 1963, de Mohrenschildt was a very important figure in the life of Oswald and his Russian wife. Despite Oswald's lack of social graces, De Mohrenschildt introduced him into Dallas society, took him to parties, assisted him in finding employment and much more. It was through De Mohrenschildt that Oswald met a certain Volkmar Schmidt, a young German geologist who had studied with Professor Wilhelm Kuetemeyer, an expert in psychosomatic medicine and religious philosophy at the University of Heidelberg, who compiled a detailed psychological profile of Oswald. Jeanne and George helped Marina move her belongings during one of her many estrangements from Oswald. According to some accounts, De Mohrenschildt's influence on Oswald was so great during this period that he could virtually dictate important decisions to the young ex-Marine simply by making suggestions.

According to some versions, de Mohrenschildt was aware of Oswald's alleged April 10, 1963 attempt to assassinate the well-known right-wing General Edwin Walker. According to Marina, De Mohrenschildt once asked Oswald, "Lee, how did you miss General Walker?" On April 19, George and Jeanne De Mohrenschildt went to New York City, and on April 29, the CIA Office of Security found that it had no objection to De Mohrenschildt's acceptance of a contract with the Duvalier regime of Haiti in the field of natural resource development. De Mohrenschildt appears to have departed for Haiti on May 1, 1963. In the meantime, Oswald had left Dallas and traveled to New Orleans.

According to Mark Lane, "there is evidence that De Mohrenschildt served as a CIA control officer who directed Oswald's actions." Much of the extensive published literature on de Mohrenschildt converges on the idea that he was a control agent for Oswald on behalf of some intelligence agency. / Note #1 / Note #6

It is therefore highly interesting that George Bush's name turns up in the

personal address book of George de Mohrenschildt.

The Warren Commission went to absurd lengths to cover up the fact that George De Mohrenschildt was a denizen of the world of the intelligence agencies. This included ignoring the well-developed paper trail on De Mohrenschildt as Nazi and communist sympathizer, and later as a U.S. asset abroad. The Warren Commission concluded:

"The Commission's investigation has developed no signs of subversive or disloyal conduct on the part of either of the de Mohrenschildts. Neither the FBI, CIA, nor any witnesses contacted by the Commission has provided any information linking the De Mohrenschildts to subversive or extremist organizations. Nor has there been any evidence linking them in any way with the assassination of President Kennedy." / Note #1 / Note #7

Bush, the CIA, and Kennedy

On the day of the Kennedy assassination, FBI records show George Bush as reporting a right-wing member of the Houston Young Republicans for making threatening comments about President Kennedy. According to FBI documents released under the Freedom of Information Act,

"On November 22, 1963 Mr. GEORGE H.W. BUSH, 5525 Briar, Houston, Texas, telephonically advised that he wanted to relate some hear say that he had heard in recent weeks, date and source unknown. He advised that one JAMES PARROTT had been talking of killing the President when he comes to Houston.

"PARROTT is possibly a student at the University of Houston and is active in politics in the Houston area."

According to related FBI documentation, "a check with Secret Service at Houston, Texas revealed that agency had a report that PARROTT stated in 1961 he would kill President Kennedy if he got near him." Here Bush is described as "a reputable businessman." FBI agents were sent to interrogate Parrott's mother, and later James Milton Parrott himself. Parrott had been discharged from the U.S. Air Force for psychiatric reasons in 1959. Parrott had an alibi for the time of the Dallas shootings; he had been in the company of another Republican activist. According to press accounts, Parrott was a member of the right-wing faction of the Houston GOP, which was oriented toward the John Birch Society and which opposed Bush's chairmanship. / Note #1 / Note #8 According to the "San Francisco Examiner," Bush's press office in August 1988 first said that Bush had not made any such call, and challenged the authenticity of the FBI documents. Several days later Bush's spokesman said that the candi date "does not

recall" placing the call.

One day after he reported Parrott to the FBI, Bush received a highly sensitive, high-level briefing from the Bureau:

"Date: November 29, 1963

"To: Director of Intelligence and Research Department of State

"From: John Edgar Hoover, Director

"Subject: ASSASSINATION OF PRESIDENT JOHN F. KENNEDY, NOVEMBER 22, 1963

"Our Miami, Florida Office on November 23, 1963 advised that the Office of Coordinator of Cuban Affairs in Miami advised that the Department of State feels some misguided anti-Castro group might capitalize on the present situation and undertake an unauthorized raid against Cuba, believing that the assassination of President John F. Kennedy might herald a change in U.S. policy, which is not true.

"Our sources and informants familiar with Cuban matters in the Miami area advise that the general feeling in the anti-Castro Cuban community is one of stunned disbelief and, even among those who did not entirely agree with the President's policy concerning Cuba, the feeling is that the President's death represents a great loss not only to the U.S. but to all Latin America. These sources know of no plans for unauthorized action against Cuba.

"An informant who has furnished reliable information in the past and who is close to a small pro-Castro group in Miami has advised that those individuals are afraid that the assassination of the President may result in strong repressive measures being taken against them and, although pro-Castro in their feelings, regret the assassination.

"The substance of the foregoing information was orally furnished to Mr. George Bush of the Central Intelligence Agency and Captain William Edwards of the Defense Intelligence Agency on November 23, 1963, by Mr. W.T. Forsyth of this Bureau."

William T. Forsyth, since deceased, was an official of the FBI's Washington headquarters; during the time he was attached to the bureau's subversive control section, he ran the investigation of Dr. Martin Luther King. Was he also a part of the FBI's harassment of Dr. King?

The efforts of journalists to locate Captain Edwards have not been successful.

This FBI document identifying George Bush as a CIA agent in November 1963 was first published by Joseph McBride in "The Nation" in July 1988, just before Bush received the Republican nomination for President. McBride's source observed: "I know [Bush] was involved in the Caribbean. I know he was involved in the suppression of things after the Kennedy assassination. There was a very definite worry that some Cuban groups were going to move against Castro and attempt to blame it on the CIA." / Note #1 / Note #9
When pressed for confirmation or denial, Bush's spokesman Stephen Hart commented: "Must be another George Bush."

Within a short time, the CIA itself would peddle the same damage control line. On July 19, 1988, in the wake of wide public attention to the report published in "The Nation," CIA spokeswoman Sharron Basso departed from the normal CIA policy of refusing to confirm or deny reports that any person is or was a CIA employee. CIA spokeswoman Basso told the Associated Press that the CIA believed that "the record should be clarified." She said that the FBI document "apparently" referred to a George William Bush who had worked in 1963 on the night shift at CIA headquarters, and that "would have been the appropriate place to have received such an FBI report." According to her account, the George William Bush in question had left the CIA to join the Defense Intelligence Agency in 1964.

For the CIA to volunteer the name of one of its former employees to the press was a shocking violation of traditional methods, which are supposedly designed to keep such names a closely guarded secret. This revelation may have constituted a violation of federal law. But no exertions were too great when it came to damage control for George Bush.

George William Bush had indeed worked for the CIA, the DIA, and the Alexandria, Virginia Department of Public Welfare before joining the Social Security Administration, in whose Arlington, Virginia office he was employed as a claims representative in 1988. George William Bush told "The Nation" that while at the CIA he was "just a lowly researcher and analyst" who worked with documents and photos and never received interagency briefings. He had never met Forsyth of the FBI or Captain Edwards of the DIA. "So it wasn't me," said George William Bush. / Note #2 / Note #0

Later, George William Bush formalized his denial in a sworn statement to a federal court in Washington, D.C. The affidavit acknowledges that while working at CIA headquarters between September 1963 and February 1964, George William Bush was the junior person on a three- to four-man watch

which was on duty when Kennedy was shot. But, as George William Bush goes on to say, "have carefully reviewed the FBI memorandum to the Director, Bureau of Intelligence and Research, Department of State dated November 29, 1963 which mentions a Mr. George Bush of the Central Intelligence Agency.... I do not recognize the contents of the memorandum as information furnished to me orally or otherwise during the time I was at the CIA. In fact, during my time at the CIA, I did not receive any oral communications from any government agency of any nature whatsoever. I did not receive any information relating to the Kennedy assassination during my time at the CIA from the FBI.

"Based on the above, it is my conclusion that I am not the Mr. George Bush of the Central Intelligence Agency referred to in the memorandum." / Note #2 / Note #1

So we are left with the strong suspicion that the "Mr. George Bush of the CIA" referred to by the FBI is our own George Herbert Walker Bush, who, in addition to his possible contact with Lee Harvey Oswald's controller, may thus also join the ranks of the Kennedy assassination coverup. It makes perfect sense for George Bush to be called in on a matter involving the Cuban community in Miami, since that is a place where George has traditionally had a constituency. George inherited it from his father, Prescott Bush of Jupiter Island, and later passed it on to his own son, Jeb.

Notes to Chapter 9

1. Joseph McBride, "'George Bush,' C.I.A. Operative," "The Nation" July 16, 1988.
2. Georgie Anne Geyer, "Guerrilla Prince" (Boston: Little, Brown, 1991).
3. Felix Rodriguez, "Shadow Warrior" (New York: Simon and Schuster, 1989).
4. On Pluto, see the East German study by Guenter Schumacher, "Operation Pluto" (Berlin, Deutscher Militarverlag, 1966).
5. E. Howard Hunt, "Give Us This Day" (New Rochelle: Arlington House, 1973), p. 214.
6. For Operation Zapata, see Michael R. Beschloss, "The Crisis Years: Kennedy and Khrushchev, 1960-63" (New York: Edward Burlingame Books, 1991), p. 89.

7. For the names of the ships at the Bay of Pigs, see Quintin Pino Machado, "La Batalla de Giron" (La Habana: Editorial de Ciencias Sociales, 1983), pp. 79-80. This source quotes one ship as the "Barbara J." See also Schumacher, "Operation Pluto," pp. 98-99. See also Peter Wyden, "Bay of Pigs, The Untold Story" (New York: Simon and Schuster, 1979), which also has the "Barbara J." According to Quintin Pino Machado, the "Houston" had been given the new name of "Aguja" (Swordfish) and the "Barbara" that of "Barracuda" for the purposes of this operation.

8. E. Howard Hunt, "op. cit.," pp. 13-14.

9. Theodore Sorenson, "Kennedy" (New York: Bantam, 1966), p. 329.

10. "Ibid.," p. 723.

11. Arthur M. Schlesinger, "A Thousand Days" (Boston, 1965), p. 339.

12. See Warren Hinckle and William W. Turner, "The Fish is Red" (New York: Harper and Row, 1981), pp. 112 ff.

13. "Report to the President by the Commission on CIA Activities Within the United States" (Washington: U.S. Government Printing Office, 1975), pp. 251-267.

14. Jim Marrs, "Widow disputes suicide," "Fort Worth Evening Star-Telegram," May 11, 1978.

15. A photocopy of George de Mohrenschildt's personal address book is preserved at the Assassination Archives and Research Center, Washington, D.C. The Bush entry is also cited in Mark Lane, "Plausible Denial" (New York: Thunder's Mouth Press, 1991), p. 332.

16. For De Mohrenschildt, see Mark Lane, "op. cit."; Edward Jay Epstein, "Legend: The Secret World of Lee Harvey Oswald" (London: Hutchinson, 1978); C. Robert Blakey and Richard N. Billings, "The Plot to Kill the President" (New York: Times Books, 1981); and Robert Sam Anson, ""They've Killed The President!"" (New York: Bantam, 1975).

17. "Report of the Warren Commission on the Assassination of President Kennedy" (New York: Bantam, 1964), p. 262.

18. Miguel Acoca, "FBI: 'Bush' called about JFK killing," "San Francisco Examiner," Aug. 25, 1988.

19. Joseph McBride, "'George Bush,' CIA Operative," "The Nation," July 16/23, 1988, p. 42.

20. Joseph McBride, "Where 'Was' George?" "The Nation," Aug. 13/20, 1988, p. 117.

21. United States District Court for the District of Columbia, Civil Action 88-2600 GHR, Assassination Archives and Research Center v. Central Intelligence Agency, Affidavit of George William Bush, Sept. 21, 1988.

CHAPTER 10

Part I

The Senate Race

Bush's unsuccessful attempt in 1964 to unseat Texas Democratic "Senator Ralph Yarborough" is a matter of fundamental interest to anyone seeking to probe the wellsprings of Bush's actual political thinking. In a society which knows nothing of its own recent history, the events of a quarter-century ago might be classed as remote and irrelevant. But as we review the profile of the Bush Senate campaign of 1964, what we see coming alive is the characteristic mentality that rules the Oval Office today. The main traits are all there: the overriding obsession with the race issue, exemplified in Bush's bitter rejection of the civil rights bill before the Congress during those months; the genocidal bluster in foreign affairs, with proposals for nuclear bombardment of Vietnam, an invasion of Cuba, and a rejection of negotiations for the return of the Panama Canal; the autonomic reflex for union-busting expressed in the rhetoric of "right to work"; the paean to free enterprise at the expense of farmers and the disadvantaged, with all of this packaged in a slick, demagogic television and advertising effort....

Bush's opponent, Senator Ralph Webster Yarborough, had been born in Chandler, Texas in 1903 as the seventh of 11 children. After graduating from Tyler High School as Salutatorian, he received an appointment to the U.S. Military Academy at West Point, which he attended for one year. After working in the wheat fields of Oklahoma and a six-month stint teaching in a small rural school, he went on to Sam Houston State Teachers College for two terms. He was a member of the 36th Division of the Texas National Guard, in which he advanced from private to sergeant. After World War I, he worked a passage to Europe on board a freighter, and found a job in Germany working in the offices of the American Chamber of Commerce in Berlin. He

also pursued studies in Stendahl, Germany. He returned to the United States to earn a law degree at the University of Texas in 1927, and worked as a lawyer in El Paso.... Yarborough entered public service as an assistant attorney general of Texas from 1931 to 1934. After that, he was a founding director of the Lower Colorado River Authority, a major water project in central Texas, and was then elected as a district judge in Austin.

Yarborough served in the U.S. Army ground forces during World War II, and was a member of the only division which took part in the postwar occupation of Germany as well as in MacArthur's administration of Japan. When he left the military in 1946, he had attained the rank of lieutenant colonel. It is clear from an overview of Yarborough's career that his victories and defeats were essentially his own, that for him there was no Prescott Bush to secure lines of credit or to procure important posts by telephone calls to bigwigs in freemasonic networks.

Yarborough had challenged Allan Shivers in the governor's contest of 1952, and had gone down to defeat. Successive bids for the state house in Austin by Yarborough were turned back in 1954 and 1956. Then, when Senator (and former Governor) Price Daniel resigned his seat, Yarborough was finally victorious in a special election. He had then been reelected to the Senate for a full term in 1958.

Yarborough in the Senate

Yarborough was distinguished first of all for his voting record on civil rights. Just months after he had entered the Senate, he was one of only five southern senators (including LBJ) to vote for the watershed Civil Rights Act of 1957. In 1960, Yarborough was one of four southern senators -- again including LBJ -- who cast votes in favor of the Civil Rights Act of 1960. Yarborough would be the lone senator from the 11 states formerly comprising the Confederate States of America to vote for the 1964 Civil Rights Bill, the most sweeping since Reconstruction. This is the bill which, as we will see, provided Bush with the ammunition for one of the principal themes of his 1964 election attacks. Later, Yarborough would be one of only three southern senators supporting the Voting Rights Act of 1965, and one of four supporting the 1968 open housing bill. / Note #5

... Yarborough had become the chairman of the Senate Committee on Labor and Public Welfare. Here his lodestar was infrastructure: infrastructure in the form of education and infrastructure in the form of physical improvements.

In education, Yarborough was either the author or a leading supporter of virtually every important piece of legislation to become law between 1958

and 1971, including some nine major bills. As a freshman senator, Yarborough was the co-author of the National Defense Education Act of 1958, which was the basis for federal aid to education, particularly to higher education. Under the provisions of NDEA, a quarter of a million students were at any given time enabled to pursue undergraduate training with low-cost loans and other benefits. For graduate students, there were three-year fellowships that paid tuition and fees plus grants for living expenses in the amount of \$2200, \$2400 and \$2600 over the three years -- an ample sum in those days. Yarborough also sponsored bills for medical education, college classroom construction, vocational education, aid to the mentally retarded, and library facilities. Yarborough's Bilingual Education Bill provided special federal funding for schools with large numbers of students from non-English speaking backgrounds. Some of these points were outlined by Yarborough during a campaign speech of September 18, 1964, with the title "Higher Education As It Relates To Our National Purpose."

As chairman of the veterans subcommittee, Yarborough authored the Cold War G.I. Bill, which sought to extend the benefits accorded veterans of World War II and Korea, and which was to apply to servicemen on duty between January 1955 and July 1, 1965. For these veterans, Yarborough proposed readjustment assistance, educational and vocational training, and loan assistance, to allow veterans to purchase homes and farms at a maximum interest rate of 5.25 percent per annum. This bill was finally passed after years of dogged effort by Yarborough against the opposition of Presidents Eisenhower, Kennedy and Johnson. Yarborough was instrumental in obtaining a five-year extension of the Hill-Burton Act, which provided 4,000 additional beds in Veterans Administration hospitals.

In physical improvements, Yarborough supported appropriations for coastal navigation. He fought for \$29 million for the Rural Electrification Administration for counties in the Corpus Christi area alone. In 11 counties in that part of Texas, Yarborough had helped obtain federal grants of \$4.5 million and loans of \$640,000 under the Kennedy administration accelerated public works projects program, to provide clean water and sewage for towns and cities which could not otherwise afford them. Concerning his commitment to this type of infrastructure, Yarborough commented to a dinner in Corpus Christi:

"These are the projects, along with ship channels, dams and reservoirs, water research programs, hurricane and flood control programs, that bring delegations of city officials, members of county courts, members of river and watershed authorities, co-op delegations, into my office literally by the thousands year after year for aid, which is always given, never refused." Yarborough went on: "While our efforts and achievements are

largely unpublicized .. there is satisfaction beyond acclaim when a small town without a water system is enabled to provide its people for the first time with water and sewerage ... when the course of a river is shored up a little to save a farmer's crops, when a freeway opens up new avenues of commerce." / Note #6 In the area of oil policy, always vital in Texas, Yarborough strained to give the industry everything it could reasonably expect, and more. Despite this, he was implacably hated by many business circles.

In short, Ralph Yarborough had a real commitment to racial and economic justice, and was, all in all, among the best that the post-New Deal Democratic Party had to offer. Certainly there were weaknesses: One of the principal ones was to veer in the direction of environmentalism. Here Yarborough was the prime mover behind the Endangered Species Act.

Climbing the Republican Ladder

Bush moved to Houston in 1959, bringing the corporate headquarters of Zapata Offshore with him. Houston was by far the biggest city in Texas, a center of the corporate bureaucracies of firms doing business in the oil patch. There was also the Baker and Botts law firm, which would function in effect as part of the Bush family network, since Baker and Botts were the lawyers who had been handling the affairs of the Harriman railroad interests in the Southwest.

One prominent lawyer in Houston at the time was "James Baker III," a scion of the family enshrined in the Baker and Botts name, but himself a partner in another, satellite firm, because of the so-called anti-nepotism rule that prevented the children of Baker and Botts partners from joining the firm themselves. Soon Bush would be hob-nobbing with Baker and other representatives of the Houston oligarchy, of the Hobby and Cullen families, at the Petroleum Club and at garden parties in the hot, humid, subtropical summers. George, Barbara and their children moved into a new home on Briar Drive....

Before long, Bush became active in the Harris County Republican Party, which was in the process of becoming one of the GOP strongpoints in the statewide apparatus then being assembled by Peter O'Donnell, the Republican state chairman, and his associate Thad Hutcheson. By now, George Bush claimed to have become a millionaire in his own right, and given his impeccable Wall Street connections, it was not surprising to find him on the Harris County GOP finance committee, a function that he had undertaken in Midland for the Eisenhower-Nixon tickets in 1952 and 1956. He was also a member of the candidates committee.

In 1962, the Democrats were preparing to nominate John Connally for governor, and the Texas GOP under O'Donnell was able to mount a more formidable bid than previously for the state house in Austin. The Republican candidate was Jack Cox, a party activist with a right-wing profile. Bush agreed to serve as the Harris County co-chairman of the Jack Cox for Governor finance committee. In the gubernatorial election of 1962, Cox received 710,000 votes, a surprisingly large result. Connally won the governorship, and it was in that capacity that he was present in the Kennedy motorcade in Dallas on November 22, 1963.

During these years, a significant influence was exercised in the Texas GOP by the John Birch Society, which had grown up during the 1950s through the leadership and financing of Robert Welch. Grist for the Birch mill was abundantly provided by the liberal Republicanism of the Eisenhower administration, which counted Prescott Bush, Nelson Rockefeller, Gordon Gray and Robert Keith Gray among its most influential figures. In reaction against this Wall Street liberalism, the Birchers offered an ideology of impotent negative protest based on self-righteous chauvinism in foreign affairs and the mystifications of the free market at home. But they were highly suspicious of the financier cliques of lower Manhattan, and to that extent they had George Bush's number.

Bush is still complaining about the indignities he suffered at the hands of these Birchers, with whom he was straining to have as much as possible in common. But he met with repeated frustration, because his Eastern Liberal Establishment pedigree was always there. In his campaign autobiography, Bush laments that many Texans thought that "Redbook Magazine," published by his father-in-law, Marvin Pierce of the McCall Corporation, was an official publication of the Communist Party.

Bush recounts a campaign trip with his aide Roy Goodearle to the Texas panhandle, during which he was working a crowd at one of his typical free food, free beer "political barbecues." Bush gave one of his palm cards to a man who conceded that he had heard of Bush, but quickly added that he could never support him. Bush thought this was because he was running as a Republican. "But," [Bush] then realized, "my being a Republican wasn't the thing bothering the guy. It was something worse than that." Bush's interlocutor was upset over the fact that Zapata Offshore had eastern investors. When Bush whined that all oil companies had eastern investors, for such was the nature of the business, his tormentor pointed out that one of Bush's main campaign contributors, a prominent Houston attorney, was not just a "sonofabitch," but also a member of the New York Council on Foreign Relations.

Bush explains, with the whine in his larynx in overdrive: "The lesson was that in the minds of some voters the Council on Foreign Relations was nothing more than a One World tool of the Communist-Wall Street internationalist conspiracy, and to make matters worse, the Houston lawyer had also worked for President Eisenhower -- a known tool of the Communists, in the eyes of some John Birch members." Further elucidation is then added in a footnote: "A decade and a half later, running for President, I ran into some of the same political types on the campaign trail. By then, they'd uncovered an international conspiracy even more sinister than the Council on Foreign Relations -- the Trilateral Commission, a group that President Reagan received at the White House in 1981." / Note #7

This, as we shall see, is a reference to Lyndon LaRouche's New Hampshire primary campaign of 1979-80, which included the exposure of Bush's membership not just in David Rockefeller's Trilateral Commission, but also in Skull and Bones, about which Bush always refuses to comment. When Ronald Reagan and other candidates took up this issue, Bush ended up losing the New Hampshire primary, and with it, his best hope of capturing the presidency in 1980. Bush, in short, has been aware since the early sixties that serious attention to his oligarchical pedigree causes him to lose elections. His response has been to seek to declare these very relevant matters off limits, and to order dirty tricks and covert operations against those who persist in making this an issue, most clearly in the case of LaRouche.

Part of the influence of the Birch Society in those days was due to the support and financing afforded by the Hunt dynasty of Dallas. In particular, the fabulously wealthy oilman "H.L. Hunt," one of the richest men in the world, was an avid sponsor of rightwing propaganda which he put out under the name of LIFE LINE. On at least one occasion, Hunt called Bush to Dallas for a meeting during one of the latter's Texas political campaigns. "There's something I'd like to give you," Hunt told Bush. Bush appeared with remarkable alacrity, and Hunt engaged him in a long conversation about many things, but mentioned neither politics nor money. Finally, as Bush was getting ready to leave, Hunt handed him a thick brown envelope. Bush eagerly opened the envelope in the firm expectation that it would contain a large sum in cash. What he found instead was a thick wad of LIFE LINE literature for his ideological reformation. / Note #8

It was in this context that George Bush, medio cre oilman, fortified by his Wall Street and Skull and Bones connections, but with almost no visible qualifications, and scarcely known in Texas outside of Odessa, Midland and Houston, decided that he had attained senatorial caliber. In the Roman

Empire, membership in the Senate was an hereditary attribute of patrician family rank. Prescott Bush had left the Senate in early January of 1963. Before the year was out, George Bush would make his claim. As Senator Yarborough later commented, it would turn out to be an act of temerity.

Harris County Chair

During the spring of 1963, Bush set about assembling an institutional base for his campaign. The chosen vehicle would be the Republican chairmanship of Harris County, the area around Houston, a bulwark of the Texas GOP. Bush had been participating in the Harris County organization since 1960.

One Sunday morning, Bush invited some county Republican activists to his home on Briar Drive. Present were "Roy Goodearle," a young independent oil man who, before Barbara Bush appropriated it, was given the nickname of "the Silver Fox" in the Washington scene. Also present were Jack Steel, Tom and Nancy Thawley, and some others.

Goodearle, presumably acting as the lawyer for the Bush faction, addressed the meeting on the dangers posed by the sectarians of the John Birch Society to the prospects of the GOP in Houston and elsewhere. Over lunch prepared by Barbara Bush, Goodearle outlined the tactical situation in the Harris County organization: A Birchite faction under the leadership of state senator Walter Mengdon, although still a minority, was emerging as a powerful inner-party opposition against the liberals and moderates. In the last vote for GOP county leader, the Birch candidate had been narrowly defeated. Now, after three years in office, the more moderate county chairman, James A. Bertron, would announce on February 8, 1963 that he could no longer serve as chairman of the Harris County Republican Executive Committee. His resignation, he would state, was "necessitated by neglect of my personal business due to my political activities." / Note #9 This was doubtless very convenient in the light of what Bush had been planning.

Bertron was quitting to move to Florida. In 1961, Bertron had been attending a Republican fundraising gathering in Washington, D.C., when he was accosted by none other than Senator Prescott Bush. Bush took Bertron aside and demanded: "Jimmy, when are you going to get George involved?" "Senator, I'm trying," Bertron replied, evidently with some vexation. "We're all trying." / Note #1 / Note #0 In 1961 or at any other time, it is doubtful that George Bush could have found his way to the men's room without the help of a paid informant sent by Senator Prescott Bush.

Goodearle went on to tell the assembled Republicans that unless a "strong candidate" now entered the race, a Bircher was likely to win the post of

county chairman. But in order to defeat the well-organized and zealous Birchers, said Goodearle, an anti-Bircher would have to undertake a grueling campaign, touring the county and making speeches to the Republican faithful every night for several weeks. Then, under the urging of Goodearle, the assembled group turned to Bush: Could he be prevailed on to put his hat in the ring? Bush, by his own account, needed no time to think it over, and accepted on the spot.

With that, George and Barbara were on the road in their first campaign in what Bush later called "another apprenticeship." While Barbara busied herself with needlepoint in order to stay awake through a speech she had heard repeatedly, George churned out a pitch on the virtues of the two-party system and the advantages of having a Republican alternative to the entrenched Houston establishment. In effect, his platform was the Southern Strategy "avant la lettre." Local observers soon noticed that Barbara Bush was able to gain acceptance as a campaign comrade for Republican volunteers, in addition to being esteemed as the wealthy candidate's wife.

When the vote for county chairman came, the candidate opposing Bush, Russell Prior, pulled out of the race for reasons that have not been satisfactorily explained, thus permitting Bush to be elected unanimously by the executive committee. Henceforth, winning unopposed has been Bush's taste in elections: This is how he was returned to the House for his second term in 1968, and Bush propagandists flirted with a similar approach to the 1992 presidential contest.

As chairman, Bush was free to appoint the officers of the county GOP. Some of these choices are not without relevance for the future course of world history. For the post of party counsel, Bush appointed William B. Cassin of Baker and Botts, Shepherd and Coates law firm. For his assistant county chairmen, Bush tapped Anthony Farris, Gene Crossman and Roy Goodearle; and for executive director, William R. Simmons.

Not to be overlooked is the choice of Anthony J.P. "Tough Tony" Farris. He had been a Marine gunner aboard dive bombers and torpedo bombers during the war, and had later graduated from the University of Houston law school, subsequently setting up a general law practice in the Sterling Building in downtown Houston. The "P" stood for Perez, and Farris was a wheelhorse in the Mexican-American community with the "Amigos for Bush" in a number of campaigns. Farris was an unsuccessful congressional candidate, but was later rewarded by the Nixon administration with the post of United States Attorney in Houston. Then Farris was elected to the Harris County bench in 1980. When George Bush's former business partner and constant crony, J.

Hugh Liedtke of Pennzoil, sued Texaco for damages in the celebrated Getty Oil case of 1985, it was Judge "Tough Tony" Farris who presided over most of the trial and made the key rulings on the way to the granting of the biggest damage award in history, an unbelievable \$11,120,976,110.83, all for the benefit of Bush's good friend J. Hugh Liedtke. / Note #1 / Note #2

... At the same time that he was inveighing against extremism, Bush was dragooning his party apparatus to mount the Houston Draft Goldwater drive. The goal of this effort was to procure 100,000 signatures for Goldwater, with each signer also plunking down a dollar to fill the GOP coffers. "An excellent way for those who support Goldwater -- like me -- to make it known," opined Chairman George. Bush fostered a partisan -- one might say vindictive -- mood at the county GOP headquarters: The "Houston Chronicle" of June 6, 1963 reports that GOP activists were amusing themselves by tossing darts at balloons suspended in front of a photograph of President Johnson. Bush told the "Chronicle": "I saw the incident and it did not offend me. It was just a gag."

But Bush's pro-Goldwater efforts were not universally appreciated. In early July, Craig Peper, the current chairman of the party finance committee, stood up in a party gathering and attacked the leaders of the Draft Goldwater movement, including Bush as "right wing extremists." Bush had not been purging any Birchers, but he was not willing to permit such attacks from his left. Bush accordingly purged Peper, demanding his resignation after a pro-Goldwater meeting at which Bush had boasted that he was "100 percent for the draft Goldwater move."

A few weeks after ousting Peper, Bush contributed one of his first public political statements as an op ed in the "Houston Chronicle" of July 28, 1963. Concerning the recent organizational problems, he whined that the county organization was "afflicted with some dry-martini critics who talk and don't work." Then, in conformity with his family doctrine and his own dominant obsession, Bush turned to the issue of race. As a conservative, he had to lament that fact that "Negroes" "think that conservatism means segregation." Nothing could be further from the truth. This was rather the result of slanderous propaganda which Republican public relations men had not sufficiently refuted: "First, they attempt to present us as racists. The Republican party of Harris County is not a racist party. We have not presented our story to the Negroes in the county. Our failure to attract the Negro voter has not been because of a racist philosophy; rather, it has been a product of our not having had the organization to tackle all parts of the county." What then was the GOP line on the race question? "We believe in the basic premise that the individual Negro surrenders the very dignity and freedom he is struggling for when he accepts money for his vote

or when he goes along with the block vote dictates of some Democratic boss who couldn't care less about the quality of the candidates he is pushing." So the GOP would try to separate the black voter from the Democrats. Bush conceded: "We have a tough row to hoe here."

After these pronouncements on race, Bush then went on to the trade union front. Yarborough's labor backing was exceedingly strong, and Bush lost no time in assailing the state AFL-CIO and its Committee on Political Education (COPE) for gearing up to help Yarborough in his race. For Bush, this meant that the AFL-CIO was not supporting the "two-party system." "A strong pitch is being made to dun the [union] membership to help elect Yarborough," he charged, "long before Yarborough's opponent is even known."

Bush also spoke out during this period on foreign affairs. He demanded that President Kennedy "muster the courage" to undertake a new attack on Cuba. / Note #1 / Note #3

Before announcing his bid for the senate, Bush decided to take out what would appear in retrospect to be a very important insurance policy for his future political career. On April 22, Bush, with the support of Republican state chairman Peter O'Donnell, filed a suit in federal court, calling for the reapportionment of the congressional districts in the Houston area. The suit argued that the urban voters of Harris County were being partially disenfranchised by a system that favored rural voters, and demanded as a remedy that a new congressional district be drawn in the area. "This is not a partisan matter," commented the civic-minded Bush. "This is something of concern to all Harris County citizens." Bush would later win this suit, and that would lead to a court-ordered redistricting, which would create the Seventh Congressional District, primarily out of those precincts which Bush managed to carry in the 1964 Senate race. Was this the invisible hand of Skull and Bones? This would also mean that there would be no entrenched incumbent, no incumbent of any kind in that Seventh District, when Bush got around to making his bid there in 1966. But for now, this was all still in the future.

The Senate Race

On September 10, 1963, Bush announced his campaign for the U.S. Senate. He was fully endorsed by the state Republican organization and its chairman, Peter O'Donnell, who, according to some accounts, had encouraged Bush to run. By December 5, Bush had further announced that he was planning to step down as Harris County chairman and devote himself to full-time, statewide campaigning starting early in 1964.

At this point, Bush's foremost strategic concern appears to have been money -- big money. On October 19, the "Houston Chronicle" carried his comment that ousting Yarborough would require nearly \$2 million, "if you want to do it right." Much of this would go to the Brown and Snyder advertising agency in Houston for television and billboards. In 1963, this was a considerable sum, but Bush's crony C. Fred Chambers, also an oilman, was committed to raising it. During these years, Chambers appears to have been one of Bush's closest friends, and he received the ultimate apotheosis of having one of the Bush family dogs named in his honor. / Note #1 / Note #4

It is impossible to establish in retrospect how much Bush spent in this campaign. State campaign finance filings do exist, but they are fragmentary and grossly underestimate the money that was actually committed.

In terms of the tradeoffs of the campaign, Bush and his handlers were confronted with the following configuration: There were three competitors for the Republican senatorial nomination. The most formidable competition came from Jack Cox, the Houston oilman who had run for governor against Connally in 1962, and whose statewide recognition was much higher than Bush's. Cox would position himself to the right of Bush, and would receive the endorsement of General Edwin Walker, who had been forced to resign his infantry command in Germany because of his radical speeches to the troops. A former Democrat, Cox was reported to have financial backing from the Hunts of Dallas. Cox campaigned against medicare, federal aid to education, the war on poverty, and the loss of U.S. sovereignty to the U.N.

Competing with Cox was Dr. Milton Davis, a thoracic surgeon from Dallas, who was expected to be the weakest candidate but whose positions were perhaps the most distinctive: Morris was for "no treaties with Russia," the repeal of the federal income tax, and the "selling off of excess government industrial property such as TVA and REA" -- what the Reagan-Bush administrations would later call privatization.

Competing with Bush for the less militant conservatives was Dallas lawyer Robert Morris, who recommended depriving the U.S. Supreme Court of appellate jurisdiction in school prayer cases. / Note #1 / Note #5 In order to avoid a humiliating second-round runoff in the primary, Bush would need to score an absolute majority the first time around. To do that he would have to first compete with Cox on a right-wing terrain, and then move to the center after the primary, in order to take votes from Yarborough there.

But there was also primary competition on the Democratic side for Yarborough. This was Gordon McLendon, the owner of a radio network, the Liberty Broadcasting System, that was loaded with debt. Liberty

Broadcasting's top creditor was Houston banker Roy Cullen, a Bush crony. Roy Cullen's name appears, for example, along with such died-in-the wool Bushmen as W.S. Farish III, James A. Baker III, C. Fred Chambers, Robert Mosbacher, William C. Liedtke, Jr., Joseph R. Neuhaus and William B. Cassin, in a Bush campaign ad in the "Houston Chronicle" of late April, 1964. When McLendon finally went bankrupt, it was found that he owed Roy Cullen more than a million dollars. So perhaps it is not surprising that McLendon's campaign functioned as an auxiliary to Bush's own efforts. McLendon specialized in smearing Yarborough with the Billie Sol Estes issue, and it was to this that McLendon devoted most of his speaking time and media budget.

Billie Sol Estes in those days was notorious for his conviction for defrauding the U.S. government of large sums of money in a scam involving the storage of chemicals that turned out not to exist. Billie Sol was part of the LBJ political milieu. As the Estes scandal developed, a report emerged that he had given Yarborough a payment of \$50,000 on Nov. 6, 1960. But later, after a thorough investigation, the Department of Justice had issued a statement declaring that the charges involving Yarborough were "without any foundation in fact and unsupported by credible testimony." "The case is closed," said the Justice Department. But this did not stop Bush from using the issue to the hilt: "I don't intend to mud-sling with [Yarborough] about such matters as the Billie Sol Estes case since Yarborough's connections with Estes are a simple matter of record which any one can check," said Bush. "[Yarborough is] going to have to prove to the Texas voters that his connections with Billie Sol Estes were as casual as he claims they were." / Note #1 / Note #6 In a release issued on April 24, Bush "said he welcomes the assistance of Gordon McLendon, Yarborough's primary opponent, in trying to force the incumbent Senator to answer." Bush added that he planned to "hammer at Yarborough every step of the way ... until I get some sort of answer."

The other accusation that was used against Yarborough during the campaign was advanced most notably in an article published in the September 1964 issue of "Reader's Digest." The story was that Yarborough had facilitated backing and subsidies through the Texas Area Reconstruction Administration for an industrial development project in Crockett, Texas, only to have the project fail owing to the inability of the company involved to build the factory that was planned. The accusation was that Audio Electronics, the prospective factory builders, had received a state loan of \$383,000 to build the plant, while townspeople had raised some \$60,000 to buy the plant site, before the entire deal fell through.

The "Reader's Digest" told disapprovingly of Yarborough addressing a group

of 35 Crockett residents on a telephone squawk box in March, 1963, telling them that he was authorized by the White House to announce "that you are going to gain a fine new industry -- one that will provide new jobs for 180 people, add new strength to your area."

The "Reader's Digest" article left the distinct impression that the \$60,000 invested by local residents had been lost. "Because people believed that their Senator's 'White House announcement' of the ARA loan to Audio guaranteed the firm's soundness, several Texans invested in it and lost all. One man dropped \$40,000. A retired Air Force officer plowed in \$7000." It turned out in reality that those who had invested in the real estate for the plant site had lost nothing, but had rather been made an offer for their land that represented a profit of one-third on the original investment, and thus stood to gain substantially.

Bush campaign headquarters immediately got into the act with a statement that "it is a shame" that Texans had to pick up the "Reader's Digest" and find their Senator "holding the hand of scandal.... The citizens of the area raised \$60,000 in cash, invested it in the company, and lost it because the project was a fraud and never started."

Yarborough shot back with a statement of his own, pointing out that Bush's claims were "basely false," and adding that the "reckless, irresponsible, false charges by my opponent further demonstrate his untruthfulness and unfitness for the office of U.S. Senator." Most telling was Yarborough's charge on how the "Reader's Digest" got interested in Crockett, Texas, in the first place: "The fact that my opponent's multi-millionaire father's Wall Street investment banking connections enable the planting of false and libelous articles about me in a national magazine like the "Reader's Digest" will not enable the Connecticut candidate to buy a Texas seat in the U.S. Senate." (This was not mere rhetoric: "Reader's Digest General Manager Albert Cole was Prescott Bush's neighbor and fellow member of the Harrimans' secret enclave on Jupiter Island, Florida.) Yarborough's shot was on target, it hurt. Bush whined in response that it was Yarborough's statement which was "false, libelous, and hogwash," and challenged the Senator to prove it or retract it. / Note #1 / Note #7

Racial Theme

Beyond these attempts to smear Yarborough, it is once again characteristic that the principal issue around which Bush built his campaign was racism, expressed this time as opposition to the civil rights bill that was before the Congress during 1964. Bush did this certainly in order to conform to his pro-Goldwater ideological profile, and in order to garner votes

(especially in the Republican primary) using racist and states' rights backlash, but most of all in order to express the deepest tenets of the philosophical world-outlook of himself and his oligarchical family.

Very early in the campaign, Bush issued a statement saying: "I am opposed to the Civil Rights bill now before the Senate." Not content with that, Bush proceeded immediately to tap the wellsprings of nullification and interposition: "Texas has a comparably good record in civil rights," he argued, "and I'm opposed to the Federal Government intervening further into State affairs and individual rights." At this point Bush claimed that his quarrel was not with the entire bill, but rather with two specific provisions, which he claimed had not been a part of the original draft, but which he hinted had been added to placate violent black extremists. According to his statement of March 17, "Bush pointed out that the original Kennedy Civil Rights bill in 1962 did not contain provisions either for a public accommodations section or a Fair Employment Practices Commission (FEPC) section." "Then, after the hot, turbulent summer of 1962, when it became apparent that in order to get the Civil Rights leaders' support and votes in the 1964 election something more must be done, these two bad sections were added to the bill," according to Bush. "I suggest that these two provisions of the bill -- which I most heatedly oppose -- were politically motivated and are cynical in their approach to a most serious problem."

But Bush soon abandoned this hair-splitting approach, and on March 25 he told the Jaycees of Tyler, "I oppose the entire bill." Bush explained later that beyond the public accommodations section and the Fair Employment Practices Committee, he found that "the most dangerous portions of the bill are those which make the Department of Justice the most powerful police force in the Nation and the Attorney General the Nation's most powerful police chief."

When Ted Kennedy of Massachusetts delivered his maiden speech to the Senate in April of 1964, he included a passage referring to the late John F. Kennedy, saying that the dead President had believed that "we should not hate, but love one another." Bush lashed out at Kennedy for what he called "unfair criticism of those who oppose the Civil Rights bill." In Bush's interpretation, "Kennedy's dramatic, almost tearful plea for passage of the bill presented all those who disagree with it as hate mongers." "The inference is clear," Bush said. "In other words, Ted Kennedy was saying that any one who opposes the present Civil Rights bill does so because there is hate in his heart. Nothing could be further from the truth. This is not a question of hate or love, but of Constitutionality." Bush "and other responsible conservatives" simply think that the bill is politically

inspired. "This bill," Bush said, "would make further inroads into the rights of individuals and the States, and even provide for the ultimate destruction of our trial by jury system. We simply feel that this type of class legislation, based on further federal control and intervention, is bad for the nation." Bush said "the Civil Rights problem is basically a local problem, best left to the States to handle." Here surely was a respectable-sounding racism for the era of Selma and Bull Connor.

Bush was provided with new rhetorical ammunition when Alabama Governor George Wallace ventured into the presidential primaries of that year and demonstrated unexpected vote-getting power in certain northern states, using a pitch that included overtly racist appeals. In the wake of one such result in Wisconsin, the Bush campaign issued a release quoting the candidate as being "sure that a majority of Americans are opposed to the Civil Rights bill now being debated in the Senate." "Bush called attention to the surprising 25 percent of the Wisconsin primary vote received by Governor George C. Wallace of Alabama," said the release. In Bush's view, "you can be sure this big vote was not cast for Wallace himself, but was used as a means of showing public opposition to the Civil Rights Bill." "If a flamboyant Governor Wallace can get that kind of a vote in a northern state such as Wisconsin, it indicates to me that there must be general concern from many responsible people over the Civil Rights bill all over the nation," Bush said in Houston. "If I were a member of the Senate today, I would vote against this bill in its entirety."

Footnotes

5. For a profile of Yarborough's voting record on this and other issues, see Chandler Davidson, "Race and Class in Texas Politics" (Princeton: Princeton University Press, 1990), pp. 29 ff.

6. For Yarborough's Senate achievements up to 1964, see Ronnie Dugger, "The Substance of the Senate Contest," in "The Texas Observer," Sept. 18, 1964.

7. Bush and Gold, "op. cit.," p. 77 "ff."

8. See Harry Hurt III, "Texas Rich" (New York: Putnam, 1987), p. 191.

9. On Bush's drive to become Harris County chairman, it is instructive to compare his "Looking Forward" with the clippings from the "Houston Chronicle" of those days, preserved on microfiche in the Texas Historical Society in Houston. Bush says that he decided to run for the post in the spring of 1962, but the Houston press clearly situates the campaign in the spring of 1963. Bush also claims to have been county chairman for two

years, whereas the Houston papers show that he served from February 20, 1963 to around December 5 1963, less than one year.

10. Harry Hurt III, "George Bush, Plucky Lad," "Texas Monthly," June 1983, p. 196....

12. For Anthony Farris in the Pennzoil vs. Texaco case, see below and also Thomas Petzinger, Jr., "Oil and Honor" (New York: Putnam, 1987), "passim."

13. "Boston Globe," June 12, 1988, cited in Michael R. Beschloss, "The Crisis Years" (New York: Edward Burlingame Books, 1991), p. 581.

14. See Barbara Bush, "C. Fred's Story" (New York: Doubleday, 1984), p. 2. This is an example of Mrs. Bush's singular habit of composing books in which she speaks through a canine persona, a feat she has repeated for the current family pet and public relations ploy, Millie. In her account of how C. Fred the dog got his name, George Bush is heard ruling out usual dog names with the comment: "Not at all. We Bushes have always named our children after people we loved." So, writes C. Fred, "I am named after George Bush's best friend, C. Fred Chambers of Houston, Texas. I have met him many times and he doesn't really seem to appreciate the great honor that the Bushes bestowed upon him."

15. See Ronnie Dugger, "The Four Republicans," in "The Texas Observer," April 17, 1964.

16. Quotations from Bush and Yarborough campaign material, except as otherwise indicated, are from Senator Yarborough's papers on deposit in the Eugene C. Barker Texas History Center at the University of Texas in Austin.

17. See Ronnie Dugger, "The Substance of the Senate Contest," in "The Texas Observer," Sept. 18, 1964.

CHAPTER 10

Part II

The Senate Race

Bush was described in the Texas press as attempting a melange of "Goldwater's policies, Kennedy's style." / Note #1 / Note #8 This coverage reveals traits of the narcissistic macho in the 40-year old plutocrat: "He is the sort of fellow the ladies turn their heads to see at the country club charity ball." Abundant campaign financing allowed Bush "to attract

extra people to rallies with free barbecue, free drinks, and musical entertainers." These were billed by the Bush campaign as a return to the "old fashioned political rally," and featured such musical groups as the Black Mountain Boys and the Bluebonnet Belles. At Garcia's Restaurant in Austin, Bush encountered a group of two dozen or so sporty young Republican women holding Bush campaign placards. "Oh girls!" crooned the candidate. "Y'all look great! You look terrific. All dolled up." The women "were ga-ga about him in return," wrote political reporter Ronnie Dugger in the "Texas Observer," adding that Bush's "campaign to become this state's second Republican senator gets a lot of energy and sparkle from the young Republican matrons who are enthusiastic about him personally and have plenty of money for baby sitters and nothing much to do with their time." But in exhortations for militaristic adventurism abroad, the substance was indeed pure Goldwater.

As could be expected from the man who had so recently challenged John F. Kennedy to "muster the courage" to attack Cuba, some of Bush's most vehement pronouncements concerned Castro and Havana, and were doubtless much appreciated by the survivors of Brigade 2506 and the Miami Cubans. Bush started off with what passed for a moderate position in Texas Goldwater circles: "I advocate recognition of a Cuban government in exile and would encourage this government every way to reclaim its country. This means financial and military assistance." "I think we should not be found wanting in courage to help them liberate their country," said Bush. Candidate Morris had a similar position, but both Cox and Davis called for an immediate restoration of the naval blockade of Cuba.

Bush therefore went them one up, and endorsed a new invasion of Cuba. A Bush for Senate campaign brochure depicted a number of newspaper articles about the candidate. The headline of one of these, from an unidentified newspaper, reads as follows: ""Cuba Invasion Urged by GOP Candidate."" The subtitle reads: "George Bush, Houston oilman, campaigning for the Republican nomination to the U.S. Senate called for a new government-in-exile invasion of Cuba, no negotiation of the Panama Canal treaty, and a freedom package in Austin." Other campaign flyers state that "Cuba ... under Castro is a menace to our national security. I advocate recognition of a Cuban government in exile and support of this government to reclaim its country. We must reaffirm the Monroe Doctrine." Another campaign handout characterizes Cuba as "an unredeemed diplomatic disaster abetted by a lack of a firm Cuban policy."

What Bush was proposing would have amounted to a vast and well-funded program for arming and financing anti-Castro Cuban exiles in Miami, and putting the United States government at the service of their adventures --

presumably far in excess of the substantial programs that were already being funded. Beneficiaries would have included Theodore Shackley, who was by now the station chief at CIA Miami station, Felix Rodriguez, Chi Chi Quintero, and the rest of the boys from the Enterprise.

Bush attacked Senator J. William Fulbright, Democrat of Arkansas, for the latter's call in a speech for a more conciliatory policy toward Cuba, ending the U.S. economic boycott. "I view the speech with great suspicion," said Bush. "I feel this is a trial balloon on the part of the State Department to see whether the American people will buy another step in a disastrous, soft foreign policy." Bush called on Secretary of State Dean Rusk, a leading hawk, to hold firm against the policy shift that Fulbright was proposing. "Fulbright says Cuba is a 'distasteful nuisance', but I believe that Castro's Communist regime 90 miles from our shores is an intolerable nuisance. I am in favor only of total liberation of Cuba," proclaimed Bush, "and I believe this can only be achieved by recognition of a Cuban government in exile, backed up to the fullest by the United States and the Organization of American States."

In the middle of April, a Republican policy forum held in Miami heard a report from a Cuban exile leader that the Soviets had positioned missiles on the ocean floor off Cuba, with the missiles pointed at the United States, and that this had been confirmed by diplomatic sources in Havana. This would appear in retrospect to have been a planted story. For Bush it was obvious grist for his campaign mill. Bush, speaking in Amarillo, called the report "the most alarming news in this hemisphere in two years." He called for efforts to "drive the Communists out of Cuba."

But, in keeping with the times, Bush's most genocidal campaign statements were made in regard to Vietnam. Here Bush managed to identify himself with the war, with its escalation, and with the use of nuclear weapons.

Senator Goldwater had recently raised the possibility of using tactical nuclear weapons as the most effective defoliants to strip away the triple canopy jungle of Vietnam. In a response to this, an Associated Press story quoted Bush as saying that he was in favor of anything that could be done safely toward finishing the fighting in Southeast Asia. "Bush said he favors a limited extension of the war in Viet Nam, including restricted use of nuclear weapons if 'militarily prudent,'" according to the AP release. / Note #1 / Note #9 A Bush campaign release of June 1 has him saying he favors a "cautious, judicious, and militarily sound extension of the war in Vietnam." This was all before the Gulf of Tonkin incident and well before U.S. ground troops were committed to Vietnam.

Bush had several other notes to sound concerning the looming war in Southeast Asia. In May, he attacked the State Department for "dawdling" in Vietnam, a policy which he said had "cost the lives of so many young Americans." He further charged that the U.S. troops in Vietnam were being issued "shoddy war material." Responding to a prediction from Defense Secretary McNamara that the war might last ten years, Bush retorted: "This would not be the case if we had developed a winning policy from the start of this dangerous brush fire." Also in May, Bush responded to a Pathet Lao offensive in Laos as follows: "This should be a warning to us in Vietnam. Whenever the Communist world -- either Russian or Chinese -- sign a treaty, or any other agreement, with a nation of the free world, that treaty isn't worth the paper it's written on."

Bush pugnaciously took issue with those who wanted to disengage from the Vietnam quagmire before the bulk of the war's human losses had occurred. He made this part of his "Freedom Package," which was a kind of manifesto for a worldwide U.S. imperialist and colonialist offensive -- a precursor of the new world order "ante litteram." A March 30 campaign release proclaims the "Freedom Package" in these terms: "I do not want to continue to live in a world where there is no hope for a real and lasting peace," Bush said. He decried 'withdrawal symptoms' propounded by U.N. Ambassador Adlai Stevenson and Senators William Fulbright and Mike Mansfield. 'Adlai has proposed we [inter]nationalize the Panama Canal,' Bush pointed out, 'Fulbright asks us to accommodate Red Cuba and renegotiate our Panama treaty, and Mansfield suggests we withdraw from the Viet Nam struggle. This is the kind of retreatism we have grown accustomed to among our supposed world leaders and it is just what the Kremlin ordered.'"

Nor did Bush's obsession with Panama and the Panama Canal begin with Noriega. In his campaign literature, Bush printed his basic position that the "Panama Canal ... is ours by right of treaty and historical circumstance. The Canal is critical to our domestic security and U.S. sovereignty over the Canal must be maintained." What is meant by the right of historical circumstance? "I am opposed to further negotiation in Panama," Bush stated repeatedly in his campaign speeches and releases....

Unbridled Free Enterprise

In economic policy, Bush's starting point was always "unbridled free enterprise," as he stressed in a statement on unemployment on March 16: "Only unbridled free enterprise can cure unemployment. But, I don't believe the federal government has given the private sector of our economy a genuine opportunity to relieve this unemployment. For example, the [Johnson war on poverty program] contains a new version of the CCC, a Domestic Peace

Corps, and various and sundry half-baked pies in the sky." Bush's printed campaign literature stated, under the heading of "federal economy," that "the free enterprise system must be unfettered. A strong economy means jobs, opportunity, and prosperity. A controlled economy means loss of freedom and bureaucratic bungling." On April 21, Bush told the voters: "We must begin a phase of re-emphasizing the private sector of our economy, instead of the public sector."

By April 15, Bush had been informed that there were some 33 million Americans living in poverty, to which he replied: "I cannot see how draping a socialistic medi-care program around the sagging neck of our social security program will be a blow to poverty. And I can see only one answer to [the problem of poverty]: Let us turn our free enterprise system loose from government control." Otherwise, Bush held it "the responsibility of the local government first to assume the burden of relieving poverty wherever it exists, and I know of many communities that are more than capable of working with this problem."

Bush's approach to farm policy was along similar lines, combining the rhetoric of Adam Smith with intransigent defense of the food cartels. In his campaign brochure he opined that "Agriculture ... must be restored to a free market economy, subject to the basic laws of supply and demand." On April 9 in Waco, Bush assailed the Wheat-Cotton subsidy bill which had just received the approval of the House. "If I am elected to the Senate," said Bush, "I will judge each agricultural measure on the basis of whether it gets the Government further into, or out of, private business." Bush added that farm subsidies are among "our most expensive federal programs."

Another of Bush's recurrent obsessions was his desire to break the labor movement. During the 1960s, he expressed this in the context of campaigns to prevent the repeal of section 14 (b) of the Taft-Hartley law, which permitted the states to outlaw the closed shop and union shop, and thus to protect state laws guaranteeing the so-called open shop or "right to work," a device which in practice prevented the organization of large sectors of the working population of these states into unions. Bush's editorializing takes him back to the era when the Sherman Antitrust Act was still being used against labor unions.

"I believe in the right-to-work laws," said Bush to a group of prominent Austin businessmen at a luncheon in the Commodore Perry Hotel on March 5. "At every opportunity, I urge union members to resist payment of political assessments. If there's only one in 100 who thinks for himself and votes for himself, then he should not be assessed by COPE."

On March 19, Bush asserted that "labor's blatant attack on right-to-work laws is open admission that labor does have a monopoly and will take any step to make this monopoly. Union demands are a direct cause of the inflationary spiral lowering the real income of workers and increasing the costs of production." This is, from the point of scientific economics, an absurdity. But four days later Bush returned to the topic, attacking United Auto Workers President Walter Reuther, a figure whom Bush repeatedly sought to identify with Yarborough, for demands which "will only cause the extinction of free enterprise in America. A perfect example of labor's pricing a product out of existence is found in West Virginia. John L. Lewis's excessive demands on the coal industry raised the price of coal, forced the consumer to use a substitute cheaper product, killed the coal industry and now West Virginia has an excessive rate of unemployment."

On Labor Day, Bush spoke to a rally in the courthouse square of Quanah, and called for "protection of the rights of the individual laborer through the state rather than the federal government. The individual laboring man is being forgotten by the Walter Reuthers and Ralph Yarboroughs, and it's up to the business community to protect our country's valuable labor resources from exploitation by these left-wing labor leaders," said Bush, who might just as well have suggested that the fox be allowed to guard the chicken coop.

East Texas was an area of unusually high racial tension, and Bush spent most of his time there attacking the civil rights bill. But the alliance between Yarborough and big labor was one of his favorite themes. The standard pitch went something like this, as before the Austin businessmen. Yarborough, he would start off saying, "more nearly represents the state of Michigan than he does Texas." This, as we will see, was partly an attempted, lame rebuttal of Yarborough's charge that Bush was a northeastern carpetbagger. Bush would then continue: "One of the main reasons Yarborough represents Texas so badly is that he's spending most of his time representing labor interests in Detroit. His voting record makes men like Walter Reuther and James Hoffa very happy. This man has voted for every special interest bill, for every big spending measure that's come to his attention."

During this period Camco, an oilfield equipment company of which Bush was a director, was embroiled in some bitter labor disputes. The regional office of the National Labor Relations Board sought a federal injunction against Camco in order to force the firm to re-hire four union organizers who had been illegally fired. Officials of the Machinists Union, which was trying to organize Camco, also accused Bush of being complicit in what they said was Camco's illegal failure to carry out a 1962 NLRB order directing Camco

to re-hire 11 workers, fired because they had attended a union meeting. Bush answered that he was not going to be intimidated by labor. "As everybody knows, the union bosses are all-out for Sen. Ralph Yarborough," countered Bush, and he had been too busy with Zapata to pay attention to Camco anyway. / Note #2 / Note #0 According to Roy Evans, the secretary-treasurer of the Texas AFL-CIO, Bush was "a member of the dinosaur wing of the Republican Party." Evans called Bush "the Houston throwback," and maintained that Bush had "lost touch with anyone in Texas except the radicals of the right."

Back in February, Yarborough had remarked in his typical populist vein that his legislative approach was to "put the jam on the lower shelf so the little man can get his hand in." This scandalized Bush, who countered on February 27 that "it's a cynical attitude and one that tends to set the so-called little man apart from the rest of his countrymen." For Bush, the jam would always remain under lock and key, except for the chosen few of Wall Street. A few days later, on March 5, Bush elaborated that he was "opposed to special interest legislation because it tends to hyphenate Americans. I don't think we can afford to have veteran-Americans, Negro-Americans, Latin-Americans and labor-Americans these days." Here is Bush as political philosopher, maintaining that the power of the authoritarian state must confront its citizens in a wholly atomized form, not organized into interest groups capable of defending themselves.

Bush was especially irate about Yarborough's Cold War G.I. Bill, which he branded the Senator's "pet project." "Fortunately," said Bush, "he has been unable to cram his Cold War G.I. Bill down Congress' throat. It's bad legislation and special interest legislation which will erode our American way of life. I have four sons, and I'd sure hate to think that any of them would measure their devotion and service to their country by what special benefits Uncle Sam could give them." Neil Bush would certainly never do that! Anyway, the Cold War G.I. Bill was nothing but a "cynical effort to get votes," Bush concluded.

The Oil Cartel's Candidate

There was a soft spot in Bush's heart for at least a few special interests, however. He was a devoted supporter of the "time-proven" 27.5 percent oil depletion allowance, a tax write-off which allowed the seven sisters oil cartel to escape a significant portion of what they otherwise would have paid in taxes. Public pressure to reduce this allowance was increasing, and the oil cartel was preparing to concede a minor adjustment, in the hope that this would neutralize attempts to get the depletion allowance abolished entirely. Bush also called for what he described as a "meaningful

oil import program, one which would restrict imports at a level that will not be harmful to our domestic oil industry." "I know what it is to earn a paycheck in the oil business," he boasted. Bush also told Texas farmers that he wanted to limit the imports of foreign beef so as to protect their domestic markets.

Yarborough's counterattack on this issue is of great relevance to understanding why Bush was so fanatically committed to wage war in the Gulf to restore the degenerate, slaveholding Emir of Kuwait. Yarborough pointed out that Bush's company, Zapata Offshore, was drilling for oil in Kuwait, the Persian Gulf, Borneo, and Trinidad. "Every producing oil well drilled in foreign countries by American companies means more cheap foreign oil in American ports, fewer acres of Texas land under oil and gas lease, less income to Texas farmers and ranchers," Yarborough stated. "This issue is clear-cut in this campaign -- a Democratic senator who is fighting for the life of the free enterprise system as exemplified by the independent oil and gas producers in Texas, and a Republican candidate who is the contractual driller for the international oil cartel."

In those days, the oil cartel did not deal mildly with those who attacked it in public. One thinks again of the Italian oilman Enrico Mattei. For Bush, these cartel interests would always be sacrosanct. On April 1, Bush talked of the geopolitics of oil: "I was in London at the time of the Suez crisis and I quickly saw how the rest of the free world can become completely dependent on American oil. When the Canal was shut down, free nations all over the world immediately started crying for Texas oil."

Later in the campaign, Yarborough visited the town of Gladewater in East Texas. There, standing in view of the oil derricks, Yarborough talked about Bush's ownership of Pennzoil stock, and about Pennzoil's quota of 1,690 barrels per day of imported oil, charging that Bush was undermining the Texas producers by importing cheap foreign oil.

Then, according to a newspaper account, "the senator spiced his charge with a reference to the 'Sheik of Kuwait and his four wives and 100 concubines,' who, he said, are living in luxury off the oil from Bush-drilled wells in the Persian Gulf and sold at cut-rate prices in the United States. He said that imported oil sells for \$1.25 a barrel while Texas oil, selling at \$3, pays school, city, county, and federal taxes and keeps payrolls going. Yarborough began his day of campaigning at a breakfast with supporters in Longview. Later, in Gladewater, he said he had seen a 'Bush for Senator' bumper sticker on a car in Longview. 'Isn't that a come-down for an East Texan to be a strap-hanger for a carpetbagger from Connecticut who is drilling oil for the Sheik of Kuwait to help keep that harem going?'" /

Note #2 / Note #1

Yarborough challenged Bush repeatedly to release more details about his overseas drilling and producing interests. He spoke of Bush's "S.A. corporations drilling in the Persian Gulf in Asia." He charged that Bush had "gone to Latin America to incorporate two of his companies to drill in the Far East, instead of incorporating them in the United States." That in turn, thought Yarborough, "raises questions of tax avoidance." "Tell them, George," he jeered, "what your 'S.A.' companies, financed with American dollars, American capital, American resources, are doing about American income taxes." Bush protested that "every single tax dollar due by any company that I own an interest in has been paid." / Note #2 / Note #2

Forced into a Runoff

As the Republican senatorial primary approached, Bush declared that he was confident that he could win an absolute majority and avoid a runoff. On April 30, he predicted that Hill Rise would win the Kentucky Derby without a runoff, and that he would also carry the day on the first round. There was no runoff in the Kentucky Derby, but Bush fell short of his goal. Bush did come in first with about 44 percent of the vote or 62,579 votes, while Jack Cox was second with 44,079, with Morris third and Davis fourth. The total number of votes cast was 142,961, so a second round was required.

Cox, who had attracted 710,000 votes in his 1962 race against Connally for the governorship, was at this point far better known around the state than Bush. Cox had the backing of Gen. Edwin Walker, who had made a bid for the Democratic gubernatorial nomination in 1962 himself and gotten some 138,000 votes. Cox also had the backing of H.L. Hunt.

Morris had carried Dallas County, and he urged his supporters to vote against Bush. Morris told the "Dallas Morning News" of May 5 that Bush was "too liberal" and that Bush's strength in the primary was due to "liberal" Republican support.

Between early May and the runoff election of June 6, Cox mounted a vigorous campaign of denunciation and exposure of Bush as a creature of the Eastern Liberal Establishment, Wall Street banking interests, and of Goldwater's principal antagonist for the GOP presidential nomination, the hated Gov. Nelson Rockefeller of New York. According to a story filed by Stuart Long of the Long News Service in Austin on May 25, and preserved among the Yarborough papers in the Barker Texas History Center in Austin, Cox's supporters circulated letters pointing to Prescott Bush's role as a partner in Brown Brothers Harriman as the basis for the charge that George Bush was

the tool of "Liberal Eastern Kingmakers." According to Long, the letters also include references to the New York Council on Foreign Relations, which he described as a "black-tie dinner group." / Note #2 / Note #3 The pro-Cox letters also asserted that Bush's Zapata Offshore Company had a history of bidding on drilling contracts for Rockefeller's Standard Oil of New Jersey.

One anti-Bush brochure, preserved among the Yarborough papers at the Barker Center in Austin, is entitled "Who's Behind the Bush?" published by the Coalition of Conservatives to Beat the Bushes, with one Harold Deyo of Dallas listed as chairman. The attack on Bush here centers on the Council on Foreign Relations, of which Bush was not at that time a public member. The brochure lists a number of Bush campaign contributors and then identifies these as members of the CFR. These include Dillon Anderson and J.C. Hutcheson III of Baker and Botts, Andrews and Shepherd; Leland Anderson of Anderson, Clayton and Company; Lawrence S. Reed of Texas Gulf Producing; Frank Michaux; and W.A. Kirkland of the board of First City National Bank. The brochure then focuses on Prescott Bush, identified as a "partner with Averell Harriman in Brown Brothers, Harriman, and Company." Averell Harriman is listed as a member of the Council on Foreign Relations. "Could it be that Prescott S. Bush, in concert with his Eastern CFR friends, is raising all those 'Yankee Dollars' that are flowing into George's campaign? It is reliably reported that Mr. George Bush has contracted for extensive and expensive television time for the last week of the Runoff." The brochure also targets Paul Kayser of Anderson, Clayton, Bush's Harris County campaign chairman. Five officers of this company, named as W.L. Clayton, L. Fleming, Maurice McAshan, Leland Anderson and Sydnor Oden, are said to be members of the CFR.

On the CFR itself, the brochure quotes from Helen P. Lasell's study, entitled "Power Behind Government Today," which found that the CFR "from its inception has had an important part in planning the whole diabolical scheme of creating a ONE WORLD FEDERATION of socialist states under the United Nations.... These carefully worked out, detailed plans, in connection with the WORLD BANK and the use of billions of tax-exempt foundation dollars, were carried out secretly over a period of years. Their fruition could mean not only the absolute destruction of our form of government, national independence and sovereignty, but to a degree at least, that of every nation in the world." The New World Order, we see, is really nothing new. The brochure further accuses one Mrs. M. S. Acherman, a leading Bush supporter in Houston, of having promoted a write-in campaign for liberal, Boston Brahmin former Senator Henry Cabot Lodge of Massachusetts in the Texas presidential primary. Lodge had won the 1964 New Hampshire primary, prompting Bush to announce that this was merely a regional phenomenon and that he was "still for Goldwater."

As the runoff vote approached, Cox focused especially on the eastern financing that Bush was receiving. On May 25 in Abilene, Cox assailed Bush for having mounted "one of the greatest spending sprees ever seen in any political campaign." Cox said that he could not hope to match this funding, "because Jack Cox is not, nor will ever be, connected in any manner with the Eastern kingmakers who seek to control political candidates. Conservatives of Texas will serve notice on June 6 that just as surely as Rockefeller's millions can't buy presidential nomination, the millions at George Bush's disposal can't buy him a senate nomination." Cox claimed that all of his contributions had come from inside Texas.

O'Donnell's Texas Republican organization was overwhelmingly mobilized in favor of Bush. Bush had the endorsement of the state's leading newspapers. When the runoff finally came, Bush was the winner with some 62 percent of the votes cast. Yarborough commented that Bush "smothered Jack Cox in greenbacks."

Gordon McLendon, true to form, had used his own pre-primary television broadcast to rehash the Billie Sol Estes charges against Yarborough. Yarborough nevertheless defeated McLendon in the Democratic senatorial primary with almost 57 percent of the vote. Given the lopsided Texas Democratic advantage in registered voters, and given LBJ's imposing lead over Goldwater at the top of the Democratic ticket, it might have appeared that Yarborough's victory was now a foregone conclusion. That this was not so was due to the internal divisions within the Texas Democratic ranks.

Senate Seat Can't Be Bought

First were the Democrats who came out openly for Bush. The vehicle for this defection was called Conservative Democrats for Bush, chaired by Ed Drake, the former leader of the state's Democrats for Eisenhower in 1952. Drake was joined by former Governor Allan Shivers, who had also backed Ike and Dick in 1952 and 1956. Then there was the "East Texas Democrats for George Bush Committee," chaired by E.B. Germany, the former state Democratic leader, a leader of Scottish Rite Freemasons in Texas and in 1964 the chairman of the board of Lone Star Steel.

Then there were various forms of covert support for Bush. Millionaire Houston oil man Lloyd Bentsen, who had been in Congress back in the late 1940s, had been in discussion as a possible Senate candidate. Bush's basic contention was that LBJ had interfered in Texas politics to tell Bentsen to stay out of the Senate race, thus avoiding a more formidable primary challenge to Yarborough. On April 24, Bush stated that Bentsen was a "good

conservative" who had been kept out of the race by "Yarborough's bleeding heart act." This and other indications point to a covert political entente between Bush and Bentsen, which reappeared during the 1988 presidential campaign.

Then there were the forces associated with Governor "Big John" Connally. Yarborough later confided that Connally had done everything in his power to wreck his campaign, subject only to certain restraints imposed by LBJ. Even these limitations did not amount to real support for Yarborough on the part of LBJ, but were rather attributable to LBJ's desire to avoid the embarrassment of seeing his native state represented by two Republican senators during his own tenure in the White House. But Connally still sabotaged Yarborough as much as LBJ would let him get away with. / Note #2 / Note #4

Bush and Connally have had a complex political relationship, with points of convergence and many points of divergence. Back in 1956, a lobbyist working for Texas oilman Sid Richardson had threatened to "run [Bush's] ass out of the offshore drilling business" unless Prescott Bush voted for gas deregulation in the Senate. / Note #2 / Note #5 Connally later became the trustee for some of Richardson's interests. While visiting Dallas on March 19, Bush issued a statement saying that he agreed with Connally in his criticisms of attorney Melvin Belli, who had condemned the District Court in Dallas when his client, Jack Ruby, was given the death sentence for having slain Lee Harvey Oswald the previous November.

In public, LBJ was for Yarborough, although he could not wholly pass over the frictions between the two. Speaking at Stonewall after the Democratic national convention, LBJ had commented: "You have heard and you have read that Sen. Yarborough and I have had differences at times. I have read a good deal more about them than I was ever aware of. But I do want to say this, that I don't think that Texas has had a senator during my lifetime whose record I am more familiar with than Sen. Yarborough's. And I don't think Texas has had a senator that voted for the people more than Sen. Yarborough has voted for them. And no member of the U.S. Senate has stood up and fought for me or fought for the people more since I became President than Ralph Yarborough." For his part, Bush, years later, quoted a "Time" magazine analysis of the 1964 senate race which concluded that "if Lyndon would stay out of it, Republican Bush would have a chance. But Johnson is not about to stay out of it, which makes Bush the underdog." / Note #2 / Note #6

Yarborough, for his part, had referred to LBJ as a "power-mad Texas politician," and had called on President Kennedy to keep LBJ out of Texas

politics. Yarborough's attacks on Connally were even more explicit and colorful: He accused Connally of acting like a "viceroy, and we got rid of those in Texas when Mexico took over from Spain." According to Yarborough, "Texas had not had a progressive governor since Jimmy Allred," who had held office from 1935 to 1939. Bush took pains to spell out that this was an attack on Democrats W. Lee O'Daniel, Coke Stevenson, Buford H. Jester, Allan Shivers, Price Daniel, and John Connally.

Yarborough also criticized the right-wing oligarchs of the Dallas area for having transformed that city from a democratic town to a "citadel of reaction." For Yarborough, the "Fort Worth Star-Telegram" was "worse than Pravda."

Yarborough's strategy in the November election centered on identifying Bush with Goldwater in the minds of voters, since the Arizona Republican's warlike rhetoric was now dragging him down to certain defeat. Yarborough's first instinct had been to run a substantive campaign, stressing issues and his own legislative accomplishments. Yarborough in 1988 told Bush biographer Fitzhugh Green: "When I started my campaign for re-election I was touting my record of six years in the Senate. But my speech advisers said, all you have to do is quote Bush, who had already called himself 100 per cent for Goldwater and the Vietnam war. So that's what I did, and it worked very well." / Note #2 / Note #7

Campaigning in Port Arthur on October 30, a part of the state where his labor support loomed large, Yarborough repeatedly attacked Bush as "more extreme than Barry Goldwater." According to Yarborough, even after Barry Goldwater had repudiated the support of the John Birch Society, Bush said that he "welcomed support of the Birch Society and embraced it." "Let's you elect a senator from Texas, and not the Connecticut investment bankers with their \$2,500,000," Yarborough urged the voters. / Note #2 / Note #8

These attacks were highly effective, and Bush's response was to mobilize his media budget for more screenings of his World War II "Flight of the Avenger" television spot, while he prepared a last-minute television dirty trick. There was to be no debate between Bush and Yarborough, but this did not prevent Bush from staging a televised "empty chair" debate, which was aired on more than a dozen stations around the state on October 27. The Bush campaign staff scripted a debate in which Bush answered doctored quotes from audio tapes of Yarborough speaking, with the sentences often cut in half, taken out of context, and otherwise distorted. Yarborough responded by saying: "The sneaky trick my opponent is trying to pull on me tonight of pulling sentences of mine out of context with my recorded voice and playing my voice as a part of his broadcast is illegal under the law,

and a discredit to anyone who aspires to be a U.S. Senator. I intend to protest this illegal trick to the Federal Communications Commission." Bush's method was to "cut my statements in half, then let his Madison Avenue speech writers answer those single sentences.... My opponent is an exponent of extremism, peddling smear and fear wherever he goes.... His conduct looks more like John Birch Society conduct than United States Senate conduct," Yarborough added. Bush also distorted the sound of Yarborough's voice almost beyond recognition.

Yarborough protested to the FCC in Washington, alleging that Bush had violated section 315 of the Federal Communications Act as it then stood, because Yarborough's remarks were pre-censored and used without his permission. Yarborough also accused Bush of violation of section 325 of the same act, since it appeared that parts of the "empty chair" broadcast were material that had been previously broadcast elsewhere, and which could not be re-used without permission. The FCC responded by saying that the tapes used had been made in halls where Yarborough was speaking.

All during the campaign, Yarborough had been talking about the dangers of electronic eavesdropping. He had pointed out that "anybody can be an eavesdropper, a wiretapper, a bugger, who has a few dollars for the cheaper devices on the market. Tiny recorders and microphones are now made to resemble lapel buttons or tie clasps.... Recorders can also be found the size of a book or a cigarette pack. There is a briefcase available with a microphone built into the lock, and many available recorders may be carried in briefcases, while the wrist-watch microphone is no longer a product used by Dick Tracy -- it can actually be bought for \$37.50." Yarborough charged during the primary campaign period that his Washington office had been wiretapped, and years later indicated that the CIA had been bugging all of Capitol Hill during those years. / Note #2 / Note #9 Had the James McCords or other plumbers been lending Bush a hand?

Bush was also smarting under Yarborough's repeated references to his New England birth and background. Bush claimed that he was no carpetbagger, but a Texan by choice, and compared himself in that regard to Sam Rayburn, Sam Houston, Stephen Austin, Colonel Bill Travis, Davy Crockett, Jim Bowie and other heroes of the Alamo. Bush was not hobbled by any false modesty. At least, Bush asserted lamely, he was not as big a carpetbagger as Bobby Kennedy, who could not even vote in New York State, where he was making a successful bid for election to the Senate. It "depends on whose bag is being carpeted," Bush whined.

In the last days of the campaign, Allan Duckworth of the pro-Bush "Dallas Morning News" was trying to convince his readers that the race was heading

for a "photo finish." But in the end, Prescott's networks, the millions of dollars, the recordings, and the endorsements of 36 newspapers were of no avail for Bush. Yarborough defeated Bush by a margin of 1,463,958 to 1,134,337. Within the context of the LBJ landslide victory over Goldwater, Bush had done somewhat better than his party's standard bearer: LBJ beat Goldwater in Texas by 1,663,185 to 958,566. Yarborough, thanks in part to his vote in favor of the Civil Rights Act, won a strong majority of the black districts, and also ran well ahead among Latinos. Bush won the usual Republican counties, including the pockets of GOP support in the Houston area.

Yarborough would continue for one more term in the Senate, vocally opposing the war in Vietnam. In the closing days of the campaign he had spoken of Bush and his retinue as harbingers of a "time and society when nobody speaks for the working man." George Bush, defeated though he was, would now redouble his struggle to make such a world a reality.

Footnotes

18. See "The Historic Texas Senate Race," in "The Texas Observer," Oct. 30, 1964.

19. Cited in Ronnie Dugger, "op. cit."

20. "Ibid."

21. "Dallas News," Oct. 24, 1964.

22. "Dallas News," Oct. 3, 1964.

23. An untitled report among the Yarborough papers in the Barker Texas History Center refers to "Senator Bush's affiliation in a New York knife-and-fork-club type of organization called, 'The Council on Foreign Relations.' In a general smear -- mainly via the 'I happen to know' letter chain of communication -- the elder Bush was frequently attacked, and the younger Bushes were greatly relieved when Barry Goldwater volunteered words of affectionate praise for his former colleague during a \$100-a-plate Dallas dinner."

24. Just how far these efforts might have gone is a matter of speculation. Douglas Caddy in his book, "The Hundred Million Dollar Payoff" (New Rochelle), p. 300, reprints an internal memorandum of the Machinists Non-Partisan Political League which expresses alarm about the election outlook for Yarborough, who is described as "the last stand-up Democratic

liberal we have in the South." The memo, from Jack O'Brien to A.J. Hayes, is dated October 27, 1964, and cites reports from various labor operatives to the effect that "the 'fix is in' to defeat Ralph Yarborough and to replace him with a Republican, Bush, the son of Prescott Bush of Connecticut. The only question at issue is whether this 'fix' is a product of Governor Connally alone or is the product of a joint effort between Connally and President Johnson." According to the memo, "Walter Reuther called Lyndon Johnson to express his concern with the failure to invite Mrs. Yarborough to accompany" LBJ's plane through Texas. Labor leaders were trying to help raise money for last-minute television broadcasts by Yarborough, and also to extract more vocal support for the senator from LBJ.

25. See Bush and Gold, "op. cit.," p. 82.

26. "Ibid.," p. 87.

27. Fitzhugh Green, "George Bush: An Intimate Portrait" (New York: Hippocrene Books, 1989), p. 85.

28. "Dallas News," Oct. 31, 1964.

29. Ronnie Dugger, "Goldwater's Policies, Kennedy's Style" in "Texas Observer," Oct. 30, 1964.

CHAPTER 11

Part 1

Rubbers Goes to Congress

During the heat of the Senate campaign, Bush's redistricting lawsuit had progressed in a way that must have provided him much solace amidst the bitterness of his defeat. First, Bush won his suit in the Houston federal district court, and there was a loud squawk from Governor John Connally, who called that august tribunal a "Republican court." Bush whined that Connally was being "vitriolic." Then, during Bush's primary campaign, a three-judge panel of the federal circuit court of appeals also ruled that the state of Texas must be redistricted. Bush called that result "a real victory for all the people of Texas." By March, Bush's redistricting suit had received favorable action by the U.S. Supreme Court. This meant that the way was clear to create a no-incumbent, designer district for George in a masterpiece of gerrymandering that would make him an elected official, the first Republican congressman in the recent history of the Houston area.

The new Seventh District was drawn to create a liberal Republican seat, carefully taking into account which areas Bush had succeeded in carrying in the Senate race. What emerged was for the most part a lily-white, silk-stocking district of the affluent upper-middle class and upper crust. There were also small black and Hispanic enclaves. In the precinct boxes of the new district, Bush had rolled up an eight-to-five margin over Yarborough. / Note #1

But before gearing up a congressional campaign in the Seventh District in 1966, Bush first had to jettison some of the useless ideological ballast he had taken on for his 1964 Goldwater profile. During the 1964 campaign, Bush had spoken out more frankly and more bluntly on a series of political issues than ever before or since. Apart from the Goldwater coloration, one comes away with the impression that much of the time the speeches were not just inventions, but often reflected his own oligarchical instincts and deeply rooted obsessions. In late 1964 and early 1965, Bush was afflicted by a hangover induced by what for him had been an unprecedented orgy of self-revelation.

The 1965-66 model George Bush would become a moderate, abandoning the shrillest notes of the 1964 conservative crusade.

First came an Episcopalian "mea culpa." As Bush's admirer Fitzhugh Green reports, "one of his first steps was to shuck off a bothersome trace from his 1964 campaign. He had espoused some conservative ideas that didn't jibe with his own moderate attitude." Previous statements were becoming inoperative, one gathers, when Bush discussed the matter with his Anglican pastor, John Stevens. "You know, John," said Bush, "I took some of the far right positions to get elected. I hope I never do it again. I regret it." His radical stance on the civil rights bill was allegedly a big part of his "regret." Stevens later commented: "I suspect that his goal on civil rights was the same as mine: It's just that he wanted to go through the existing authorities to attain it. In that way nothing would get done. Still, he represents about the best of noblesse oblige." / Note #2

Purge of County GOP

It was characteristically through an attempted purge in the Harris County GOP organization that Bush signaled that he was reversing his field. His gambit here was to call on party activists to take an "anti-extremist and anti-intolerance pledge," as the "Houston Chronicle" reported on May 26, 1965. / Note #3 Bush attacked unnamed apostles of "guilt by association" and "far-out fear psychology," and his pronouncements touched off a bitter

and protracted row in the Houston GOP. Bush made clear that he was targeting the John Birch Society, whose activists he had been eager to lure into his own 1964 effort. Now Bush beat up on the Birchers as a way to correct his right-wing profile from the year before. Bush said, with his usual tortured syntax, that Birch members claim to "abhor smear and slander and guilt by association, but how many of them speak out against it publicly?"

This was soon followed by a Bush-inspired move to oust Bob Gilbert, who had been Bush's successor as the GOP county chairman during the Goldwater period. Bush's retainers put out the line that the "extremists" had been gaining too much power under Gilbert, and that he therefore must go. By June 12, 1965, the Bush faction had enough clout to oust Gilbert. The eminence grise of the right-wing faction, State Senator Walter Mengdon, told the press that the ouster of Gilbert had been dictated by Bush. Bush whined in response that he was very disappointed with Mengdon. "I have stayed out of county politics. I believed all Republicans had backed my campaign," Bush told the "Houston Chronicle" on the day Gilbert fell.

On July 1, the Houston papers reported the election of a new, "anti-extremist" Republican county leader. This was James M. Mayor, who defeated James Bowers by a margin of 95 votes against 80 in the county executive committee. Mayor was endorsed by Bush, as well as by Senator Tower. Bowers was an auctioneer, who called for a return to the Goldwater "magic." GOP state chair O'Donnell hoped that the new chairman would be able to put an end to "the great deal of dissension within the party in Harris County for several years." Despite this pious wish, acrimonious faction fighting tore the county organization to pieces over the next several years.

But at the same time, Bush took care to police his left flank, distancing himself from the beginnings of the movement against the war in Vietnam, which had been visible by the middle of 1965. A remarkable document of this maneuver is the text of the debate between Bush and Ronnie Dugger, the writer and editor of the "Texas Observer." / Note #4 The debate was held July 1, 1965 before the Junior Bar of Texas convention in Fort Worth. Dugger had endorsed Bush -- in a way Dugger said was "not without whimsical intent" in the GOP Senate primary the year before. Dugger was no radical; at this point he was not really against the Vietnam War; and he actually endorsed the policy of LBJ, saying that the President had "no easy way out of Vietnam, but he is seeking and seeking hard for an honorable way out." Nevertheless, Dugger found that LBJ had made a series of mistakes in the implementation of his policy. Dugger also embraced the provisos advanced by Senator Fulbright to the effect that "seeking a complete military victory

would cost more than the requirements of our interest and honor." So Dugger argued against any further escalation, and argued that anti-war demonstrations and civil disobedience could be beneficial.

Bush's first real cause for alarm was seeing "the civil rights movement being made over into a massive vehicle with which to attack the President's foreign policy in Vietnam." He started by attacking Conrad Lynn, a "Negro lawyer" who had told students at "my old university -- Yale University," that "the United States white supremacists' army has been sent to suppress the non-white people of the world." According to Bush, "The "Yale Daily News" reported that the audience applauded when [Lynn] announced that several Negroes had gone to Asia to enlist in the North Viet Nam army to fight against the United States." Then Bush turned to his real target, Dr. Martin Luther King, Jr. King, he said, who is "identified with the freedom of the Negro cause, says in Boston the other day that he doesn't want to sit at a segregated lunch counter where you have strontium 90 in the milk, overlooking the fact that it's the communists who are testing in the atmosphere today, the Red Chinese. It's not the United States." Then there was Bayard Rustin, "a leading individual in the Negro struggle for freedom, [who] calls for withdrawal from Viet Nam." This is all hypocritical in Bush's view, since "they talk about civil rights in this country, but they are willing to sacrifice the individual rights in the communist countries."

Bush was equally riled up over anti-war demonstrations, since they were peopled by what he called "extremists": "I am sure you know what an extremist is. That's a guy who takes a good idea and carries it to simply preposterous ends. And that's what's happened. Of course, the re-emergence of the political beatnik is causing me personally a good deal of pleasure. Many conservatives winced during 1964 as we were labeled extremists of the right. And certainly we were embarrassed by the booing of Nelson Rockefeller at the convention, and some of the comments that referred to the smell of fascism in the air at the Republican convention, and things like this, and we winced."

Warming to the subject, Bush continued: "Let me give you some examples of this kind of left-wing extremism. Averell Harriman -- surely not known for his reactionary views -- speaking at Cornell University, talking about Viet Nam before a crowd that calls 'Liar!' [They] booed him to the state he could hardly finish, and finally he got so frustrated he asked, 'How many in the audience are communists?' And a bunch of people there -- small I will admit -- held up their hands."

So extremists, for Bush, were those who assailed Rockefeller and Harriman.

Bush defended the House Committee on Un-American Activities against the demonstrations organized by James Foreman and SNCC, commiserated with a State Department official who had been branded a fascist at Iowa State, and went on to assail the Berkeley "filthy speech" movement. As an example of the "pure naivete" of civil rights leaders, he cited Coretta Scott King, who "managed to link global peace and civil rights, somehow managed to tie these two things together philosophically" -- which Bush professed not to fathom. "If we can be non-violent in Selma, why can't we be non-violent in Viet Nam," Ossie Davis had said, and Bush proposed he be awarded the "green Wiener" for his "absurd theory," for "what's got to be the fuzziest thinking of the year."

Beyond this inevitable obsession with race, Bush was frankly a hawk, frankly for escalation, opening the door to nuclear weapons in Vietnam only a little more subtly than he had the year before: "And so I stand here as one who says I will back up the President and military leaders no matter what weapons they use in Southeast Asia."

Congress in his Sights

As the 1966 congressional election approached, Bush was optimistic about his chances of finally getting elected. This time, instead of swimming against the tide of the Goldwater cataclysm, Bush would be favored by the classic mid-term election reflex which almost always helps the congressional candidates of the party out of power. And LBJ in the White House was vulnerable on a number of points, from the escalation of the Vietnam War to "stagflation" (stagnation + inflation). The designer gerrymandering of the new Houston congressional district had functioned perfectly, and so had his demagogic shift toward the "vital center" of moderate conservatism. Because the district was newly drawn, there would be no well-known incumbent to contend with. And now, by one of the convenient coincidences that seem to be strewn through Bush's life, the only obstacle between him and election was a troglodyte Democratic conservative of an ugly and vindictive type, the sort of figure who would make even Bush look reasonable.

The Democrat in question was Frank Briscoe, a former district attorney. According to the "Texas Observer," "Frank Briscoe was one of the most vicious prosecutors in Houston's history. He actually maintained a 'ten most wanted convictions list' by which he kept the public advised of how much luck he had getting convictions against his chosen defendants then being held in custody. Now, as a candidate for Congress, Briscoe is running red-eyed for the right-wing in Houston. He is anti-Democratic; anti-civil rights; anti-foreign aid; anti-war on poverty. The fact that he calls

himself a Democrat is utterly irrelevant." By contrast, from the point of view of the "Texas Observer": "His opponent, George Bush, is a conservative man. He favors the war in Vietnam; he was for Goldwater, although probably reluctantly; he is nobody's firebrand. Yet Bush is simply civilized in race relations, and he is now openly rejecting the support of the John Birch Society. This is one case where electing a Republican to Congress would help preserve the two-party balance of the country and at the same time spare Texas the embarrassment" of having somebody like Briscoe go to Washington. / Note #5 Bush's ideological face-lifting was working. "I want conservatism to be sensitive and dynamic, not scared and reactionary," Bush told the "Wall Street Journal."

Briscoe appears in retrospect as a candidate made to order for Bush's new moderate profile, and there are indications that is just what he was. Sources in Houston recall that in 1966 there was another Democratic candidate for the new congressional seat, a moderate and attractive Democrat named Wildenthal. These sources say that Bush's backers provided large-scale financial support for Briscoe in the Democratic primary campaign, with the result that Wildenthal lost out to Briscoe, setting up the race that Bush found to his advantage. A designer district was not enough for George; he also required a designer opponent if he was to prevail -- a fact which may be relevant to the final evaluation of what happened in 1988.

One of the key points of differentiation between Bush and Briscoe was on race. The district had about 15 percent black population, but making some inroads here among registered Democrats would be of decisive importance for the GOP side. Bush made sure that he was seen sponsoring a black baseball team, and talked a lot about his work for the United Negro College Fund when he had been at Yale. He told the press that "black power" agitators were not a problem among the more responsible blacks in Houston. "I think the day is past," Bush noted, "when we can afford to have a lily-white district. I will not attempt to appeal to the white backlash. I am in step with the 1960s." Bush even took up a position in the Office of Economic Opportunity anti-poverty apparatus in the city. He supported Project Head Start. By contrast, Briscoe "accused" Bush of courting black support, and reminded Bush that other Texas congressmen had been voting against civil rights legislation when it came up in Congress. Briscoe had antagonized parts of the black community by his relentless pursuit of the death penalty in cases involving black capital defendants. According to the "New York Times," "Negro leaders have mounted a quiet campaign to get Negroes to vote for [Bush]."

Briscoe's campaign ads stressed that he was a right-winger and a Texan, and

accused Bush of being "the darling of the Lindsey [sic] -Javits crowd," endorsed by labor unions, liberal professors, liberal Republicans and liberal syndicated columnists. Briscoe was proud of his endorsements from Gov. John Connally and the Conservative Action Committee, a local right-wing group. One endorsement for Bush that caused Briscoe some difficulty was that of Bush mentor Richard M. Nixon. By 1966, Nixon was on the comeback trail, having withstood the virtual nervous breakdown he had undergone after losing his bid for the governorship of California in 1962. Nixon was now in the course of assembling the delegates that would give him the GOP presidential nomination in Miami in 1968. Nixon came to Houston and made campaign appearances for Bush, as he had in 1964.

Bush had brought in a new group of handlers and image-mongers for this 1966 race. His campaign manager was Jim Allison from Midland. Harry Treleaven was brought in to design Bush's propaganda.

Treleaven had been working at the J. Walter Thompson Advertising Agency in New York City, but he took a leave of absence from J. Walter to come to work for Bush in Texas. At J. Walter Thompson, Treleaven had sold the products of Pan American, RCA, Ford, and Lark cigarettes. He was attracted to Bush because Bush had plenty of money and was willing to spend it liberally. After the campaign was over, Treleaven wrote a long memo about what he had done. He called it "Upset: The Story of a Modern Political Campaign." One of the basic points in Treleaven's selling of Bush was that issues would play no role. "Most national issues today are so complicated, so difficult to understand, and have opinions on[,] that they either intimidate or, more often, bore the average voter.... Few politicians recognize this fact." In his memo, Treleaven describes how he walked around Houston in the hot August of 1966 and asked people what they thought of George Bush. He found that many considered Bush to be "an extremely likeable person," but that "there was a haziness about exactly where he stood politically."

For Treleaven, this was an ideal situation. "There'll be few opportunities for logical persuasion, which is all right -- because probably more people vote for irrational, emotional reasons than professional politicians suspect." Treleaven's approach was that "politicians are celebrities." Treleaven put 85 percent of Bush's hefty campaign budget into advertising, and 59 percent of that was for television. Newspaper ads got 3 percent. Treleaven knew that Bush was behind in the polls. "We can turn this into an advantage," he wrote, "by creating a 'fighting underdog' image. Bush must convince voters that he really wants to be elected and is working hard to earn their vote. People sympathize with a man who tries hard: they are also flattered that anyone would really exert himself to get their vote. Bush,

therefore, must be shown as a man who's working his heart out to win."

As Joe McGinnis summed up the television ads that resulted: "Over and over, on every television set in Houston, George Bush was seen with his coat slung over a shoulder; his sleeves rolled up; walking the streets of his district; grinning, gripping, sweating, letting the voter know he cared. About what, was never made clear." / Note #6

Coached by these professional spin doctors, Bush was acting as mainstream, fair and conciliatory as could be. In an exchange with Briscoe in the "Houston Chronicle" a few days before the election, he came out for "a man's right to join a union and his right to strike, but I additionally would favor fair legislation to see that no strike can cripple this nation and endanger the general welfare." But he was still for the Texas right to work law. Bush supported LBJ's "present Vietnam position.... I would like to see an All-Asian Conference convened to attempt to settle this horrible war. The Republican leadership, President Johnson, and Secretary Rusk and almost all but the real 'doves' endorse this." Bush was against "sweeping gun control." Briscoe wanted to cut "extravagant domestic spending," and thought that money might be found by forcing France and the U.S.S.R. to finally pay up their war debts from the two world wars!

When it came to urban renewal, Bush spoke up for the Charles Percy National Home Ownership Foundation, which carried the name of a leading liberal Republican senator. Bush wanted to place the federal emphasis on such things as "rehabilitating old homes." "I favor the concept of local option on urban renewal. Let the people decide," he said, with a slight nod in the direction of the emerging New Left.

In Bush's campaign ads he invited the voters to "take a couple of minutes and see if you don't agree with me on six important points," including Vietnam, inflation, civil disobedience, jobs, voting rights and "extremism" (Bush was against the far right and the far left). And there was George, billed as "successful businessman ... civic leader ... world traveler ... war hero," bareheaded in a white shirt and tie, with his jacket slung over his shoulder in the post-Kennedy fashion.

In the context of a pro-GOP trend that brought 59 freshmen Republican congressmen into the House, the biggest influx in two decades, Bush's calculated approach worked. Bush got about 35 percent of the black vote, 44 percent of the usually yellow-dog Democrat rural vote, and 70 percent in the exclusive River Oaks suburb. Still, his margin was not large: Bush got 58 percent of the votes in the district. Bob Gray, the candidate of the Constitution Party, got less than 1 percent.

Despite the role of black voters in his narrow victory, Bush could not refrain from whining. "If there was a disappointing aspect in the vote, it was my being swamped in the black precincts, despite our making an all-out effort to attract black voters. It was both puzzling and frustrating," Bush observed in his 1987 campaign autobiography. / Note #7 After all, Bush complained, he had put the GOP's funds in a black-owned bank when he was party chairman; he had opened a party office with full-time staff near Texas Southern, a black college; he had worked closely with Bill Trent of the United Negro College Fund, all with scant payoff as Bush saw it. Many black voters had not been prepared to reward Bush's noblesse oblige, and that threw him into a rage state, whether or not his thyroid was already working overtime in 1966.

Bush in Washington

When Bush got to Washington in January 1967, the Brown Brothers Harriman networks delivered: Bush became the first freshman member of the House of either party since 1904 to be given a seat on the Ways and Means Committee. And he did this, it must be recalled, as a member of the minority party, and in an era when the freshman congressman was supposed to be seen and not heard. The Ways and Means Committee in those years was still a real center of power, one of the most strategic points in the House along with the Rules Committee and a few others. By constitutional provision, all tax legislation had to originate in the House of Representatives, and given the traditions of committee organization, all tax bills had to originate in the Ways and Means Committee. In addition to the national importance of such a committee assignment, Ways and Means oversaw the legislation touching such vital Texas and district concerns as oil and gas depletion allowances and the like.

Later writers have marveled at Bush's achievement in getting a seat on Ways and Means. For John R. Knaggs, this reflected "the great potential national Republicans held for George Bush." The "Houston Chronicle," which had supported Briscoe in the election, found that with this appointment "the GOP was able to point up to the state one benefit of a two-party system." / Note #8

In this case, unlike so many others, we are able to establish how the invisible hand of Skull and Bones actually worked to procure Bush this important political plum. This is due to the indiscretion of the man who was chairman of Ways and Means for many years, Democratic Congressman Wilbur D. Mills of Arkansas. Mills was hounded out of office because of an alcoholism problem, and later found work as an attorney for a tax law firm.

Asked about the Bush appointment to the committee he controlled back in 1967, Mills said: "I put him on. I got a phone call from his father telling me how much it mattered to him. I told him I was a Democrat and the Republicans had to decide; and he said the Republicans would do it if I just asked Gerry Ford." Mills said that he had asked Ford and John W. Byrnes of Wisconsin, who was the ranking Republican on Ways and Means, and Bush was in, thanks once again to Daddy Warbucks, Prescott Bush. / Note #9

Wilbur Mills may have let himself in for a lot of trouble in later years by not always treating George with due respect. Because of Bush's obsession with birth control for the lower orders, Mills gave Bush the nickname "Rubbers," which stuck with him during his years in Congress. / Note #1 / Note #0 Poppy Bush was not amused. One day Mills might ponder in retrospect, as so many others have, on Bush's vindictiveness.

Uprooting Western Values

In January 1968, LBJ delivered his State of the Union message to Congress, even as the Viet Cong's Tet offensive was making a shambles of his Vietnam War policy. The Republican reply came in a series of short statements by former President Eisenhower, House Minority leader Gerry Ford, Rep. Melvin Laird, Senator Howard Baker and other members of Congress. Another tribute to the efforts of the Prescott Bush-Skull and Bones networks was the fact that amid this parade of Republican worthies there appeared, with tense jaw and fist clenched to pound on the table, Rep. George Bush.

The Johnson administration had claimed that austerity measures were not necessary during the time that the war in Vietnam was being prosecuted. LBJ had promised the people "guns and butter," but now the economy was beginning to go into decline. Bush's overall public rhetorical stance during these years was to demand that the Democratic administration impose specific austerity measures and replace big-spending programs with appropriate deficit-cutting rigor. Here is what Bush told a nationwide network television audience on January 23, 1968:

"The nation faces this year just as it did last a tremendous deficit in the federal budget, but in the President's message there was no sense of sacrifice on the part of the government, no assignment of priorities, no hint of the need to put first things first. And this reckless policy has imposed the cruel tax of rising prices on the people, pushed interest rates to their highest levels in 100 years, sharply reduced the rate of real economic growth and saddled every man and woman and child in America with the largest tax burden in our history.

"And what does the President say? He says we must pay still more taxes and he proposes drastic restrictions on the rights of Americans to invest and travel abroad. If the President wants to control inflation, he's got to cut back on federal spending and the best way, the best way to stop the gold drain is to live within our means in this country." / Note #1 / Note #1

Those who wanted to read Bush's lips at a distance back in those days found that he was indeed committed to a kind of austerity. In May of 1968, with Johnson already a lame duck, the Ways and Means Committee approved what was

dubbed on Capitol Hill the "10-8-4" deficit control package. This mandated a tax increase of \$10 billion per year, coupled with a \$4 billion cut in expenditures. Bush joined with four Ways and Means Republicans (the others were Conable, Schneebeli and Battin) to approve the measure. / Note #1 / Note #2

But the principal focus of Bush's activity during his tenure in the House of Representatives centered on a project that was much more sinister and far-reaching than the mere imposition of budget austerity, destructive as that demand was at the time. With a will informed by the ideas about population, race and economic development that we have seen current in Prescott Bush's circles at Brown Brothers Harriman, George Bush would now become a protagonist of a series of institutional changes which would contribute to that overall degradation of the cultural paradigm of Western civilization which was emergent at the end of the 1960s.

In 1969, Bush told the House of Representatives that, unless the menace of human population growth were "recognized and made manageable, starvation, pestilence and war will solve it for us." Bush repeatedly compared population growth to a disease. / Note #1 / Note #3 In remarks to the House July 30, 1969, he likened the fight against the polio virus to the crusade to reduce the world's population. Urging the federal government to step up population control efforts, he said: "We have a clear precedent: When the Salk vaccine was discovered, large-scale programs were undertaken to distribute it. I see no reason why similar programs of education and family planning assistance should not be instituted in the United States on a massive scope."

As Jessica Mathews, vice president of one of Washington's most influential zero-growth outfits, the World Resources Institute, later wrote of Bush in those years: "In the 1960s and '70s, Bush had not only embraced the cause of domestic and international family planning, he had aggressively sought to be its champion.... As a member of the Ways and Means Committee, Rep. Bush shepherded the first major breakthrough in domestic family planning

legislation in 1967," and "later co-authored the legislation commonly known as Title X, which created the first federal family planning program...."

"On the international front," Mathews wrote, Bush "recommended that the U.S. support the United Nations Population Fund.... He urged, in the strongest words, that the U.S. and European countries make modern contraceptives available 'on a massive scale,' to all those around the world who wanted them."

Bush belonged to a small group of congressmen who successfully conspired to force a profound shift in the official U.S. attitude and policy toward population expansion. Embracing the "limits to growth" ideology with a vengeance, Bush and his coterie, which included such ultraliberal Democrats as then-Senator Walter Mondale (Minn.) and Rep. James Scheuer (N.Y.), labored to enact legislation which institutionalized population control as U.S. domestic and foreign policy.

Bush began his Malthusian activism in the House in 1968, the year that Pope Paul VI issued his encyclical "Humanae Vitae," with its prophetic warning of the danger of coercion by governments for the purpose of population control. The Pope wrote: "Let it be considered also that a dangerous weapon would be placed in the hands of those public authorities who place no heed of moral exigencies.... Who will stop rulers from favoring, from even imposing upon their people, the method of contraception which they judge to be most efficacious?" For poorer countries with a high population rate, the encyclical identified the only rational and humane policy: "No solution to these difficulties is acceptable which does violence to man's essential dignity.... The only possible solution ... is one which envisages the social and economic progress both of individuals and of the whole of human society...."

This was a direct challenge to the cultural paradigm transformation which Bush and other exponents of the oligarchical world outlook were promoting. Not for the first time nor for the last, Bush issued a direct attack on the Holy See. Just days after "Humanae Vitae" was issued, Bush declared: "I have decided to give my vigorous support for population control in both the United States and the world." He continued, "For those of us who who feel so strongly on this issue, the recent encyclical was most discouraging."

Population Control Leader

During his four years in Congress, Bush not only introduced key pieces of legislation to enforce population control both at home and abroad. He also continuously introduced into the congressional debate reams of propaganda

about the threat of population growth and the inferiority of blacks, and he set up a special Republican task force which functioned as a forum for the most rabid Malthusian ideologues.

"Bush was really out front on the population issue," a population-control activist recently said of this period of 1967-71. "He was saying things that even we were reluctant to talk about publicly."

Bush's open public advocacy of government measures tending towards zero population growth was a radical departure from the policies built into the federal bureaucracy up until that time. The climate of opinion just a few years earlier, in December 1959, is illustrated by the comments of President Eisenhower, who had said, "birth control is not our business. I cannot imagine anything more emphatically a subject that is not a proper political or governmental activity . . . or responsibility."

As a congressman, Bush played an absolutely pivotal role in this shift. Shortly after arriving in Washington, he teamed up with fellow Republican Herman Schneebeli to offer a series of amendments to the Social Security Act to place priority emphasis on what was euphemistically called "family planning services." The avowed goal was to reduce the number of children born to women on welfare.

Bush's and Schneebeli's amendments reflected the Malthusian-genocidalist views of Dr. Alan Guttmacher, then president of Planned Parenthood, and a protege of its founder, Margaret Sanger. In the years before the grisly outcome of the Nazi cult of race science and eugenics had inhibited public calls for defense of the "gene pool," Sanger had demanded the weeding out of the "unfit" and the "inferior races," and had campaigned vigorously for sterilization, infanticide and abortion, in the name of "race betterment."

Although Planned Parenthood was forced, during the fascist era and immediately thereafter, to tone down Sanger's racist rhetoric from "race betterment" to "family planning" for the benefit of the poor and blacks, the organization's basic goal of curbing the population growth rate among "undesirables" never really changed. Bush publicly asserted that he agreed "1,000 percent" with Planned Parenthood.

During hearings on the Social Security amendments, Bush and witness Alan Guttmacher had the following colloquy:

"Bush": Is there any [opposition to Planned Parenthood] from any other organizations or groups, civil rights groups?

"Guttmacher": We do have problems. We are in a sensitive area in regard particularly to the Negro. There are some elements in the Negro group that feel we are trying to keep down the numbers. We are very sensitive to this. We have a community relations department headed by a most capable Negro social worker to try to handle that part of the problem. This does, of course, cause us a good bit of concern.

"Bush": I appreciate that. For the record, I would like to say I am 1,000 percent in accord with the goals of your organization. I think perhaps more than any other type of organization you can do more in the field of poverty and mental health and everything else than any other group that I can think of. I commend you.

Like his father before him, Bush supported Planned Parenthood at every opportunity. Time after time, he rose on the floor of the House to praise Planned Parenthood's work. In 1967, Bush called for "having the government agencies work even more closely with going private agencies such as Planned Parenthood." A year later, he urged those interested in "advancing the cause of family planning," to "call your local Planned Parenthood Center" to offer "help and support."

The Bush-Schneebeli amendments were aimed at reducing the number of children born to blacks and poor whites. The legislation required all welfare recipients, including mothers of young children, to seek work, and barred increases in federal aid to states where the proportion of dependent children on welfare increased.

Reducing the welfare rolls was a prime Bush concern. He frequently motivated his population-control crusade with thinly veiled appeals to racism, as in his infamous Willie Horton ads during the 1988 presidential campaign. Talking about the rise in the welfare rolls in a July 1968 statement, Bush lamented that "our national welfare costs are rising phenomenally." Worse, he warned, there were far too many children being born to welfare mothers: "The fastest-growing part of the relief rolls everywhere is Aid For Dependent Children [sic] -- AFDC. At the end of the 1968 fiscal year, a little over \$2 billion will be spent for AFDC, but by fiscal 1972 this will increase by over 75 percent."

Bush emphasized that more children are born into non-white poor families than to white ones. Blacks must recognize, he said, "that they cannot hope to acquire a larger share of American prosperity without cutting down on births...."

Forcing mothers on welfare to work was believed to be an effective means of

reducing the number of black children born, and Bush sponsored a number of measures to do just that. In 1970, he helped lead the fight on the Hill for President Nixon's notorious welfare bill, the Family Assistance Program, known as FAP. Billed as a boon to the poor because it provided an income floor, the measure called on every able-bodied welfare recipient, except mothers with children under six, to take a job. This soon became known as Nixon's "workfare" slave-labor bill. Monetarist theoreticians of economic austerity were quick to see that forced labor by welfare recipients could be used to break the unions where they existed, while lowering wages and worsening working conditions for the entire labor force. Welfare recipients could even be hired as scabs to replace workers being paid according to normal pay scales. Those workers, after they had been fired, would themselves end up destitute and on welfare, and could then be forced to take workfare for even lower wages than those who had been on welfare at the outset of the process. This was known as "recycling."

Critics of the Nixon workfare bill pointed out that it contained no minimum standards regarding the kinds of jobs or the level of wages which would be forced upon welfare recipients, and that it contradicted the original purpose of welfare, which was to allow mothers to stay home with their children. Further, it would set up a pool of virtual slave labor, which could be used to replace workers earning higher wages.

But Bush thought these tough measures were exactly what the explosion of the welfare rolls demanded. During House debate on the measure April 15, 1970, Bush said he favored FAP because it would force the lazy to work: "The family assistance plan ... is oriented toward work," he said. "The present federal-state welfare system encourages idleness by making it more profitable to be on welfare than to work, and provides no method by which the State may limit the number of individuals added to the rolls."

Bush had only "one major worry, and that is that the work incentive provisions will not be enforced.... [It] is essential that the program be administered as visualized by the Ways and Means Committee; namely, if an individual does not work, he will not receive funds." The Manchester School's Iron Law of Wages as expounded by George Bush, self-styled expert in the dismal science....

In 1967, Bush joined with Rep. James Scheuer (D-N.Y.), to successfully sponsor legislation that removed prohibitions against mailing and importing contraceptive devices. More than opening the door to French-made condoms, Bush's goal here was a kind of ideological "succes de scandale." The zero-growth lobby deemed this a major breakthrough in making the paraphernalia for domestic population control accessible.

In rapid succession, Bush introduced legislation to create a National Center for Population and Family Planning and Welfare, and to redesignate the Department of the Interior as the Department of Resources, Environment and Population.

On the foreign policy front, he helped shift U.S. foreign assistance away from funding development projects to grapple with the problem of hunger in the world, to underwriting population control. "I propose that we totally revamp our foreign aid program to give primary emphasis to population control," he stated in the summer of 1968, adding: "In my opinion, we have made a mistake in our foreign aid by concentrating on building huge steel mills and concrete plants in underdeveloped nations...."

Notes

1. See Fitzhugh Green, "George Bush: A Biography" (New York: Dodd, Mead & Company, 1980), p. 92, and George Bush and Victor Gold, "Looking Forward" (New York: Doubleday, 1987), p. 90.
2. Stevens's remarks were part of a Public Broadcasting System "Frontline" documentary program entitled "Campaign: The Choice," Nov. 24, 1988. Cited by Fitzhugh Green, "op. cit.," p. 91.
3. For the chronicles of the Harris County GOP, see local press articles available on microfiche at the Texas Historical Society in Houston.
4. "George Bush vs. Observer Editor," "Texas Observer," July 23, 1965.
5. "Texas Observer," Oct. 14, 1966.
6. Joe McGinniss, "The Selling of the President 1968" (New York: Penguin Books, 1968), pp. 42-45.
7. Bush and Gold, "op. cit.," p. 91.
8. See John R. Knaggs, "Two-Party Texas" (Austin: Eakin Press, 1985), p. 111.
9. "Congressional Quarterly," "President Bush: The Challenge Ahead" (Washington, 1989), p. 94.
10. Harry Hurt III, "George Bush, Plucky Lad," in "Texas Monthly," June 1983.
11. "New York Times," Jan. 24, 1968.

12. "New York Times," May 7, 1968.

13. The following account of Bush's congressional record on population and related issues is derived from the ground-breaking research of Kathleen Klenetsky, to whom the authors acknowledge their indebtedness. The material that follows incorporates sections of Kathleen Klenetsky, "Bush Backed Nazi 'Race Science,'" "New Federalist", Vol 5, No. 16, April 29, 1991.

Chapter 11

Part 2 Rubbers Goes to Congress

One of Bush's more important initiatives on the domestic side was his sponsorship of the Family Planning Services and Population Research Act of 1970, brainchild of Sen. Joseph Tydings of Maryland. Signed into law by President Nixon on December 24, 1970, the Tydings-Bush bill drastically increased the federal financial commitment to population control, authorizing an initial \$382 million for family planning services, population research, population education and information through 1973. Much of this money was funnelled through private institutions, particularly local clinics run by Bush's beloved Planned Parenthood. The Tydings-Bush measure mandated the notorious Title X, which explicitly provided "family planning assistance" to the poor. Bush and his zero-growth cohorts talked constantly about the importance of disseminating birth control to the poor. They claimed that there were over 5 million poor women who wanted to limit their families, but could not afford to do so.

On October 23, 1969, Bush praised the Office of Economic Opportunity for carrying out some of the "most successful" family planning projects, and said he was "pleased" that the Nixon administration "is giving them additional financial muscle by increasing their funds 50 percent -- from \$15 million to \$22 million."

This increased effort he attributed to the Nixon administration's "goal to reach in the next five years the 5 million women in need of these services" -- all of them poor, many of them from racial or ethnic minorities. He added: "One needs only to look quickly at the report prepared by the Planned Parenthood-World Population Research Department to see how ineffective federal, state, and local governments have been in providing such necessary services. There is certainly nothing new about the fact that unwanted pregnancies of our poor and near-poor women keep the incidence of infant mortality and mental retardation in America at one of the highest levels of all the developed countries."

The rates of infant mortality and mental retardation Bush was so concerned about, could have been significantly reduced, had the government provided sufficient financing to pre-natal care, nutrition, and other factors contributing to the health of infants and children. On the same day he signed the Tydings-Bush bill, Nixon vetoed -- with Bush's support -- legislation that would have set up a three-year, \$225 million program to train family doctors.

Bush seemed to be convinced that mental retardation, in particular, was a matter of heredity. The eugenicists of the 1920s had spun their pseudoscientific theories around "hereditary feeble-mindedness," and claimed that the "Kallikaks and the Jukes," by reproducing successive "feeble-minded" generations, had cost New York state tens of millions of dollars over decades. But what about learning disorders like dyslexia, which has been known to afflict oligarchical families Bush would consider wealthy, well-bred, and able? Nelson Rockefeller had dyslexia, a reading disorder, and both Bush's friend Nick Brady, and Bush's own son Neal suffer from it. But these oligarchs are not likely to fall victim to the involuntary sterilization as "mental defectives" which they wish to inflict on those they term the lower orders.

In introducing the House version of the Tydings bill on behalf of himself and Bush, Rep. James Scheuer (D-N.Y.) ranted that while middle-class women "have been limiting the number of offspring for years ... women of low-income families" did not. "If poverty and family size are so closely related we ask, 'Why don't poor women stop having babies?'" The Bush-Tydings bill took a giant step toward forcing them to do so.

Population Task Force

Among Bush's most important contributions to the neo-Malthusian cause while in Congress was his role in the Republican Task Force on Earth Resources and Population. The task force, which Bush helped found and then chaired, churned out a steady stream of propaganda claiming that the world was already seriously overpopulated; that there was a fixed limit to natural resources and that this limit was rapidly being reached; and that the environment and natural species were being sacrificed to human progress. Bush's task force sought to accredit the idea that the human race was being "down bred," or reduced in genetic qualities by the population growth among blacks and other non-white and hence allegedly inferior races at a time when the Anglo-Saxons were hardly able to prevent their numbers from shrinking.

Comprised of over 20 Republican Congressmen, Bush's Task Force was a kind of Malthusian vanguard organization which heard testimony from assorted "race scientists," sponsored legislation and otherwise propagandized the zero-growth outlook. In its 50-odd hearings during these years, the task force provided a public forum to nearly every well-known zero-growth fanatic, from Paul Ehrlich, founder of Zero Population Growth (ZPG), to race scientist William Shockley, to the key zero-growth advocates infesting the federal bureaucracy.

Giving a prestigious congressional platform to a discredited racist charlatan like William Shockley in the year after the assassination of Dr. Martin Luther King, points up the arrogance of Bush's commitment to eugenics. Shockley, like his co-thinker Arthur Jensen, had caused a furor during the 1960s by advancing his thesis, already repeatedly disproven, that blacks were genetically inferior to whites in cognitive faculties and intelligence. In the same year in which Bush invited him to appear before the GOP task force, Shockley had written: "Our nobly intended welfare programs may be encouraging dysgenics -- retrogressive evolution through disproportionate reproduction of the genetically disadvantaged.... We fear that 'fatuous beliefs' in the power of welfare money, unaided by eugenic foresight, may contribute to a decline of human quality for all segments of society."

To halt what he saw as pervasive down-breeding of the quality of the U.S. gene pool, Shockley advocated a program of mass sterilization of the unfit and mentally defective, which he called his "Bonus Sterilization Plan." Money bonuses for allowing oneself to be sterilized would be paid to any person not paying income tax who had a genetic deficiency or chronic disease, such as diabetes or epilepsy, or who could be shown to be a drug addict. "If [the government paid] a bonus rate of \$1,000 for each point below 100 IQ, \$30,000 put in trust for some 70 IQ moron of 20-child potential, it might return \$250,000 to taxpayers in reduced cost of mental retardation care," Shockley said.

The special target of Shockley's prescriptions for mass sterilizations were African-Americans, whom he saw as reproducing too fast. "If those blacks with the least amount of Caucasian genes are in fact the most prolific and the least intelligent, then genetic enslavement will be the destiny of their next generation," he wrote. Looking at the recent past, Shockley said in 1967: "The lesson to be drawn from Nazi history is the value of free speech, not that eugenics is intolerable."

As for Paul Ehrlich, his program for genocide included a call to the U .S. government to prepare "the addition of ... mass sterilization agents" to

the U.S. food and water supply, and a "tough foreign policy" including termination of food aid to starving nations. As radical as Ehrlich might have sounded then, this latter point has become a staple of foreign policy under the Bush administration (witness the embargo against Iraq and Haiti).

On July 24, 1969, the task force heard from Gen. William H. Draper, Jr., then national chairman of the Population Crisis Committee. Gen. Draper was a close friend of Bush's father, having served with the elder Bush as banker to Thyssen and the Nazi Steel Trust. According to Bush's resume of his family friend's testimony, Draper warned that the population explosion was like a "rising tide," and asserted that "our strivings for the individual good will become a scourge to the community unless we use our God-given brain power to bring back a balance between the birth rate and the death rate." Draper lashed out at the Catholic Church, charging that its opposition to contraception and sterilization was frustrating population-control efforts in Latin America.

A week later, Bush invited Oscar Harkavy, chief of the Ford Foundation's population program, to testify. In summarizing Harkavy's remarks for the August 4 "Congressional Record," Bush commented: "The population explosion is commonly recognized as one of the most serious problems now facing the nation and the world. Mr. Harkavy suggested, therefore, that we more adequately fund population research. It seems inconsistent that cancer research funds total \$250-275 million annually, more than eight times the amount spent on reproductive biology research."

In reporting on testimony by Dr. William McElroy of the National Science Foundation, Bush stressed that "One of the crises the world will face as a result of present population growth rates is that, assuming the world population increases 2 percent annually, urban population will increase by 6 percent, and ghetto population will increase by 12 percent."

In February 1969, Bush and other members proposed legislation to establish a Select Joint Committee on Population and Family Planning, that would, Bush said, "seek to focus national attention on the domestic and foreign need for family planning. We need to make population and family planning household words," Bush told his House colleagues. "We need to take the sensationalism out of this topic so that it can no longer be used by militants who have no real knowledge of the voluntary nature of the program but, rather, are using it as a political steppingstone.... A thorough investigation into birth control and a collection of data which would give the Congress the criteria to determine the effectiveness of its programs must come swiftly to stave off the number of future mouths which will feed on an ever-decreasing proportion of food," Bush continued. "We need an

emphasis on this critical problem ... we need a massive program in Congress with hearings to emphasize the problem, and earmarked appropriations to do something about it. We need massive cooperation from the White House like we have never had before and we need a determination by the executive branch that these funds will be spent as earmarked."

On August 6, 1969, Bush's GOP task force introduced a bill to create a Commission on Population and the American Future which, Bush said, would "allow the leadership of this country to properly establish criteria which can be the basis for a national policy on population." The move came in response to President Nixon's call of July 18 to create a blue-ribbon commission to draft a U.S. population policy. Bush was triumphant over this development, having repeatedly urged such a step at various points in the preceeding few years. On July 21, he made a statement on the floor of the House to "commend the President" for his action. "We now know," he intoned, "that the fantastic rate of population growth we have witnessed these past 20 years continues with no letup in sight. If this growth rate is not checked now -- in this next decade -- we face a danger that is as defenseless as nuclear war."

Headed by John D. Rockefeller III, the commission represented a radical, government-sanctioned attack on human life. Its final report, issued in 1972, asserted that "the time has come to challenge the tradition that population growth is desirable: What was unintended may turn out to be unwanted, in the society as in the family." Not only did the commission demand an end to population growth and economic progress, it also attacked the foundations of Western civilization by insisting that man's reason had become a major impediment to right living. "Mass urban industrialism is based on science and technology, efficiency, acquisition, and domination through rationality," raved the commission's report. "The exercise of these same values now contain [sic] the potential for the destruction of our humanity. Man is losing that balance with nature which is an essential condition of human existence."

The commission's principal conclusion was that "there are no substantial benefits to be gained from continued population growth," Chairman Rockefeller explained to the Senate Appropriations Committee. The commission made a host of recommendations to curb both population expansion and economic growth. These included: liberalizing laws restricting abortion and sterilization; having the government fund abortions; and providing birth control to teenagers. The commission had a profound impact on American attitudes toward the population issue, and helped accelerate the plunge into outright genocide. Commission Executive Director Charles Westoff wrote in 1975 that the group "represented an important effort by an

advanced country to develop a national population policy -- the basic thrust of which was to slow growth in order to maximize the 'quality of life.'"

The collapse of the traditional family-centered form of society during the 1970s and 1980s was but one consequence of such recommendations. It also is widely acknowledged that the commission Bush fought so long and so hard to create broke down the last barriers to legalized abortion on demand. Indeed, just one year after the commission's final report was issued, the Supreme Court delivered the Roe v. Wade decision which did just that.

Aware that many blacks and other minorities had noticed that the population control movement was a genocide program aimed at reducing their numbers, the commission went out of its way to cover its real intent by stipulating that all races should cut back on their birth rates. But the racist animus of their conclusions could not be hidden. Commission Executive Director Westoff, who owed his job and his funding to Bush, gave a hint of this in a book he had written in 1966, before joining the commission staff, which was entitled "From Now to Zero", and in which he bemoaned the fact that the black fertility rate was so much higher than the white.

The population control or zero population growth movement, which grew rapidly in the late 1960s thanks to free media exposure and foundation grants for a stream of pseudoscientific propaganda about the alleged "population bomb" and the "limits to growth," was a continuation of the old prewar, protofascist eugenics movement, which had been forced to go into temporary eclipse when the world recoiled in horror at the atrocities committed by the Nazis in the name of eugenics. By the mid-1960s, the same old crackpot eugenicists had resurrected themselves as the population-control and environmentalist movement. Planned Parenthood was a perfect example of the transmogrification. Now, instead of demanding the sterilization of the inferior races, the newly-packaged eugenicists talked about the population bomb, giving the poor "equal access" to birth control, and "freedom of choice."

But nothing had substantively changed -- including the use of coercion. While Bush and other advocates of government "family planning" programs insisted these were strictly voluntary, the reality was far different. By the mid-1970s, the number of involuntary sterilizations carried out by programs which Bush helped bring into being, had reached huge proportions. Within the black and minority communities, where most of the sterilizations were being done, protests arose which culminated in litigation at the federal level.

In his 1974 ruling on this suit, Federal District Judge Gerhard Gesell found that, "Over the last few years, an estimated 100,000 to 150,000 low-income persons have been sterilized annually under federally funded programs. Although Congress has been insistent that all family planning programs function on a purely voluntary basis," Judge Gesell wrote, "there is uncontroverted evidence ... that an indefinite number of poor people have been improperly coerced into accepting a sterilization operation under the threat that various federally supported welfare benefits would be withdrawn unless they submitted to irreversible sterilization." Gesell concluded from the evidence that the "dividing line between family planning and eugenics is murky."

As we have seen, George Bush inherited his obsession with population control and racial "down-breeding" from his father, Prescott, who staunchly supported Planned Parenthood dating back at least to the 1940s. In fact, Prescott's affiliation with Margaret Sanger's organization cost him the Senate race in 1950, as we have seen, a defeat his son has always blamed on the Catholic Church, and which is at the root of George's lifelong vendetta against the Papacy.

Prescott's 1950 defeat still rankled, as shown by Bush's extraordinary gesture in evoking it during testimony he gave on Capitol Hill before Senator Gruening's subcommittee of the Senate Government Operations Committee on November 2, 1967. Bush's vengeful tirade is worth quoting at length:

"I get the feeling that it is a little less unfashionable to be in favor of birth control and planned parenthood today than it used to be. If you will excuse one personal reference here: My father, when he ran for the U.S. Senate in 1950, was defeated by 600 or 700 votes. On the steps of several Catholic Churches in Connecticut, the Sunday before the election, people stood there passing out pamphlets saying, 'Listen to what this commentator has to say tonight. Listen to what this commentator has to say.' That night on the radio, the commentator came on and said, 'Of interest to voters in Connecticut, Prescott Bush is head of the Planned Parenthood Birth Control League,' or something like this. Well, he lost by about 600 votes and there are some of us who feel that this had something to do with it. I do not think that anybody can get away with that type of thing any more."

Bush and Draper

As we saw in Chapter 3, Gen. William H. Draper, Jr. had been director and vice president of the German Credit and Investment Corp., serving short-term credit to the Nazi Party's financiers from offices in the U.S.A

and Berlin. Draper became one of the most influential crusaders for radical population control measures. He campaigned endlessly for zero population growth, and praised the Chinese Communists for their "innovative" methods of achieving that goal. Draper's most influential outlet was the Population Crisis Committee (PCC)-Draper Fund, which he founded in the 1960s.

In 1967-68, a PCC-Draper Fund offshoot, the Campaign to Check the Population Explosion, ran a nationwide advertising campaign hyping the population explosion fraud, and attacking those -- particularly at the Vatican -- who stood in the way of radical population control.

In a 1971 article, Draper likened the developing nations to an "animal reserve," where, when the animals become too numerous, the park rangers "arbitrarily reduce one or another species as necessary to preserve the balanced environment for all other animals.... But who will be the park ranger for the human race?," he asked. "Who will cull out the surplus in this country or that country when the pressure of too many people and too few resources increases beyond endurance? Will the death-dealing Horsemen of the Apocalypse -- war in its modern nuclear dress, hunger haunting half the human race, and disease -- will the gaunt and forbidding Horsemen become Park Ranger for the two-legged animal called man?"

Draper collaborated closely with George Bush during the latter's congressional career. As noted above, Bush invited Draper to testify to his Task Force on Earth Resources and Population; reportedly, Draper helped draft the Bush-Tydings bill.

Bush felt an overwhelming affinity for the bestial and degraded image of man reflected in the raving statements of Draper. In September 1969, Bush gave a glowing tribute to Draper that was published in the "Congressional Record." "I wish to pay tribute to a great American," said Bush. "I am very much aware of the significant leadership that General Draper has executed throughout the world in assisting governments in their efforts to solve the awesome problems of rapid population growth. No other person in the past five years has shown more initiative in creating the awareness of the world's leaders in recognizing the economic consequences of our population explosion."

In a 1973 publication, Bush praised the PCC itself for having played a "major role in assisting government policy makers and in mobilizing the United States' response to the world population challenge...." The PCC made no bones about its admiration for Bush; its newsletters from the late 1960s-early 1970s feature numerous articles highlighting Bush's role in the congressional population-control campaign. In a 1979 report assessing the

history of congressional action on population control, the PCC/Draper Fund placed Bush squarely with the "most conspicuous activists" on population-control issues, and lauded him for "proposing all of the major or controversial recommendations" in this arena which came before the U.S. Congress in the late 1960s.

Draper's son, William III, has enthusiastically carried out his father's genocidal legacy -- frequently with the help of Bush. In 1980, Draper, an enthusiastic backer of the Carter administration's notorious "Global 2000" report, served as national chairman of the Bush presidential campaign's finance committee; in early 1981, Bush convinced Reagan to appoint Draper to head the U.S. Export-Import Bank. At the time, a Draper aide, Sharon Camp, disclosed that Draper intended to reorient the bank's functions toward emphasizing population control projects.

In 1987, again at Bush's behest, Draper was named by Reagan as administrator of the United Nations Development Program, which functions as an adjunct of the World Bank, and has historically pushed population reduction among Third World nations. In late January of 1991, Draper gave a speech to a conference in Washington, in which he stated that the core of Bush's "new world order" should be population reduction.

The Nixon Touch

Nixon, it will be recalled, had campaigned for Bush in 1964 and 1966, and would do so also in 1970. During these years, Bush's positions came to be almost perfectly aligned with the line of the Imperial Presidency. And, thanks in large part to the workings of his father's Brown Brothers Harriman networks -- Prescott had been a fixture in the Eisenhower White House where Nixon worked, and in the Senate over which Nixon from time to time presided -- Bush became a Nixon ally and crony. Bush's Nixon connection, which pro-Bush propaganda tends to minimize, was in fact the key to Bush's career choices in the late 1960s and early 1970s.

Bush's intimate relations with Nixon are best illustrated in Bush's close brush with the 1968 GOP vice-presidential nomination at the Miami convention of that year.

Richard Nixon came into Miami ahead of New York Governor Nelson Rockefeller and California Governor Ronald Reagan in the delegate count, but just before the convention, Reagan, encouraged by his growing support, announced that he was switching from being a favorite son of California to the status of an all-out candidate for the presidential nomination. Reagan attempted to convince many conservative southern delegations to switch from Nixon to

himself, since he was the purer ideological conservative and better loved in the South than the new (or old) Nixon.

Nixon's defense of his southern delegate base was spearheaded by South Carolina Senator Strom Thurmond, who kept the vast majority of the delegates in line, sometimes with the help of the unit rule. "Thurmond's point of reasoning with Southern delegates was that Nixon was the best conservative they could get and still win, and that he had obtained assurances from Nixon that no vice-presidential candidate intolerable to the South would be selected," wrote one observer of the Miami convention. / Note #1 / Note #4 With the southern conservatives guaranteed a veto power over the second spot on the ticket, Thurmond's efforts were successful; a leader of the Louisiana caucus was heard to remark: "It breaks my heart that we can't get behind a fine man like Governor Reagan, but Mr. Nixon is deserving of our choice, and he must receive it."

These were the circumstances in which Nixon, having won the nomination on the first ballot, met with his advisers amidst the grotesque architecture of the fifteenth floor of the Miami Plaza-Hilton in the early morning of August 9, 1968. The way Nixon tells the story in his memoirs, he had already pretty much settled on Gov. Spiro Agnew of Maryland, reasoning that "with George Wallace in the race, I could not hope to sweep the South. It was absolutely necessary, therefore, to win the entire rimland of the South -- the border states -- as well as the major states of the Midwest and West." Therefore, says Nixon, he let his advisers mention names without telling them what he had already largely decided. "The names most mentioned by those attending were the familiar ones: Romney, Reagan, John Lindsay, Percy, Mark Hatfield, John Tower, George Bush, John Volpe, Rockefeller, with only an occasional mention of Agnew, sometimes along with Governors John Love of Colorado and Daniel Evans of Washington." / Note #1 / Note #5 Nixon also says that he offered the vice presidency to his close friends Robert Finch and Rogers Morton, and then told his people that he wanted Agnew.

But this account disingenuously underestimates how close Bush came to the vice-presidency in 1968. According to a well-informed, but favorable, short biography of Bush published as he was about to take over the presidency, "at the 1968 GOP convention that nominated Nixon for President, Bush was said to be on the four-name short list for Vice President. He attributed that to the campaigning of his friends, but the seriousness of Nixon's consideration was widely attested. Certainly Nixon wanted to promote Bush in one way or another." / Note #1 / Note #6 Theodore H. White puts Bush on Nixon's conservative list along with Tower and Howard Baker, with a separate category of liberals and also "political eunuchs" like Agnew and

Massachusetts Governor John Volpe. / Note #1 / Note #7 Jules Witcover thought the reason that Bush had been eliminated was that he "was too young, only a House member, and his selection would cause trouble with John Tower," who was also an aspirant. / Note #1 / Note #8 The accepted wisdom is that Nixon decided not to choose Bush because, after all, he was only a one-term congressman. Most likely, Nixon was concerned with comparisons that could be drawn with Barry Goldwater's 1964 choice of New York Congressman Bill Miller for his running mate. Nixon feared that if he, only four years later, were to choose a Congressman without a national profile, the hostile press would compare him to Goldwater and brand him as yet another Republican loser.

Later in August, Bush traveled to Nixon's beachfront motel suite at Mission Bay, California to discuss campaign strategy. It was decided that Bush, Howard Baker, Rep. Clark MacGregor of Minnesota and Governor Volpe would all function as "surrogate candidates," campaigning and standing in for Nixon at engagements Nixon could not fill. And there is George, in a picture on the top of the front page of the "New York Times" of August 17, 1968, joining with the other three to slap a grinning and euphoric Nixon on the back and shake his hand before they went forth to the hustings.

Bush had no problems of his own with the 1968 election, since he was running unopposed -- a neat trick for a Republican in Houston, even taking the designer gerrymandering into account. Running unopposed seems to be Bush's idea of an ideal election. According to the "Houston Chronicle", "Bush ha[d] become so politically formidable nobody cared to take him on," which should have become required reading for Gary Hart some years later. Bush had great hopes that he could help deliver the Texas electoral votes into the Nixon column. The GOP was counting on further open warfare between Yarborough and Connally, but these divisions proved to be insufficient to prevent Hubert Humphrey, the Democratic nominee, from carrying Texas as he went down to defeat. As one account of the 1968 vote puts it: Texas "is a large and exhausting state to campaign in, but here special emphasis was laid on 'surrogate candidates': notably Congressman George Bush, a fit-looking fellow of excellent birth who represented the space-town suburbs of Houston and was not opposed in his district -- an indication of the strength of the Republican technocracy in Texas." (Perhaps, if technocracy is a synonym for "plumbers.") Winning a second term was no problem; Bush was, however, mightily embarrassed by his inability to deliver Texas for Nixon. "I don't know what went wrong," Bush muttered when interviewed in December. "There was a hell of a lot of money spent," much of it coming from the predecessor organizations to the CREEP. / Note #1 / Note #9

When in 1974 Bush briefly appeared to be the front-runner to be chosen for the vice presidency by the new President Gerald Ford, the "Washington Post" pointed out that although Bush was making a serious bid, he had almost no qualifications for the post. That criticism applied even more in 1968: For most people, Bush was a rather obscure Texas pol, and he had lost one statewide race previous to the election that got him into Congress. The fact that he made it into the final round at the Miami Hilton was another tribute to the network mobilizing power of Prescott Bush, Brown Brothers Harriman, and Skull and Bones.

As the 1970 election approached, Nixon made Bush an attractive offer. If Bush were willing to give up his apparently safe congressional seat and his place on the Ways and Means Committee, Nixon would be happy to help finance the Senate race. If Bush won a Senate seat, he would be a front-runner to replace Spiro Agnew in the vice-presidential spot for 1972. If Bush were to lose the election, he would then be in line for an appointment to an important post in the executive branch, most likely a cabinet position. This deal was enough of an open secret to be discussed in the Texas press during the fall of 1970: At the time, the "Houston Post" quoted Bush in response to persistent Washington newspaper reports that Bush would replace Agnew on the 1972 ticket. Bush said that was "the most wildly speculative piece I've seen in a long time." "I hate to waste time talking about such wild speculation," Bush said in Austin. "I ought to be out there shaking hands with those people who stood in the rain to support me." / Note #2 / Note #0

In September, the "New York Times" reported that Nixon was actively recruiting Republican candidates for the Senate. "Implies He Will Participate in Their Campaigns and Offer Jobs to Losers"; "Financial Aid is Hinted," said the subtitles. / Note #2 / Note #1 It was more than hinted, and the article listed George Bush as first on the list. As it turned out, Bush's Senate race was the single most important focus of Nixon's efforts in the entire country, with both the President and Agnew actively engaged on the ground. Bush would receive money from a Nixon slush fund called the "Townhouse" fund, an operation in the CREEP orbit. Bush was also the recipient of the largesse of W. Clement Stone, a Chicago insurance tycoon who had donated heavily to Nixon's 1968 campaign. Bush's friend Tower was the chairman of the GOP Senatorial Campaign Committee, and Bush's former campaign aide, Jim Allison, was now the deputy chairman of the Republican National Committee.

Losing Again

Bush himself was ensconced in the coils of the GOP fundraising bureaucracy.

When in May, 1969, Nixon's crony Robert Finch, the Secretary of Health, Education and Welfare, met with members of the Republican Boosters Club, 1969, Bush was with him, along with Tower, Rogers Morton, and Congressman Bob Wilson of California. The Boosters alone were estimated to be good for about \$1 million in funding for GOP candidates in 1970. / Note #2 / Note #2

By December of 1969, it was clear to all that Bush would get almost all of the cash in the Texas GOP coffers, and that Eggers, the party's candidate for governor, would get short shrift indeed. On December 29, the "Houston Chronicle" front page opined: "GOP Money To Back Bush, Not Eggers." The Democratic Senate candidate would later accuse Nixon's crowd of "trying to buy" the Senate election for Bush: "Washington has been shovelling so much money into the George Bush campaign that now other Republican candidates around the country are demanding an accounting," said Bush's opponent. / Note #2 / Note #3

But that opponent was Lloyd Bentsen, not Ralph Yarborough. All calculations about the 1970 Senate race had been upset when, at a relatively late hour, Bentsen, urged on by John Connally, announced his candidacy in the Democratic primary. Yarborough, busy with his work as chairman of the Senate Labor Committee, started his campaigning late. Bentsen's pitch was to attack anti-war protesters and radicals, portraying Yarborough as being a ringleader of the extremists.

Yarborough had lost some of his vim over the years since 1964, and had veered into support for more ecological legislation and even for some of the anti-human "population planning" measures that Bush and his circles had been proposing. But he fought back gamely against Bentsen. When Bentsen boasted of having done a lot for the Chicanos of the Rio Grande Valley, Yarborough countered: "What has Lloyd Bentsen ever done for the valley? The valley is not for sale. You can't buy people. I never heard of him doing anything for migrant labor. All I ever heard about was his father working these wetbacks. All I ever heard was them exploiting wetbacks," said Yarborough. When Bentsen boasted of his record of experience, Yarborough counterattacked: "The only experience that my opponents have had is in representing the financial interest of big business. They have both shown marked insensitivity to the needs of the average citizen of our state."

But, on May 2, Bentsen defeated Yarborough, and an era came to an end in Texas politics. Bush's 10 to 1 win in his own primary over his old rival from 1964, Robert Morris, was scant consolation. Whereas it had been clear how Bush would have run against Yarborough, it was not at all clear how he could differentiate himself from Bentsen. Indeed, to many people the two seemed to be twins: Each was a plutocrat oilman from Houston, each one was

aggressively Anglo-Saxon, each one had been in the House of Representatives, each one flaunted a record as a World War II airman. In fact, all Bentsen needed to do for the rest of the race was to appear plausible and polite, and let the overwhelming Democratic advantage in registered voters, especially in the yellow-dog Democrat rural areas, do his work for him. This Bentsen posture was punctuated from time to time by appeals to conservatives who thought that Bush was too liberal for their tastes.

Bush hoped for a time that his slick television packaging could save him. His man Harry Treleaven was once more brought in. Bush paid more than half a million dollars, a tidy sum at that time, to Glenn Advertising for a series of Kennedyesque "natural look" campaign spots. Soon Bush was cavorting on the tube in all of his arid vapidness, jogging across the street, trotting down the steps, bounding around Washington and playing touch football, always filled with youth, vigor, action and thyroxin. The Plain Folks praised Bush as "just fantastic" in these spots. Suffering the voters to come unto him, Bush responded to all comers that he "understands," with the shot fading out before he could say what it was he understood or what he might propose to do. / Note #2 / Note #4 "Sure, it's tough to be up against the machine, the big boys," said the Skull and Bones candidate in these spots; Bush actually had more money to spend than even the well-heeled Bentsen. The unifying slogan for imparting the proper spin to Bush was "He can do more." "He can do more" had problems that were evident even to some of the 1970 Bushmen: "A few in the Bush camp questioned that general approach because once advertising programs are set into motion they are extremely difficult to change and there was the concern that if Nixon should be unpopular at campaign's end, the theme line would become, 'He can do more for Nixon,' with obvious downsides." / Note #2 / Note #5 Although Bentsen's spots were said to give him "all the animation of a cadaver," he was more substantive than Bush, and he was moving ahead.

Were there issues that could help George? His ads put his opposition to school busing to achieve racial balance at the top of the list, but this wedge-mongering got him nowhere. Because of his servility to Nixon, Bush had to support the buzz-word of a "guaranteed annual income," which was the label under which Nixon was marketing the workfare slave-labor program already described; but to many in Texas that sounded like a new give-away, and Bentsen was quick to take advantage. Bush bragged that he had been one of the original sponsors of the bill that had just semi-privatized the U.S. Post Office Department as the Postal Service -- not exactly a success story in retrospect. Bush came on as a "fiscal conservative," but this also was of little help against Bentsen.

In an interview on women's issues, Bush first joked that there really was no consensus among women -- "the concept of a women's movement is unreal -- you can't get two women to agree on anything." On abortion he commented: "I realize this is a politically sensitive area. But I believe in a woman's right to choose. It should be an individual matter. I think ultimately it will be a constitutional question. I don't favor a federal abortion law as such." After 1980, for those who choose to believe him, this changed to strong opposition to abortion. ...

Could Nixon and Agnew help Bush? Agnew's message fell flat in Texas, since he knew it was too dangerous to try to get to the right of Bentsen and attack him from there. Instead, Agnew went through the following contortion: A vote for Bentsen, Agnew told audiences in Lubbock and Amarillo, "is a vote to keep William Fulbright chairman of the Senate Foreign Relations Committee," and that was not what "Texans want at all." Agnew tried to put Bentsen in the same boat with "radical liberals" like Yarborough, Fulbright, McGovern and Kennedy. Bentsen invited Agnew to move on to Arkansas and fight it out with Fulbright, and that was that.

Could Nixon himself help Bush? Nixon did campaign in the state. Bentsen then told a group of "Anglo-American" businessmen: Texans want "a man who can stand alone without being propped up by the White House."

In the end, Bentsen defeated Bush by a vote of 1,197,726 to Bush's 1,035,794, about 53 percent to 47 percent. The official Bushman explanation was that there were two proposed amendments to the Texas constitution on the ballot, one to allow saloons, and one to allow all undeveloped land to be taxed at the same rate as farmland. According to Bushman apologetics, these two propositions attracted so much interest among "yellow dog" rural conservatives that 300,000 extra voters came out, and this gave Bentsen his critical margin of victory. There was also speculation that Nixon and Agnew had attracted so much attention that more voters had come out, but many of these were Bentsen supporters. On the night of the election, Bush said that he "felt like General Custer. They asked him why he had lost and he said 'There were too many Indians. All I can say at this point is that there were too many Democrats,'" said the fresh two-time loser. Bentsen suggested that it was time for Bush to be appointed to a high position in the government. / Note #2 / Note #6

Bush's other consolation was a telegram dated November 5, 1970: "From personal experience I know the disappointment that you and your family must feel at this time. I am sure, however, that you will not allow this defeat to discourage you in your efforts to continue to provide leadership for our

party and the nation. Richard Nixon.

This was Nixon's euphemistic way of reassuring Bush that they still had a deal. / Note #2 / Note #7

Footnotes

14. Norman Mailer, "Miami and the Siege of Chicago" (New York: D.I. Fine, 1968), pp. 72-73.

15. Richard Nixon, "RN: The Memoirs of Richard Nixon" (New York: Warner Books, 1978), p. 312.

16. "Congressional Quarterly," "President Bush," (Washington: 1989) p. 94.

17. Theodore H. White, "The Making of the President 1968" (New York: Atheneum Publishers, 1969), p. 251.

18. Jules Witcover, "The Resurrection of Richard Nixon" (New York: Putnam, 1970), p. 352.

19. Lewis Chester et al., "An American Melodrama: the Presidential Campaign of 1968" (London: Deutch, 1969), p. 622.

20. "Houston Post," Oct. 29, 1970.

21. "New York Times," Sept. 27, 1969.

22. "New York Times," May 13, 1969.

23. "Houston Chronicle," Oct. 6, 1970.

24. See "Tubing with Lloyd/George," "Texas Observer," Oct. 30, 1970.

25. Knaggs, "op. cit.," p. 148.

26. "Houston Post," Nov. 5, 1970.

27. Bush and Gold, "op. cit.," p. 102.

CHAPTER 12

UNITED NATIONS AMBASSADOR, KISSINGER CLONE

At this point in his career, George Bush entered into a phase of close association with both Richard Nixon and Henry Kissinger. As we will see, Bush was a member of the Nixon cabinet from the spring of 1971 until the day that Nixon resigned. We will see Bush on a number of important occasions literally acting as Nixon's speaking tube, especially in international crisis situations. During these years, Nixon was Bush's patron, providing him with appointments and urging him to look forward to bigger things in the future. On certain occasions, however, Bush was upstaged by others in his quest for Nixon's favor. Then there was Kissinger, far and away the most powerful figure in the Washington regime of those days, who became Bush's boss when the latter became the U.S. ambassador to the United Nations in New York City. Later, on the campaign trail in 1980, Bush would offer to make Kissinger secretary of state in his administration.

Bush was now listing a net worth of over \$1.3 million / Note #1, but the fact is that he was now unemployed, but anxious to assume the next official post, to take the next step of what in the career of a Roman Senator was called the "cursus honorum," the patrician career, for this is what he felt the world owed him.

Nixon had promised Bush an attractive and prestigious political plum in the executive branch, and it was now time for Nixon to deliver. Bush's problem was that in late 1970 Nixon was more interested in what another Texan could contribute to his administration. That other Texan was John Connally, who had played the role of Bush's nemesis in the elections just concluded, by virtue of the encouragement and decisive support which Connally had given to the Bentsen candidacy. Nixon was now fascinated by the prospect of including the right-wing Democrat Connally in his cabinet in order to provide himself with a patina of bipartisanship, while emphasizing the dissension among the Democrats, strengthening Nixon's chances of successfully executing his Southern Strategy a second time during the 1972 elections.

The word among Nixon's inner circle of this period was "The Boss is in love," and the object of his affections was Big Jawn. Nixon claimed that he was not happy with the stature of his current cabinet, telling his domestic policy advisor John Ehrlichman in the fall of 1970 that "Every cabinet should have at least one potential President in it. Mine doesn't." Nixon had tried to recruit leading Democrats before, asking Senator Henry Jackson to be secretary of defense and offering the post of United Nations ambassador to Hubert Humphrey.

Within hours after the polls had closed in the Texas Senate race, Bush

received a call from Charles Bartlett, a Washington columnist who was part of the Prescott Bush network. Bartlett tipped Bush to the fact that Treasury Secretary David Kennedy was leaving, and urged him to make a grab for the job. Bush called Nixon and put in his request. After that, he waited by the telephone. But it soon became clear that Nixon was about to recruit John Connally, and with him, perhaps, the important Texas electoral votes in 1972. Secretary of the Treasury! One of the three or four top posts in the cabinet! And that before Bush had been given anything for all of his useless slogging through the 1970 campaign! But the job was about to go to Connally. Over two decades, one can almost hear Bush's whining complaint.

This move was not totally unprepared. During the fall of 1970, when Connally was campaigning for Bentsen against Bush, Connally had been invited to participate in the Ash Commission, a study group on government re-organization chaired by Roy Ash. "This White House access was dangerously undermining George Bush," complained Texas GOP chairman O'Donnell. A personal friend of Bush on the White House staff named Peter Flanigan, generated a memo to White House Chief of Staff H.R. Haldeman with the notation: "Connally is an implacable enemy of the Republican party in Texas, and, therefore, attractive as he may be to the President, we should avoid using him again." Nixon found Connally an attractive political property, and had soon appointed him to the main White House panel for intelligence evaluations: "On November 30, when Connally's appointment to the Foreign Intelligence Advisory Board was announced, the senior Senator from Texas, John Tower, and George Bush were instantly in touch with the White House to express their 'extreme' distress over the appointment. / Note #2 Tower was indignant because he had been promised by Ehrlichman some

time before that Connally was not going to receive an important post. Bush's personal plight was even more poignant: "He was out of work, and he wanted a job. As a defeated senatorial candidate, he hoped and fully expected to get a major job in the administration. Yet the administration seemed to be paying more attention to the very Democrat who had put him on the job market. What gives? Bush was justified in asking." / Note #3

The appointment of Connally to replace David Kennedy as secretary of the Treasury was concluded during the first week of December 1970. But it could not be announced without causing an upheaval among the Texas Republicans until something had been done for lame duck George. On December 7, Nixon retainer H.R. Haldeman was writing memos to himself in the White House. The first was: "Connally set." Then came: "Have to do something for Bush right away." Could Bush become the director of NASA? How about the Small Business Administration? Or the Republican National Committee? Or then again, he

might like to be White House congressional liaison, or perhaps undersecretary of commerce. As one account puts it, "since no job immediately came to mind, Bush was assured that he would come to the White House as a top presidential adviser on something or other, until another fitting job opened up."

Bush was called to the White House on December 9, 1970 to meet with Nixon and talk about a post as assistant to the President "with a wide range of unspecified general responsibilities," according to a White House memo initialed by H.R. Haldeman. Bush accepted such a post at one point in his haggling with the Nixon White House. But Bush also sought the U.N. job, arguing that there "was a dirth [sic] of Nixon advocacy in New York City and the general New York area that he could fill that need in the New York social circles he would be moving in as ambassador. / Note #4 Nix on's U.N. ambassador had been Charles Yost, a Democrat who was now leaving. But the White House had already offered that job to Daniel Patrick Moynihan, who had accepted.

But then Moynihan decided that he did not want the U.N. ambassador post after all, and, with a sigh of relief, the White House offered it to Bush. Bush's appointment was announced on December 11, Connally's on December 14.

/ Note #5 In offering the post to Bush, Haldeman had been brutally frank, telling him that the job, although of cabinet rank, would have no power attached to it. Bush, stressed Haldeman, would be taking orders directly from Kissinger. Bush says he replied, "even if somebody who took the job didn't understand that, Henry Kissinger would give him a twenty-four hour crash course on the subject." / Note #6

Nixon told his cabinet and the Republican congressional leadership on December 14, 1970 what had been in the works for some time: that Connally was "coming not only as a Democrat but as Secretary of the Treasury for the next two full years." Even more humiliating for Bush was the fact that our hero had been on the receiving end of Connally's assistance. As Nixon told the cabinet: "Connally said he wouldn't take it until George Bush got whatever he was entitled to. I don't know why George wanted the U.N. appointment, but he wanted it so he got it." Only this precondition from Connally, by implication, had finally prompted Nixon to take care of poor George. Nixon turned to Senator Tower, who was in the meeting: "This is hard for you. I am for every Republican running. We need John Tower back in 1972." Tower replied: "I'm a pragmatic man. John Connally is philosophically attuned to you. He is articulate and persuasive. I for one will defend him against those in our own party who may not like him." / Note #7

There is evidence that Nixon considered Connally to be a possible successor in the presidency. Connally's approach to the international monetary crisis then unfolding was that "all foreigners are out to screw us and it's our job to screw them first," as he told C. Fred Bergsten of Kissinger's National Security Council staff. Nixon's bumbling management of the international monetary crisis was one of the reasons why he was Watergated, and Big Jawn was certainly seen by the financiers as a big part of the problem. Bush was humiliated in this episode, but that is nothing compared to what later happened to both Connally and Nixon. Connally would be indicted while Bush was in Beijing, and later he would face the further humiliation of personal bankruptcy. In the view of James Reston, Jr., "George Bush was to maintain a smoldering, visceral dislike of Connally, one that lasted well into the 1980s." / Note #8 As others discovered during the Gulf war, Bush is vindictive.

Confirmed by the Senate

Bush appeared before the Senate Foreign Relations Committee for his pro forma and perfunctory confirmation hearings on February 8, 1971. It was a free ride. Many of the Senators had known Prescott Bush, and several were still Prescott's friends. Acting like friends of the family, they gave Bush friendly advice with a tone that was congratulatory and warm, and avoided any tough questions. Stuart Symington warned Bush that he would have to deal with the "duality of authority" between his nominal boss, Secretary of State William Rogers, and his real boss, NSC chief Kissinger. There was only passing reference to Bush's service of the oil cartel during his time in the House, and Bush vehemently denied that he had ever tried to "placate" the "oil interests." Claiborne Pell said that Bush would enhance the luster of the U.N. post.

On policy matters, Bush said that it would "make sense" for the U.N. Security Council to conduct a debate on the wars in Laos and Cambodia, which was something that the United States had been attempting to procure for some time. Bush thought that such a debate could be used as a forum to expose the aggressive activities of the North Vietnamese. No senator asked Bush about China, but Bush told journalists waiting in the hall that the question of China was now under intensive study. The "Washington Post" was impressed by Bush's "lithe and youthful good looks." Bush was easily confirmed.

At Bush's swearing-in later in February, Nixon, probably anxious to calm Bush down after the strains of the Connally affair, had recalled that President William McKinley had lost an election in Ohio, but nevertheless

gone on to become President. "But I'm not suggesting what office you should seek and at what time," said Nixon. The day before, Senator Adlai Stevenson III of Illinois had told the press that Bush was "totally unqualified" and that his appointment had been "an insult" to the U.N. Bush presented his credentials on March 1.

Then Bush, "handsome and trim" at 47, moved into a suite at the Waldorf-Astoria Hotel in Manhattan, and settled into his usual hyperkinetic, thyroid-driven lifestyle. The "Washington Post" marveled at his "whirlwind schedule" which seemed more suitable for a "political aspirant than one usually associated with a diplomat." He rose every morning at 7:00 A.M., and then mounted his exercycle for a twelve-minute workout while taking in a television news program that also lasted exactly twelve minutes. He ate a small breakfast and left the Waldorf at 8:00, to be driven to the U.S. mission to the U.N. at Turtle Bay where he generally arrived at 8:10. Then he would get the overnight cable traffic from his secretary, Mrs. Aleene Smith, and then went into a conference with his executive assistant, Tom Lais. Later there would be meetings with his two deputies, Ambassadors Christopher Phillips and W. Tapley Bennett of the State Department. Pete Roussel was also still with him as publicity man.

For Bush, a 16-hour work day was more the rule than the exception. His days were packed with one appointment after another, luncheon engagements, receptions, formal dinners -- at least one reception and one dinner per day. Sometimes there were three receptions per day -- quite an opportunity for networking with like-minded freemasons from all over the world. Bush also traveled to Washington for cabinet meetings, and still did speaking engagements around the country, especially for Republican candidates. "I try to get to bed by 11:30 if possible," said Bush in 1971, "but often my calendar is so filled that I fall behind in my work and have to take it home with me." Bush bragged that he was still a "pretty tough" doubles player in tennis, good enough to team up with the pros. But he claimed to love baseball most. He joked about questions on his ping pong skills, since these were the months of ping pong diplomacy, when the invitation for a U.S. ping pong team to visit Beijing became a part of the preparation for Kissinger's China card.

Mainly, Bush came on as an ultra-orthodox Nixon loyalist. Was he a liberal conservative? asked a reporter. "People in Texas used to ask me that in the campaigns," replied Bush. "Some even called me a right-wing reactionary. I like to think of myself as a pragmatist, but I have learned to defy being labeled.... What I can say is that I am a strong supporter of the President. If you can tell me what he is, I can tell you what I am." Barbara liked the Waldorf suite, and was an enthusiastic hostess.

Soon after taking up his U.N. posting, Bush received a phone call from Assistant Secretary of State for Middle Eastern Affairs Joseph Sisco, one of Kissinger's principal henchmen. Sisco had been angered by some comments Bush had made about the Middle East situation in a press conference after presenting his credentials. Despite the fact that Bush, as a cabinet officer, ranked several levels above Sisco, Sisco was in effect the voice of Kissinger. Sisco told Bush that it was Sisco who spoke for the United States government on the Middle East, and that he would do both the on-the-record talking and the leaking about that area. Bush knuckled under, for these were the realities of the Kissinger years.

Kissinger's Clone

Henry Kissinger was now Bush's boss even more than Nixon was, and later, as the Watergate scandal progressed into 1973, the dominion of Kissinger would become even more absolute. During these years Bush, serving his apprenticeship in diplomacy and world strategy under Kissinger, became a virtual Kissinger clone in two senses. First, to a significant degree, Kissinger's networks and connections merged together with Bush's own, foreshadowing a 1989 administration in which the NSC director and the number two man in the State Department were both Kissinger's business partners from his consulting and influence-peddling firm, Kissinger Associates. Secondly, Bush assimilated Kissinger's characteristic British-style geopolitical mentality and approach to problems, and this is now the epistemology that dictates Bush's own dealing with the main questions of world politics.

The most essential level of Kissinger was the British one. / Note #9 This meant that U.S. foreign policy was to be guided by British imperial geopolitics, in particular the notion of the balance of power: The United States must always ally with the second strongest land power in the world (Red China) against the strongest land power (the U.S.S.R.) in order to preserve the balance of power. This was expressed in the 1971-72 Nixon-Kissinger opening to Beijing, to which Bush would contribute from his U.N. post. The balance of power, since it rules out a positive engagement for the economic progress of the international community as a whole, has always been a recipe for new wars. Kissinger was in constant contact with British foreign policy operatives like Sir Eric Roll of S.G. Warburg in London, Lord Victor Rothschild, the Barings bank and others.

On May 10, 1982, in a speech entitled "Reflections on a Partnership" given at the Royal Institute of International Affairs at Chatham House in London, Henry Kissinger openly expounded his role and philosophy as a British

agent-of-influence within the U.S. government during the Nixon and Ford years:

"The British were so matter-of-factly helpful that they became a participant in internal American deliberations, to a degree probably never before practiced between sovereign nations. In my period in office, the British played a seminal part in certain American bilateral negotiations with the Soviet Union -- indeed, they helped draft the key document. In my White House incarnation then, I kept the British Foreign Office better informed and more closely engaged than I did the American State Department.... In my negotiations over Rhodesia I worked from a British draft with British spelling even when I did not fully grasp the distinction between a working paper and a Cabinet-approved document."

Kissinger was also careful to point out that the United States must support colonial and neo-colonial strategies against the developing sector:

"Americans from Franklin Roosevelt onward believed that the United States, with its 'revolutionary' heritage, was the natural ally of people struggling against colonialism; we could win the allegiance of these new nations by opposing and occasionally undermining our European allies in the areas of their colonial dominance. Churchill, of course, resisted these American pressures.... In this context, the experience of Suez is instructive.... Our humiliation of Britain and France over Suez was a shattering blow to these countries' role as world powers. It accelerated their shedding of international responsibilities, some of the consequences of which we saw in succeeding decades when reality forced us to step into their shoes -- in the Persian Gulf, to take one notable example. Suez thus added enormously to America's burdens."

Kissinger was the high priest of imperialism and neocolonialism, animated by an instinctive hatred for Indira Gandhi, Aldo Moro, Ali Bhutto, and other nationalist world leaders. Kissinger's British geopolitics simply accentuated Bush's own fanatically Anglophile point of view, which he had acquired from father Prescott and imbibed from the atmosphere of the family firm, Brown Brothers Harriman, originally the U.S. branch of a British counting house.

Kissinger was also a Zionist, dedicated to economic, diplomatic, and military support of Israeli aggression and expansionism to keep the Middle East in turmoil, so as to prevent Arab unity and Arab economic development while using the region to mount challenges to the Soviets. In this he was a follower of British Prime Minister Benjamin Disraeli and Lord Balfour. In the 1973 Middle East war which he had connived to unleash, Kissinger would

mastermind the U.S. resupply of Israel and would declare a U.S.-worldwide thermonuclear alert. In later years, Kissinger would enrich himself through speculative real estate purchases on the West bank of the Jordan, buying up land and buildings that had been virtually confiscated from defenseless Palestinian Arabs.

Kissinger was also Soviet in a sense that went far beyond his sponsorship of the 1970s detente, SALT I, and the ABM treaty with Moscow. Polish KGB agent Michael Goleniewski is widely reported to have told the British government in 1972 that he had seen KGB documents in Poland before his 1959 defection which established that Kissinger was a Soviet asset. According to Goleniewski, Kissinger had been recruited by the Soviets during his Army service in Germany after the end of World War II, when he had worked as a humble chauffeur.

Kissinger had allegedly been recruited to an espionage cell called ODRA, where he received the code name of "BOR" or "COLONEL BOR." Some versions of

this story also specify that this cell had been largely composed of homosexuals, and that homosexuality had been an important part of the way that Kissinger had been picked up by the KGB. These reports were reportedly partly supported by Golitsyn, another Soviet defector. The late James Jesus Angleton, the CIA counterintelligence director for 20 years up to 1973, was said to have been the U.S. official who was handed Goleniewski's report by the British. Angleton later talked a lot about Kissinger being "objectively a Soviet agent." It has not been established that Angleton ever ordered an active investigation of Kissinger or ever assigned his case a codename. /

Note #1 / Note #0

Kissinger's Chinese side was very much in evidence during 1971-73 and beyond; during these years he was obsessed with anything remotely connected with China and sought to monopolize decisions and contacts with the highest levels of the Chinese leadership. This attitude was dictated most of all by the British mentality and geopolitical considerations indicated above, but it is also unquestionable that Kissinger felt a strong personal affinity for Zhou Enlai, Mao Zedong, and the other Chinese leaders, who had been responsible for the genocide of 100 million of their own people after 1949.

Kissinger possessed other dimensions in addition to these, including close links to the Zionist underworld. These will also loom large in George Bush's career.

For all of these Kissingerian enormities, Bush now became the principal spokesman. In the process, he was to become a Kissinger clone.

The China Card

The defining events in the first year of Bush's U.N. tenure reflected Kissinger's geopolitical obsession with his China card. Remember that in his 1964 campaign, Bush had stated that Red China must never be admitted to the U.N. and that if Beijing ever obtained the Chinese seat on the Security Council, the U.S.A. must depart forthwith from the world body. This statement came back to haunt him once or twice. His stock answer went like this: "That was 1964, a long time ago. There's been an awful lot changed since.... A person who is unwilling to admit that changes have taken place is out of things these days. President Nixon is not being naive in his China policy. He is recognizing the realities of today, not the realities of seven years ago."

One of the realities of 1971 was that the bankrupt British had declared themselves to be financially unable to maintain their military presence in the Indian Ocean and the Far East, in the area "East of Suez." Part of the timing of the Kissinger China card was dictated by the British desire to acquire China as a counterweight to India in this vast area of the world, and also to insure a U.S. military presence in the Indian Ocean, as seen later in the U.S. development of an important base on the island of Diego Garcia.

On a world tour during 1969, Nixon had told President Yahya Khan, the dictator of Pakistan, that his administration wanted to normalize relations with Red China and wanted the help of the Pakistani government in exchanging messages. Regular meetings between the United States and Beijing had gone on for many years in Warsaw, but what Nixon was talking about was a total reversal of U.S. China policy. Up until 1971, the U.S.A. had recognized the government of the Republic of China on Taiwan as the sole sovereign and legitimate authority over China. The United States, unlike Britain, France, and many other Western countries, had no diplomatic relations with the Beijing Communist regime.

The Chinese seat among the five permanent members of the United Nations Security Council was held by the government in Taipei. Every year in the early autumn there was an attempt by the non-aligned bloc to oust Taipei from the Security Council and replace them with Beijing, but so far this vote had always failed because of U.S. arm-twisting in Latin America and the rest of the Third World. One of the reasons that this arrangement had endured so long was the immense prestige of R.O.C. President Chiang Kai-shek and the sentimental popularity of the Kuomintang with the American electorate. There still was a very powerful China lobby, which was

especially strong among right-wing Republicans of what had been the Taft and Knowland factions of the party, and which Goldwater continued. Now, in the midst of the Vietnam War, with U.S. strategic and economic power in decline, the Anglo-American elite decided in favor of a geopolitical alliance with China against the Soviets for the foreseeable future. This meant that the honor of U.S. commitments to the R.O.C. had to be dumped overboard as so much useless ballast, whatever the domestic political consequences might be. This was the task given to Kissinger, Nixon, and George Bush.

The maneuver on the agenda for 1971 was to oust the R.O.C. from the U.N. Security Council and assign their seat to Beijing. Kissinger and Nixon calculated that duplicity would insulate them from domestic political damage: While they were opening to Beijing, they would call for a "two Chinas" policy, under which both Beijing and Taipei would be represented at the U.N., at least in the General Assembly, despite the fact that this was an alternative that both Chinese governments vehemently rejected. The U.S.A. would pretend to be fighting to keep Taipei in the U.N., with George Bush leading the fake charge, but this effort would be defeated. Then the Nixon administration could claim that the vote in the U.N. was beyond its control, comfortably resign itself to Beijing in the Security Council, and pursue the China card. What was called for was a cynical, duplicitous diplomatic charade in which Bush would have the leading part.

This scenario was complicated by the rivalry between Secretary of State Rogers and NSC boss Kissinger. Rogers was an old friend of Nixon, but it was of course Kissinger who made foreign policy for Nixon and the rest of the government, and Kissinger who was incomparably the greater evil. Between Rogers and Kissinger, Bush was unhesitatingly on the side of Kissinger. In later congressional testimony, former CIA official Ray Cline tried to argue that Rogers and Bush were kept in the dark by Nixon and Kissinger about the real nature of the U.S. China policy. The implication is that Bush's efforts to keep Taiwan at the U.N. were in good faith. According to Cline's fantastic account, "Nixon and Kissinger actually 'undermined' the department's efforts in 1971 to save Taiwan." / Note #1 / Note #1 Rogers may have believed that helping Taiwan was U.S. policy, but Bush did not. Cline's version of these events is an insult to the intelligence of any serious person.

The Nixon-era China card took shape during July 1971 with Kissinger's "Operation Marco Polo I," his secret first trip to Beijing. Kissinger says in his memoirs that Bush was considered a candidate to make this journey, along with David Bruce, Elliot Richardson, Nelson Rockefeller, and Al Haig. / Note #1 / Note #2 Kissinger first journeyed to India, and then to

Pakistan. From there, with the help of Yahya Khan, Kissinger went on to Beijing for meetings with Zhou Enlai and other Chinese officials. He returned by way of Paris, where he met with North Vietnamese negotiator Le Duc Tho at the Paris talks on Indo-China. Returning to Washington, Kissinger briefed Nixon on his understanding with Zhou. On July 15, 1971 Nixon announced to a huge television and radio audience that he had accepted "with pleasure" an invitation to visit China at some occasion before May of 1972. He lamely assured "old friends" (meaning Chiang Kai-shek and the R.O.C. government on Taiwan) that their interests would not be sacrificed. Later in the same year, between October 16 and 26, Kissinger undertook operation "Polo II," a second, public visit with Zhou in Beijing to decide the details of Nixon's visit and hammer out what was to become the U.S.-P.R.C. Shanghai Communique, the joint statement issued during Nixon's stay. During this visit, Zhou cautioned Kissinger not to be disoriented by the hostile Beijing propaganda line against the U.S.A., manifestations of which were everywhere to be seen. Anti-U.S. slogans on the walls, said Zhou, were meaningless, like "firing an empty cannon." Nixon and Kissinger eventually journeyed to Beijing in February 1972.

U.N. 'Two Chinas' Farce

It was before this backdrop that Bush waged his farcical campaign to keep Taiwan in the U.N. The State Department had stated through the mouth of Rogers on August 2 that the United States would support the admission of Red China to the U.N., but would oppose the expulsion of Taiwan. This was the so-called "two Chinas" policy. In an August 12 interview, Bush told the "Washington Post" that he was working hard to line up the votes to keep Taiwan as a U.N. member when the time to vote came in the fall. Responding to the obvious impression that this was a fraud for domestic political purposes only, Bush pledged his honor on Nixon's commitment to "two Chinas." "I know for a fact that the President wants to see the policy implemented," said Bush, apparently with a straight face, adding that he had discussed the matter with Nixon and Kissinger at the White House only a few days before. Bush said that he and other members of his mission had lobbied 66 countries so far, and that this figure was likely to rise to 80 by the following week. Ultimately Bush would claim to have talked personally with 94 delegations to get them to let Taiwan stay, which a fellow diplomat called "a quantitative track record."

Diplomatic observers noted that the U.S. activity was entirely confined to the high-profile "glass palace" of the U.N., and that virtually nothing was being done by U.S. ambassadors in capitals around the world. But Bush countered that if it were just a question of going through the motions as a gesture for Taiwan, he would not be devoting so much of his time and energy

to the cause. The main effort was at the U.N. because "this is what the U.N. is for," he commented. Bush said that his optimism about keeping the Taiwan membership had increased over the past three weeks. / Note #1 / Note #3

By late September, Bush was saying that he saw a better than 50-50 chance that the U.N. General Assembly would seat both Chinese governments. By this time, the official U.S. position as enunciated by Bush was that the Security Council seat should go to Beijing, but that Taipei ought to be allowed to remain in the General Assembly. Since 1961, the U.S. strategy for blocking the admission of Beijing had depended on a procedural defense, obtaining a simple majority of the General Assembly for a resolution defining the seating of Beijing as an Important Question, which required a two-thirds majority in order to be implemented. Thus, if the U.S. .A. could get a simple majority on the procedural vote, one-third plus one would suffice to defeat Beijing on the second vote.

The General Assembly convened on September 21. Bush and his aides were running a ludicrous full-court press on scores of delegations. Twice a day, there was a State Department briefing on the vote tally. "Yes, Burundi is with us.... About Argentina we're not sure," etc. All this attention got Bush an appearance on "Face the Nation," where he said that the two-Chinas policy should be approved regardless of the fact that both Beijing and Taipei rejected it. "I don't think we have to go through the agony of whether the Republic of China will accept or whether Beijing will accept," Bush told the interviewers. "Let the United Nations for a change do something that really does face up to reality and then let that decision be made by the parties involved," said Bush with his usual inimitable rhetorical flair.

The U.N. debate on the China seat was scheduled to open on October 18; on October 12, Nixon gave a press conference in which he totally ignored the subject, and made no appeal for support for Taiwan. On October 16, Kissinger departed with great fanfare for Beijing. Kissinger says in his memoirs that he had been encouraged to go to Beijing by Bush, who assured him that a highly publicized Kissinger trip to Beijing would have no impact whatever on the U.N. vote. On October 25, the General Assembly defeated the U.S. resolution to make the China seat an Important Question by a vote of 59 to 54, with 15 abstentions. Ninety minutes later came the vote on the Albanian resolution to seat Beijing and expel Taipei, which passed by a vote of 76 to 35. Bush then cast the U.S. vote to seat Beijing, and then hurried to escort the R.O.C. delegate, Liu Chieh, out of the hall for the last time. The General Assembly was the scene of a jubilant demonstration led by Third World delegates over the fact that Red China had been

admitted, and even more so that the United States had been defeated. The Tanzanian delegate danced a jig in the aisle. Henry Kissinger, flying back from Beijing, got the news on his teletype and praised Bush's "valiant efforts."

Having connived in selling Taiwan down the river, it was now an easy matter for the Nixon regime to fake a great deal of indignation for domestic political consumption about what had happened. Nixon's spokesman Ron Ziegler declared that Nixon had been outraged by the "spectacle" of the "cheering, handclapping, and dancing" delegates after the vote, which Nixon had seen as a "shocking demonstration" of "undisguised glee" and "personal animosity." Notice that Ziegler had nothing to say against the vote, or against Beijing, but concentrated the fire on the Third World delegates, who were also threatened with a cutoff of U.S. foreign aid.

This was the line that Bush would slavishly follow. On the last day of October, the papers quoted him saying that the demonstration after the vote was "something ugly, something harsh that transcended normal disappointment or elation." "I really thought we were going to win," said Bush, still with a straight face. "I'm so ... disappointed." "There wasn't just clapping and enthusiasm" after the vote, he whined. "When I went up to speak I was hissed and booed. I don't think it's good for the United Nations and that's the point I feel very strongly about." In the view of a "Washington Post" staff writer, "the boyish looking U.S. ambassador to the United Nations looked considerably the worse for wear. But he still conveys the impression of an earnest fellow trying to be the class valedictorian, as he once was described." / Note #1 / Note #4

Bush expected the Beijing delegation to arrive in New York soon, because they probably wanted to take over the presidency of the Security Council, which rotated on a monthly basis. "But why anybody would want an early case of chicken pox, I don't know," said Bush.

When the Beijing delegation did arrive, Chinese Deputy Foreign Minister Ch'iao Kuan-hua delivered a maiden speech full of ideological bombast along the lines of passages Kissinger had convinced Zhou to cut out of the draft text of the Shanghai communique some days before. Kissinger then telephoned Bush to say in his own speech that the United States regretted that the Chinese had elected to inaugurate their participation in the U.N. by "firing these empty cannons of rhetoric." Bush, like a ventriloquist's dummy, obediently mouthed Kissinger's one-liner as a kind of coded message to Beijing that all the public bluster meant nothing between the two secret and increasingly public allies.

Notes

1. In 1970, Bush's portfolio included 29 companies in which he had an interest of more than \$4,000. He had 10,000 shares of American General Insurance Co., 5,500 shares of American Standard, 200 shares of AT&T, 832 shares of CBS, and 581 shares of Industries Exchange Fund. He also held stock in the Kroger Company, Simplex Wire and Cable Co. (25,000 shares), IBM, and Allied Chemical. In addition, he had created a trust fund for his children.
2. James Reston, Jr., "The Lone Star: The Life of John Connally" (New York: Harper & Row, 1989), p. 380.
3. William Safire, "Before the Fall" (New York: Doubleday, 1977), p. 646.
4. Walter Pincus and Bob Woodward, "Presidential Posts and Dashed Hopes," "Washington Post," Aug. 9, 1988.
5. Reston, "op. cit.," p. 382.
6. George Bush and Victor Gold, "Looking Forward" (New York: Doubleday, 1987), p. 110.
7. For the Nixon side of the Bush U.N. appointment, see William Safire, "op. cit.," especially "The President Falls in Love," pp. 642 "ff."
8. Reston, "op. cit.," p. 382. Reston (pp. 586-87) tells the story of how, years later in the 1980 Iowa caucuses campaign when both Bush and Connally were in the race, Bush was enraged by Connally's denigration of his manhood in remarks to Texans that Bush was 'all hat and no cattle.' Bush was walking by a television set in the Hotel Fort Des Moines when Connally came on the screen. Bush reached out toward Connally's image on the screen as if to shake hands. Then Bush screamed, "Thank you, sir, for all the kind things you and your friends have been saying about me!" Then Bush slammed his fist on the top of the set, yelling "That prick!"
9. On Kissinger, see Scott Thompson and Joseph Brewda, "Kissinger Associates: Two Birds in the Bush," "Executive Intelligence Review," March 3, 1989.
10. Tom Mangold, "Cold Warrior", (New York: Simon & Schuster, 1991), p. 305.
11. See Tad Szulc, "The Illusion of Peace" (New York: Viking Press, 1978), p. 498.

12. Henry Kissinger, "White House Years" (Boston: Little, Brown, 1979), p. 715.

13. Szulc, "op. cit.," p. 500, and "Washington Post," Aug. 12, 1971.

14. "Washington Post," Oct. 31, 1971.

CHAPTER 12

UNITED NATIONS AMBASSADOR, KISSINGER CLONE

The farce of Bush's pantomime in support of the Kissinger China card very nearly turned into the tragedy of general war later in 1971. This involved the December 1971 war between India and Pakistan, which led to the creation of an independent state of Bangladesh, and which must be counted as one of the least-known thermonuclear confrontations of the U.S.A. and U.S.S.R. For Kissinger and Bush, what was at stake in this crisis was the consolidation of the China card.

In 1970, Yahya Khan, the British-connected, Sandhurst-educated dictator of Pakistan, was forced to announce that elections would be held in the entire country. It will be recalled that Pakistan was at that time two separate regions, east and west, with India in between. In East Pakistan or Bengal, the Awami League of Sheik Mujibur Rahman campaigned on a platform of autonomy for Bengal, accusing the central government in far-off Islamabad of ineptitude and exploitation. The resentment in East Pakistan was made more acute by the fact that Bengal had just been hit by a typhoon, which had caused extensive flooding and devastation, and by the failure of the government in West Pakistan to organize an effective relief effort. In the elections, the Awami League won 167 out of 169 seats in the East. Yahya Khan delayed the seating of the new national assembly and on the evening of March 25 ordered the Pakistani Army to arrest Mujibur and to wipe out his organization in East Pakistan.

Genocide in East Pakistan

The army proceeded to launch a campaign of political genocide in East Pakistan. Estimates of the number of victims range from 500,000 to 3 million dead. All members of the Awami League, all Hindus, all students and intellectuals were in danger of execution by roving army patrols. A senior U.S. Foreign Service officer sent home a dispatch in which he told of West Pakistani soldiers setting fire to a women's dormitory at the University of Dacca and then machine-gunning the women when they were forced by the flames to run out. This campaign of killing went on until December, and it

generated an estimated 10 million refugees, most of whom fled across the nearby borders to India, which had territory all around East Pakistan. The arrival of 10 million refugees caused indescribable chaos in India, whose government was unable to prevent untold numbers from starving to death. / Note #1 / Note #5

>From the very beginning of this monumental genocide, Kissinger and Nixon made it clear that they would not condemn Yahya Khan, whom Nixon considered a personal friend. Kissinger referred merely to the "strong-arm tactics of the Pakistani military," and Nixon circulated a memo in his own handwriting saying, "To all hands. Don't squeeze Yahya at this time. RN" Nixon stressed repeatedly that he wanted to "tilt" in favor of Pakistan in the crisis.

One level of explanation for this active complicity in genocide was that Kissinger and Nixon regarded Yahya Khan as their indispensable back channel to Peking. But Kissinger could soon go to Peking any time he wanted, and soon he could talk to the Chinese U.N. delegate in a New York safe house. The essence of the support for the butcher Yahya Khan was this: In 1962, India and China had engaged in a brief border war, and the Peking leaders regarded India as their geopolitical enemy. In order to ingratiate himself with Zhou and Mao, Kissinger wanted to take a position in favor of Pakistan, and therefore of Pakistan's ally China, and against India and against India's ally, the U.S.S.R. (Shortly after Kissinger's trip to China had taken place and Nixon had announced his intention to go to Peking, India and the U.S.S.R. had signed a 20-year friendship treaty.)

In Kissinger's view, the Indo-Pakistani conflict over Bengal was sure to become a Sino-Soviet clash by proxy, and he wanted the United States aligned with China in order to impress Peking with the vast benefits to be derived from the U.S.-P.R.C. strategic alliance under the heading of the "China card."

Kissinger and Nixon were isolated within the Washington bureaucracy on this issue. Secretary of State Rogers was very reluctant to go on supporting Pakistan, and this was the prevalent view in Foggy Bottom and in the embassies around the world. Nixon and Kissinger were isolated from the vast majority of congressional opinion, which expressed horror and outrage over the extent of the carnage being carried out week after week, month after month, by Yahya Khan's armed forces. Even the media and U.S. public opinion could not find any reason for the friendly "tilt" in favor of Yahya Khan. On July 31, Kissinger exploded at a meeting of the Senior Review Group when a proposal was made that the Pakistani army could be removed from Bengal. "Why is it our business how they govern themselves?" Kissinger raged. "The President always says to tilt to Pakistan, but every proposal I get [from

inside the U.S. government] is in the opposite direction. Sometimes I think I am in a nut house." This went on for months. On December 3, at a meeting of Kissinger's Washington Special Action Group, Kissinger exploded again, exclaiming, "I've been catching unshirted hell every half-hour from the president who says we're not tough enough. He really doesn't believe we're carrying out his wishes. He wants to tilt toward Pakistan and he believes that every briefing or statement is going the other way." / Note #1 / Note #6

But no matter what Rogers, the State Department and the rest of the Washington bureaucracy might do, Kissinger knew that George Bush at the U.N. would play along with the pro-Pakistan tilt. "And I knew that George Bush, our able U.N. ambassador, would carry out the President's policy," wrote Kissinger in his memoirs, in describing his decision to drop U.S. opposition to a Security Council debate on the subcontinent. This made Bush one of the most degraded and servile U.S. officials of the era.

Indira Gandhi had come to Washington in November to attempt a peaceful settlement to the crisis, but was crudely snubbed by Nixon and Kissinger. The chronology of the acute final phase of the crisis can be summed up as follows:

"December 3, 1971": Yahya Khan ordered the Pakistani Air Force to carry out a series of surprise air raids on Indian air bases in the north and west of India. These raids were not effective in destroying the Indian Air Force on the ground, which had been Yahya Khan's intent, but Yahya Khan's aggression did precipitate the feared Indo-Pakistani war. The Indian Army made rapid advances against the Pakistani forces in Bengal, while the Indian Navy blockaded Pakistan's ports. At this time, the biggest-ever buildup in the Soviet naval forces in the Indian Ocean also began.

"December 4": At the U.N. Security Council, George Bush delivered a speech in which his main thrust was to accuse India of repeated incursions into East Pakistan, and challenging the legitimacy of India's resort to arms, in spite of the plain evidence that Pakistan had struck first. Bush introduced a draft resolution which called on India and Pakistan immediately to cease all hostilities. Bush's resolution also mandated the immediate withdrawal of all Indian and Pakistani armed forces back to their own territory, meaning in effect that India should pull back from East Pakistan and let Yahya Khan's forces there get back to their mission of genocide against the local population. Observers were to be placed along the Indo-Pakistani borders by the U.N. secretary general.

Bush's resolution also contained a grotesque call on India and Pakistan to

"exert their best efforts toward the creation of a climate conducive to the voluntary return of refugees to East Pakistan." This resolution was out of touch with the two realities: that Yahya Khan had started the genocide in East Pakistan back in March, and that Yahya had now launched aggression against India with his air raids. Bush's resolution was vetoed by the Soviet representative, Yakov Malik.

"December 6": The Indian government extended diplomatic recognition to the independent state of Bangladesh. Indian troops made continued progress against the Pakistani Army in Bengal.

On the same day, an NBC camera team filmed much of Nixon's day inside the White House. Part of what was recorded, and later broadcast, was a telephone call from Nixon to George Bush at the United Nations, giving Bush his instructions on how to handle the India-Pakistan crisis. "Some, all over the world, will try to make this basically a political issue," said Nixon to Bush. "You've got to do what you can. More important than anything else now is to get the facts out with regard to what we have done, that we have worked for a political settlement, what we have done for the refugees and so forth and so on. If you see that some here in the Senate and House, for whatever reason, get out and misrepresent our opinions, I want you to hit it frontally, strongly, and toughly; is that clear? Just take the gloves off and crack it, because you know exactly what we have done, OK?" / Note #1 / Note #7

"December 7": George Bush at the U.N. made a further step forward toward global confrontation by branding India as the aggressor in the crisis, as Kissinger approvingly notes in his memoirs. Bush's draft resolution, described above, which had been vetoed by Malik in the Security Council, was approved by the General Assembly by a non-binding vote of 104 to 11, which Kissinger considered a triumph for Bush. But on the same day, Yahya Khan informed the government in Washington that his military forces in East Pakistan were rapidly disintegrating. Kissinger and Nixon seized on a dubious report from an alleged U.S. agent at a high level in the Indian government which purported to summarize recent remarks of Indira Gandhi to her cabinet. According to this report, which may have come from the later Prime Minister Moraji Desai, Mrs. Gandhi had pledged to conquer the southern part of Pakistani-held Kashmir. If the Chinese "rattled the sword," the report quoted Mrs. Gandhi as saying, the Soviets would respond. This unreliable report became one of the pillars for further actions by Nixon, Kissinger and Bush.

"December 8": By this time, the Soviet Navy had some 21 ships either in or approaching the Indian Ocean, in contrast to a pre-crisis level of three

ships. At this point, with the Vietnam War raging unabated, the U.S.A. had a total of three ships in the Indian Ocean -- two old destroyers and a seaplane tender. The last squadron of the British Navy was departing from the region in the framework of the British pullout from east of Suez.

In the evening, Nixon suggested to Kissinger that the scheduled Moscow summit might be canceled. Kissinger raved that India wanted to detach not just Bengal, but Kashmir also, leading to the further secession of Baluchistan and the total dismemberment of Pakistan. "Fundamentally," wrote Kissinger of this moment, "our only card left was to raise the risks for the Soviets to a level where Moscow would see larger interests jeopardized" by its support of India, which had been lukewarm so far.

"December 9": The State Department and other agencies were showing signs of being almost human, seeking to undermine the Nixon-Kissinger-Bush policy through damaging leaks and bureaucratic obstructionism. Nixon, "beside himself" over the damaging leaks, called in the principal officers of the Washington Special Action Group and told them that while he did not insist on their being loyal to the President, they ought at least to be loyal to the United States. Among those Nixon insulted was Undersecretary of State U. Alexis Johnson. But the leaks only increased.

"December 10:" Kissinger ordered the U.S. Navy to create Task Force 74, consisting of the nuclear aircraft carrier "Enterprise", with escort and supply ships, and to have these ships proceed from their post at Yankee Station in the Gulf of Tonkin off Vietnam to Singapore. / Note #1 / Note #8

In Dacca, East Pakistan, Major General Rao Farman Ali Khan, the commander of Pakistani forces in Bengal, asked the United Nations representative to help arrange a cease-fire, followed by the transfer of power in East Pakistan to the elected representatives of the Awami League and the "repatriation with honor" of his forces back to West Pakistan. At first it appeared that this de facto surrender had been approved by Yahya Khan. But when Yahya Khan heard that the U.S. fleet had been ordered into the Indian Ocean, he was so encouraged that he junked the idea of a surrender and ordered Gen. Ali Khan to resume fighting, which he did.

Colonel Melvin Holst, the U.S. military attache in Katmandu, Nepal, a small country sandwiched between India and China in the Himalayas, received a call from the Indian military attache, who asked whether the American had any knowledge of a Chinese military buildup in Tibet. "The Indian high command had some sort of information that military action was increasing in Tibet," said Holst in his cable to Washington. The same evening, Col. Holst received a call from the Soviet military attache, Loginov, who also asked

about Chinese military activity. Loginov said that he had spoken over the last day or two with the Chinese military attache, Zhao Kuang-chih, "advising Zhao that the P.R.C. should not get too serious about intervention because U.S.S.R. would react, had many missiles, etc." / Note #1 / Note #9

At the moment, the Himalaya mountain passes, the corridor for any Chinese troop movement, were all open and free from snow. The CIA had noted "war preparations" in Tibet over the months since the Bengal crisis had begun. Nikolai Pegov, the Soviet ambassador to New Dehli, had assured the Indian government that in the eventuality of a Chinese attack on India, the Soviets would mount a "diversionary action in Sinkiang."

"December 11": Kissinger had been in town the previous day, meeting the Chinese U.N. delegate. Today Kissinger would meet with the Pakistani Deputy Prime Minister Ali Bhutto, in Bush's suite at the Waldorf-Astoria. Huang Hua, the Chinese delegate, made remarks which Kissinger chose to interpret as meaning that the "Chinese might intervene militarily even at this late stage."

"December 12:" Nixon, Kissinger and Haig met in the Oval Office early Sunday morning in a council of war. Kissinger later described this as a crucial meeting, where, as it turned out, "the first decision to risk war in the triangular Soviet-Chinese-American" geopolitical relationship was taken. / Note #2 / Note #0

During Nixon's 1975 secret grand jury testimony to the Watergate Special Prosecution Force, the former President insisted that the United States had come "close to nuclear war" during the Indo-Pakistani conflict. According to one attorney who heard Nixon's testimony in 1975, Nixon had stated that "we had threatened to go to nuclear war with the Russians." / Note #2 / Note #1 These remarks most probably refer to this December 12 meeting, and the actions it set into motion.

Navy Task Force 74 was ordered to proceed through the Straits of Malacca and into the Indian Ocean, and it attracted the attention of the world media in so doing the following day. Task Force 74 was now on wartime alert.

At 11:30 a.m. local time, Kissinger and Haig sent the Kremlin a message over the Hot Line. This was the first use of the Hot Line during the Nixon administration, and apparently the only time it was used during the Nixon years, with the exception of the October 1973 Middle East War. According to Kissinger, this Hot Line message contained the ultimatum that the Soviets

respond to earlier American demands; otherwise Nixon would order Bush to "set in train certain moves" in the U.N. Security Council that would be irreversible. But is this all the message said? Kissinger comments in his memoirs a few pages later: "Our fleet passed through the Strait of Malacca into the Bay of Bengal and attracted much media attention. Were we threatening India? Were we seeking to defend East Pakistan? Had we lost our minds? It was in fact sober calculation. We had some seventy-two hours to bring the war to a conclusion before West Pakistan would be swept into the maelstrom. It would take India that long to shift its forces and mount an assault. Once Pakistan's air force and army were destroyed, its impotence would guarantee the country's eventual disintegration.... We had to give the Soviets a warning that matters might get out of control on our side too. We had to be ready to back up the Chinese if at the last moment they came in after all, our U.N. initiative having failed. [...] However unlikely an American military move against India, the other side could not be sure; it might not be willing to accept even the minor risk that we might act irrationally." / Note #2 / Note #2

These comments by Kissinger led to the conclusion that the Hot Line message of December 12 was part of a calculated exercise in thermonuclear blackmail and brinksmanship. Kissinger's reference to acting irrationally recalls the infamous RAND Corporation theories of thermonuclear confrontations as chicken games in which it is useful to hint to the opposition that one is insane. If your adversary thinks you are crazy, then he is more likely to back down, the argument goes. Whatever threats were made by Kissinger and Haig that day in their Hot Line message are likely to have been of that variety. All evidence points to the conclusion that on December 12, 1971, the world was indeed close to the brink of thermonuclear confrontation.

Where Was George?

And where was George? He was acting as the willing mouthpiece for madmen. Late in the evening December 12, Bush delivered the following remarks to the Security Council, which are recorded in Kissinger's memoirs:

"The question now arises as to India's further intentions. For example, does India intend to use the present situation to destroy the Pakistan army in the West? Does India intend to use as a pretext the Pakistani counterattacks in the West to annex territory in West Pakistan? Is its aim to take parts of Pakistan-controlled Kashmir contrary to the Security Council resolutions of 1948, 1949, and 1950? If this is not India's intention, then a prompt disavowal is required. The world has a right to know: What are India's intentions? Pakistan's aims have become clear: It has accepted the General Assembly's resolution passed by a vote of 104 to

11. My government has asked this question of the Indian Government several times in the last week. I regret to inform the Council that India's replies have been unsatisfactory and not reassuring.

"In view of India's defiance of world opinion expressed by such an overwhelming majority, the United States is now returning the issue to the Security Council. With East Pakistan virtually occupied by Indian troops, a continuation of the war would take on increasingly the character of armed attack on the very existence of a Member State of the United Nations." / Note #2 / Note #3

Bush introduced another draft resolution of pro-Pakistan tilt, which called on the governments of India and Pakistan to take measures for an immediate cease-fire and withdrawal of troops, and for measures to help the refugees. This resolution was also vetoed by the U.S.S.R.

"December 14": Kissinger shocked U.S. public opinion by stating off the record to journalists in a plane returning from a meeting with French President Georges Pompidou in the Azores, that if Soviet conduct continued in the present mode, the U.S. was "prepared to reevaluate our entire relationship, including the summit."

"December 15:" The Pakistani commander in East Pakistan, after five additional days of pointless killing, again offered a cease-fire. Kissinger claimed that the five intervening days had allowed the United States to increase the pressure on India and prevent the Indian forces from turning on West Pakistan.

"December 16:" Mrs. Gandhi offered an unconditional cease-fire in the west, which Pakistan immediately accepted. Kissinger opined that this decision to end all fighting had been "reluctant" on the part of India, and had been made possible through Soviet pressure generated by U.S. threats. Zhou Enlai also said later that the United States had saved West Pakistan. Kissinger praised Nixon's "courage and patriotism" and his commitment to "preserve the balance of power for the ultimate safety of all free people." Apprentice geopolitician George Bush had carried out yeoman service in that immoral cause.

After a self-serving and false description of the Indo-Pakistani crisis of 1971, Kissinger pontificates in his memoirs about the necessary priority of geopolitical machinations: "There is in America an idealistic tradition that sees foreign policy as a context between evil and good. There is a pragmatic tradition that seeks to solve 'problems' as they arise. There is a legalistic tradition that treats international issues as juridical cases.

There is no geopolitical tradition." In their stubborn pursuit of an alliance with the second strongest land power at the expense of all other considerations, Kissinger, Nixon and Bush were following the dictates of classic geopolitics. This is the school in which Bush was trained, and this is how he has reacted to every international crisis down through the Gulf war, which was originally conceived in London as a "geopolitical" adjustment in favor of the Anglo-Saxons against Germany, Japan, the Arabs, the developing sector and the rest of the world.

Genocide in Vietnam

1972 was the second year of Bush's U.N. tenure, and it was during this time that he distinguished himself as a shameless apologist for the genocidal and vindictive Kissinger policy of prolonging and escalating the war in Vietnam. During most of his first term, Nixon pursued a policy he called the "Vietnamization" of the war. This meant that U.S. land forces were progressively withdrawn, while the South Vietnamese Army was ostensibly built up so that it could bear the battle against the Viet Cong and the North Vietnamese regulars. This policy went into crisis in March 1972 when the North Vietnamese launched a 12-division assault across the Demilitarized Zone against the south. On May 8, 1972, Nixon announced that the full-scale bombing of the north, which had been suspended since the spring of 1968, would be resumed with a vengeance: Nixon ordered the bombing of Hanoi and the mining of Haiphong harbor, and the savaging of transportation lines and military installations all over the country.

This mining had always been rejected as a tactic during the previous conduct of the war because of the possibility that bombing and mining the harbors might hit Soviet, Chinese, and other foreign ships, killing the crews and creating the risk of retaliation by these countries against the U.S.A. Now, before the 1972 elections, Kissinger and Nixon were determined to "go ape," discarding their previous limits on offensive action and risking whatever China and the U.S.S.R. might do. It was another gesture of reckless confrontation, fraught with incalculable consequences. Later in the same year, in December, Nixon would respond to a breakdown in the Paris talks with the Hanoi government by ordering the infamous Christmastide B-52 attacks on the north.

It was George Bush who officially informed the international diplomatic community of Nixon's March decisions. Bush addressed a letter to the Presidency of the U.N. Security Council in which he outlined what Nixon had set into motion:

"The President directed that the entrances to the ports of North Vietnam be

mined and that the delivery of seaborne supplies to North Vietnam be prevented. These measures of collective self-defense are hereby being reported to the United Nations Security Council as required by Article 51 of the United Nations Charter."

Bush went on to characterize the North Vietnamese actions. He spoke of "the massive invasion across the demilitarized zone and international boundaries by the forces of North Vietnam and the continuing aggression" of Hanoi. He accused the north of "blatant violation of the understandings negotiated in 1968 in connection with the cessation of the bombing of the territory of North Vietnam.... The extent of this renewed aggression and the manner in which it has been directed and supported demonstrate with great clarity that North Vietnam has embarked on an all-out attempt to take over South Vietnam by military force and to disrupt the orderly withdrawal of United States forces." Bush further accused the north of refusing to negotiate in good faith to end the war.

The guts of Bush's message, the part that was read with greatest attention in Moscow, Peking and elsewhere, was contained in the following summary of the way in which Haiphong and the other harbors had been mined:

"Accordingly, as the minimum actions necessary to meet this threat, the Republic of Vietnam and the United States of America have jointly decided to take the following measures of collective self-defense: The entrances to the ports of North Vietnam are being mined, commencing 0900 Saigon time May 9, and the mines are set to activate automatically beginning 1900 hours Saigon time May 11. This will permit vessels of other countries presently in North Vietnamese ports three daylight periods to depart safely." In a long circumlocution, Bush also conveyed that all shipping might also be the target of indiscriminate bombing. Bush called these measures "restricted in extent and purpose." The U.S. was willing to sign a cease-fire ending all acts of war in Indochina (thus including Cambodia, which had been invaded in 1970, and Laos, which had been invaded in 1971, as well as the Vietnams) and bring all U.S. troops home within four months.

There was no bipartisan support for the bombing and mining policy Bush announced. Senator Mike Mansfield pointed out that the decision would only protract the war. Senator Proxmire called it "reckless and wrong." Four Soviet ships were damaged by these U.S. actions. There was a lively debate within the Soviet Politburo on how to respond to this, with a faction around Shelest demanding that Nixon's invitation to the upcoming Moscow superpower summit be rescinded. But Shelest was ousted by Brezhnev, and the summit went forward at the end of May. The "China card" theoreticians congratulated themselves that the Soviets had been paralyzed by fear of

what Peking might do if Moscow became embroiled with Peking's new de facto ally, the United States.

Bombing Civilian Targets

In July 1972, reports emerged in the international press of charges by Hanoi that the U.S.A. had been deliberately bombing the dams and dikes, which were the irrigation and flood control system around Vietnam's Red River. Once again it was Bush who came forward as the apologist for Nixon's "mad bomber" foreign policy. Bush appeared on the NBC Television "Today" show to assure the U.S. public that the U.S. bombing had created only "the most incidental and minor impact" on North Vietnam's dike system. This, of course, amounted to a backhanded confirmation that such bombing had been done, and damage wrought in the process. Bush was in his typical whining mode in defending the U.S. policy against worldwide criticism of war measures that seemed designed to inflict widespread flooding and death on North Vietnamese civilians. According to North Vietnamese statistics, more than half of the north's 20 million people lived in areas near the Red River that would be flooded if the dike system were breached. An article which appeared in a Hanoi publication had stated that at flood crest many rivers rise to "six or seven meters above the surrounding fields" and that because of this situation "any dike break, especially in the Red River delta, is a disaster with incalculable consequences."

Bush had never seen an opportunity for genocide he did not like. "I believe we are being set up by a massive propaganda campaign by the North Vietnamese in the event that there is the same kind of flooding this year -- to attribute it to bombs whereas last year it happened just out of lack of maintenance," Bush argued.

"There's been a study made that I hope will be released shortly that will clarify this whole question," he went on. The study "would be very helpful because I think it will show what the North Vietnamese are up to in where they place strategic targets." What Bush was driving at here was an allegation that Hanoi customarily placed strategic assets near the dikes in order to be able to accuse the U.S. of genocide if air attacks breached the dikes and caused flooding. Bush's military spokesmen used similar arguments during the Gulf war, when Iraq was accused of placing military equipment in the midst of civilian residential areas.

"I think you would have to recognize," retorted Bush, "that if there was any intention" of breaching the dikes, "it would be very, very simple to do exactly what we are accused of -- and that is what we are not doing." /
Note #2 / Note #4

The bombing of the north continued and reached a final paroxysm at Christmas, when B-52s made unrestricted terror bombing raids against Hanoi and other cities. The Christmas bombing was widely condemned, even by the U.S. press: "New Madness in Vietnam" was the headline of the "St. Louis Post-Dispatch" on Dec. 19; "Terror from the Skies" that of the "New York Times" Dec. 22; "Terror Bombing in the Name of Peace" of the "Washington Post" Dec. 28; and "Beyond All Reason" of the "Los Angeles Times" of Dec. 28.

More Zionist than Israelis

Bush's activity at the U.N. also coincided with Kissinger's preparation of the October 1973 Middle East war. During the 1980s, Bush attempted to cultivate a public image as a U.S. politician who, although oriented toward close relations with Israel, would not slavishly appease every demand of the Israelis and the Zionist lobby in the United States, but would take an independent position designed to foster U.S. national interests. From time to time, Bush snubbed the Israelis by hinting that they held hostages of their own, and that the Israeli annexation of Jerusalem would not be accepted by the United States. For some, these delusions have survived even a refutation so categoric as the events of the Kuwait crisis of 1990-91.

Bush would be more accurately designated as a Zionist, whose differences with an Israeli leader like Shamir are less significant than the differences between Shamir and other Israeli politicians. Bush's fanatically pro-Israeli ideological-political track record was already massive during the U.N. years.

In September 1972, Palestinian terrorists describing themselves as the "Black September" organization attacked the quarters of the Israeli Olympic team present in Munich for the Olympic games of that year, killing a number of the Israeli athletes. The Israeli government seized on these events as carte blanche to launch a series of air attacks against Syria and Lebanon, arguing that these countries could be held responsible for what had happened in Munich. Somalia, Greece and Guinea came forward with a resolution in the Security Council which simply called for the immediate cessation of "all military operations." The Arab states argued that the Israeli air attacks were totally without provocation or justification, and had killed numerous civilians who had nothing whatever to do with the terrorist actions in Munich.

The Nixon regime, with one eye on the autumn 1972 elections and the need to mobilize the Zionist lobby in support of a second term, wanted to find a

way to oppose this resolution, since it did not sufficiently acknowledge the unique righteousness of the Israeli cause and Israel's inherent right to commit acts of war against its neighbors. It was Bush who authored a competing resolution, which called on all interested parties "to take all measures for the immediate cessation and prevention of all military operations and terrorist activities." It was Bush who dished up the rationalizations for U.S. rejection of the first resolution. That resolution was no good, Bush argued, because it did not reflect the fact that "the fabric of violence in the Middle East is inextricably interwoven with the massacre in Munich.... By our silence on the terror in Munich are we indeed inviting more Munichs?" he asked. Justifying the Israeli air raids on Syria and Lebanon, Bush maintained that certain governments "cannot be absolved of responsibility for the cycle of violence" because of their words and deeds, or because of their tacit acquiescence. Slightly later, after the vote had taken place, Bush argued that "by adopting this resolution, the council would have ignored reality, would have spoken to one form of violence but not another, would have looked to the effect but not the cause."

When the resolution was put to a vote, Bush made front-page headlines around the world by casting the U.S. veto, a veto that had been cast only once before in the entire history of the U.N. The vote was 13 to 1, with the U.S. casting the sole negative vote. Panama was the lone abstention. The only other time the U.S. veto had been used had been in 1970, on a resolution involving Rhodesia.

The Israeli U.N. ambassador, Yosef Tekoah, did not attend the debate because of the Jewish holiday of Rosh Hashanah. But Israel's cause was well defended -- by Bush. According to an Israeli journalist observing the proceedings who was quoted by the "Washington Post," "Bush sounds more pro-Israeli than Tekoah would have." / Note #2 / Note #5

Later in 1972, attempts were made by non-aligned states and the U.N. Secretariat to arrange the indispensable basis for a Middle East peace settlement -- the withdrawal of Israel from the territories occupied during the 1967 war. Once again, Bush was more Zionist than the Israelis.

In February of 1972, the U.N.'s Middle East mediator, Gunnar Jarring of Norway, had asked that the Security Council reaffirm the original contents of Resolution 242 of 1967 by reiterating that Israel should surrender Arab territory seized in 1967. "Land for peace" was anathema to the Israeli government then as now. Bush undertook to blunt this non-aligned peace bid.

Late in 1972, the non-aligned group proposed a resolution in the General

Assembly which called for "immediate and unconditional" Israeli withdrawal from the occupied territories while inviting other countries to withhold assistance that would help Israel to sustain its occupation of the Arab land. Bush quickly rose to assail this text.

In a speech to the General Assembly in December 1972, Bush warned the assembly that the original text of Resolution 242 was "the essential agreed basis for U.N. peace efforts and this body and all its members should be mindful of the need to preserve the negotiating asset that it represents." "The assembly," Bush went on, "cannot seek to impose courses of action on the countries directly concerned, either by making new demands or favoring the proposals or positions of one side over the other." Never, never would George Bush ever take sides or accept a double standard of this type.

Bush in Africa

>From January 28 through February 4, 1972, the Security Council held its first meeting in twenty years outside of New York City. The venue chosen was Addis Ababa, Ethiopia. Bush made this the occasion for a trip through the Sudan, Kenya, Zambia, Zaire, Gabon, Nigeria, Chad and Botswana. Bush later told a House subcommittee hearing that this was his second trip to Africa, with the preceding one having been a junket to Egypt and Libya "in 1963 or 1964." / Note #2 / Note #6 During this trip, Bush met with seven chiefs of state, including President Mobutu of Zaire, Emperor Haile Selassie of Ethiopia, President Tombalbaye of Chad, and President Numayri of the Sudan.

At a press conference in Addis Ababa, African journalists destabilized Bush with aggressive questions about the U.S. policy of ignoring mandatory U.N. economic sanctions against the racist, white supremacist Ian Smith regime in Rhodesia. The Security Council had imposed the mandatory sanctions, but later the U.S. Congress had passed, and Nixon had signed into law, legislation incorporating the so-called Byrd amendment, which allowed the U.S.A. to import chrome from Rhodesia in the event of shortages of that strategic raw material. Chrome was readily available on the world market, especially from the U.S.S.R., although the Soviet chrome was more expensive than the Rhodesian chrome. In his congressional testimony, Bush whined at length about the extensive criticism of this declared U.S. policy of breaching the Rhodesian sanctions on the part of "those who are just using this to really hammer us from a propaganda standpoint.... We have taken the rap on this thing," complained Bush. "We have taken the heat on it.... We have taken a great deal of abuse from those who wanted to embarrass us in Africa, to emphasize the negative and not the positive in the United Nations." Bush talked of his own efforts at damage control on the issue of

U.S. support for the racist Rhodesian regime: "... what we are trying to do is to restrict any hypocrisy we are accused of.... I certainly don't think the U.S. position should be that the Congress was trying to further colonialism and racism in this action it took," Bush told the congressmen. "In the U.N., I get the feeling we are categorized as imperialists and colonialists, and I make clear this is not what America stands for, but nevertheless it is repeated over and over and over again," he whined. / Note #2 / Note #7

On the problems of Africa in general, Bush, ever true to Malthusian form, stressed above all the overpopulation of the continent. As he told the congressmen: "Population was one of the things I worked on when I was in the Congress with many people here in this room. It is something that the U.N. should do. It is something where we are better served to use a multilateral channel, but it has got to be done efficiently and effectively. There has [sic] to be some delivery systems. It should not be studied to death if the American people are going to see that we are better off to use a multilateral channel and I am convinced we are. We don't want to be imposing American standards of rate of growth on some country, but we are saying that if an international community decides it is worth while to have these programs and education, we want to strongly support it." / Note #2 / Note #8

Mouthpiece for Kissinger

Bush spent just under two years at the U.N. His tenure coincided with some of the most monstrous crimes against humanity of the Nixon-Kissinger team, for whom Bush functioned as an international spokesman, and to whom no Kissinger policy was too odious to be enthusiastically proclaimed before the international community and world public opinion. Through this doggedly loyal service, Bush forged a link with Nixon that would be ephemeral but vital for his career, while it lasted, and a link with Kissinger that would be decisive in shaping Bush's own administration in 1988-89.

The way in which Bush set about organizing the anti-Iraq coalition of 1990-91 was decisively shaped by his United Nations experience. His initial approach to the Security Council, the types of resolutions that were put forward by the United States, and the alternation of military escalation with consultations among the five permanent members of the Security Council -- all this harkened back to the experience Bush acquired as Kissinger's envoy to the world body.

Notes

15. See Seymour M. Hersh, "The Price of Power" (New York: Summit Books, 1983), pp. 444 ff.
16. Henry Kissinger, "op. cit.," p. 897. The general outlines of these remarks were first published in Jack Anderson's syndicated column, and reprinted in Jack Anderson, "The Anderson Papers" (New York: Random House, 1973).
17. Anderson, "op. cit.," p. 226.
18. Elmo Zumwalt, "On Watch" (New York: Quadrangle/New York Times Book Co., 1976), p. 367.
19. Anderson, "op. cit.," pp. 260-61.
20. Kissinger, "op. cit.," p. 909.
21. Hersh, "op. cit.," p. 457.
22. Kissinger, "op. cit.," pp. 911-12.
23. See R.C. Gupta, "U.S. Policy Toward India and Pakistan" (Delhi: B.R. Publishing Corp., 1977), pp. 84 "ff."
24. "Washington Post," July 27, 1972.
25. "Washington Post," Sept. 11, 1972.
26. U.S. House of Representatives, Joint Hearing Before the Subcommittee on Africa and the Subcommittee on International Organizations and Movements of the Committee on Foreign Affairs, Ninety-Second Congress, Second Session, March 1, 1972, (Washington: U.S. Government Printing Office, 1972), p. 12.
27. House of Representatives, Joint Hearing, pp. 7, 10-11.
28. House of Representatives, Joint Hearing, pp. 7-8.

CHAPTER 13, Part I

CHAIRMAN GEORGE IN WATERGATE

In November 1972, Bush's "most influential patron," Richard Nixon, / Note #1 won reelection to the White House for a second term in a landslide

victory over the McGovern-Shriver Democratic ticket. Nixon's election victory had proceeded in spite of the arrest of five White House-linked burglars in the offices of the Democratic National Committee at the Watergate building in Washington, early on June 17 of the same year. This was the beginning of the infamous Watergate scandal, which would overshadow and ultimately terminate Nixon's second term in 1974.

After the election, Bush received a telephone call informing him that Nixon wanted to talk to him at the Camp David retreat in the Catocin Mountains of Maryland. Bush had been looking to Washington for the inevitable personnel changes that would be made in preparation for Nixon's second term. Bush tells us that he was aware of Nixon's plan to reorganize his cabinet around the idea of a "super cabinet" of top-level, inner cabinet ministers or "super secretaries" who would work closely with the White House while relegating the day-to-day functioning of their executive departments to sub-cabinet deputies. One of the big winners under this plan was scheduled to be George Shultz, the former Labor Secretary, who was now supposed to become "S uper" Secretary of the Treasury. Shultz was a Bechtel executive who went on to be Reagan's second Secretary of State after Al Haig. Bush and Shultz were future members of the Bohemian Club of San Francisco and of the Bohemian Grove summer gathering.

Bush says he received a call from Nixon's top domestic aide, John Ehrlichman. Ehrlichman told Bush that George Shultz wanted to see him before he went on to meet with Nixon at Camp David. As it turned out, Shultz wanted to offer Bush the post of undersecretary of the treasury, which would amount to "de facto" administrative control over the department while Shultz concentrated on his projected super secretary policy functions.

Bush says he thanked Shultz for his "flattering" offer, took it under consideration, and then pressed on to Camp David. / Note #2

Bush Takes RNC Chair

At Camp David, Bush says that Nixon talked to him in the following terms: "George, I know that Shultz has talked to you about the Treasury job, and if that's what you'd like, that's fine with me. However, the job I really want you to do, the place I really need you, is over at the National Committee running things. This is an important time for the Republican Party, George. We have a chance to build a new coalition in the next four years, and you're the one who can do it." / Note #3

But this was not the job that George really wanted. He wanted to be

promoted, but he wanted to continue in the personal retinue of Henry Kissinger. "At first Bush tried to persuade the President to give him, instead, the number-two job at the State Department, as deputy to Secretary Henry Kissinger. Foreign affairs was his top priority, he said. Nixon was cool to this idea, and Bush capitulated." / Note #4

According to Bush's own account, he asked Nixon for some time to ponder the offer of the RNC chairmanship. Among those whom Bush said he consulted on whether or not to accept was Rogers C.B. Morton, the former congressman whom Nixon had made Secretary of Commerce. Morton suggested that if Bush wanted to accept, he insist that he continue as a member of the Nixon cabinet, where, it should be recalled, he had been sitting since he was named ambassador to the United Nations. Pennsylvania Senator Hugh Scott, one of the Republican congressional leaders, also advised Bush to demand to continue on in the cabinet: "Insist on it," Bush recalls him saying. Bush also consulted Barbara. The story goes that Bar had demanded that George pledge that the one job he would never take was the RNC post. But now he wanted to take precisely that post, which appeared to be a political graveyard. George explained his wimpish obedience to Nixon: "Boy, you can't turn a President down." / Note #5 Bush then told Ehrlichman that he would accept, if he could stay on in the cabinet. Nixon approved this condition, and the era of Chairman George had begun.

Of course, making the chairman of the Republican Party an ex-officio member of the President's cabinet seems to imply something resembling a one-party state. But George was not deterred by such difficulties.

While he was at the U.N., Bush had kept his eyes open for the next post on the way up his personal "cursus honorum." In November of 1971 there was a boomlet for Bush among Texas Republican leaders who were looking for a candidate to run for governor. / Note #6

Nixon's choice of Bush to head the RNC was announced on December 11, 1972. The outgoing RNC Chairman was Senator Bob Dole of Kansas, an asset of the grain cartel, but, in that period, not totally devoid of human qualities. According to press reports, Nixon palace guard heavies like Haldeman and Charles W. Colson, later a central Watergate figure, were not happy with Dole because he would not take orders from the White House. Dole also tended to function as a conduit for grassroots resistance to White House directives. In the context of the 1972 campaign, "White House" means specifically Clark MacGregor's Committee to Re-Elect the President (CREEP), one of the protagonists of the Watergate scandal. / Note #7 Dole was considered remarkable for his "irreverence" for Nixon: "[H]e joked about the Watergate issue, about the White House staff and about the management

of the Republican convention with its 'spontaneous demonstrations that will last precisely ten minutes.'" / Note #8

Bush's own account of how he got the RNC post ignores Dole, who was Bush's most serious rival for the 1988 Republican presidential nomination. According to Dole's version, he conferred with Nixon about the RNC post on November 28, and told the President that he would have to quit the RNC in 1973 in order to get ready to run for reelection in 1974. According to Dole, it was he who recommended Bush to Nixon. Dole even said that he had gone to New York to convince Bush to accept the post. Dole sought to remove any implication that he had been fired by Nixon, and contradicted "speculation that I went to the mountaintop to be pushed off." What was clear was that Nixon and his retainers had chosen a replacement for Dole, whom they expected to be more obedient to the commands of the White House palace guard.

Bush assumed his new post in January 1973, in the midst of the trial of the Watergate burglars. He sought at once to convey the image of a pragmatic technocrat. "There's kind of a narrow line between standing for nothing and imposing one's views," Bush told the press. He stressed that the RNC would have a lot of money to spend for recruiting candidates, and that he would personally control this money. "The White House is simply not going to control the budget," said Bush. "I believe in the importance of this job and I have confidence I can do it," he added. "I couldn't do it if I were some reluctant dragon being dragged away from a three-wine luncheon." / Note #9

Bush inaugurated his new post with a pledge that the Republican Party, from President Nixon on down, would do "everything we possibly can" to make sure that the GOP was not involved in political dirty tricks in the future. "I don't think it is good for politics in this country and I am sure I am reflecting the President's views on that as head of the party," intoned Bush in an appearance on "Issues and Answers." / Note #1 / Note #1

Whether or not Bush lived up to that pledge during his months at the RNC, and indeed during his later political career, will be sufficiently answered during the following pages. But now Chairman George, sitting in Nixon's cabinet with such men as John Mitchell, his eyes fixed on Henry Kissinger as his lodestar, is about to set sail on the turbulent seas of the Watergate typhoon. Before we accompany him, we must briefly review the complex of events lumped together under the heading of "Watergate," so that we may then situate Bush's remarkable and bizarre behavior between January 1973 and August of 1974, when Nixon's fall became the occasion for yet another Bush attempt to seize the vice-presidency.

The Watergate Coup

By the beginning of the 1990s, it has become something of a commonplace to refer to the complex of events surrounding the fall of Nixon as a coup d'etat. / Note #1 / Note #2 It was, to be sure, a coup d'etat, but one whose organizers and beneficiaries most commentators and historians are reluctant to name, much less to confront. Broadly speaking, Watergate was a coup d'etat which was instrumental in laying the basis for the specific new type of authoritarian-totalitarian regime which now rules the United States. The purpose of the coup was to rearrange the dominant institutions of the U.S. government so as to enhance their ability to carry out policies agreeable to the increasingly urgent dictates of the Morgan-Rockefeller-Mellon-Harriman financier faction. The immediate beneficiaries of the coup have been that class of technocratic administrators who have held the highest public offices since the days of the Watergate scandal. It is obvious that George Bush himself is one of the most prominent of such beneficiaries. As the Roman playwright Seneca warns us, the one who derives advantage from the crime is the one most likely to have committed it.

The policies of the Wall Street investment banking interests named are those of usury and Malthusianism, stressing the decline of a productive industrial economy in favor of savage Third World looting and anti-population measures. The changes subsumed by Watergate included the abolition of government's function as a means to distribute the rewards and benefits of economic progress among the principal constituency groups, upon whose support the shifting political coalitions depended for their success. Henceforth, government would appear as the means by which the sacrifices and penalties of austerity and declining standards of living would be imposed on a passive and stupefied population. The constitutional office of the President was to be virtually destroyed, and the power of the usurious banking elites above and behind the presidency was to be radically enhanced.

The reason why the Watergate scandal escalated into the overthrow of Nixon has to do with the international monetary crisis of those years, and with Nixon's inability to manage the collapse of the Bretton Woods system and the U.S. dollar in a way satisfactory to the Anglo-American financial elite. One real-time observer of the events of these years who emphasized the intimate relation between the international monetary upheavals on the one hand and the "peripeteia" of Nixon on the other was Lyndon LaRouche. The following comments by LaRouche are excerpted from a July 1973 commentary on

the conjuncture of a revaluation of the deutschemark with John Dean's testimony before Senator Sam Ervin's Watergate investigating committee: "Last week's newest up-valuation of the West German D-Mark pushed the inflation-soaked Nixon Administration one very large step closer toward 'Watergate' impeachment. Broad bi-partisan support and press enthusiasm for the televised Senate Select Committee airing of wide-ranging revelations coincides with surging contempt for the government's handling of international and domestic financial problems over the past six months."

LaRouche went on to point out why the same financiers and news media who had encouraged a coverup of the Watergate scandal during 1972 had decided during 1973 to use the break-in and coverup as a means of overthrowing Nixon: "Then came the January [1973] Paris meeting of the International Monetary Fund. The world monetary system was glutted with over \$60 billions of inconvertible reserves. The world economy was technically bankrupt. It was kept out of actual bankruptcy proceedings throughout 1972 solely by the commitment of the U.S.A. to agree to some January, 1973 plan by which most of these \$60 billions would begin to become convertible. The leading suggestion was that the excess dollars would be gradually sopped in exchange for IMF Special Drawing Rights (SDRs). With some such White House IMF action promised for January, 1973, the financial world had kept itself more or less wired together by sheer political will throughout 1972.

"Then, into the delicate January Paris IMF sessions stepped Mr. Nixon's representatives. His delegates proceeded to break up the meeting with demands for trade and tariff concessions -- a virtual declaration of trade war.

"Promptly, the financial markets registered their reaction to Mr. Nixon's bungling by plunging into crisis.

"To this, Mr. Nixon shortly responded with devaluation of the dollar, a temporary expedient giving a very brief breathing-space to get back to the work of establishing dollar convertibility. Nixon continued his bungling, suggesting that this devaluation made conditions more favorable for negotiating trade and tariff concessions -- more trade war.

"The financiers of the world weighed Mr. Nixon's wisdom, and began selling the dollar at still-greater discounts. Through successive crises, Mr. Nixon continued to speak only of John Connally's Holy Remedies of trade and tariff concessions. Financiers thereupon rushed substantially out of all currencies into such hedges as world-wide commodity speculation on a scale unprecedented in modern history. Still, Mr. Nixon had nothing to propose on dollar convertibility -- only trade wars. The U.S. domestic economy

exploded into Latin American style inflation.

"General commodity speculation, reflecting a total loss of confidence in all currencies, seized upon basic agricultural commodities -- among others. Feed prices soared, driving meat, poultry, and produce costs and prices toward the stratosphere.

"It was during this period, as Nixon's credibility seemed so much less important than during late 1972, that a sudden rush of enthusiasm developed for the moral sensibilities of Chairman Sam Ervin's Senate Select Committee." / Note #1 / Note #3

As LaRouche points out, it was the leading Anglo-American financier factions which decided to dump Nixon, and availed themselves of the preexisting Watergate affair in order to reach their goal. The financiers were able to implement their decision all the more easily, thanks to the numerous operatives of the intelligence community who had been embedded within the Plumbers from the moment of their creation in response to an explicit demand coming from George Bush's personal mentor, Henry Kissinger.

Watergate included the option of rapid steps in the direction of a dictatorship, not so much of the military as of the intelligence community and the law enforcement agencies, acting as executors of the will of the Wall Street circles indicated. We must recall that the backdrop for Watergate had been provided first of all by the collapse of the international monetary system, as made official by Nixon's austerity decrees imposing a wage and price freeze starting on the fateful day of August 15, 1971. What followed was an attempt to run the entire U.S. economy under the top-down diktat of the Pay Board and the Price Commission.

This economic state of emergency was then compounded by the artificial oil shortages orchestrated by the companies of the international oil cartel during late 1973 and 1974, all in the wake of Kissinger's October 1973 Middle East War and the Arab oil boycott.

In August 1974, when Gerald Ford decided to make Nelson Rockefeller, and not George Bush, his vice president-designate, he was actively considering further executive orders to declare a new economic state of emergency. Such colossal economic dislocations had impelled the new Trilateral Commission and such theorists as Samuel Huntington to contemplate the inherent ungovernability of democracy and the necessity of beginning a transition toward forms that would prove more durable under conditions of aggravated economic breakdown. Ultimately, much to the disappointment of George Bush,

whose timetable of boundless personal ambition and greed for power had once again surged ahead of what his peers of the ruling elite were prepared to accept, the perspectives for a more overtly dictatorial form of regime came to be embodied in the figure of Vice President Nelson Rockefeller. Skeptics will point to the humiliating announcement, made by President Ford within the context of his 1975 "Halloween massacre" reshuffle of key posts, that Rockefeller would not be considered for the 1976 vice-presidential nomination. But Rockefeller, thanks to the efforts of Sarah Jane Moore and Lynette "Squeaky" Fromme, each of whom attempted to assassinate Ford, had already come very close to the Oval Office on two separate occasions.

Ford himself was reputedly one of the most exalted freemasons ever to occupy the presidency. Preponderant power during the last years of Nixon and during the Ford years was in any case exercised by Henry Kissinger, the de facto President. The preserving of constitutional form and ritual as a hollow facade behind which to realize practices more and more dictatorial in their substance was a typical pragmatic adaptation made possible by the ability of the financiers to engineer the slow and gradual decline of the economy, avoiding upheavals of popular protest.

But in retrospect, there can be no doubt that Watergate was a coup d'etat, a creeping and muffled cold coup in the institutions which has extended its consequences over almost two decades. Among contemporary observers, the one who grasped this significance most lucidly in the midst of the events themselves was Lyndon LaRouche, who produced a wealth of journalistic and analytical material during 1973 and 1974. The roots of the administrative fascism of the Reagan and Bush years are to be found in the institutional tremors and changed power relations set off by the banal farce of the Watergate break-in.

Hollywood's Watergate

In the view of the dominant school of pro-regime journalism, the essence of the Watergate scandal lies in the illegal espionage and surveillance activity of the White House covert operations team, the so-called Plumbers, who are alleged to have been caught during an attempt to burglarize the offices of the Democratic National Committee in the Watergate office building near the Potomac. The supposed goal of the break-in was to filch information and documents while planting bugs. According to the official legend of the "Washington Post" and Hollywood, Nixon and his retainers responded to the arrest of the burglars by compounding their original crime with obstruction of justice and all of the abuses of a coverup. Then, the "Washington Post" journalists Bob Woodward and Carl Bernstein, dedicated partisans of the truth, blew the story open with the help of Woodward's

mysterious source, Deep Throat, setting into motion the investigation of the Senate committee under Sam Ervin, leading to impeachment proceedings by Rep. Peter Rodino's House Judiciary Committee which ultimately forced Nixon to resign.

The received interpretation of the salient facts of the Watergate episode is a fantastic and grotesque distortion of historical truth. Even the kind of cursory examination of the facts in Watergate which we can permit ourselves within the context of a biography of Watergate figure George Bush will reveal that the actions which caused the fall of Nixon cannot be reduced to the simplistic account just summarized. There is, for example, the question of the infiltration of the White House staff and of the Plumbers themselves by members and assets of the intelligence community whose loyalty was not to Nixon, but to the Anglo-American financier elite. This includes the presence among the Plumbers of numerous assets of the Central Intelligence Agency, and specifically of the CIA bureaus traditionally linked to George Bush, such as the Office of Security-Security Research Staff and the Miami Station with its pool of Cuban operatives.

Who Paid the Plumbers?

The Plumbers were created at the demand of Henry Kissinger, who told Nixon that something had to be done to stop leaks in the wake of the "Pentagon Papers" affair of 1971. But if the Plumbers were called into existence by Kissinger, they were funded through a mechanism set up by Kissinger clone George Bush. A salient fact about the White House Special Investigations Unit (or Plumbers) of 1971-72 is that the money used to finance it was provided by George Bush's business partner and lifelong intimate friend, Bill Liedtke, the president of Pennzoil. Bill Liedtke was a regional finance chairman for the Nixon campaigns of 1968 and 1972, and he was one of the most successful. Liedtke says that he accepted this post as a personal favor to George Bush. In 1972, Bill Liedtke raised \$700,000 in anonymous contributions, including what appears to have been a single contribution of \$100,000 that was laundered through a bank account in Mexico. According to Harry Hurt, part of this money came from Bush's bosom crony Robert Mosbacher, now Secretary of Commerce. According to one account, "two days before a new law was scheduled to begin making anonymous donations illegal, the \$700,000 in cash, checks, and securities was loaded into a briefcase at Pennzoil headquarters and picked up by a company vice president, who boarded a Washington-bound Pennzoil jet and delivered the funds to the Committee to Re-Elect the President at ten o'clock that night." / Note #1 / Note #4

These Mexican checks were turned over first to Maurice Stans of the CREEP, who transferred them in turn to Watergate burglar Gordon Liddy. Liddy passed them on to Bernard Barker, one of the Miami station Cubans arrested on the night of the final Watergate break-in. Barker was actually carrying some of the cash left over from these checks when he was apprehended. When Barker was arrested, his bank records were subpoenaed by the Dade County, Florida district attorney, Richard E. Gerstein, and were obtained by Gerstein's chief investigator, Martin Dardis. As Dardis told Carl Bernstein of the "Washington Post," about \$100,000 in four cashier's checks had been issued in Mexico City by Manuel Ogarrio Daguerre, a prominent lawyer who handled Stans's money-laundering operation there. / Note #1 / Note #5 Liedtke eventually appeared before three grand juries investigating the different aspects of the Watergate affair, but neither he nor Pennzoil was ever brought to trial for the CREEP contributions. But it is a matter of more than passing interest that the money for the Plumbers came from one of Bush's intimates and, at the request of Bush, a member of the Nixon cabinet from February 1971 on.

The U.S. House of Representatives Banking and Currency Committee, chaired by Texas Democrat Wright Patman, soon began a vigorous investigation of the money financing the break-in, large amounts of which were found as cash in the pockets of the burglars.

Patman confirmed that the largest amount of the funds going into the Miami bank account of Watergate burglar Bernard Barker, a CIA operative since the Bay of Pigs invasion, was the \$100,000 sent in by Texas CREEP chairman William Liedtke, longtime business partner of George Bush. The money was sent from Houston down to Mexico, where it was "laundered" to eliminate its accounting trail. It then came back to Barker's account as four checks totaling \$89,000 and \$11,000 in cash. A smaller amount, an anonymous \$25,000 contribution, was sent in by Minnesota CREEP officer Kenneth Dahlberg in the form of a cashier's check.

Patman relentlessly pursued the true sources of this money, as the best route to the truth about who ran the break-in, and for what purpose. CREEP National Chairman Maurice Stans later described the situation just after the burglars were arrested as made dangerous by "... Congressman Wright Patman and several of his political hatchet men working on the staff of the House Banking and Currency Committee. Without specific authorization by his committee, Patman announced that he was going to investigate the Watergate matter, using as his entry the banking transactions of the Dahlberg and Mexican checks. In the guise of covering that ground, he obviously intended to roam widely, and he almost did, but his own committee, despite its Democratic majority, eventually stopped him."

These are the facts that Patman had established -- before "his own committee ... stopped him."

The anonymous Minnesota \$25,000 had in fact been provided to Dahlberg by Dwayne Andreas, chief executive of the Archer Daniels Midland grain trading company.

The Texas \$100,000, sent by Liedtke, in fact came from Robert H. Allen, a mysterious nuclear weapons materials executive. Allen was chairman of Gulf Resources and Chemical Corporation in Houston. His company controlled half the world's supply of lithium, an essential component of hydrogen bombs.

On April 3, 1972 (75 days before the Watergate arrests), \$100,000 was transferred by telephone from a bank account of Gulf Resources and Chemical Corp. into a Mexico City account of an officially defunct subsidiary of Gulf Resources. Gulf Resources' Mexican lawyer, Manuel Ogarrio Daguerre, withdrew it and sent back to Houston the package of four checks and cash, which Liedtke forwarded for the CIA burglars. / Note #1 / Note #6

Robert H. Allen was Texas CREEP's chief financial officer, while Bush partner William Liedtke was overall chairman. But what did Allen represent?

In keeping with its strategic nuclear holdings, Allen's Gulf Resources was a kind of committee of the main components of the London-New York oligarchy. Formed in the late 1960s, Gulf Resources had taken over the New York-based Lithium Corporation of America. The president of this subsidiary was Gulf Resources Executive Vice President Harry D. Feltenstein, Jr. John Roger Menke, a director of both Gulf Resources and Lithium Corp., was also a consultant and director of the United Nuclear Corporation, and a director of the Hebrew Technical Institute. The ethnic background of the Lithium subsidiary is of interest due to Israel's known preoccupation with developing a nuclear weapons arsenal.

Another Gulf Resources and Lithium Corp. director was Minnesotan Samuel H. Rogers, who was also a director of Dwayne Andreas's Archer Daniels Midland Corp. Andreas was a large financial backer of the "Zionist lobby" through the Anti-Defamation League of B'nai B'nith.

Gulf Resources Chairman Robert H. Allen received the "Torch of Liberty" award of the Anti-Defamation League in 1982. Allen was a white Anglo-Saxon conservative. No credible reason for this award was supplied to the press, and the ADL stated their satisfaction that Mr. Allen's financing of the Watergate break-in was simply a mistake, now in the distant past.

>From the beginning of Gulf Resources, there was always a representative on its board of New York's Bear Stearns firm,
>whose partner Jerome Kohlberg, Jr., pioneered leveraged buyouts and merged with Bush's Henry Kravis.

The most prestigious board member of Allen's Gulf Resources was George A. Butler, otherwise the chairman of Houston's Post Oak Bank. Butler represented the ultra-secretive W. S. ("Auschwitz") Farish III, confidant of George Bush and U.S. host of Queen Elizabeth. Farish was the founder and controlling owner of Butler's Post Oak Bank, and was chairman of the bank's executive committee as of 1988. / Note #1 / Note #7

A decade after Watergate, it was revealed that the Hunt family had controlled about 15 percent of Gulf Resources shares. This Texas oil family hired George Bush in 1977 to be the executive committee chairman of their family enterprise, the First International Bank in Houston. In the 1980s, Ray Hunt secured a massive oil contract with the ruler of North Yemen under the sponsorship of then-Vice President Bush. Ray Hunt continues in the 1991-92 presidential campaign as George Bush's biggest Texas financial angel.

Here, in this one powerful Houston corporation, we see early indications of the alliance of George Bush with the "Zionist lobby" -- an alliance which for political reasons the Bush camp wishes to keep covert.

These, then, are the Anglo-American moguls whose money paid for the burglary of the Watergate Hotel. It was their money that Richard Nixon was talking about on the famous "smoking gun" tape which lost him the presidency.

The Investigation Is Derailed

On Oct. 3, 1972, the House Banking and Currency Committee voted 20-15 against Chairman Wright Patman's investigation. The vote prevented the issuance of 23 subpoenas for CREEP officials to come to Congress to testify.

The margin of protection to the moguls was provided by six Democratic members of the committee who voted with the Republicans against Chairman Patman. As CREEP Chairman Maurice Stans put it, "There were ... indirect approaches to Democratic [committee] members. An all-out campaign was conducted to see that the investigation was killed off, as it successfully was." / Note #1 / Note #8

Certain elements of this infamous "campaign" are known.

Banking Committee member Frank Brasco, a liberal Democratic congressman from New York, voted to stop the probe. New York Governor Nelson Rockefeller had arranged a meeting between Brasco and U.S. Attorney General John Mitchell. Brasco had been a target of a Justice Department investigation for alleged fraud and bribery since 1970, and Mitchell successfully warned Brasco not to back Patman. Later, in 1974, Brasco was convicted of bribery.

Before Watergate, both John Mitchell and Henry Kissinger had FBI reports implicating California Congressman Richard Hanna in the receipt of illegal campaign contributions from the Korean Central Intelligence Agency. Hanna surprised Patman by voting against the investigation. Hanna was later (1978) convicted for his role in the Koreagate scandal in 1978.

The secretary of Congressman William Chappell complained in 1969 that the Florida Democrat had forced her to kick back some of her salary. The Justice Department, holding this information, had declined to prosecute. Chappell, a member of the Banking Committee, voted to stop Patman's investigation.

Kentucky Democratic Congressman William Curlin, Jr. revealed in 1973 that "certain members of the committee were reminded of various past political indiscretions, or of relatives who might suffer as a result of [a] pro-subpoena vote."

The Justice Department worked overtime to smear Patman, including an attempt to link him to "Communist agents" in Greece. / Note #1 / Note #9

The day before the committee vote, the Justice Department released a letter to Patman claiming that any congressional investigation would compromise the rights of the accused Watergate burglars before their trial.

House Republican leader Gerald Ford led the attack on Patman from within the Congress. Though he later stated his regrets for this vicious campaign, his eventual reward was the U.S. presidency.

Canceling the Patman probe meant that there would be no investigation of Watergate before the 1972 presidential election. The "Washington Post" virtually ended reference to the Watergate affair, and spoke of Nixon's opponent, George McGovern, as unqualified for the presidency.

The Republican Party was handed another four-year administration. Bush, Kissinger, Rockefeller and Ford were the gainers.

But then Richard Nixon became the focus of all Establishment attacks for Watergate, while the money trail that Patman had pursued was forgotten. Wright Patman was forced out of his committee chairmanship in 1974. On the day Nixon resigned the presidency, Patman wrote to Peter Rodino, chairman of the House Judiciary Committee, asking him not to stop investigating Watergate. Though Patman died in 1976, his advice still holds good.

The CIA Plumbers

As the late FBI Director J. Edgar Hoover told the journalist Andrew Tully in the days before June 1972, "By God, he's [Nixon's] got some former CIA men working for him that I'd kick out of my office. Someday, that bunch will serve him up a fine mess." / Note #2 / Note #0 The CIA men in question were among the Plumbers, a unit allegedly created in the first place to stanch the flow of leaks, including the Jack Anderson material about such episodes as the December 1971 brush with nuclear war discussed above. Leading Plumbers included retired high officials of the CIA. Plumber and Watergate burglar E. Howard Hunt had been a GS-15 CIA staff officer; he had played a role in the 1954 toppling of Guatemalan President Jacobo Arbenz Guzman, and later had been one of the planners in the Bay of Pigs invasion of 1961. After the failure of the Bay of Pigs, Hunt is thought to have been a part of the continuing CIA attempts to assassinate Castro, code-named Operation Mongoose, ongoing at the time of the Kennedy assassination. All of this puts him in the thick of the CIA Miami station. One of Hunt's close personal friends was Howard Osborne, an official of the CIA Office of Security who was the immediate superior of James McCord. In the spring of 1971 Hunt went to Miami to recruit from among the Cubans the contingent of Watergate burglars, including Bernard Barker, Eugenio Martinez, and the rest. This was two months before the publication of the "Pentagon Papers," leaked by Daniel Ellsberg, provided Kissinger with the pretext he needed to get Nixon to initiate what would shortly become the Plumbers.

Another leading Watergate burglar was James McCord, a former top official of the CIA Office of Security, the agency bureau which is supposed to maintain contacts with U.S. police agencies in order to facilitate its basic task of providing security for CIA installations and personnel. The Office of Security was thus heavily implicated in the CIA's illegal domestic operations, including "Cointelpro" operations against political dissidents and groups, and was the vehicle for such mind-control experiments as Operations Bluebird, Artichoke, and MK-Ultra. The Office of Security also utilized male and female prostitutes and other sex operatives

for purposes of compromising and blackmailing public figures, information gathering, and control. According to Hougan, the Office of Security maintained a "fag file" of some 300,000 U.S. citizens, with heavy stress on homosexuals. The Office of Security also had responsibility for Soviet and other defectors. James McCord was at one time responsible for the physical security of all CIA premises in the U.S. McCord was also a close friend of CIA Counterintelligence Director James Jesus Angleton. McCord was anxious to cover the CIA's role; at one point he wrote to his superior, General Gaynor, urging him to "flood the newspapers with leaks or anonymous letters" to discredit those who wanted to establish the responsibility of "the company." / Note #2 / Note #1 But according to one of McCord's own police contacts, Garey Bittenbender of the Washington, D.C. Police Intelligence Division, who recognized him after his arrest, McCord had averred to him that the Watergate break-ins had been "a CIA operation," an account which McCord heatedly denied later. / Note #2 / Note #2

The third leader of the Watergate burglars, G. Gordon Liddy, had worked for the FBI and the Treasury. Liddy's autobiography, "Will," published in 1980, and various statements show that Liddy's world outlook had a number of similarities with that of George Bush: He was, for example, obsessed with the maintenance and transmission of his "family gene pool."

Another key member of the Plumbers unit was John Paisley, who functioned as the official CIA liaison to the White House investigative unit. It was Paisley who assumed responsibility for the overall "leak analysis," that is to say, for defining the problem of unauthorized divulging of classified material which the Plumbers were supposed to combat. Paisley, along with Howard Osborne of the Office of Security, met with the Plumbers, led by Kissinger operative David Young, at CIA headquarters in Langley, Virginia on August 9, 1971. Paisley's important place on the Plumbers' roster is most revealing, since Paisley was later to become an important appointee of CIA Director George Bush. In the middle of 1976, Bush decided to authorize a group of experts, ostensibly from outside the CIA, to produce an analysis which would be compared with the CIA's own National Intelligence Estimates on Soviet capabilities and intentions. The panel of outside experts was given the designation of "Team B." Bush chose Paisley to be the CIA's "coordinator" of the three subdivisions of Team B. Paisley would later disappear while sailing on Chesapeake Bay in September of 1978.

In a White House memorandum by David Young summarizing the August 9, 1971 meeting between the Plumbers and the official CIA leaders, we find that Young "met with Howard Osborn and a Mr. Paisley to review what it was that we wanted CIA to do in connection with their files on leaks from January 1969 to the present." There then follows a 14-point list of leaks and their

classification, including the frequency of leaks associated with certain journalists, the gravity of the leaks, and so forth. A data base was called for, and "it was decided that Mr. Paisley would get this done by next Monday, August 16, 1971." On areas where more clarification was needed, the memo noted, "the above questions should be reviewed with Paisley within the next two days." / Note #2 / Note #3

The lesser Watergate burglars came from the ranks of the CIA Miami station Cubans: Bernard Barker, Eugenio Martinez, Felipe de Diego, Frank Surgis, Virgilio Gonzalez and Reinaldo Pico. Once they had started working for Hunt, Martinez asked the Miami station chief, Jake Esterline, if he was familiar with the activities now being carried out under White House cover. Esterline in turn asked Langley for its opinion of Hunt's White House position. A reply was written by Cord Meyer, later openly profiled as a Bush admirer, to Deputy Director for Plans (that is to say, covert operations) Thomas Karamessines. The import of Meyer's directions to Esterline was that the latter should "not ... concern himself with the travels of Hunt in Miami, that Hunt was on domestic White House business of an unknown nature and that the Chief of Station should 'cool it.'" / Note #2 / Note #4

Notes for Chapter 13

1. Fitzhugh Green, "George Bush: An Intimate Portrait" (New York: Hippocrene Books, 1989), p. 137.
2. George Bush and Victor Gold, "Looking Forward" (New York: Doubleday, 1987), pp. 120-21.
3. "Ibid.," p. 121.
4. Green, "op. cit.," p. 129.
5. Harry Hurt III, "George Bush, Plucky Lad," in "Texas Monthly," June 1983.
6. "Dallas Morning News," Nov. 25, 1971.
7. "Washington Post," Dec. 12, 1972.
8. "Ibid."
9. "Washington Post," Jan. 22, 1973.
11. "Washington Post," Jan. 22, 1973.

12. See for example Len Chodolny and Robert Gettlin, "Silent Coup" (New York: St. Martin's Press, 1991).

13. Lyn Marcus, "Up-Valuation of German Mark Fuels Watergate Attack on Nixon," "New Solidarity," July 9-13, 1973, pp. 10-11.

14. See Thomas Petzinger, "Oil and Honor" (New York: Putnam, 1987), pp. 64-65. See also Harry Hurt's article mentioned above. Wright Patman's House Banking Committee revealed part of the activities of Bill Liedtke and Mosbacher during the Watergate era.

15. Carl Bernstein and Bob Woodward, "All the President's Men" (New York: Simon and Schuster, 1974), present the checks received by Barker as one of the ways they breached the wall of secrecy around the CREEP, with the aid of their anonymous source "Bookkeeper." But neither in this book nor in "The Final Days" (New York: Simon and Schuster, 1976), do "Woodstein" get around to mentioning that the Mexico City money came from Bill Liedtke. This marked pattern of silence and reticence on matters pertaining to George Bush, certainly one of the most prominent of the President's men, is a characteristic of Watergate journalism in general.

For more information regarding William Liedtke's role in financing the CREEP, see Hearings Before the Select Committee on Presidential Campaign Activities, 93rd Congress, including testimony by Hugh Sloan, June 6, 1973; and by Maurice Stans, June 12, 1973; see also the Final Report of the committee, issued in June, 1974. Relevant press coverage from the period includes "Stans Scathes Report," by Woodward and Bernstein, "Washington Post," Sept. 14, 1972; and "Liedtke Linked to FPC Choice," United Press International, June 26, 1973. Liedtke also influenced Nixon appointments in areas of interest to himself.

16. "New York Times," Aug. 26, 1972 and Nov. 1, 1972.

17. Interview with a Post Oak Bank executive, Nov. 21, 1991. See also "Houston Post," Dec. 27, 1988.

18. Maurice H. Stans, "The Terrors of Justice: The Untold Side of Watergate" (New York: Everest, 1978).

19. Stanley L. Kutler, "The Wars of Watergate: The Last Crisis of Richard Nixon" (New York: Knopf, distributed by Random House, 1990), pp. 229-33.

20. See Jim Hougan, "Secret Agenda" (New York: Random House, 1984), p. 92.

21. Ervin Committee Hearings, Book 9, pp. 3441-46, and Report of the Nedzi Committee of the House of Representatives, p. 201, cited by Hougan, "op. cit.," p. 318.

22. Nezdi Committee Report, pp. 442-43, quoted in Hougan, "op. cit.," p. 261.

23. Hougan, "op. cit.," pp. 46-47.

24. Ervin Committee Final Report, pp. 1146-49, and Hougan, "op. cit.," pp. 131-32.

Chapter 13

Part 2

CHAIRMAN GEORGE IN WATERGATE

During the spring of 1973, George Bush was no longer simply a long-standing member of the Nixon cabinet. He was also, de facto, a White House official, operating out of the same Old Executive Office Building, which is adjacent to the Executive Mansion and forms part of the same security compound. As we read in the Jack Anderson column for March 10, 1973, in the "Washington Post": "Republican National Chairman George Bush, as befitting the head of a party whose coffers are overflowing, has been provided with a plush office in the new Eisenhower Building here. He spends much of his time, however, in a government office next to the White House. When we asked how a party official rated a government office, a GOP spokesman explained that the office wasn't assigned to him but was merely a visitor's office. The spokesman admitted, however, that Bush spends a lot of time there." This means that Bush's principal office was in the building where Nixon most liked to work; Nixon had what was called his "hideaway" office in the Old Executive Office Building.

As to the state of George's relations with Nixon at this time, we have the testimony of a "Yankee Republican" who had known and liked father Prescott, as cited by journalist Al Reinert: "I can't think of a man I've ever known for whom I have greater respect than Pres Bush ... I've always been kind of sorry his son turned out to be such a jerk. George has been kissing Nixon's ass ever since he came up here." / Note #2 / Note #5 Reinert comments that "when Nixon became president, Bush became a teacher's pet," "a presidential favorite, described in the press as one of 'Nixon's men.'"

Bush's Role

On the surface, George was an ingratiating sycophant. But he dissembled. The Nixon White House would seem to have included at least one highly placed official who betrayed his President to Bob Woodward of the "Washington Post," making it possible for that newspaper to repeatedly outflank Nixon's attempts at stonewalling. This was the celebrated, and still anonymous, source Woodward called "Deep Throat."

Al Haig has often been accused of having been the figure of the Nixon White House who provided Woodward and Bernstein with their leads. If there is any consensus about the true identity of Deep Throat, it would appear to be that Al Haig is the prime suspect. However, there is no conclusive evidence about the true identity of the person or persons called Deep Throat, assuming that such a phenomenon ever existed. As soon as Haig is named, we must become suspicious: The propaganda of the Bush networks has never been kind to Haig. Haig and Bush, as leading clones of Henry Kissinger, were locked on a number of occasions into a kind of sibling rivalry. On the one hand, it cannot be proven that Haig was Deep Throat. On the other hand, George Bush has frequently escaped any scrutiny in this regard. It may therefore be useful, as a kind of "reductio ad absurdum" permitting us a fresh approach to certain long-standing Watergate enigmas, to ask the question:

Could Bush have been Deep Throat?

Or, could Bush have been one part of a composite of sources which Woodward has chosen to popularize as his legendary Deep Throat? Or, could Bush have been a source who chose to use Deep Throat as his cut-out?

The novelty of Bush as Deep Throat is not due to any objective circumstance, but rather to the selective omissions of sources, journalists, press organs, publishers, and editors, none of whom is immune to the influence of the Skull and Bones/Brown Brothers, Harriman powerhouse we have already seen in action so many times. Some years after Nixon's fall, "Time" magazine listed what it considered to be the possible sources for the leaks attributed by "Woodstein" to Deep Throat. These were: Richard Nixon, Rose Mary Woods, Alexander Haig, Charles Colson, Stephen Bull, Fred Buzhardt, Leonard Garment, and Samuel Powers. / Note #2 / Note #6 Woodward and Bernstein do not list Bush among the Cast of Characters in "All the President's Men," although he was a member of the Nixon cabinet. In these authors' later book, "The Final Days," he does appear. But the exclusion of Bush from the list of suspects is arbitrary and highly suspicious, especially on the part of "Time" magazine, founded by Henry Luce of Skull and Bones.

Discounting the coverups, both crude and sophisticated, we can state that Bush is a plausible candidate to be Deep Throat, or to be one of his voices if these should prove to be multiple. What intimate of Nixon, what cabinet member and quasi-White House official had a better line of communication to the Wall Street investment banking circles who were the prime movers of the overthrow of Nixon? Who had a better working relationship with Henry Kissinger, the chief immediate beneficiary of Nixon's downfall? Who had links to the dirty tricks and black operations divisions of the CIA, especially to the Miami station? Whose business partner and cronies had financed the CREEP? And who could count on the loyalty of a far-flung freemasonic network ensconced in positions of power in the media, the courts, the executive branch, the Congress, and law enforcement agencies? Surely Bush is more than a plausible candidate; by any realistic reckoning, he is a formidable candidate.

In terms of the immediate tactical mechanics of the Watergate scandal, Bush possessed undeniable trump cards. The first was his long-standing family and business relationship with the owners of the "Washington Post," the flagship news organ of the scandal. The paper was controlled by Katherine Meyer Graham, and both her father, Eugene Meyer, and her late husband, Philip Graham, had been among the investors of the Bush-Overbey oil firm in 1951-52. With Eugene Meyer, Bush says, he "had other oil-business dealings over the years, most of them profitable, all enjoyable." / Note #2 / Note #7 In addition, there are a few details of the personal background of reporter Bob Woodward which may suggest a covert link to Chairman George. Woodward was a naval intelligence officer with a government security clearance of the highest level ("top secret crypto"). He was specifically one of the briefers sent by the Joint Chiefs of Staff to provide verbal intelligence and operational summaries for top officials, including those of the National Security Council. Woodward was also, like Bush, a graduate of Yale, where he took his degree in 1965. Also like Bush, Woodward had been a member of a Yale secret society. Woodward had not been tapped for Skull and Bones, however; he had joined Book and Snake, thought to be among the four most prestigious of these masonic institutions. Book and Snake, like Scroll and Key and Wolf's Head, functions as a satellite of Skull and Bones, receiving as members the best young oligarchs not culled by Skull and Bones. Dean Acheson, of Wolf's Head, for example, was an asset of the political-financial faction headed up by Averell Harriman of Skull and Bones.

Some delving into the details of the Deep Throat-Woodward relationship may further substantiate the Bush candidacy. If we wish literally to believe what Woodward recounts, we obtain the following picture of his contacts

with Deep Throat. First we have a series of telephone contacts between June 19 and October 8, 1972. Even if we posit that Bush was busily fulfilling his diplomatic commitments in New York City on the days when he was not attending cabinet meetings in Washington, there is no practical reason why Bush could not have provided the tips Woodward describes. Then we have the legendary late-night garage meetings, starting Monday, October 9, 1972, and repeated on Saturday, October 21, and Friday, October 27, with a further likely garage meeting in late December. Since all of these but the first were on weekends, there is no reason to conclude that they could not have been accommodated within Bush's U.N. schedule. Any time after December 12, 1972 (the date Bush's GOP appointment was announced), his presence in Washington would have fit easily into the reorientation of his work schedule toward his new job at the White House. A garage meeting in January 1973, a bar meeting in February, phone calls in April, another garage meeting in May, and a further one in November -- none of this would have presented any difficulty.

What does Woodward tell us about Deep Throat? "The man's position in the Executive Branch was extremely sensitive." "Deep Throat had access to information from the White House, Justice, the FBI and CRP. What he knew represented an aggregate of hard information flowing in and out of many stations." He was someone whom Woodward had known for some time : "His friendship with Deep Throat was genuine, not cultivated. Long before Watergate, they had spent many evenings talking about Washington, the government, power." / Note #2 / Note #8 Deep Throat was a man who "could be rowdy, drink too much, overreach. He was not good at concealing his feelings, hardly ideal for a man in his position." Could this be the precursor of the Bush of Panama, the Gulf, and civil rights controversies, unable to suppress periodic episodes of public rage? Perhaps. We also learn from Woodward that Deep Throat was "an incurable gossip." Perhaps this can be related to Bush's talent as a mimic, described by Fitzhugh Green. / Note #2 / Note #9

It was on May 16, 1973 Deep Throat told Woodward: "Everyone's life is in danger." He added that "electronic surveillance is going on and we had better watch it." Who is doing it? Bernstein asked. "CIA," was Woodward's reply. Woodward typed a summary of Deep Throat's further remarks, including these comments: "The covert activities involve the whole U.S. intelligence community and are incredible. Deep Throat refused to give specifics because it is against the law. The cover-up had little to do with the Watergate, but was mainly to protect the covert operations." / Note #3 / Note #0 Butwh at were the covert operations to which Deep Throat so dramatically refers?

Enter Lou Russell

One of the major sub-plots of Watergate, and one that will eventually lead us back to the documented public record of George Bush, is the relation of the various activities of the Plumbers to the wiretapping of a group of prostitutes who operated out of a brothel in the Columbia Plaza Apartments, located in the immediate vicinity of the Watergate buildings. / Note #3 / Note #1 Among the customers of the prostitutes there appear to have been a U.S. Senator, an astronaut, A Saudi prince (the Embassy of Saudi Arabia is nearby), U.S. and South Korean intelligence officials, and above all, numerous Democratic Party leaders whose presence can be partially explained by the propinquity of the Democratic National Committee offices in the Watergate. The Columbia Plaza Apartments brothel was under intense CIA surveillance by the Office of Security/Security Research Staff through one of their assets, an aging private detective out of the pages of Damon Runyon who went by the name of Louis James Russell. Russell was, according to Hougan, especially interested in bugging a hotline phone that linked the DNC with the nearby brothel. During the Watergate break-ins, James McCord's recruit to the Plumbers, Alfred C. Baldwin, would appear to have been bugging the telephones of the Columbia Plaza brothel.

Lou Russell, in the period between June 20 and July 2, 1973, was working for a detective agency that was helping George Bush prepare for an upcoming press conference. In this sense, Russell was working for Bush.

Russell is relevant because he seems (although he denied it) to have been the fabled sixth man of the Watergate break-in, the burglar who got away. He may also have been the burglar who tipped off the police, if indeed anyone did. Russell was a harlequin who had been the servant of many masters. Lou Russell had once been the chief investigator for the House Committee on Un-American Activities. He had worked for the FBI. He had been a stringer for Jack Anderson, the columnist. In December 1971, he had been an employee of General Security Services, the company that provided the guards who protected the Watergate buildings. In March of 1972, Russell had gone to work for James McCord and McCord Associates, whose client was the CREEP. Later, after the scandal had broken, Russell worked for McCord's new and more successful firm, Security Associates. Russell had also worked directly for the CREEP as a night watchman. Russell had also worked for John Leon of Allied Investigators, Inc., a company that later went to work for George Bush and the Republican National Committee. Still later, Russell found a job with the headquarters of the McGovern for President campaign. Russell's lawyer was Bud Fensterwald, and sometimes Russell performed investigative services for Fensterwald and for Fensterwald's Committee to Investigate Assassinations. In September 1972, well after the scandal had become notorious, Russell seems to have joined with one Nick Beltrante in

carrying out electronic countermeasures sweeps of the DNC headquarters, and during one of these he appears to have planted an electronic eavesdropping device in the phone of DNC worker Spencer Oliver which, when it was discovered, refocused public attention on the Watergate scandal at the end of the summer of 1972.

Russell was well acquainted with Carmine Bellino, the chief investigator on the staff of Sam Ervin's Senate Select Committee on Presidential Campaign Practices. Bellino was a Kennedy operative who had superintended the seamy side of the JFK White House, including such figures as Judith Exner, the President's alleged paramour. Later, Bellino would become the target of George Bush's most revealing public action during the Watergate period. Bellino's friend, William Birely, later provided Russell with an apartment in Silver Spring, Maryland, a new car, and sums of money.

Russell had been a heavy drinker, and his social circle was that of the prostitutes, whom he sometimes patronized and sometimes served as a bouncer and goon. His familiarity with the brothel milieu facilitated his service for the Office of Security, which was to oversee the bugging and other surveillance of Columbia Plaza and other locations.

Lou Russell was incontestably one of the most fascinating figures of Watergate. How remarkable, then, that the indefatigable ferrets Woodward and Bernstein devoted so little attention to him, deeming him worthy of mention in neither of their two books. Woodward and Bernstein met with Russell, but had ostensibly decided that there was "nothing to the story." Woodward claims to have seen nothing in Russell beyond the obvious "old drunk." / Note #3 / Note #2

The FBI had questioned Russell after the DNC break-ins, probing his whereabouts on June 16-17 with the suspicion that he had indeed been one of the burglars. But this questioning led to nothing. Instead, Russell was contacted by Carmine Bellino, and later by Bellino's broker Birely, who set Russell up in the new apartment (or safe house) already mentioned, where one of the Columbia Plaza prostitutes moved in with him.

By 1973, minority Republican staffers at the Ervin committee began to realize the importance of Russell to a revisionist account of the scandal that might exonerate Nixon to some extent by shifting the burden of guilt elsewhere. On May 9, 1973, the Ervin committee accordingly subpoenaed Russell's telephone, job, and bank records. Two days later, Russell replied to the committee that he had no job records or diaries, had no bank account, made long-distance calls only to his daughter, and could do nothing for the committee.

On May 16-17, Deep Throat warned Woodward that "everybody's life is in danger." On May 18, while the staff of the Ervin committee were pondering their next move vis-a-vis Russell, Russell suffered a massive heart attack. This was the same day that McCord, advised by his lawyer and Russell's, Fensterwald, began his public testimony to the Ervin committee on the coverup. Russell was taken to Washington Adventist Hospital, where he recovered to some degree and convalesced until June 20. Russell was convinced that he had been the victim of an attempted assassination. He told his daughter after leaving the hospital that he believed that he had been poisoned, that someone had entered his apartment and "switched pills on me." / Note #3 / Note #3

Leaving the hospital on June 20, Russell was still very weak and pale. But now, although he remained on the payroll of James McCord, he also accepted a retainer from his friend John Leon, who had been engaged by the Republicans to carry out a counterinvestigation of the Watergate affair. Leon was in contact with Jerris Leonard, a lawyer associated with Nixon, the GOP, the Republican National Committee, and with Chairman George Bush. Leonard was a former assistant attorney general for civil rights in the Nixon administration. Leonard had stepped down as head of the Law Enforcement Assistance Administration (LEAA) on March 17, 1973. In June 1973, Leonard was special counsel to George Bush personally, hired by Bush and not by the RNC. Leonard says today that his job consisted in helping to keep the Republican Party separate from Watergate, deflecting Watergate from the party "so it would not be a party thing." / Note #3 / Note #4 As Hougan tells it, "Leon was convinced that Watergate was a set-up, that prostitution was at the heart of the affair, and that the Watergate arrests had taken place following a tip-off to the police; in other words, the June 17 burglary had been sabotaged from within, Leon believed, and he intended to prove it." / Note #3 / Note #5 "Integral to Leon's theory of the affair was Russell's relationship to the Ervin committee's chief investigator, Carmine Bellino, and the circumstances surrounding Russell's relocation to Silver Spring in the immediate aftermath of the Watergate arrests. In an investigative memorandum submitted to GOP lawyer Jerris Leonard, Leon described what he hoped to prove: that Russell, reporting to Bellino, had been a spy for the Democrats within the CRP, and that Russell had tipped off Bellino (and the police) to the June 17 break-in. The man who knew most about this was Leon's new employee, Lou Russell."

Is it possible that Jerris Leonard communicated the contents of Leon's memorandum to the RNC and to its chairman George Bush during the days after he received it? It is possible. But for Russell, the game was over: On July 2, 1973, barely two weeks after his release from the hospital, Russell

suffered a second heart attack, which killed him. He was buried with quite suspicious haste the following day. The potential witness with perhaps the largest number of personal ties to Watergate protagonists, and the witness who might have redirected the scandal, not just toward Bellino, but toward the prime movers behind and above McCord and Hunt and Paisley, had perished in a way that recalls the fate of so many knowledgeable Iran-Contra figures.

With Russell silenced forever, Leon appears to have turned his attention to targeting Bellino, perhaps with a view to forcing him to submit to questioning about his relationship to Russell. Leon, who had been convicted in 1964 of wiretapping in a case involving El Paso Gas Co. and Tennessee Gas Co., had weapons in his own possession that could be used against Bellino. During the time that Russell was still in the hospital, on June 8, Leon had signed an affidavit for Jerris Leonard in which he stated that he had been hired by Democratic operative Bellino during the 1960 presidential campaign to "infiltrate the operations" of Albert B. "Ab" Hermann, a staff member of the Republican National Committee. Leon asserted in the affidavit that although he had not been able to infiltrate Hermann's office, he observed the office with field glasses and employed "an electronic device known as 'the big ear' aimed at Mr. Hermann's window." Leon recounted that he had been assisted by former CIA officer John Frank, Oliver W. Angelone and former congressional investigator Ed Jones in the anti-Nixon 1960 operations.

Leon collected other sworn statements that all went in the same direction, portraying Bellino as a Democratic dirty tricks operative unleashed by the Kennedy faction against Nixon. Joseph Shimon, who had been an inspector for the Washington Police Department, told of how he had been approached by Kennedy operative Oliver W. Angelone, who alleged that he was working for Bellino, with a request to help Angelone gain access to the two top floors of the Wardman Park Hotel just before they were occupied by Nixon on the eve of the Nixon-Kennedy television debate. Edward Murray Jones, then living in the Philippines, said in his affidavit that he had been assigned by Bellino to tail individuals at Washington National Airport and in downtown Washington. / Note #3 / Note #6 According to Hougan, "these sensational allegations were provided by Leon to Republican attorneys on July 10, 1973, exactly a week after Russell's funeral. Immediately, attorney Jerris Leonard conferred with RNC Chairman George Bush. It appeared to both men that a way had been found to place the Watergate affair in a new perspective, and, perhaps, to turn the tide. A statement was prepared and a press conference scheduled at which Leon was to be the star witness, or speaker. Before the press conference could be held, however, Leon suffered a heart attack on July 13, 1973, and died the same

day." / Note #3 / Note #7

Two important witnesses, each of whom represented a threat to reopen the most basic questions of Watergate, dead in little more than a week! Bush is likely to have known of the import of Russell's testimony, and he is proven to have known of the content of Leon's. Jerris Leonard later told Hougan that the death of John Leon "came as a complete shock. It was ... well, to be honest with you, it was frightening. It was only a week after Russell's death, or something like that, and it happened on the very eve of the press conference. We didn't know what was going on. We were scared." / Note #3 / Note #8 Hougan comments: "With the principal witness against Bellino no longer available, and with Russell dead as well, Nixon's last hope of diverting attention from Watergate -- slim from the beginning -- was laid to rest forever."

Diversion and Damage Control

But George Bush went ahead with the press conference that had been announced, even if John Leon, the principal speaker, was now dead. According to Nixon, Bush had been "privately pleading for some action that would get us off the defensive" since back in the springtime. / Note #3 / Note #9 On July 24, 1973, Bush made public the affidavits by Leon, Jones, and Shimon which charged that the Ervin committee chief investigator Carmine Bellino had recruited spies to help defeat Nixon back in 1960. "I cannot and do not vouch for the veracity of the statements contained in the affidavits," said Bush, "but I do believe that this matter is serious enough to concern the Senate Watergate committee, and particularly since its chief investigator is the subject of the charges contained in the affidavits. If these charges are true, a taint would most certainly be attached to some of the committee's work."

Bush specified that on the basis of the Shimon and Leon affidavits, he was "confident" that Jones and Angelone "had bugged the Nixon space or tapped his phones prior to the television debate." He conceded that "there was corruption" in the ranks of the GOP. "But now I have presented some serious allegations that if true could well have affected the outcome of the 1960 presidential race. The Nixon-Kennedy election was a real cliff-hanger, and the debates bore heavily on the outcome of the people's decision." Bush rejected any charge that he was releasing the affidavits in a bid to "justify Watergate." He asserted that he was acting in the interest of "fair play."

Bush said that he had taken the affidavits to Sen. Sam Ervin, the chairman of the Senate Watergate Committee, and to GOP Sen. Howard Baker, that

committee's ranking Republican, but that the committee had failed to act so far. "I haven't seen much action on it," Bush added. When the accuracy of the affidavits was challenged, Bush replied, "We've heard a lot more hearsay bandied about the [Watergate] committee than is presented here. I'd like to know how serious it is. I'd like to see it looked into," said Bush. He called on Sam Ervin and his committee to probe all the charges forthwith. Bush was "convinced that there is in fact substance to the allegations."

In 1991, the Bush damage control line is that events relating to the "October Surprise" deal of the Reagan-Bush campaign with the Khomeini mullahs of Iran to block the freeing of the U.S. hostages are so remote in the past that nobody is interested in them anymore. But in 1973, Bush thought that events of 1960 were highly relevant to Watergate.

Bellino lab eled Bush's charges "absolutely false." "I categorically and unequivocally deny that I have ever ordered, requested, directed, or participated in any electronic surveillance whatsoever in connection with any political campaign," said Bellino. "By attacking me on the basis of such false and malicious lies, Mr. Bush has attempted to distract me from carrying out what I consider one of the most important assignments of my life. I shall continue to exert all my efforts to ascertain the facts and the truth pertinent to this investigation."

Here Bush was operating on several levels of reality at once. The implications of the Russell-Leon interstices would be suspected only in retrospect. What appeared on the surface was a loyal Republican mounting a diversionary attack in succor of his embattled President. At deeper levels, the reality might be the reverse: the stiffing of Nixon in order to defend the forces behind the break-in and the scandal.

Back in April, as the Ervin committee was preparing to go into action against the White House, Bush had participated in the argument about whether the committee sessions should be televised or not. Bush discussed this issue with Senators Baker and Brock, both Republicans who wanted the hearings to be televised -- in Baker's case, so that he could be on television himself as the ranking Republican on the panel. Ehrlichman, to whom Bush reported in the White House, mindful of the obvious potential damage to the administration, wanted the hearings not televised, not even public, but in executive session with a sanitized transcript handed out later. So Bush, having no firm convictions of his own, but always looking for his own advantage, told Ehrlichman he sympathized with both sides of the argument, and was "sitting happily on the middle of the fence with a picket sticking up my you know what. I'll see you." / Note #4 / Note #0 But

Nixon's damage control interest had been sacrificed by Bush's vacillating advocacy....

Bush had talked in public about the Ervin committee during a visit to Seattle on June 29 in response to speculation that Nixon might be called to testify. Bush argued that the presidency would be diminished if Nixon were to appear. Bush was adamant that Nixon could not be subpoenaed and that he should not testify voluntarily. Shortly thereafter, Bush had demanded that the Ervin committee wrap up its proceedings to "end the speculation" about Nixon's role in the coverup. "Let's get all the facts out, let's get the whole thing over with, get all the people up there before the Watergate committee. I don't believe John Dean's testimony." / Note #4 / Note #1

Senator Sam Ervin placed Bush's intervention against Carmine Bellino in the context of other diversionary efforts launched by the RNC. Ervin, along with Democratic Senators Talmadge and Inouye were targeted by a campaign inspired by Bush's RNC which alleged that they had tried to prevent a full probe of LBJ intimate Bobby Baker back in 1963. Later, speaking on the Senate floor on October 9, 1973, Ervin commented: "One can but admire the zeal exhibited by the Republican National Committee and its journalistic allies in their desperate effort to invent a red herring to drag across the trail which leads to the truth concerning Watergate." / Note #4 / Note #2

But Ervin saw Bush's Bellino material as a more serious assault. "Bush's charge distressed me very much for two reasons. First, I deemed it unjust to Bellino, who denied it and whom I had known for many years to be an honorable man and a faithful public servant; and, second, it was out of character with the high opinion I entertained of Bush. Copies of the affidavits had been privately submitted to me before the news conference, and I had expressed my opinion that there was not a scintilla of competent or credible evidence in them to sustain the charges against Bellino." / Note #4 / Note #3

Sam Dash, the chief counsel to the Ervin committee, had a darker and more detailed view of Bush's actions: "In the midst of the pressure to complete a shortened witness list by the beginning of August, a nasty incident occurred that was clearly meant to sidetrack the committee and destroy or immobilize one of my most valuable staff assistants -- Carmine Bellino, my chief investigator. On July 24, 1973, the day after the committee subpoena for the White House tapes was served on the President, the Republican national chairman, George Bush, called a press conference.... Three days later, as if carefully orchestrated, twenty-two Republican senators signed a letter to Senator Ervin, urging the Senate Watergate Committee to investigate Bush's charges and calling for Bellino's suspension pending the

outcome of the investigation. Ervin was forced into a corner, and on August 3 he appointed a subcommittee consisting of Senators Talmadge, Inouye, and Gurney to investigate the charges. The White House knew that Carmine Bellino, a wizard at reconstructing the receipts and expenditures of funds despite laundering techniques and the destruction of records, was hot on the trail of Herbert Kalmbach and Bebe Rebozo. Bellino's diligent, meticulous work would ultimately disclose Kalmbach's funding scheme for the White House's dirty tricks campaign and unravel a substantial segment of Rebozo's secret cash transactions on behalf of Nixon." / Note #4 / Note #4

Dash writes that Bellino was devastated by Bush's attacks, "rendered emotionally unable to work because of the charges."

The mechanism targeted by Bellino is of course relevant to Bill Liedtke's funding of the CREEP described above. Perhaps Bush was in fact seeking to shut down Bellino solely to defend only himself and his confederates.

Members of Dash's staff soon realized that there had been another participant in the process of assembling the material that Bush had presented. According to Dash, "the charges became even murkier when our staff discovered that the person who had put them together was a man named Jack Buckley. In their dirty tricks investigation of the 1972 presidential campaign, Terry Lenzner and his staff had identified Buckley as the Republican spy, known as Fat Jack, who had intercepted and photographed Muskie's mail between his campaign and Senate offices as part of Ruby I (a project code named in Liddy's Gemstone political espionage plan)." It would appear that Fat Jack Buckley was now working for George Bush. Ervin then found that Senators Gurney and Baker, both Republicans, might be willing to listen to additional charges made by Buckley against Bellino. Dash says he "smelled the ugly odor of blackmail on the part of somebody and I did not like it." Later, Senators Talmadge and Inouye filed a report completely exonerating Bellino, while Gurney conceded that there was no direct evidence against Bellino, but that there was some conflicting testimony that ought to be noted. Dash sums up that in late November 1973, "the matter ended with little fanfare and almost no newspaper comment. The reputation of a public official with many years' service as a dedicated and incorruptible investigator had been deeply wounded and tarnished, and Bellino would retire from federal service believing -- rightly -- that he had not been given the fullest opportunity he deserved to clear his good name."

Another Bush concern during the summer of 1973 was his desire to liquidate the CREEP, not out of moralistic motives, but because of his desire to seize the CREEP's \$4 million-plus cash surplus. During the middle of 1973,

some of this money had already been used to pay the legal fees of Watergate conspirators, as in the case of Maurice Stans. / Note #4 / Note #5

During August, Bush went into an offensive of sanctimonious moralizing. Bush appears to have concluded that Nixon was doomed, and that it was imperative to distance himself and his operation from Nixon's impending downfall. On the NBC "Today" show, Bush objected to John D. Ehrlichman's defense before the Ervin committee of the campaign practice of probing the sex and drinking habits of political opponents. "Crawling around in the gutter to find some weakness of a man, I don't think we need that," said Bush. "I think opponent research is valid. I think if an opponent is thought to have done something horrendous or thought to be unfit to serve, research is valid. But the idea of just kind of digging up dirt with the purpose of blackmail or embarrassing somebody so he'd lose, I don't think that is a legitimate purpose," postured Bush. By this time Ehrlichman, who had hired retired cops to dig up such dirt, had been thrown to the wolves. / Note #4 / Note #6

A couple of days later, Bush delivered a speech to the American Bar Association on "The Role and Responsibility of the Political Candidate." His theme was that restoring public trust in the political system would require candidates who would set a higher moral tone for their campaigns. "A candidate is responsible for organizing his campaign well -- that is, picking people whom he trusts, picking the right people." This was an oblique but clear attack on Nixon, who had clearly picked the wrong people in addition to whatever else he did. Bush was for stricter rules, but even more for "old-fashioned conscience" as the best way to keep politics clean. He again criticized the approach which set out to "get dirt" on political adversaries -- again a swipe at Nixon's notorious "enemies list" practices. Bush said that there were "gray areas in determining what was in good taste." Bush has never been noted for his sense of self-irony, and it appears that he was not aware of his own punning reference to L. Patrick Gray, the acting FBI Director who had "deep-sixed" Howard Hunt's incriminating records and who had then been left by Ehrlichman to "hang there" and to "twist slowly, slowly in the wind." Bush actually commented that Ehrlichman's comments on Gray had been in questionable taste. / Note #4 / Note #7

The next day Bush was at it again, announcing that he was reopening an investigation into alleged courses in dirty tricks taught by the GOP to college Republicans in weekend seminars during 1971 and 1972. Bush pledged to "get to the bottom" of charges that the College Republican National Committee, with 1,000 campus clubs and 100,000 members listed had provided instruction in dirty tricks. "I'm a little less relaxed and more concerned

than when you first brought it to our attention," Bush told journalists. / Note #4 / Note #8

Bush had clearly distanced himself from the fate of the Nixon White House. By the time Spiro Agnew resigned as Vice President on October 10, 1973, Bush praised Agnew for his "great personal courage" while endorsing the resignation as "in the best interest of the country." / Note #4 / Note #9

Later the same month came Nixon's "Saturday night massacre," the firing of Special Prosecutor Cox and the resignation of Attorney General Elliot Richardson and his deputy, William French Smith. To placate public opinion, Nixon agreed to obey a court order compelling him to hand over his White House tapes. Bush had said that Nixon was suffering from a "confidence crisis" about the tapes, but now commented that what Nixon had done "will have a soothing effect. Clearly it will help politically.... Hopefully, his move will cool the emotions and permit the President to deal with matters of enormous domestic and international concern." / Note #5 / Note #0

Later, in November, Bush bowed out of a possible candidacy in the 1974 Texas gubernatorial race. Speculation was that "the specter of Watergate" would have been used against him, but Bush preferred sanctimonious explanations. "Very candidly," he said, "being governor of Texas has enormous appeal to me, but our political system is under fire and I have an overriding sense of responsibility that compels me to remain in my present job." Bush said that Watergate was "really almost ... nonexistent" as an issue in the Texas race. "Corruption and clean government didn't show up very high at all," he concluded. / Note #5 / Note #1

In May of 1974, after a meeting of the Republican congressional leadership with Nixon, Bush told his friend Congressman Barber Conable that he was considering resigning from the RNC. A few days later, John Rhodes, who had replaced Gerald Ford as House Minority Leader when Ford was tapped by Nixon for the vice-presidency, told a meeting of House Republicans that Bush was getting ready to resign, and if he did so, it would be impossible for the White House to "get anybody of stature to take his place." / Note #5 / Note #2

But even in the midst of the final collapse, Bush still made occasional ingratiating gestures to Nixon. Nixon pathetically recounts how Bush made him an encouraging offer in July 1974, about a month before the end: "There were other signs of the sort that political pros might be expected to appreciate: NC Chairman George Bush called the White House to say that he would like to have me appear on a fund-raising telethon." / Note #5 / Note #3 This is what Bush was telling Nixon. But during this same period, Father

John McLaughlin of the Nixon staff asked Bush for RNC lists of GOP diehards across the country for the purpose of generating support statements for Nixon. Bush refused to provide them. / Note #5 / Note #4

The Smoking Gun

On August 5, 1974, the White House released the transcript of the celebrated "smoking gun" taped conversation of June 23, 1972 in which Nixon discussed ways to frustrate the investigation of the Watergate break-ins. Chairman George was one of the leading Nixon administration figures consulting with Al Haig in the course of the morning. When Bush heard the news, he was very upset, undoubtedly concerned about all the very negative publicity that he himself was destined to receive in the blowback of Nixon's now-imminent downfall. Then, after a while, he calmed down somewhat. One account describes Bush as "somewhat relieved" by the news that the tape was going to be made public. "Finally there was some one thing the national chairman could see clearly. The ambiguities in the evidence had been tearing the party apart, Bush thought." / Note #5 / Note #5 At this point, Bush became the most outspoken and militant organizer of Nixon's resignation, a Cassius of the Imperial Presidency.

A little later, White House Congressional liaison William Timmons wanted to make sure that everyone had been fully briefed about the transcripts going out, and he turned to Nixon's political counselor Dean Burch. "Dean, does Bush know about the transcript yet?" Timmons asked. Burch replied, "Yes." "Well, what did he do?" Timmons asked.

"He broke out in assholes and shit himself to death," was Burch's answer. / Note #5 / Note #6

Notes for Chapter 13

25. Al Reinert, "Bob and George Go to Washington or The Post-Watergate Scramble," "Texas Monthly," April 1974.

26. "Deep Throat: Narrowing the Field," "Time," May 3, 1976, pp. 17-18.

27. Bush and Gold, "op. cit.," pp. 65-66.

28. Bernstein and Woodward, "All the President's Men" (New York: Simon and Schuster, 1974), pp. 72, 130-31.

29. Green, "op. cit.," p. 80.

30. Bernstein and Woodward, "All the President's Men," p. 318.
31. The question of the Columbia Plaza Apartments is a central theme of Jim Hougan's "Secret Agenda, op. cit." We have also relied on Hougan's version of the Russell-Leon-Bellino subplot described below.
32. Hougan, "op. cit.," pp. 324.
33. "Ibid.," p. 370.
34. Interview of Jerris Leonard with Anton Chaitkin, Aug. 26, 1991.
35. Hougan, "op. cit.," p. 374-75.
36. See Jules Witcover, "Political Spies Accuse Committee Investigator," "Washington Post," July 25, 1973, and John Geddie, "Bush Alleges Bugs," "Dallas News," July 25, 1973. See also Victor Lasky, "It Didn't Start with Watergate" (New York: Dial Press, 1977), pp. 41-55.
37. Hougan, "op. cit.," p. 376. Notice that the day of Leon's death was also the day that White House staffer Butterfield told congressional investigators of the existence of Nixon's taping system.
38. "Ibid."
39. Richard Nixon, "The Memoirs of Richard Nixon" (New York: Warner Books, 1979), p. 811.
40. Walter Pincus and Bob Woodward, "Presidential Posts and Dashed Hopes," "Washington Post," Aug. 9, 1988.
41. "Washington Post," July 12, 1973.
42. Sam J. Ervin, Jr., "The Whole Truth" (New York: Random House, 1980), p. 28.
43. "Ibid.," p. 29.
44. Samuel Dash, "Chief Counsel" (New York: Random House, 1976), p. 192.
45. Evans and Novak, July 11, 1973.
46. "Washington Post," Aug. 7, 1973.

47. "Washington Post," Aug. 9, 1973.
48. "Washington Post," Aug. 10, 1973.
49. "Washington Post," Oct. 11, 1973.
50. "Washington Post," Oct. 24, 1973.
51. "Washington Post," Nov. 17, 1973.
52. Bernstein and Woodward, "The Final Days," pp. 159, 176.
53. Nixon, "op. cit.," p. 1042.
54. Green, "op cit.," p. 135.
55. Bernstein and Woodward, "The Final Days," p. 368.
56. "Ibid.," p. 369.

CHAPTER 13

CHAIRMAN GEORGE IN WATERGATE

Why should Bush be so distraught over the release to the press of the transcript of the notorious White House meeting of June 23, 1972? As we have seen, there is plenty of evidence that the final fall of Nixon was just the denouement that Bush wanted. The answer is that Bush was upset about the fabulous "smoking gun" tape because his friend Mosbacher, his business partner Bill Liedtke, and himself were referred to in the most sensitive passages. Yes, a generation of Americans has grown up recalling something about a "smoking gun" tape, but not many now recall that when Nixon referred to "the Texans," he meant George Bush.

The open secret of the "smoking gun" tape is that it refers to Nixon's desire to mobilize the CIA to halt the FBI investigation of the Watergate burglars on the grounds that money can be traced from donors in Texas and elsewhere to the coffers of the CREEP, and thence to the pockets of Bernard Barker and the other Cubans arrested. The money referred to, of course, is part of Bill Liedtke's \$700,000 discussed above. A first crucial passage of the "smoking gun" tape goes as follows, with the first speaker being Haldeman:

"H: Now, on the investigation, you know the Democratic break-in thing,

we're back in the problem area because the FBI is not under control, because [FBI chief] Gray doesn't exactly know how to control it and they have -- their investigation is leading into some productive areas because they've been able to trace the money -- not through the money itself -- but through the bank sources -- the banker. And, and it goes in some directions we don't want it to go. Ah, also there have been some things -- like an informant came in off the street to the FBI in Miami who was a photographer or has a friend who was a photographer who developed some films through this guy Barker and the films had pictures of Democratic National Committee letterhead documents and things. So it's things like that that are filtering in. Mitchell came up with yesterday, and John Dean analyzed very carefully last night and concludes, concurs now with Mitchell's recommendation that the only way to solve this, and we're set up beautifully to do it, ah, in that and that -- the only network that paid any attention to it last night was NBC -- they did a massive story on the Cuban thing.

"P: [Nixon] That's right.

"H: That the way to handle this now is for us to have [CIA Deputy Director Vernon] Walters call Pat Gray and just say 'Stay the hell out of this -- this is ah, business here we don't want you to go any further on it.' That's not an unusual development, and ah, that would take care of it.

"P: What about Pat Gray -- you mean Pat Gray doesn't want to?

"H: Pat does want to. He doesn't know how to, and he doesn't have, he doesn't have any basis for doing it. Given this, he will then have the basis. He'll call Mark Felt in, and the two of them -- and Mark Felt wants to cooperate because he's ambitious --

"P: Yeah

"H: He'll call him in and say, 'We've got the signal from across the river to put the hold on this.' And that will fit rather well because the FBI agents who are working the case, at this point, feel that's what it is.

"P: This is CIA? They've traced the money? Who'd they trace it to?

"H: Well they've traced it to a name, but they haven't gotten to the guy yet.

"P: Would it be somebody here?

"H: Ken Dahlberg.

"P: Who the hell is Ken Dahlberg?

"H: He gave \$25,000 in Minnesota and, ah, the check went directly to this guy Barker.

"P: It isn't from the committee though, from Stans?

"H: Yeah. It is. It's directly traceable and there's some more through some Texas people that went to the Mexican bank which can also be traced to the Mexican bank -- they'll get their names today. And (pause)

"P: Well, I mean, there's no way -- I'm just thinking if they don't cooperate, what do they say? That they were approached by the Cubans. That's what Dahlberg has to say, the Texans too, that they --

"H: Well, if they will. But then we're relying on more and more people all the time. That's the problem, and they'll stop if we could take this other route.

"P: All right.

"H: And you seem to think the thing to do is get them to stop?

"P: Right, fine."

Kenneth Dahlberg was a front man for Dwayne Andreas of Archer Daniels Midland. Nixon wanted to protect himself, of course, but there is no doubt that he is talking about Liedtke, Pennzoil, Robert Mosbacher -- his Bush-league Texas money-raising squad. With that comment, Nixon had dug his own grave with what was widely viewed as a "prima facie" case of obstruction of justice when this tape was released on August 5. But Nixon and Haldeman had a few other interesting things to say to each other that day, several of which evoke associations redolent of Bush.

Shortly after the excerpts provided above, Nixon himself sums up why the CIA ought to have its own interest in putting a lid on the Watergate affair:

"P: Of course, this Hunt .. will uncover a lot of things. You open that scab there's a hell of a lot of things and we just feel that it would be very detrimental to have this thing go any further. This involves these Cubans, Hunt, and a lot of hanky-panky that we have nothing to do with ourselves. Well what the hell, did Mitchell know about this?

"H: I think so. I don't think he knew the details, but I think he knew.

"P: He didn't know how it was going to be handled through -- with Dahlberg and the Texans and so forth? Well who was the asshole that did? Is it Liddy? Is that the fellow? He must be a little nuts!"

Shortly after this, the conversation turned to Bus Mosbacher, who was resigning as the chief of protocol. Nixon joked that while Mosbacher was escorting the visiting dignitaries, bachelor Henry Kissinger always ended up escorting Mosbacher's wife. But before too long Nixon was back to the CIA again:

"P: When you get in -- when you get in (unintelligible) people, say, "Look the whole problem is that this will open the whole, the whole Bay of Pigs thing and the President just feels that ah, without going into the details -- don't, don't lie to them to the extent to say there is no involvement, but just say this is a comedy of errors, without getting into it, the President believes that it is going to open the whole Bay of Pigs thing up again. And, ah, because these people are plugging for (unintelligible) and that they should call the FBI in and (unintelligible) don't go any further into this case period! (inaudible) our cause."

It would also appear that Nixon's references to Howard Hunt and the Bay of Pigs are an oblique allusion to the Kennedy assassination, about which Nixon may have known more than he has ever told. Later the same day Haldeman reported back to Nixon about his meeting with Walters:

"H: Well, it was kind of interesting. Walters made the point and I didn't mention Hunt. I just said that the thing was leading into directions that were going to create potential problems because they were exploring leads that led back into areas that would be harmful to the CIA and harmful to the government (unintelligible) didn't have anything to do (unintelligible)."

Later, Haldeman returned to this same theme:

"H: Gray called Helms and said I think we've run right into the middle of a CIA covert operation.

"P: Gray said that?

"H: Yeah. And (unintelligible) said nothing we've done at this point and ah (unintelligible) says well it sure looks to me like it is (unintelligible)

and ah, that was the end of that conversation (unintelligible) the problem is it tracks back to the Bay of Pigs and it tracks back to some other the leads run out to people who had no involvement in this, except by contracts and connection, but it gets to areas that are liable to be raised? The whole problem (unintelligible) Hunt. So at that point he kind of got the picture. He said, he said we'll be very happy to be helpful (unintelligible) handle anything you want. I would like to know the reason for being helpful, and I made it clear to him he wasn't going to get explicit (unintelligible) generality, and he said fine. And Walters (unintelligible), Walters is going to make a call to Gray. That's the way we put it and that's the way it was left.

"P: How does that work though, how they've got to (unintelligible) somebody from the Miami bank.

"H: (Unintelligible) The point John makes -- the Bureau is going on this because they don't know what they are uncovering (unintelligible) continue to pursue it. They don't need to because they already have their case as far as the charges against these men (unintelligible) One thing Helms did raise. He said. Gray -- he asked Gray why they thought they had run into a CIA thing and Gray said because of the amount of money involved, a lot of dough (unintelligible) and ah (unintelligible)

"P: (Unintelligible)

"H: Well, I think they will. If it runs (unintelligible) what the hell, who knows (unintelligible) contributed CIA.

"H: Ya, it's money CIA gets money (unintelligible) I mean their money moves in a lot of different ways, too." / Note #5 / Note #7

Nixon's train of associations takes him from the Pennzoil-Liedtke Mosbacher-Bush slush fund operation to Howard Hunt and the Bay of Pigs and "a lot of hanky-panky" and then back to Bus Mosbacher, Robert's elder brother. Later on, Haldeman stresses that the FBI, discovering a large money laundering operation between Pennzoil and Bill Liedtke in Houston, Mexico City, Maurice Stans and the CREEP in Washington, and some CIA Miami station Cubans, simply concluded that this was all a CIA covert operation.

As Haldeman himself later summed it up: "If the Mexican bank connection was actually a CIA operation all along, unknown to Nixon; and Nixon was destroyed for asking the FBI to stop investigating the bank because it might uncover a CIA operation (which the Helms memo seems to indicate it actually was after all) the multiple layers of deception by the CIA are

astounding." / Note #5 / Note #8

Moves for Impeachment

Later, on Nixon's last Monday, Bush joined White House Counsel J. Fred Buzhardt and Dean Burch on a visit to Congressman Rhodes, and showed him the transcript of the smoking gun tape. "This means that there's just no chance in the world that he's not going to be impeached," said Rhodes. "In fact, there's no chance in the world that I won't vote to impeach him." Bush must have heaved a sigh of relief, since this is what he had wanted Rhodes to tell Nixon to get him to quit. "Rhodes later let it be known that he was offended that Bush had been briefed before he was," but of course, Bush was a top official of the Nixon White House. / Note #5 / Note #9

But Nixon still refused to quit, raising the prospect of a trial before the Senate that could be damaging to many besides Nixon. The next day, Tuesday, August 6, 1974, saw the last meeting of the Nixon cabinet, with Chairman George in attendance. Nixon's opening statement was: "I would like to discuss the most important issue confronting this nation, and confronting us internationally too -- inflation." Nixon then argued adamantly for some minutes that he had examined the course of events over the recent past and that he had "not found an impeachable offense, and therefore resignation is not an acceptable course." Vice President Ford predicted that there would be certain impeachment by the House, but that the outcome in the Senate could not be predicted. Ford then said he was an interested party on the resignation issue and would make no further comment.

Nixon then wanted to talk about the budget again, and about an upcoming summit conference on the economy. Attorney General Saxbe interrupted him. "Mr. President, I don't think we ought to have a summit conference. We ought to make sure you have the ability to govern." Nixon quietly assured Saxbe that he had the ability to govern. Then Chairman George piped up, in support of Saxbe. The President's ability to govern was impaired, said George. Watergate had to be brought to an end expeditiously, Bush argued. >From his vantage point at Nixon's right elbow, Kissinger could see that Bush was advancing toward the conclusion that Nixon had to resign. "It was cruel. And it was necessary," thought Kissinger. "More than enough had been said," was the Secretary of State's impression. Kissinger was seeking to avoid backing Nixon into a corner where he would become more stubborn and more resistant to the idea of resignation, making that dreaded Senate trial more likely. And this was the likely consequence of Bush's line of argument.

"Mr. President, can't we just wait a week or two and see what happens?"

asked Saxbe. Bush started to support Saxbe again, but now Nixon was getting more angry. Nixon glared at Bush and Saxbe, the open advocates of his resignation. "No," he snapped. "This is too important to wait."

Now the senior cabinet officer decided he had to take the floor to avoid a total confrontation that would leave Nixon besieged but still holding the Oval Office. Kissinger's guttural accents were heard in the cabinet room: "We are not here to offer excuses for what we cannot do. We are here to do the nation's business. This is a very difficult time for our country. Our duty is to show confidence. It is essential that we show it is not safe for any country to take a run at us. For the sake of foreign policy we must act with assurance and total unity. If we can do that, we can vindicate the structure of peace." The main purpose of this pompous tirade had been to bring the meeting to a rapid end, and it worked. "There was a moment of embarrassed silence around the table," recalls Nixon, and after a few more remarks on the economy, the meeting broke up.

Kissinger stayed behind with Nixon to urge him to resign, which Nixon now said he felt compelled to do. Bush sought out Al Haig to ponder how Nixon might be forced out. "What are we going to do?" asked Bush. Haig told Bush to calm down, explaining: "We get him up to the mountaintop, then he comes down again, then we get him up again." / Note #6 / Note #0 Kissinger walked back to his office in the West Wing and met Gen. Brent Scowcroft, the NSC director. Kissinger told Scowcroft that "there was precious little support" for the President. Kissinger, no mean hypocrite in his own right, thought that Saxbe had been "weak-livered." Bush and Saxbe had both been petty and insensitive, Kissinger thought. He compared Bush and Saxbe and the rest to a seventeenth-century royal court with the courtiers scurrying about, concerned with themselves rather than with their country.

During this cabinet meeting, Bush was already carrying a letter to Nixon that would soon become the unkindest cut of all for Chairman George's wretched patron. This letter was delivered to Nixon on August 7. It read as follows:

Dear Mr. President,

It is my considered judgment that you should now resign. I expect in your lonely embattled position this would seem to you as an act of disloyalty from one you have supported and helped in so many ways. My own view is that I would now ill serve a President whose massive accomplishments I will always respect and whose family I love, if I did not now give you my judgment. Until this moment resignation has been no answer at all, but given the impact of the latest development, and it will be a lasting one, I

now firmly feel resignation is best for the country, best for this President. I believe this view is held by most Republican leaders across the country. This letter is much more difficult because of the gratitude I will always have for you. If you do leave office history will properly record your achievements with a la sting respect. / Note #6 / Note #1

The next day, August 8, 1974, Nixon delivered his resignation to Henry Kissinger. Kissinger could now look forward to exercising the powers of the presidency at least until January 1977, and perhaps well beyond.

For a final evaluation of Bush in Watergate, we may refer to a sketch of his role during those times provided by Bush's friend Maurice Stans, the finance director of the CREEP. This is how Stans sizes up Bush as a Watergate player: "George Bush, former member of Congress and former Ambassador to the United Nations. Bush, who proved he was one of the bravest men in Washington in agreeing to head the Republican National Committee during the 1973-74 phase of Watergate, kept the party organization together and its morale high, despite massive difficulties of press criticism and growing public disaffection with the administration. Totally without information as to what had gone on in Watergate behind the scenes, he was unable to respond knowledgeably to questions and because of that unjustly became the personal target of continuing sarcasm and cynicism from the media." / Note #6 / Note #2

But there are many indications that Bush was in reality someone who, while taking part in the fray, actually helped to steer Watergate toward the strategic outcome desired by the dominant financier faction, the one associated with Brown Brothers Harriman and with London. As with so much in the life of this personage, much of Bush's real role in Watergate remains to be unearthed. To borrow a phrase from James McCord's defense of his boss, Richard Helms, we must see to it that "every tree in the forest will fall."

Notes for Chapter 13

57. For the "smoking gun" transcript of June 23, 1972, see "Washington Post," Aug. 6, 1974.

58. H.R. Haldeman, "The Ends of Power" (New York: Times Books, 1978), p. 64.

59. Bernstein and Woodward, "The Final Days," p. 374.

60. Available accounts of Nixon's last cabinet meeting are fragmentary, but see: "The Memoirs of Richard Nixon," p. 1066; "The Final Days," pp. 386-89;

Theodore H. White, "Breach of Faith: The Fall of Richard Nixon" (New York: Atheneum Publishers, 1975), p. 24; Henry Kissinger, "Years of Upheaval" (Boston: Little, Brown, 1982), pp. 1202-3; J. Anthony Lukas, "Nightmare: The Underside of the Nixon Years" (New York: Viking Press, 1976), pp. 558-59.

61. The ostensible full text of this letter is found in Nicholas King, "George Bush: A Biography" (New York: Dodd, Mead & Company, 1980), p. 87.

62. Maurice H. Stans, "The Terrors of Justice: The Untold Side of Watergate" (New York: Everest, 1978), p. 66.

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Chapter 14

1974: Bush Attempts the Vice-Presidency

Those who betray their benefactors are seldom highly regarded. In Dante's "Divine Comedy," traitors to benefactors and to the established authorities are consigned to the ninth circle of the Inferno, where their souls are suspended, like insects in amber, in the frozen River Cocytus. This is the Giudecca, where the three arch-traitors -- Judas Iscariot, Brutus and Cassius -- are chewed for all eternity in the three mouths of Lucifer. The crimes of Nixon were monstrous, especially in Vietnam and in the India-Pakistan war, but in these Bush had been an enthusiastic participant. Now Bush's dagger, among others, had found its target; Nixon was gone. In the depths of his Inferno, Dante relates the story of Frate Alberigo to illustrate the belief that in cases of the most heinous treachery, the soul of the offender plunges at once into hell, leaving the body to live out its physical existence under the control of a demon. Perhaps the story of old Frate Alberigo will illuminate us as we follow the further career of George Bush.

As Nixon left the White House for his home in San Clemente, California, in the early afternoon of August 9, 1974, Chairman George was already plotting how to scale still further up the dizzy heights of state. Ford was now President, and the vice presidency was vacant. According to the 25th Amendment, it was now up to Ford to designate a Vice President who would then require a majority vote of both houses of Congress to be confirmed. Seeing a golden opportunity to seize an office that he had long regarded as the final stepping stone to his ultimate goal of the White House, Bush immediately mobilized his extensive Brown Brothers, Harriman/Skull and Bones network, including as many Zionist lobby auxiliaries as he could

muster.

One of the first steps was to set up a boiler shop operation in a suite of rooms at the Statler Hilton Hotel in Washington. Here Richard L. Herman, the Nebraska GOP national committeeman, and two assistants began churning out a cascade of calls to Republicans and others around the country, urging, threatening, cajoling, calling in chits, promising future favors if Chairman George were to become Vice President George. / Note #1

There were other, formidable candidates, but none was so aggressive as Chairman George. Nelson Rockefeller, who had resigned as governor of New York some months before to devote more time to his own consuming ambition and to his Commission on Critical Choices, was in many ways the front runner. But Nelson was the incarnation of the Eastern Liberal Establishment internationalists against whom Goldwater had campaigned so hard in 1964. His support was considerable, but he had more active opposition than any other candidate. This meant that Ford had to hesitate in choosing Nelson because of what the blowback might mean for a probable Ford candidacy in 1976.

The conservative Republicans all regarded Goldwater as their sentimental favorite, but they also knew that Ford would be reluctant to select him because of a different set of implications for 1976. Beyond Rockefeller and Goldwater, each a leader of a wing of the party, the names multiplied: Senator Howard Baker, Elliot Richardson, Governor William Scranton, Melvin Laird, Senator Bill Brock, Governor Dan Evans, Donald Rumsfeld and many others. Bush knew that if he could get Goldwater to show him some support, the Goldwater conservatives could be motivated to make their influence felt for Bush, and this might conceivably put him over the top.

First, Chairman George had to put on the mask of conciliation and moderation. As Nixon was preparing his departure speech, Bush lost no time in meeting with Ford, now less than 24 hours away from being sworn in as President. Bush told the press that Ford had "said he'd be pleased if I stayed on" at the RNC, but had to concede that Ford had given no indication as to his choice for the Vice President. Bush's network in the House of Representatives was now fully mobilized, with "a showing of significant support in the House and among GOP officials" for Bush on the day before Nixon left town. Bush also put out a statement from the RNC, saying, "The battle is over. Now is the time for kindness.... Let us all try now to restore to our society a climate of civility." But despite the hypocritical kinder and gentler rhetoric, Chairman George's struggle for power was just beginning. / Note #2

Melvin Laird soon came out for Rockefeller, and there were sentimental displays for Goldwater in many quarters. With Bush's network in full gear, he was beginning to attract favorable mention from the columnists. Evans and Novak on August 11 claimed that "as the new President was sworn in, Rockefeller had become a considerably less likely prospect than either Senator Howard Baker of Tennessee or George Bush, the gregarious patrician and transplanted Texan who heads the Republican National Committee."

On August 10, Ford announced that he would poll Republicans at all levels across the country. Some expressed their preferences directly to the White House, but the Republican National Committee members had to report their choices through Chairman George. Many of them, fearing the price they might have to pay for lese majeste, indicated Bush as their first choice. This matter was the subject of a complaint by Tom Evans of the RNC, who talked to the press and also wrote letters to the Ford White House, as we will see.

By August 14, the "Washington Post" was reporting a "full scale campaign" on behalf of Bush, with an "impressive array of support" against Rockefeller. Bush's campaign manager and chief boiler room operator, Richard L. Herman of Nebraska, summed up his talking points: Bush, said Herman, "is the only one in the race with no opposition. He may not be the first choice in all cases, but he's not lower than second with anyone." Herman said he was "assisting" a broader organization on the Hill and of course at the RNC itself that was mobilized for Bush. Bush "can do more to help the Republican Party than anyone else and is totally acceptable throughout the country," blathered Herman. Bush was "obviously aware of what we're doing," said Herman.

Support for Goldwater was apt to turn into support for Bush at any time, so Bush was gaining mightily, running second to Rocky alone. Taking note of the situation, even Bush's old allies at the "Washington Post" had to register some qualms. In an editorial published on August 15, 1974 on the subject of "The Vice Presidency," "Post" commentators quoted the ubiquitous Richard Herman on Bush's qualifications. The "Post" found that Bush's "background and abilities would appear to qualify him for the vice-presidency in just about all respects, except for the one that seems to us to really matter: What is conspicuously lacking is any compelling or demonstrable evidence that he is qualified to be President."

But despite these darts, Chairman George continued to surge ahead. The big break came when Barry Goldwater, speaking in Columbia, South Carolina, told a Republican fundraiser that he had a "gut feeling" that Ford was going to select Bush for the vice presidency. On August 15, a source close to Ford

told David Broder and Lou Cannon that Bush now had the "inside track" for the vice-presidency. Rockefeller's spokesman Hugh Morrow retorted that "we're not running a boiler shop or calling anyone or doing anything," unlike the strong-arm Bush team. / Note #3

Inside the Ford White House, responses to Ford's solicitation were coming in. Among the top White House counselors, Bush got the support of Kenneth Rush, who had almost become Nixon's Secretary of State and who asserted that Bush "would have a broader appeal to all segments of the political spectrum than any other qualified choice." Dean Burch wrote a memo to Ford pointing out that among the prominent candidates, "only a few have a post-1980 political future." "My own choice," Burch told Ford, "would be a Vice President with a long term political future -- a potential candidate, at least, for the Presidency in his own right." In Burch's conclusion, "Still operating on this assumption, my personal choice is George Bush." / Note #4.

The cabinet showed more sentiment for Rockefeller. Rogers Morton of the Interior, Weinberger of HEW, James Lynn of HUD, Frederick Dent of Commerce, and Attorney General Saxbe were all for Rocky. Earl Butz of Agriculture was for Goldwater, and James R. Schlesinger of Defense was for Elliot Richardson. No written opinion by Henry Kissinger appears extant at the Ford Library.

Then the White House staff was polled. Pat Buchanan advised Ford to avoid all the younger men, including Bush, and told the president that Rockefeller would "regrettably" have to be his choice. John McLaughlin also told Ford to go for Rocky, although he mentioned that Bush "would also be a fine vice president." / Note #5 Richard A. Moore was for Bush based on his economic credentials, asserting that Bush's "father and grandfather were both highly respected investment bankers in New York." In the White House staff, Bush won out over Rockefeller and Scranton. Among personal friends of Ford, Bush won out over Rocky by a four to three margin.

Among Republican governors, there was significant resistance to Bush. Former Pennsylvania Governor William Scranton, who had been considered of presidential caliber, wrote to Ford aide Phillip Buchen of Bush: "Quite frankly, in my experience with him his one drawback is a limitation of his administrative ability." / Note #6

Among the Republican Senators, Bush had intense competition, but the Prescott Bush network proved it could hold its own. Howard Baker put Bush second, while Henry Bellmon and Dewey Bartlett sent in a joint letter in support of Bush. Bob Dole put Chairman George last among his list of

preferences, commenting that the choice of Bush would be widely regarded as "totally partisan." Pete Dominici put Bush as his first choice, but also conceded that he would be seen as a partisan pick. Roth of Delaware had Bush in third place after John J. Williams and Rocky. Hugh Scott of Pennsylvania wanted Rocky or Goldwater, but put Bush in third place. James Pearson of Kansas had Bush as first choice. Jesse Helms mentioned Bush, but in fifth place after Goldwater, Harry Byrd, Reagan and James Buckley. / Note #7 In the final tally, Rocky edged out Bush with 14 choices to Bush's 12, followed by Goldwater with 11.

Bush was stronger in the House, where many members had served side by side with their old friend Rubbers. Bush was the first choice of Bill Archer of Texas (who had inherited Bush's old district, and who praised Bush for having "led the fight in Congress for disclosure and reform"), Skip Bafalis of Florida, William G. Bray of Indiana, Dan Brotzman of Colorado, Joe Broyhill of Virginia, John Buchanan of Alabama, Charles Chamberlain of Michigan, Donald Clancy of Ohio, Del Dawson of California, and Thad Cochran of Mississippi. William Armstrong of Colorado struck a discordant note by urging Ford to pick "a person who has extensive experience in "elected" public office." William S. Cohen of Maine found that Bush did "not have quite the range of experience of Richardson or Rockefeller." James Collins favored Bush "as a Texan." Glenn Davis of Wisconsin, Derwinski of Illinois (a long-term ally who eventually rose to the Bush cabinet after having served with Bush at the U.N. mission in New York), Sam Devine of Ohio, and Pierre S. Du Pont IV of Delaware -- all for Bush. William Dickinson of Alabama found Bush "physically attractive" with "no political scars I am aware of" and "personally very popular." But then came John J. Duncan of Tennessee, who told Ford that he could not "support any of the fifteen or so mentioned in the news media."

Marvin Esch of Michigan was for Bush, as was Peter Frelinghuysen of New Jersey. Edwin D. Eshelman told Ford to go for Bush "if you want a moderate." The Bush brigade went on with Charles Gubser of California, and Hammerschmidt of Arkansas, still very close to Bush today. John Heinz of Pennsylvania was having none of Bush, but urged Ford to take Rockefeller, Scranton or Richardson, in that order. John Erlenborn of Illinois was more than captivated by Bush, writing Ford that Bush "is attractive personally -- people tend to like him on sight." Why, "he has almost no political enemies" that Erlenborn knew of. Bud Hillis of Indiana, Andrew Hinshar of California, Marjorie Holt -- for Bush. Lawrence Hogan of Maryland was so "disturbed" about the prospect of Rockefeller that he was for Bush, too. Hudnut of Indiana put Bush as his second choice after favorite son Gov. Otis Bowen because Bush was "fine, clean."

Jack Kemp of New York, now in the Bush cabinet, was for Bush way back then. Lagomarsino of California put Bush third, Latta of Ohio put him second only to Rocky. Trent Lott of Mississippi, who has since moved up to the Senate, told Ford that he needed somebody "young and clean" and that "perhaps George Bush fits that position." Manuel Lujan of New Mexico, who also made the Bush cabinet, was a solid Bush rooter, as was Wiley Mayne of Iowa. Pete McCloskey put Bush second to Richardson, but ahead of Rocky. John McCollister of Nebraska deluded himself that Bush could be confirmed without too much trouble: McCollister was for Bush because "I believe he could pass the Judiciary Committee's stern test" because "he had no policy-making role in the sad days now ended," but perhaps Ford knew better on that one.

Clarence Miller of Ohio was for Bush. Congressman Bob Michel, ever climbing in the House GOP hierarchy, had long-winded arguments for Bush. Rocky, he thought, could "help most" over the remainder of Ford's term, but Bush would be a trump card for 1976. "George Bush would not command all the immediate adulation simply because he hasn't had as long a proven track record in the business and industrial community, but his credentials are good," wrote Michel. "He is young and he would work day and night and he would never attempt to 'upstage the boss.' Aside from projecting a 'straight arrow image,' he would be acceptable to the more conservative element in the party that would be offended by the appointment of Rockefeller." In addition, assured Michel, Bush enjoyed support among Democrats "from quarters I would not have believed possible, ... and they are indeed influential Democrats.... Over and above this, we may be giving one of our own a good opportunity to follow on after a six-year Ford administration," Michel concluded.

Donald Mitchell of New York was for Bush because of his "rich background," which presumably meant money. Ancher Nelson thought Bush had "charisma," and he was for him. But George O'Brien of Illinois was also there with that bothersome request for "someone who was elected and was serving in a federal position." Stan Parris of Alexandria, Virginia, a faithful yes-man for Bush until his defeat in 1990, was for Bush -- of course. Jerry Pettis of California was for Bush. Bob Price of Texas urged Ford to tap Bush, in part because of his "excellent" ties to the Senate, which were "due to his own efforts and the friendships of his father." Albert Quie of Minnesota had some support of his own for the nod, but he talked favorably about Bush, whom he also found "handsome." "He has only one handicap," thought Quie, "and that is, he lost an election for the Senate." Make that two handicaps. Score J. Kenneth Robinson of Virginia for Bush, along with Philip Ruppe of Michigan, who lauded Bush's "human warmth." Earl Ruth of northern California and William Steigler of Wisconsin for Bush. Steve Symms

of Idaho, later a Senator, wanted "a Goldwater man" like Reagan, or Williams of Delaware. But, Symms added, "I would accept our National Chairman Bush." Guy Vander Jagt of Michigan confided to his former colleague Ford that "my personal recommendation is George Bush." John H. Ware broke a lance for Chairman George, and then came the endorsement of G. William Whitehurst of Virginia. According to Whitehurst, Bush demonstrates "those special characteristics that qualify a man for the highest office if fate so designates." Bob Wilson of California was for Bush, also considering the long term perspectives; he liked Bush's youthful enthusiasm and saw him as "a real leader for moderation." Larr Winn of Kansas, Wendell Wyatt of Oregon, Bill Young of Florida, Don Young of Alaska, Roger Zion of Indiana -- all listed Bush as their prime choice. The Republican House Steering Committee went for Bush because of his "general acceptance." / Note #8

When Ford's staff tabulated the House results, Bush's combined total of 101 first, second and third choice mentions put him in the lead, over Rocky at 68 and Reagan at 23. Among all the Republican elected and appointed officials who had expressed an opinion, Bush took first place with 255 points, with Rockefeller second with 181, Goldwater third with 83, Reagan with 52, followed by Richardson, Melvin Laird and the rest. It was a surprise to no one that Bush was the clear winner among the Republican National Committee respondents. But all in all it was truly a monument to the Bush network, achieved for a candidate with no qualifications who had very much participated in the sleaze of the Nixon era.

The vox populi saw things slightly differently. In the number of telegrams received by the White House, Goldwater was way ahead with 2,280 in his favor, and only 102 against. Bush had 887 for him and 92 against. Rocky had 544 in favor, and a whopping 3,202 against. / Note #9

But even here, the Bush network had been totally mobilized, with a very large effort in the Dallas business community, among black Republicans, and by law firms with links to the Zionist lobby. Ward Lay of Frito-Lay joined with Herman W. Lay to support Bush. The law firm of McKenzie and Baer of Dallas assured Ford that Bush was "Mr. Clean."

Bad Blood

The full court press applied by the Bush machine also generated bad blood. Rockefeller supporter Tom Evans, a former RNC co-chair, wrote to Ford with the observation that "no one should campaign for the position and I offer these thoughts only because of an active campaign that is being conducted on George Bush's behalf which I do not believe properly reflects Republican

opinion." Evans was more substantive than most recommendations: "Certainly one of the major issues confronting our country at this time is the economy and the related problems of inflation, unemployment, and high interest rates. I respectfully suggest that you need someone who can help substantively in these areas. George is great at PR but he is not as good in substantive matters. This opinion can be confirmed by individuals who held key positions at the National Committee." Evans also argued that Bush should have put greater distance between the GOP and Nixon sooner than he did. / Note #1 / Note #0

So Nelson's networks were not going to take the Bush strong-arm approach lying down. Bush's most obvious vulnerability was his close relationship to Nixon, plus the fact that he had been up to his neck in Watergate. It was lawful that Bush's ties to one of Nixon's slush funds came back to haunt him. This was the "Townhouse" fund again, the one managed by Jack A. Gleason and California attorney Herbert W. Kalmbach, Nixon's personal lawyer, who had gained quite some personal notoriety during the Watergate years. These two had both pleaded guilty earlier in 1974 to running an illegal campaign fundraising operation.

On August 19, the eve of Ford's expected announcement, the "Washington Post" reported that unnamed White House sources were telling "Newsweek" magazine that Bush's vice-presidential bid "had slipped badly because of alleged irregularities in the financing of his 1970 Senate race in Texas." "Newsweek" quoted White House sources that "there was potential embarrassment in reports that the Nixon White House had funneled about \$100,000 from a secret fund called the "Townhouse Operation" into Bush's losing Senate campaign against Democrat Lloyd Bentsen four years ago." "Newsweek" also added that \$40,000 of this money may not have been properly reported under the election laws.

Bush's special treatment during the 1970 campaign was a subject of acute resentment, especially among Senate Republicans Ford needed to keep on board. Back in 1970, Senator Mark Hatfield of Oregon had demanded to know why John Tower had given Bush nearly twice as much money as any other Senate Republican. Senator Tower had tried to deny favoritism, but Hatfield and Edward Brooke of Massachusetts had not been placated. Now there was the threat that if Bush had to go through lengthy confirmation hearings in the Congress, the entire Townhouse affair might be dredged up once again. According to some accounts, there were as many as 18 Republican Senators who had gotten money from Townhouse, but whose names had not been divulged.

/ Note #1 / Note #1 Any attempt to force Bush through as Vice President might lead to the fingering of these Senators, and perhaps others, mightily

antagonizing those who had figured they were getting off with a whole coat. Ripping off the scabs of Watergate wounds in this way conflicted with Ford's "healing time" strategy, which was designed to put a hermetic lid on the festering mass of Watergate. Bush was too dangerous to Ford. Bush could not be chosen.

Because he was so redolent of Nixonian sleaze, Bush's maximum exertions for the vice-presidency were a failure. Ford announced his choice of Nelson Rockefeller on August 20, 1974. It was nevertheless astounding that Bush had come so close. He was defeated for the moment, but he had established a claim on the office of the vice-presidency that he would not relinquish. Despite his hollow, arrogant ambition and total incompetence for the office, he would automatically be considered for the vice-presidency in 1976 and then again in 1980. For George Bush was an aristocrat of senatorial rank, although denied the Senate, and his conduct betrayed the conviction that he was owed not just a place at the public trough, but the accolade of national political office.

Notes for Chapter 14

1. "Washington Post," Aug. 16, 1974.
2. "Washington Post," Aug. 9, 1974.
3. "Washington Post," Aug. 16, 1974.
4. Gerald R. Ford Library, Robert T. Hartman Files, Box 21.
5. Hartman Files, Box 19.
6. Philip Buchen Files, Box 63.
7. Hartman Files, Box 21.
8. Hartman Files, Boxes 19 and 20.
9. Hartman Files, Box 21.
10. Hartman Files, Box 20.
11. Walter Pincus and Bob Woodward, "Presidential Posts and Dashed Hopes," "Washington Post," Aug. 9, 1988.

XV: Bush in Beijing

""Whatever benign star it is that tends George Bush's destiny, lights his ambition, it was early on trapped in the flawed orbit of Richard Nixon. Bush's meteoric ascent, in a decade's time, from county GOP chairman to national chairman, including his prestigious ambassadorship to the United Nations, was due largely to the strong tug of Nixonian gravity. Likewise, his blunted hopes and dimmed future, like the Comet Kohoutek, result from the too-close approach to a fatal sun."" / Note #1

Several minutes before President Ford appeared for the first time before the television cameras with Nelson Rockefeller, his Vice President designate, he had placed a call to Bush to inform him that he had not been chosen, and to reassure him that he would be offered an important post as a consolation. Two days later, Bush met Ford at the White House. Bush claims that Ford told him that he could choose between a future as U.S. envoy to the Court of St. James in London, or presenting his credentials to the Elysee Palace in Paris. Bush would have us believe that he then told Ford that he wanted neither London nor Paris, but Beijing. Bush's accounts then portray Ford, never the quickest, as tapping his pipe, scratching his head, and asking, "Why Beijing?" Here Bush is lying once again. Ford was certainly no genius, but no one was better situated than he to know that it would have been utter folly to propose Bush for an ambassadorship that had to be approved by the Senate.

Why Beijing? The first consideration, and it was an imperative one, was that under no circumstances could Bush face Senate confirmation hearings for any executive branch appointment for at least one to two years. There would have been questions about the Townhouse slush fund, about his intervention on Carmine Bellino, perhaps about Leon and Russell, and about many other acutely embarrassing themes. After Watergate, Bush's name was just too smelly to send up to the Hill for any reason.

As Bush himself slyly notes: "The United States didn't maintain formal diplomatic relations with the People's Republic at the time, so my appointment wouldn't need Senate confirmation." An asterisk sends us to the additional fact that "because I'd been ambassador to the United Nations I carried the title 'ambassador' to China." The person that would have to be convinced, Bush correctly noted, was Henry Kissinger, who monopolized all decisions on his prized China card. / Note #2 But George was right about the confirmation. In 1974, what Bush was asking for was the U.S. Liaison Office (USLO), which did not have the official status of an embassy. The chief of that office was the President's personal representative in China, but it was a post that did not require Senate confirmation.

Bush's notorious crony Robert Mosbacher was uncharacteristically close to the heart of the matter when he opined that Bush "wanted to get as far away from the stench [of Watergate] as possible." / Note #3 His own story that Beijing would be a "challenge, a journey into the unknown" is pure tripe. The truth is that with Washington teeming with congressional committees, special prosecutors and grand juries, Bush wanted to get as far away as he could, and Beijing was ideal.

Otherwise, serving in Beijing meant further close subordination to Henry Kissinger. Kissinger told Bush before he left that policy would be implemented directly by Kissinger himself, in contact with the Chinese liaison in Washington and the Chinese representative at the United Nations.

Finally, anyone who has observed Bush's stubborn, obsessive, morally insane support for Deng Xiaoping, Li Peng, and Yang Shankun during the aftermath of the Tiananmen massacre of June 1989 is driven toward the conclusion that Bush gravitated toward China because of an elective affinity, because of a profound attraction for the methods and outlook of Chinese leaders like Mao Zedong, Zhou Enlai, and Deng, for whom Bush has manifested a steadfast and unshakeable devotion in the face of heinous crimes and significant political pressure to repudiate them.

Bush's staff in Beijing included Deputy Chief of Mission John Holdridge, Don Anderson, Herbert Horowitz, Bill Thomas and Bush's "executive assistant," Jennifer Fitzgerald, who has remained very close to Bush, and who has sometimes been rumored to be his mistress. Jennifer Fitzgerald in 1991 was the deputy chief of protocol in the White House; when German Chancellor Kohl visited Bush in the spring of 1991, he was greeted on the White House steps by Jennifer Fitzgerald.

Bush's closest contacts among Chinese officialdom included Vice Minister of Foreign Affairs Qiao Guanhua and his wife Zhang Hanzhi, also a top official of the foreign ministry. This is the same Qiao who is repeatedly mentioned in Kissinger's memoirs as one of his most important Red Chinese diplomatic interlocutors. This is the "Lord Qiao" enigmatically mentioned by Mao during Kissinger's meeting with Mao and Zhou Enlai on November 12, 1973. Qiao and Zhang later lost power because they sided with the left extremist Gang of Four after the death of Mao in 1976, Bush tells us. But in 1974-75, the power of the proto-Gang of Four faction was at its height, and it was toward this group that Bush quickly gravitated.

When Bush had been in Beijing for about a month, Henry Kissinger arrived for one of his periodic visits to discuss current business with the Beijing leadership. Kissinger arrived with his usual army of retainers and Secret

Service guards. During this visit, Bush went with Kissinger to see Vice-Premier Deng Xiaoping and Foreign Minister Qiao. This was one of three reported visits by Kissinger that would punctuate Bush's stay.

Bush's tenure in Beijing must be understood in the context of the Malthusian and frankly genocidal policies of the Kissinger White House. These are aptly summed up for reference in the recently declassified National Security Study Memorandum 200, "Implications of Worldwide Population Growth for U.S. Security and Overseas Interests," dated December 10, 1974. / Note #6 NSSM 200, a joint effort by Kissinger and his deputy, Gen. Brent Scowcroft, provided a hit list of 13 developing countries for which the NSC posited a "special U.S. political and strategic interest" in population reduction or limitation. The list included India, Bangladesh, Pakistan, Nigeria, Mexico, Indonesia, Brazil, the Philippines, Thailand, Egypt, Turkey, Ethiopia and Colombia. Demographic growth in these and other Third World nations was to be halted and if possible reversed for the brutal reason that population growth represented increased strategic, and military power for the countries in question. Population growth, argues NSSM 200, will also increase pressure for the economic and industrial development of these countries, an eventuality which the study sees as a threat to the United States. In addition, bigger populations in the Third World are alleged to lead to higher prices and greater scarcity of strategic raw materials. As Kissinger summed up: "Development of a worldwide political and popular commitment to population stabilization is fundamental to any effective strategy.... The U.S. should encourage LDC leaders to take the lead in advancing family planning." When NSSM 200 goes on to ask, "would food be considered an instrument of national power?" it is clear to all that active measures of genocide are at the heart of the policy being propounded. A later Kissinger report praises the Chinese Communist leadership for their commitment to population control. During 1975, these Chinese Communists, Henry Kissinger and George Bush were to team up to create a demonstration model of the NSSM 200 policy: the Pol Pot regime in Cambodia.

Target Cambodia

One of the gambits used by Kissinger to demonstrate to the Beijing Communist leaders the utility of rapprochement with the U.S.A. has to do with the unhappy nation of Cambodia. The pro-U.S. government of Cambodia was headed by Marshal Lon Nol, who had taken power in 1970, the year of the public and massive U.S. ground incursion into the country. By the spring of 1975, while the North Vietnamese advanced on Saigon, the Lon Nol government was fighting for its life against the armed insurrection of the Cambodian Communist Party or Khmer Rouge guerrillas, who were supported by mainland

China. Kissinger was as anxious as usual to serve the interests of Beijing, and now even more so, because of the alleged need to increase the power of the Chinese and their assets, the Khmer Rouge, against the triumphant North Vietnamese. The most important consideration remained to ally with China, the second strongest land power, against the U.S.S.R. Secondly, it was important to maintain the balance of power in Southeast Asia as the U.S. policy collapsed. Kissinger's policy was therefore to jettison the Lon Nol government, and to replace it with the Khmer Rouge. George Bush, as Kissinger's liaison man in Beijing, was one of the instruments through which this policy was executed. Bush did his part, and the result is known to world history under the heading of the Pol Pot regime, which committed a genocide against its own population proportionally greater than any other in recent world history.

Until 1970, the government of Cambodia was led by Prince Sihanouk, a former king who had stepped down from the throne to become Prime Minister. Under Sihanouk, Cambodia had maintained a measure of stability and had above all managed to avoid being completely engulfed by the swirling maelstrom of the wars in Laos and in Vietnam. But during 1969, Nixon and Kissinger had ordered a secret bombing campaign against North Vietnamese troop concentrations on Cambodian territory under the code name of "Menu." This bombing would have provided real and substantive grounds for the impeachment of Nixon, and it did constitute the fourth proposed article of impeachment against Nixon submitted to the House Judiciary Committee on July 30, 1974. But after three articles of impeachment having to do with the Watergate break-ins and subsequent coverup were approved by the committee, the most important article, the one on genocide in Cambodia, was defeated by a vote of 26 to 12.

Cambodia was dragged into the Indo-China war by the U.S.-sponsored coup d'etat in Phnom Penh in March 1970, which ousted Sihanouk in favor of Marshal Lon Nol of the Cambodian Army, whose regime was never able to achieve even a modicum of stability. Shortly thereafter, at the end of April 1970, Nixon and Kissinger launched a large-scale U.S. military invasion of Cambodia, citing the use of Cambodian territory by the North Vietnamese armed forces for their "Ho Chi Minh trail" supply line to sustain their forces deployed in South Vietnam. The "parrot's beak" area of Cambodia, which extended deep into South Vietnam, was occupied.

Prince Sihanouk, who described himself as a neutralist, established himself in Beijing after the seizure of power by Lon Nol. In May of 1970, he became the titular leader and head of state of a Cambodian government in exile, the Gouvernement Royal d'Union Nationale du Kampuchea, or GRUNK. The GRUNK

was in essence a united front between Sihanouk and the Khmer Rouge, with the latter exercising most of the real power and commanding the armed forces and secret police. Sihanouk was merely a figurehead, and he knew it.

During these years, the Khmer Rouge, which had launched a small guerrilla insurrection during 1968, was a negligible military factor in Cambodia, fielding only a very few thousand guerrilla fighters. One of its leaders was Saloth Sar, who had studied in Paris, and who had then sojourned at length in Red China at the height of the Red Guards' agitation. Saloth Sar was one of the most important leaders of the Khmer Rouge, and would later become infamous under his nom de guerre of Pol Pot. Decisive support for Pol Pot and for the later genocidal policies of the Khmer Rouge always came from Beijing, despite the attempts of misguided or lying commentators (like Henry Kissinger) to depict the Khmer Rouge as a creation of Hanoi.

But in the years after 1970, the Khmer Rouge, who were determined immediately to transform Cambodia into a Communist "utopia" beyond the dreams even of the wildest Maoist Red Guards, made rapid gains. The most important single ingredient in the rise of the Khmer Rouge was provided by Kissinger and Nixon, through their systematic campaign of terror bombing against Cambodian territory during 1973. This was called Arclight, and began shortly after the January 1973 Paris Accords on Vietnam. With the pretext of halting a Khmer Rouge attack on Phnom Penh, U.S. forces carried out 79,959 officially confirmed sorties with B-52 and F-111 bombers against targets inside Cambodia, dropping 539,129 tons of explosives. Many of these bombs fell upon the most densely populated sections of Cambodia, including the countryside around Phnom Penh. The number of deaths caused by this genocidal campaign has been estimated at between 30,000 and 500,000. / Note #7 Accounts of the devastating impact of this mass terror-bombing leave no doubt that it shattered most of what remained of Cambodian society and provided ideal preconditions for the further expansion of the Khmer Rouge insurgency.

During 1974, the Khmer Rouge consolidated their hold over parts of Cambodia. In these enclaves, they showed their characteristic methods of genocide, dispersing the inhabitants of the cities into the countryside, while executing teachers, civil servants, intellectuals -- sometimes all those who could read and write. This policy was remarkably similar to the one being carried out by the United States under Theodore Shackley's Operation Phoenix in neighboring South Vietnam, and Kissinger and other officials began to see the potential of the Khmer Rouge for implementing the genocidal population reductions that had now been made the official doctrine of the U.S. regime.

Support for the Khmer Rouge was even more attractive to Kissinger and Nixon because it provided an opportunity for the geopolitical propitiation of the Maoist regime in China. Indeed, in the development of the China card between 1973 and 1975, during most of Bush's stay in Beijing, Cambodia loomed very large as the single most important bilateral issue between the U.S.A. and Red China. Already, in November 1972, Kissinger told Bush's later prime contact, Qiao Guanhua, that the United States would have no real objection to a Sihanouk-Khmer Rouge government of the type that later emerged: "Whoever can best preserve it [Cambodia] as an independent neutral country, is consistent with our policy, and we believe with yours," said Kissinger. / Note #8

When Bush's predecessor David Bruce arrived in Beijing to open the new U.S. Liaison Office in the spring of 1973, he sought contact with Zhou Enlai. On May 18, 1973, Zhou stressed that the only solution for Cambodia would be for North Vietnamese forces to leave that country entirely. A few days later, Kissinger told Chinese delegate Huang Hua in New York that U.S. and Red Chinese interests in Cambodia were compatible, since both sought to avoid "a bloc which could support the hegemonial objectives of outside powers," meaning North Vietnam and Hanoi's backers in Moscow. The genocidal terror-bombing of Cambodia was ordered by Kissinger during this period. Kissinger was apoplectic over the move by the U.S. Congress to prohibit further bombing of Cambodia after August 15, 1973, which he called "a totally unpredictable and senseless event." / Note #9 Kissinger always pretends that the Khmer Rouge were a tool of Hanoi, and in his memoirs he spins out an absurd theory that the weakening of Zhou and the ascendancy of the Gang of Four was caused by Kissinger's own inability to keep bombing Cambodia. In reality, Beijing was backing its own allies, the Khmer Rouge, as is obvious from the account that Kissinger himself provides of his meeting with Bush's friend Qiao in October 1973. / Note #1 / Note #0

Starting in the second half of 1974, George Bush was heavily engaged on this Sino-Cambodian front, particularly in his contacts with his main negotiating partner, Qiao. Bush had the advantage that secret diplomacy carried on with the Red Chinese regime during those days was subject to very little public scrutiny. The summaries of Bush's dealings with the Red Chinese now await the liberation of the files of the foreign ministry in Beijing or of the State Department in Washington, whichever comes first. Bush's involvement on the Cambodian question has been established by later interviews with Prince Sihanouk's chef de cabinet, Pung Peng Cheng, as well as with French and U.S. officials knowledgeable about Bush's activities in Beijing during that time. What we have here is admittedly the tip of the iceberg, the merest hints of the monstrous iniquity yet to be unearthed. / Note #1 / Note #1

The Khmer Rouge launched a dry-season offensive against Phnom Penh in early 1974, which fell short of its goal. They tried again the following year with a dry-season offensive launched on January 1, 1975. Soon supplies to Phnom Penh were cut off, both on the land and along the Mekong River. Units of Lon Nol's forces fought the battle of the Phnom Penh perimeter through March. On April 1, 1975, President Lon Nol resigned and fled the country under the pressure of the U.S. embassy, who wanted him out as quickly as possible as part of the program to appease Beijing. / Note #1 / Note #2

When Lon Nol had left the country, Kissinger became concerned that the open conquest of Phnom Penh by the Khmer Rouge Communist guerrillas would create

public relations and political problems for the shaky Ford regime in the United States. Kissinger accordingly became interested in having Prince Sihanouk, the titular head of the insurgent coalition of which the Khmer Rouge was the leading part, travel from Beijing to Phnom Penh so that the new government in Cambodia could be portrayed more as a neutralist-nationalist, and less as a frankly Communist, regime. This turns out to be the episode of the Cambodian tragedy in which George Bush's personal involvement is most readily demonstrated.

Prince Sihanouk had repeatedly sought direct contacts with Kissinger. At the end of March 1975, he tried again to open a channel to Washington, this time with the help of the French embassy in Beijing. Sihanouk's chef de cabinet, Pung Peng Chen, requested a meeting with John Holdridge, Bush's deputy station chief. This meeting was held at the French Embassy. Pung told Holdridge that Prince Sihanouk had a favor to ask of President Ford: "[I]n [Sihanouk's] old home in Phnom Penh were copies of the films of Cambodia he had made in the sixties when he had been an enthusiastic cineast. They constituted a unique cultural record of a Cambodia that was gone forever: would the Americans please rescue them? Kissinger ordered Dean [the U.S. ambassador in Cambodia] to find the films and also instructed Bush to seek a meeting with Sihanouk. The Prince refused, and during the first ten days of April, as the noose around Phnom Penh tightened, he continued his public tirades" against the United States and its Cambodian puppets. / Note #1 / Note #3

On the same day, April 11, Ford announced that he would not request any further aid for Cambodia from the U.S. Congress, since any aid for Cambodia approved now would be "too late" anyway. Ford had originally been asking for \$333 million to save the government of Cambodia. Several days later, Ford would reverse himself and renew his request for the aid, but by that time it was really too late.

On April 11, the U.S. embassy was preparing a dramatic evacuation, but the embassy was being kept open as part of Kissinger's effort to bring Prince Sihanouk back to Phnom Penh. "It was now, on April 11, 1975, as Dean was telling government leaders he might soon be leaving, that Kissinger decided that Sihanouk should be brought back to Cambodia. In Peking, George Bush was ordered to seek another meeting; that afternoon John Holdridge met once more with Pung Peng Cheng at the French embassy. The American diplomat explained that Dr. Kissinger and President Ford were now convinced that only the Prince could end the crisis. Would he please ask the Chinese for an aircraft to fly him straight back to Phnom Penh? The United States would guarantee to remain there until he arrived. Dr. Kissinger wished to impose no conditions.... On April 12, at 5 a.m. Peking time, Holdridge again met with Pung. He told him that the Phnom Penh perimeter was degenerating so fast that the Americans were pulling out at once. Sihanouk had already issued a statement rejecting and denouncing Kissinger's invitation." / Note #1 / Note #4

Sihanouk had a certain following among liberal members of the U.S. Senate, and his presence in Phnom Penh in the midst of the debacle of the old Lon Nol forces would doubtless have been reassuring for U.S. public opinion. But Sihanouk at this time had no ability to act independently of the Khmer Rouge leaders, who were hostile to him and who held the real power, including the inside track to the Red Chinese. Prince Sihanouk did return to Phnom Penh later in 1975, and his strained relations with Pol Pot and his colleagues soon became evident. Early in 1976, Sihanouk was placed under house arrest by the Khmer Rouge, who appear to have intended to execute him. Sihanouk remained under detention until the North Vietnamese drove Pol Pot and his forces out of Phnom Penh in 1978 and set up their own government there.

In following the Kissinger-Bush machinations to bring Prince Sihanouk back to Cambodia in mid-April 1975, one is also suspicious that an included option was to increase the likelihood that Sihanouk might be liquidated by the Khmer Rouge. When the Khmer Rouge entered Phnom Penh, they immediately carried out a massacre on a grand scale, slaying any members of the Lon Nol and Long Boret cabinets they could get their hands on. There were mass executions of teachers and government officials, and all of the 2.5 million residents of Phnom Penh were driven into the countryside, including seriously ill hospital patients. Under these circumstances, it would have been relatively easy to assassinate Sihanouk amidst the general orgy of slaughter. Such an eventuality was explicitly referred to in a Kissinger NSC briefing paper circulated in March 1975, in which Sihanouk was quoted

as follows in remarks made December 10, 1971: "If I go on as chief of state after victory, I run the risk of being pushed out the window by the Communists, like Masaryk, or that I might be imprisoned for revisionism or deviationism."

More than 2 million Cambodians out of an estimated total population of slightly more than 7 million perished under the Khmer Rouge; according to some estimates, the genocide killed 32 percent of the total population. / Note #1 / Note #5 The United States and Red China, acting together under the Kissinger "China card" policy, had liquidated one Cambodian government, destroyed the fabric of civil society in the country, ousted a pro-U.S. government, and installed a new regime they knew to be genocidal in its intentions. For Kissinger, it was the exemplification of the new U.S. strategic doctrine contained in NSSM 200. For George Bush, it was the fulfillment of his family's fanatically held belief in the need for genocide to prevent the more prolific, but "inferior," races of the earth, in this case those with yellow skins, from "out-breeding" the imperial Anglo-Saxon racial stock.

Making Money in Beijing

In addition to opportunities to promote genocide, Bush's tenure in Beijing presented him with numerous occasions to exploit public office for the private gain of financiers and businessmen who were a part of his network. In September 1975, as Ford was preparing for a year-end visit to China, Kissinger organized a presidential reception at the White House for a delegation from the Beijing China Council for the Promotion of International Trade. The meeting was carefully choreographed by Kissinger and Scowcroft. The Ford Library has preserved a supplementary memo to Scowcroft, at that time the NSC chief, from Richard H. Solomon of the NSC staff, which reads as follows: "Regarding the President's meeting with the Chinese trade group, State has called me requesting that Ambassador Bush and [Kissinger henchman] Phil Habib attend the meeting. You will recall having approved Bush's sitting in on the President's meeting with the Congressional delegation that recently returned from China. Hence, Bush will be floating around the White House at this period of time anyway. I personally think it would be useful to have Bush and Habib sit in. The Cabinet Room should be able to hold them. Winston Lord is someone else who might be invited." This meeting was eventually held on September 8, 1975.

A little earlier, Bush, en route to Washington, had sent a hand-written note to Scowcroft dated August 29, 1975. This missive urged Scowcroft to grant a request from Codel Anderson, who had just completed a visit to

China complete with a meeting with Deng Xiaoping, to be allowed to report back to Ford personally.

These were the type of contacts which later paid off for Bush's cronies. During 1977, Bush returned to China as a private citizen, taking with him his former Zapata business partner, J. Hugh Liedtke. In January 1978, Liedtke was on hand when the Chinese oil minister was Bush's guest for dinner at his home in Houston. In May 1978, Liedtke and Pennzoil were at the top of the Chinese government's list of U.S. oil firms competing to be accorded contracts for drilling in China. Then, in the late summer of 1978, J. Hugh Liedtke of Pennzoil made another trip to China, during which he was allowed to view geological studies which had previously been held as state secrets by Beijing. Pennzoil was in the lead for a contract to begin oil drilling in the South China Sea. / Note #1 / Note #6

Kissinger made four visits to Beijing during Bush's tenure there. On October 19, 1975, Kissinger arrived in Beijing to prepare for Ford's visit, set for December. There were talks between Kissinger and Deng Xiaoping, with Bush, Habib, Winston Lord and Foreign Minister Qiao taking part. It was during this visit that, Bush would have us believe, he had his first face-to-face meeting with Mao Zedong, the leader of a Communist revolution which had claimed the lives of some 100 million Chinese since the end of the Second World War.

Meeting of the Monsters

Mao, one of the greatest monsters of the twentieth century, was 81 years old at that time. He was in very bad health; when he opened his mouth to meet Kissinger, "only guttural noises emerged." Mao's study contained tables covered with tubes and medical apparatus, and a small oxygen tank. Mao was unable to speak coherently, but had to write Chinese characters and an occasional word in English on a note pad which he showed to his interpreters. Kissinger inquired as to Mao's health. Mao pointed to his head saying, "This part works well. I can eat and sleep." Then Mao tapped his legs: "These parts do not work well. They are not strong when I walk. I also have some trouble with my lungs. In a word, I am not well. I am a showcase for visitors," Mao summed up. The croaking, guttural voice continued: "I am going to heaven soon. I have already received an invitation from God."

If Mao was a basso profundo of guttural croaking, then Kissinger was at least a bass-baritone: "Don't accept it too soon," he replied. "I accept the orders of the Doctor," wrote Mao on his note pad. Mao at this point had slightly less than a year to live. Bush provided counterpoint to these

lower registers with his own whining tenor.

Bush was much impressed by Mao's rustic background and repertoire of Chinese barnyard expressions. Referring to a certain problem in Sino-American relations, Mao dismissed it as no more important than a "fang go pi," no more important than a dog fart.

Mao went on, commenting about U.S. military superiority, and then saying: "God blesses you, not us. God does not like us because I am a militant warlord, also a Communist. No, he doesn't like me. He likes you three." Mao pointed to Kissinger, Bush and Winston Lord.

Toward the end of the encounter, this lugubrious monster singled out Bush for special attention. Mao turned to Winston Lord. "This ambassador," said Mao while gesturing toward Bush, "is in a plight. Why don't you come visit?" "I would be honored," Bush replied according to his own account, "but I'm afraid you're very busy." "Oh, I'm not busy," said Mao. "I don't look after internal affairs. I only read the international news. You should really come visit."

Bush claims / Note #1 / Note #7 that he never accepted Chairman Mao's invitation to come around for private talks. Bush says that he was convinced by members of his own staff that Mao did not really mean to invite him, but was only being polite. Was Bush really so reticent, or is this another one of the falsifications with which his official biographies are studded? The world must await the opening of the Beijing and Foggy Bottom archives. In the meantime, we must take a moment to contemplate that gathering of October 1975 in Chairman Mao's private villa, secluded behind many courtyards and screens in the Chungnanhai enclave of Chinese rulers not far from the Great Hall of the People and Tiananmen, where less than a year later an initial round of pro-democracy demonstrations would be put down in blood in the wake of the funeral of Zhou Enlai.

Mao, Kissinger, and Bush: Has history ever seen a tete-a-tete of such mass murderers? Mao, identifying himself with Chin Shih Huang, the first Emperor of all of China and founder of the Chin dynasty, who had built the Great Wall, burned the books, and killed the Confucian scholars -- this Mao had massacred ten percent of his own people, ravaged Korea, strangled Tibet. Kissinger's crimes were endless, from the Middle East to Vietnam, from the oil crisis of 1973-74, with the endless death in the Sahel, to India-Pakistan, Chile and many more. Kissinger, Mao and Bush had collaborated to install the Pol Pot Khmer Rouge regime in Cambodia, which was now approaching the zenith of its genocidal career. Compared to the other two, Bush may have appeared as an apprentice of genocide: He had done

some filibustering in the Caribbean, had been part of the cheering section for the Indonesia massacres of 1965, and then he had become a part of the Kissinger apparatus, sharing in the responsibility for India-Pakistan, the Middle East, Cambodia. But as Bush advanced through his personal "cursus honorum," his power and his genocidal dexterity were growing, foreshadowing such future triumphs as the devastation of El Chorrillo in Panama in December 1989, and his later masterwork of savagery, the Gulf war of 1991. By the time of Bush's own administration, Anglo-American finance and the International Monetary Fund were averaging some 50 million needless deaths per year in the developing sector.

But Mao, Kissinger and Bush exchanged pleasantries that day in Mao's sitting room in Chungnanhai. If the shades of Hitler or Stalin had sought admission to that murderers colloquium, they might have been denied entrance as pikers.

Later, in early December, Gerald Ford, accompanied by his hapless wife and daughter, came to see the moribund Mao for what amounted to a photo opportunity with a living cadaver. The Associated Press wire issued that day hyped the fact that Mao had talked with Ford for one hour and 50 minutes, nearly twice as long as the Great Steersman had given to Nixon in 1972. Participants in this meeting included Kissinger, Bush, Scowcroft and Winston Lord. Bush was now truly a leading Kissinger clone. A joint communique issued after this session said that Mao and Ford had had "earnest and significant discussions ... on wide-ranging issues in a friendly atmosphere." At this meeting, Chairman Mao greeted Bush with the words, "You've been promoted." Mao turned to Ford, and added: "We hate to see him go." At a private lunch with Vice Premier Deng Xiao-ping, the rising star of the post-Mao succession, Deng assured Bush that he was considered a friend of the Chinese Communist hierarchy who would always be welcome in China, "even as head of the CIA." For, as we will see, this was to be the next stop on Bush's "cursus honorum."

Later, Kissinger and Bush also met with Qiao Guanhua, still the Foreign Minister. According to newspaper accounts, the phraseology of the joint communique suggested that the meeting had been more than usually cordial. There had also been a two-hour meeting with Deng Xiaoping reported by the Ford White House as "a constructive exchange of views on a wide range of international issues." At a banquet, Deng used a toast for an anti-Soviet tirade which the Soviet news agency TASS criticized as "vicious attacks." / Note #1 / Note #8

Ford thought, probably because he had been told by Kissinger, that the fact that Mao had accompanied him to the door of his villa after the meeting was

a special honor, but he was disabused by Beijing-based correspondents who told him that this was Mao's customary practice. Ford's daughter Susan was sporting a full-length muskrat coat for her trip to the Great Wall. "It's more than I ever expected," she gushed. "I feel like I'm in a fantasy. It's a whole other world."

The Next Step

Days after Ford departed from Beijing, Bush also left the Chinese capital. It was time for a new step in his imperial "cursus honorum." During his entire stay in Beijing, Bush had never stopped scheming for new paths of personal advancement toward the very apex of power.

Before Bush went to Beijing, he had talked to his network asset and crony Rogers C.B. Morton about his favorite topic, his own prospects for future career aggrandizement. Morton at that time was Secretary of Commerce, but he was planning to step down before much longer. Morton told Bush: "What you ought to think about is coming back to Washington to replace me when I leave. It's a perfect springboard for a place on the ticket."

This idea is the theme of a Ford White House memo preserved in the Jack Marsh Files at the Ford Library in Ann Arbor. The memo is addressed to Jack Marsh, counselor to the President, by Russell Rourke of Marsh's staff. The memo, which is dated March 20, 1975, reads as follows: "It's my impression and partial understanding that George Bush has probably had enough of egg rolls and Peking by now (and has probably gotten over his lost V.P. opportunity). He's one hell of a Presidential surrogate, and would be an outstanding spokesman for the White House between now and November '76. Don't you think he would make an outstanding candidate for Secretary of Commerce or a similar post sometime during the next six months?"

Bush was now obsessed with the idea that he had a right to become Vice President in 1976. As a member of the senatorial caste, he had a right to enter the Senate, and if the plebeians with their changeable humors barred the elective route, then the only answer was to be appointed to the second spot on the ticket and enter the Senate as its presiding officer. As Bush wrote in his campaign autobiography: "Having lost out to Rockefeller as Ford's vice-presidential choice in 1974, I might be considered by some as a leading contender for the number two spot in Kansas City...." / Note #1 / Note #9

Bush possessed a remarkable capability for the blackmailing of Ford: He could enter the 1976 Republican presidential primaries as a candidate in

his own right, and could occasion a hemorrhaging of liberal Republican support that might otherwise have gone to Ford. Ford, the second non-elected President [Andrew Johnson was the first], was the weakest of all incumbents, and he was already preparing to face a powerful challenge from his right mounted by the Ronald Reagan camp. The presence of an additional rival with Bush's networks among liberal and moderate Republican layers might constitute a fatal impediment to Ford's prospects for getting himself elected to a term of his own.

Accordingly, when Kissinger visited Bush in Beijing in October 1975, he pointedly inquired as to whether Bush intended to enter any of the Republican presidential primaries during the 1976 season. This was the principal question that Ford had directed Kissinger to ask of Bush.

Bush's exit from Beijing occurred within the context of Ford's celebrated "Halloween massacre" of early November 1975. This "massacre," reminiscent of Nixon's cabinet purge of 1973 ("the Saturday night massacre"), was a number of firings and transfers of high officials at the top of the executive branch, through which Ford sought to figure forth the political profile which he intended to carry into the primaries and, if he were successful in the winter and spring, into the Republican convention and, beyond that, into the fall campaign. So each of these changes had a purpose that was ultimately rooted in electioneering.

In the Halloween massacre, it was announced that Vice President Nelson Rockefeller would under no circumstances be a candidate to continue in that office. Nelson's negatives were simply too high, owing in part to a vigorous campaign directed against him by Lyndon LaRouche. James "Rodney the Robot" Schlesinger was summarily ousted as the Secretary of Defense; Schlesinger's "Dr. Strangelove" overtones were judged not presentable during an election year. To replace Schlesinger, Ford's White House chief of staff, Donald Rumsfeld, was given the Pentagon. Henry Kissinger, who up to this moment had been running the administration from two posts, NSC Director and Secretary of State, had to give up his White House office and was obliged to direct the business of the government from Foggy Bottom. In consolation to him, the NSC job was assigned to his devoted clone and later business associate, retired Air Force Lt. Gen. Brent Scowcroft, a Mormon who would later play the role of exterminating demon during Bush's Gulf war adventure. At the Department of Commerce, the secretary's post that had been so highly touted to Bush was being vacated by Rogers Morton. Finally, William Colby, his public reputation thoroughly dilapidated as a result of the revelations made during the Church Committee and Pike Committee investigations of the abuses and crimes of the CIA, especially within the U.S. domestic sphere, was canned as Director of Central Intelligence.

Could this elaborate reshuffle be made to yield a job for Bush? It was anything but guaranteed. The post of CIA Director was offered to Washington lawyer and influence broker Edward Bennett Williams. But he turned it down.

Then there was the post at Commerce. This was one that Bush came very close to getting. In the Jack Marsh files at the Gerald Ford Library there is a draft marked "Suggested cable to George Bush," but which is undated. The telegram begins: "Congratulations on your selection by the President as Secretary of Commerce." The job title is crossed out, and "Director of the Central Intelligence Agency" is penciled in.

So Bush almost went to Commerce, but then was proposed for Langley instead. Bush in his campaign autobiography suggests that the CIA appointment was a tactical defeat, the one new job that was more or less guaranteed to keep him off the GOP ticket in 1976. As CIA Director, if he got that far, he would have to spend "the next six months serving as point man for a controversial agency being investigated by two major Congressional committees. The scars left by that experience would put me out of contention, leaving the spot open for others." / Note #2 / Note #0 Bush suggests that "the Langley thing" was the handiwork of Donald Rumsfeld, who had a leading role in designing the reshuffle. (Some time later, Ford's Secretary of the Treasury William Simon confided privately that he himself had been targeted for proscription by "Rummy," who was more interested in taking the Treasury than he was in the Pentagon.)

On All Saints' Day, November 1, 1975, Bush received a telegram from Kissinger informing him that "the President is planning to announce some major personnel shifts on Monday, November 3, at 7:30 PM, Washington time. Among those shifts will be the transfer of Bill Colby from CIA. The President asks that you consent to his nominating you as the new Director of the Central Intelligence Agency." / Note #2 / Note #1

Bush promptly accepted.

Notes for Chapter 15

1. Al Reinert, "Bob and George Go to Washington or The Post-Watergate Scramble," in "Texas Monthly," April 1974.
2. George Bush and Victor Gold, "Looking Forward" (New York: Doubleday, 1987), p. 130.
3. Walter Pincus and Bob Woodward, "Presidential Posts and Dashed Hopes,"

"Washington Post," Aug. 9, 1988.

6. See Hassan Ahmed and Joseph Brewda, "Kissinger, Scowcroft, Bush Plotted Third World Genocide," "Executive Intelligence Review," May 3, 1991, pp. 26-30.

7. Russell R. Ross ed., "Cambodia: A Country Study" (Washington: U.S. G.P.O., 1990), p. 46.

8. Henry Kissinger, "Years of Upheaval" (Boston: Little, Brown, 1982), p. 341.

9. "Ibid.," p. 367.

10. "Ibid.," p. 681.

11. See William Shawcross, "Sideshow: Kissinger, Nixon, and the Destruction of Cambodia" (New York: Simon and Schuster, 1987), pp. 360-61.

12. See Sutsakhan's "The Khmer Republic at War and the Final Collapse" (Washington: U.S. Army Center of Military History, 1980) pp. 163, 166.

13. Shawcross, "op. cit.," p. 360.

14. "Ibid.," p. 361.

15. Ross, "op. cit.," p. 51.

16. "Forbes," Sept. 4, 1978.

17. See Bush and Gold, "op. cit.," pp. 145-49 for Bush's account of his alleged first meeting with Mao.

18. "New Orleans Times-Picayune," Dec. 3, 1975.

19. Bush and Gold, "op. cit.," p. 157.

20. "Ibid.," pp. 157-58.

21. "Ibid.," p. 153.

"XVI: CIA Director"

In late 1975, as a result in particular of his role in Watergate, Bush's confirmation as CIA director was not automatic. And though the debate at

his confirmation was superficial, some senators, including in particular the late Frank Church of Idaho, made some observations about the dangers inherent in the Bush nomination that have turned out in retrospect to be useful.

The political scene on the home front, from which Bush had been so anxious to be absent during 1975, was the so-called "Year of Intelligence," in that it had been a year of intense scrutiny of the illegal activities and abuses of the intelligence community, including CIA domestic and covert operations. On December 22, 1974, the "New York Times" published the first of a series of articles by Seymour M. Hersh, which relied on leaked reports of CIA activities assembled by Director James Rodney Schlesinger to expose alleged misdeeds by the agency.

It was widely recognized at the time that the Hersh articles were a self-exposure by the CIA that was designed to set the agenda for the Ford-appointed Rockefeller Commission, which was set up a few days later, on January 4. The Rockefeller Commission was supposed to examine the malfeasance of the intelligence agencies and make recommendations about how they could be reorganized and reformed. In reality, the Rockefeller Commission proposals would reflect the transition of the structures of the 1970s toward the growing totalitarian tendencies of the 1980s.

While the Rockefeller Commission was a tightly controlled vehicle of the Eastern Anglophile Liberal Establishment, congressional investigating committees were impaneled during 1975 whose proceedings were somewhat less rigidly controlled. These included the Senate Intelligence Committee, known as the Church Committee, and the corresponding House committee, first chaired by Rep. Lucien Nedzi (who had previously chaired one of the principal Watergate-era probes), and then (after July) by Rep. Otis Pike. One example was the Pike Committee's issuance of a contempt of Congress citation against Henry Kissinger for his refusal to provide documentation of covert operations in November 1975. Another was Church's role in leading the opposition to the Bush nomination.

The Church Committee launched an investigation of the use of covert operations for the purpose of assassinating foreign leaders. By the nature of things, this probe was led to grapple with the problem of whether covert operations sanctioned to eliminate foreign leaders had been re-targeted against domestic political figures. The obvious case was the Kennedy assassination.

Frank Church -- who, we must keep in mind, was himself an ambitious

politician -- was especially diligent in attacking CIA covert operations, which Bush would be anxious to defend. The CIA's covert branch, Church thought, was a "self-serving apparatus." "It's a bureaucracy which feeds on itself, and those involved are constantly sitting around thinking up schemes for [foreign] intervention which will win them promotions and justify further additions to the staff.... It self-generates interventions that otherwise never would be thought of, let alone authorized." / Note #1

It will be seen that, at the beginning of Bush's tenure at the CIA, the congressional committees were on the offensive against the intelligence agencies. By the time that Bush departed Langley, the tables were turned, and it was the Congress which was the focus of scandals, including Koreagate. Soon thereafter, the Congress would undergo the assault of Abscam.

Preparation for what was to become the "Halloween massacre" began in the Ford White House during the summer of 1975. The Ford Library in Ann Arbor, Michigan preserves a memo from Donald Rumsfeld to Ford dated July 10, 1975, which deals with an array of possible choices for CIA director. Rumsfeld had polled a number of White House and administration officials and asked them to express preferences among "outsiders to the CIA." / Note #2

Dick Cheney of the White House staff proposed Robert Bork, followed by Bush and Lee Iacocca. Among the officials polled by Cheney was Henry Kissinger, who suggested C. Douglas Dillon, Howard Baker and Robert Roosa. Nelson Rockefeller was also for C. Douglas Dillon, followed by Howard Baker, and James R. Schlesinger. Rumsfeld himself listed Bork, Dillon, Stanley Resor, Lee Iacocca and Walter Wriston, but not Bush. The only officials putting Bush on their "possible" lists, other than Cheney, were Jack O. Marsh, a White House counselor to Ford, and David Packard. When it came time for Rumsfeld to sum up the aggregate number of times each person was mentioned, minus one point for each time a person had been recommended against, among the names on the final list were the following: Robert Bork (rejected in 1987 for the Supreme Court), John S. Foster of PFIAB (formerly of the Department of Defense), C. Douglas Dillon, Stanley Resor, and Robert Roosa.

It will be seen that Bush was not among the leading candidates, perhaps because his networks were convinced that he was going to make another attempt for the vice-presidency and that therefore the Commerce Department or some similar post would be more suitable. The summary profile of Bush sent to Ford by Rumsfeld found that Bush had "experience in government and diplomacy" and was "generally familiar with components of the intelligence community and their missions" while having management experience. Under "Cons" Rumsfeld noted: "RNC post lends undesirable political cast."

As we have seen, the CIA post was finally offered by Ford to Edward Bennett Williams, perhaps with an eye on building a bipartisan bridge toward a powerful faction of the intelligence community. But Williams did not want the job. Bush, originally slated for the Department of Commerce, was given the CIA appointment.

The announcement of Bush's nomination occasioned a storm of criticism, whose themes included the inadvisability of choosing a Watergate figure for such a sensitive post so soon after that scandal had finally begun to subside. References were made to Bush's receipt of financial largesse from Nixon's Townhouse fund and related operations. There was also the question of whether the domestic CIA apparatus would get mixed up in Bush's expected campaign for the vice-presidency. These themes were developed in editorials during the month of November 1976, while Bush was kept in Beijing by the requirements of preparing the Ford-Mao meetings of early December. To some degree, Bush was just hanging there and slowly, slowly twisting in the wind. The slow-witted Ford soon realized that he had been inept in summarily firing William Colby, since Bush would have to remain in China for some weeks and then return to face confirmation hearings. Ford had to ask Colby to stay on in a caretaker capacity until Bush took office. The delay allowed opposition against Bush to crystallize to some degree, but his own network was also quick to spring to his defense.

Former CIA officer Tom Braden, writing in the "Fort Lauderdale News", noted that the Bush appointment to the CIA looked bad, and looked bad at a time when public confidence in the CIA was so low that everything about the agency desperately needed to look good. Braden's column was entitled "George Bush, Bad Choice for CIA Job."

Rowland Evans and Robert Novak, writing in the "Washington Post", commented that "the Bush nomination is regarded by some intelligence experts as another grave morale deflator. They reason that any identified politician, no matter how resolved to be politically pure, would aggravate the CIA's credibility gap. Instead of an identified politician like Bush ... what is needed, they feel, is a respected non-politician, perhaps from business or the academic world."

The "Washington Post" came out against Bush in an editorial entitled "The Bush Appointment." Here the reasoning was that this position "should not be regarded as a political parking spot," and that public confidence in the CIA had to be restored after the recent revelations of wrongdoing.

After a long-winded argument, the conservative columnist George Will came

to the conclusion that Ambassador Bush at the CIA would be "the wrong kind of guy at the wrong place at the worst possible time."

Senator Church viewed the Bush appointment in the context of a letter sent to him by Ford on October 31, 1975, demanding that the committee's report on U.S. assassination plots against foreign leaders be kept secret. In Church's opinion, these two developments were part of a pattern, and amounted to a new stonewalling defense by what Church had called "the rogue elephant." Church issued a press statement in response to Ford's letter attempting to impose a blackout on the assassination report. "I am astonished that President Ford wants to suppress the committee's report on assassination and keep it concealed from the American people," said Church. Then, on November 3, Church was approached by reporters outside of his Senate hearing room and asked by Daniel Schorr about the firing of Colby and his likely replacement by Bush. Church responded with a voice that was trembling with anger. "There is no question in my mind but that concealment is the new order of the day," he said. "Hiding evil is the trademark of a totalitarian government." / Note #3

The following day, November 4, Church read Leslie Gelb's column in the "New York Times" suggesting that Colby had been fired, among other things, "for not doing a good job containing the congressional investigations." George Bush, Gelb thought, "would be able to go to Congress and ask for a grace period before pressing their investigations further." A "Washington Star" headline of this period summed up this argument: "CIA Needs Bush's PR Talent." Church talked with his staff that day about what he saw as an ominous pattern of events. He told reporters: "First came the very determined administration effort to prevent any revelations concerning NSA, their stonewalling of public hearings. Then came the president's letter. Now comes the firing of Colby, Mr. Schlesinger, and the general belief that Secretary Kissinger is behind these latest developments." For Church, "clearly a pattern has emerged now to try and disrupt this [Senate Intelligence Committee] investigation. As far as I'm concerned, it won't be disrupted," said Church grimly.

One of Church's former aides, speech writer Loch K. Johnson, describes how he worked with Church to prepare a speech scheduled for delivery on November 11, 1975, in which Church would stake out a position opposing the Bush nomination: "The nomination of George Bush to succeed Colby disturbed him and he wanted to wind up the speech by opposing the nomination.... He hoped to influence Senate opinion on the nomination on the eve of Armed Services Committee hearings to confirm Bush.

"I rapidly jotted down notes as Church discussed the lines he would like to

take against the nomination. 'Once they used to give former national party chairmen [as Bush had been under President Nixon] postmaster generalships -- the most political and least sensitive job in government,' he said. 'Now they have given this former party chairman the most sensitive and least political agency.' Church wanted me to stress how Bush 'might compromise the independence of the CIA -- the agency could be politicized.'"

Some days later, Church appeared on the CBS program "Face the Nation." He was asked by George Herman if his opposition to Bush would mean that anyone with political experience would be "a priori" unacceptable for such a post. Church replied: "I think that whoever is chosen should be one who has demonstrated a capacity for independence, who has shown that he can stand up to the many pressures." Church hinted that Bush had never stood up for principle at the cost of political office. Moreover, "a man whose background is as partisan as a past chairman of the Republican Party does serious damage to the agency and its intended purposes." / Note #4

The Brown Brothers Harriman/Skull and Bones crowd counterattacked in favor of Bush, mobilizing some significant resources. One was none other than Leon Jaworski, the former Watergate special prosecutor. Jaworski's mission for the Bush network appears to have been to get the Townhouse and related Nixon slush fund issues off the table of the public debate and confirmation hearings. Jaworski, speaking at a convention of former FBI special agents meeting in Houston, defended Bush against charges that he had accepted illegal or improper payments from Nixon and CREEP operatives. "This was investigated by me when I served as Watergate special prosecutor. I found no involvement of George Bush and gave him full clearance. I hope that in the interest of fairness, the matter will not be bandied about unless something new has appeared on the horizon."

More Opposition

Negative mail from both houses of Congress was also coming in to the White House. On November 12, GOP Congressman James M. Collins of Dallas, Texas wrote to Ford: "I hope you will reconsider the appointment of George Bush to the CIA. At this time it seems to me that it would be a greater service for the country for George to continue his service in China. He is not the right man for the CIA."

There was also a letter to Ford from Democratic Congressman Lucien Nedzi of Michigan, who had been the chairman of one of the principal House Watergate investigating committees. Nedzi wrote as follows: "The purpose of my letter is to express deep concern over the announced appointment of George Bush as the new Director of the Central Intelligence Agency."

"... [H]is proposed appointment would bring with it inevitable complications for the intelligence community. Mr. Bush is a man with a recent partisan political past and a probable near-term partisan political future. This is a burden neither the Agency, nor the legislative oversight committee, nor the Executive should have to bear as the CIA enters perhaps the most difficult period of its history.

"Accordingly, I respectfully urge that you reconsider your appointment of Mr. Bush to this most sensitive of positions." / Note #5

Within just a couple of days of making Bush's nomination public, the Ford White House was aware that it had a significant public relations problem. To get reelected, Ford had to appear as a reformer, breaking decisively with the bad old days of Nixon and the Plumbers. But with the Bush nomination, Ford was putting a former party chairman and future candidate for national office at the head of the entire intelligence community.

Ford's staff began to marshal attempted rebuttals for the attacks on Bush. On November 5, Jim Connor of Ford's staff had some trite boiler-plate inserted into Ford's Briefing Book in case he were asked if the advent of Bush represented a move to obstruct the Church and Pike Committees. Ford was told to answer that he "has asked Director Colby to cooperate fully with the Committee" and "expects Ambassador Bush to do likewise once he becomes Director. As you are aware, the work of both the Church and Pike Committees is slated to wind up shortly." / Note #6 In case he were asked about Bush politicizing the CIA, Ford was to answer: "I believe that Republicans and Democrats who know George Bush and have worked with him know that he does not let politics and partisanship interfere with the performance of public duty." That was a mouthful. "Nearly all of the men and women in this and preceding administrations have had partisan identities and have held partisan party posts.... George Bush is a part of that American tradition and he will demonstrate this when he assumes his new duties."

But when Ford, in an appearance on a Sunday talk show, was asked if he were ready to exclude Bush as a possible vice-presidential candidate, he refused to do so, answering, "I don't think people of talent ought to be excluded from any field of public service." At a press conference, Ford said, "I don't think he's eliminated from consideration by anybody, the delegates or the convention or myself."

Confirmation Hearings

Bush's confirmation hearings got under way on December 15, 1975. Even judged by Bush's standards of today, they constitute a landmark exercise in sanctimonious hypocrisy so astounding as to defy comprehension.

Bush's sponsor was GOP Senator Strom Thurmond of South Carolina, the ranking Republican on Senator John Stennis's Senate Armed Services Committee. Thurmond unloaded a mawkish panegyric in favor of Bush: "I think all of this shows an interest on your part in humanity, in civic development, love of your country, and willingness to serve your fellow man."

Bush's opening statement was also in the main a tissue of banality and clichés. He indicated his support for the Rockefeller Commission report without having mastered its contents in detail. He pointed out that he had attended cabinet meetings from 1971 to 1974, without mentioning who the President was in those days. Everybody was waiting for this consummate pontificator to get to the issue of whether he was going to attempt the vice-presidency in 1976. Readers of Bush's propaganda biographies know that he never decides on his own to run for office, but always responds to the urging of his friends. Within those limits, his answer was that he was available for the second spot on the ticket. More remarkably, he indicated that he had a hereditary right to it -- it was, as he said, his "birthright."

Would Bush accept a draft? "I cannot in all honesty tell you that I would not accept, and I do not think, gentlemen, that any American should be asked to say he would not accept, and to my knowledge, no one in the history of this Republic has been asked to renounce his political birthright as the price of confirmation for any office. And I can tell you that I will not seek any office while I hold the job of CIA Director. I will put politics wholly out of my sphere of activities." Even more, Bush argued, his willingness to serve at the CIA reflected his sense of noblesse oblige. Friends had asked him why he wanted to go to Langley at all, "with all the controversy swirling around the CIA, with its obvious barriers to political future?"

Magnanimously, Bush replied to his own rhetorical question: "My answer is simple. First, the work is desperately important to the survival of this country, and to the survival of freedom around the world. And second, old fashioned as it may seem to some, it is my duty to serve my country. And I did not seek this job but I want to do it and I will do my very best." /

Note #7

Stennis responded with a joke that sounds eerie in retrospect: "If I

thought that you were seeking the Vice Presidential nomination or Presidential nomination by way of the route of being Director of the CIA, I would question your judgment most severely." There was laughter in the committee room.

Senators Barry Goldwater and Stuart Symington made clear that they would give Bush a free ride not only out of deference to Ford, but also out of regard for the late Prescott Bush, with whom they had both started out in the Senate in 1952. Senator Thomas McIntyre was more demanding, and raised the issue of enemies list operations, a notorious abuse of the Nixon (and subsequent) administrations:

"What if you get a call from the President, next July or August, saying 'George, I would like to see you.' You go in the White House. He takes you over in the corner and says, 'Look, things are not going too well in my campaign. This Reagan is gaining on me all the time. Now, he is a movie star of some renown and has traveled with the fast set. He was a Hollywood star. I want you to get any dirt you can on this guy because I need it.'"

What would Bush do? "I do not think that is difficult, sir," intoned Bush. "I would simply say that it gets back to character and it gets back to integrity; and furthermore, I cannot conceive of the incumbent doing that sort of thing. But if I were put into that kind of position where you had a clear moral issue, I would simply say 'no,' because you see I think, and maybe -- I have the advantages as everyone on this committee of 20-20 hindsight, that this agency must stay in the foreign intelligence business and must not harass American citizens, like in Operation Chaos, and that these kinds of things have no business in the foreign intelligence business." This was the same Bush whose 1980 campaign was heavily staffed by CIA veterans, some retired, some on active service and in flagrant violation of the Hatch Act. This is the Vice President who ran Iran-Contra out of his own private office, and so forth.

Gary Hart also had a few questions. How did Bush feel about assassinations? Bush "found them morally offensive and I am pleased the President has made that position very, very clear to the Intelligence Committee...." How about "coups d'etat in various countries around the world," Hart wanted to know.

"You mean in the covert field?" replied Bush. "Yes." "I would want to have full benefit of all the intelligence. I would want to have full benefit of how these matters were taking place but I cannot tell you, and I do not think I should, that there would never be any support for a coup d'etat; in other words, I cannot tell you I cannot conceive of a situation where I would not support such action." In retrospect, this was a moment of

refreshing candor.

Gary Hart knew where at least one of Bush's bodies was buried:

Senator Hart: You raised the question of getting the CIA out of domestic areas totally. Let us hypothesize a situation where a President has stepped over the bounds. Let us say the FBI is investigating some people who are involved, and they go right to the White House. There is some possible CIA interest. The President calls you and says, I want you as Director of the CIA to call the Director of the FBI to tell him to call off this operation because it may jeopardize some CIA activities.

Mr. Bush: Well, generally speaking, and I think you are hypothecating a case without spelling it out in enough detail to know if there is any real legitimate foreign intelligence aspect....

There it was: the smoking gun tape again, the notorious Bush-Liedtke-Mosbacher-Pennzoil contribution to the CREEP again, the money that had been found in the pockets of Bernard Barker and the Plumbers after the Watergate break-in. But Hart did not mention it overtly, only in this oblique, Byzantine manner. Hart went on:

I am hypothesizing a case that actually happened in June 1972. There might have been some tangential CIA interest in something in Mexico. Funds were laundered and so forth.

Mr. Bush: Using a 50-50 hindsight on that case, I hope I would have said the CIA is not going to get involved in that if we are talking about the same one.

Senator Hart: We are.

Senator [Patrick] Leahy: Are there others?

Bush was on the edge of having his entire Watergate past come out in the wash, but the liberal Democrats were already far too devoted to the one-party state to grill Bush seriously. In a few seconds, responding to another question from Hart, Bush was off the hook, droning on about plausible deniability, of all things.

The next day, December 16, 1975, Church, appearing as a witness, delivered his philippic against Bush. After citing evidence of widespread public concern about the renewed intrusion of the CIA in domestic politics under Bush, Church reviewed the situation: "So here we stand. Need we find or

look to higher places than the Presidency and the nominee himself to confirm the fact that this door [of the Vice Presidency in 1976] is left open and that he remains under active consideration for the ticket in 1976? We stand in this position in the close wake of Watergate, and this committee has before it a candidate for Director of the CIA, a man of strong partisan political background and a beckoning political future.

"Under these circumstances I find the appointment astonishing. Now, as never before, the Director of the CIA must be completely above political suspicion. At the very least this committee, I believe, should insist that the nominee disavow any place on the 1976 Presidential ticket.... Otherwise his position as CIA Director would be hopelessly compromised.....

"If Ambassador Bush wants to be Director of the CIA, he should seek that position. If he wants to be Vice President, then that ought to be his goal. It is wrong for him to want both positions, even in a Bicentennial year."

It was an argument that conceded far too much to Bush in the effort to be fair. Bush was incompetent for the post, and the argument should have ended there. Church's unwillingness to demand the unqualified rejection of such a nominee no matter what future goodies he was willing temporarily to renounce has cast long shadows over subsequent American history. But even so, Bush was in trouble.

Church was at his ironic best when he compared Bush to a recent chairman of the Democratic National Committee: "... [I]f a Democrat were President, Mr. Larry O'Brien ought not to be nominated to be Director of the CIA. Of all times to do it, this is the worst, right at a time when it is obvious that public confidence needs to be restored in the professional, impartial, and nonpolitical character of the agency. So, we have the worst of all possible worlds." Church tellingly underlined that "Bush's birthright does not include being Director of the CIA. It includes the right to run for public office, to be sure, but that is quite a different matter than confirming him now for this particular position."

Church said he would under no circumstance vote for Bush, but that if the latter renounced the '76 ticket, he would refrain from attempting to canvass other votes against Bush. It was an ambiguous position.

Bush came back to the witness chair in an unmistakably whining mood. He was offended above all by the comparison of his august self to the upstart Larry O'Brien: "I think there is some difference in the qualifications," said Bush in a hyperthyroid rage. "Larry O'Brien did not serve in the Congress of the United States for four years. Larry O'Brien did not serve,

with no partisanship, at the United Nations for two years. Larry O'Brien did not serve as the Chief of the U.S. Liaison Office in the People's Republic of China." Not only Bush but his whole "cursus honorum" was insulted! "I will never apologize," said Bush a few seconds later, referring to his own record. Then Bush pulled out his "you must resign" letter to Nixon: "Now, I submit that for the record that that is demonstrable independence. I did not do it by calling the newspapers and saying, 'Look, I am having a press conference. Here is a sensational statement to make me, to separate me from a President in great agony.']"

The Ford Letter

Bush had been savaged in the hearings, and his nomination was now in grave danger of being rejected by the committee, and then by the full Senate. Later in the afternoon of November 16, a damage control party met at the White House to assess the situation for Ford. / Note #8 According to Patrick O'Donnell of Ford's Congressional Relations Office, the most Bush could hope for was a bare majority of 9 out of 16 votes on the Stennis Committee.

Ford was inclined to give the senators what they wanted, and exclude Bush "a priori" from the vice-presidential contest. When Ford called George over to the Oval Office on December 18, he already had the text of a letter to Stennis announcing that Bush was summarily ruled off the ticket if Ford were the candidate (which was anything but certain). Ford showed Bush the letter. We do not know what whining may have been heard in the White House that day from a senatorial patrician deprived (for the moment) of his birthright. Ford could not yield; it would have thrown his entire election campaign into acute embarrassment just as he was trying to get it off the ground. When George saw that Ford was obdurate, he proposed that the letter be amended to make it look as if the initiative to rule him out as a running mate had originated with Bush. The fateful letter read:

Dear Mr. Chairman:

As we both know, the nation must have a strong and effective foreign intelligence capability. Just over two weeks ago, on December 7 while in Pearl Harbor, I said that we must never drop our guard nor unilaterally dismantle our defenses. The Central Intelligence Agency is essential to maintaining our national security.

I nominated Ambassador George Bush to be CIA Director so we can now get on with appropriate decisions concerning the intelligence community. I need -- and the nation needs -- his leadership at CIA as we rebuild and strengthen

the foreign intelligence community in a manner which earns the confidence of the American people.

Ambassador Bush and I agree that the Nation's immediate foreign intelligence needs must take precedence over other considerations and there should be continuity in his CIA leadership. Therefore, if Ambassador Bush is confirmed by the Senate as Director of Central Intelligence, I will not consider him as my Vice Presidential running mate in 1976.

He and I have discussed this in detail. In fact, he urged that I make this decision. This says something about the man and about his desire to do this job for the nation....

On December 19, this letter was received by Stennis, who announced its contents to his committee. The committee promptly approved the Bush appointment by a vote of 12 to 4, with Gary Hart, Leahy, Culver and McIntyre voting against him. Bush's name could now be sent to the floor, where a recrudescence of anti-Bush sentiment was not likely, but could not be ruled out.

Then, two days before Christmas, the CIA chief in Athens, Richard Welch, was gunned down in front of his home by masked assassins as he returned home with his wife from a Christmas party. A group calling itself the "November 19 Organization" later claimed credit for the killing.

Certain networks immediately began to use the Welch assassination as a bludgeon against the Church and Pike Committees. An example came from columnist Charles Bartlett, writing in the now-defunct "Washington Star": "The assassination of the CIA Station Chief, Richard Welch, in Athens is a direct consequence of the stagy hearings of the Church Committee. Spies traditionally function in a gray world of immunity from such crudities. But the Committee's prolonged focus on CIA activities in Greece left agents there exposed to random vengeance." / Note #9 Staffers of the Church Committee pointed out that the Church Committee had never said a word about Greece or mentioned the name of Welch.

CIA Director Colby first blamed the death of Welch on "Counterspy" magazine, which had published the name of Welch some months before. The next day, Colby backed off, blaming a more general climate of hysteria regarding the CIA which had led to the assassination of Richard Welch. In his book, "Honorable Men", published some years later, Colby continued to attribute the killing to the "sensational and hysterical way the CIA investigations had been handled and trumpeted around the world."

The Ford White House resolved to exploit this tragic incident to the limit. Liberals raised a hue and cry in response. Les Aspin later recalled that "the air transport plane carrying [Welch's] body circled Andrews Air Force Base for three-quarters of an hour in order to land live on the "Today Show."" Ford waived restrictions in order to allow interment at Arlington Cemetery. The funeral on January 7 was described by the "Washington Post" as "a show of pomp usually reserved for the nation's most renowned military heroes." Anthony Lewis of the "New York Times" described the funeral as "a political device" with ceremonies "being manipulated in order to arouse a political backlash against legitimate criticism." Norman Kempster in the "Washington Star" found that "only a few hours after the CIA's Athens station chief was gunned down in front of his home, the agency began a subtle campaign intended to persuade Americans that his death was the indirect result of congressional investigations and the direct result of an article in an obscure magazine." Here, in the words of a "Washington Star" headline, was "one CIA effort that worked."

Bush and the ADL

Between Christmas and New Year's in Kennebunkport, looking forward to the decisive floor vote on his confirmation, Bush was at work tending and mobilizing key parts of his network. One of these was a certain Leo Cherne.

Leo Cherne is not a household word, but he has been a powerful figure in the U.S. intelligence community over the period since World War II. Leo Cherne was to be one of Bush's most important allies when he was CIA Director and throughout Bush's subsequent career.

Cherne has been a part of B'nai B'rith all his life. He was (and still is) an ardent Zionist. He is typical to that extent of the so-called "neoconservatives" who have been prominent in government and policy circles under Reagan-Bush, and Bush. Cherne was the founder of the International Rescue Committee (IRC), a conduit for neo-Bukharinite operations between East and West in the Cold War, and it was also reputedly a CIA front organization.

Cherne was a close friend of William Casey, who was working in the Nixon administration as undersecretary of state for economic affairs in mid-1973. That was when Cherne was named to the President's Foreign Intelligence Advisory Board (PFIAB) by Nixon. On March 15, 1976, Cherne became the chairman of this body, which specializes in conduiting the demands of financier and related interests into the intelligence community. Cherne, as we will see, would be, along with Bush, a leading beneficiary of Ford's spring 1976 intelligence reorganization.

Bush's correspondence with Cherne leaves no doubt that theirs was a very special relationship. Cherne represented for Bush a strengthening of his links to the Zionist-neoconservative milieu, with options for backchanneling into the Soviet bloc. Bush wrote to Cherne: "I read your testimony with keen interest and appreciation. I am really looking forward to meeting you and working with you in connection with your PFIAB chores. Have a wonderful 1976," Bush wrote.

January 1976 was not auspicious for Bush. He had to wait until almost the end of the month for his confirmation vote, hanging there, slowly twisting in the wind. In the meantime, the Pike Committee report was approaching completion, after months of probing and haggling, and was sent to the Government Printing Office on January 23, despite continuing arguments from the White House and from the GOP that the committee could not reveal confidential and secret material provided by the executive branch. On Sunday, January 25, a copy of the report was leaked to Daniel Schorr of CBS News, and was exhibited on television that evening. The following morning, the "New York Times" published an extensive summary of the entire Pike Committee report.

Despite all this exposure, the House voted on January 29 that the Pike Committee report could not be released. A few days later, it was published in full in the "Village Voice", and CBS correspondent Daniel Schorr was held responsible for its appearance. The Pike Committee report attacked Henry Kissinger, "whose comments," it said, "are at variance with the facts." In the midst of his imperial regency over the United States, an unamused Kissinger responded that "we are facing a new version of McCarthyism." A few days later, Kissinger said of the Pike Committee: "I think they have used classified information in a reckless way, and the version of covert operations they have leaked to the press has the cumulative effect of being totally untrue and damaging to the nation." /

Note #1 / Note #0

Thus, as Bush's confirmation vote approached, the Ford White House, on the one hand, and the Pike and Church Committees on the other, were close to "open political warfare," as the "Washington Post" put it at the time. One explanation of the leaking of the Pike report was offered by Otis Pike himself on February 11: "A copy was sent to the CIA. It would be to their advantage to leak it for publication." By now, Ford was raving about mobilizing the FBI to find out how the report had been leaked.

On January 19, George Bush was present in the Executive Gallery of the House of Representatives, seated close to the unfortunate Betty Ford, for

the President's State of the Union Address. This was a photo opportunity so that Ford's CIA candidate could get on television for a cameo appearance that might boost his standing on the eve of confirmation.

Confirmed, at Last

Senate floor debate was underway on January 26, and Senator McIntyre lashed out at the Bush nomination as "an insensitive affront to the American people."

In further debate on the day of the vote, January 27, Senator Joseph Biden joined other Democrats in assailing Bush as "the wrong appointment for the wrong job at the wrong time." Church appealed to the Senate to reject Bush, a man "too deeply embroiled in partisan politics and too intertwined with the political destiny of the President himself" to be able to lead the CIA. Goldwater, Tower, Percy, Howard Baker and Clifford Case all spoke up for Bush. Bush's floor leader was Strom Thurmond, who supported Bush by attacking the Church and Pike Committees.

Finally it came to a roll call and Bush passed by a vote of 64-27, with Lowell Weicker of Connecticut voting present. Church's staff felt they had failed lamentably, having gotten only liberal Democrats and the single Republican vote of Jesse Helms. / Note #1 / Note #1

It was the day after Bush's confirmation that the House Rules Committee voted 9 to 7 to block the publication of the Pike Committee report. The issue then went to the full House on January 29, which voted, 146 to 124, that the Pike Committee must submit its report to censorship by the White House and thus by the CIA. At almost the same time, Senator Howard Baker joined Tower and Goldwater in opposing the principal final recommendation of the Church Committee, such as it was -- the establishment of a permanent intelligence oversight committee.

Pike found that the attempt to censor his report had made "a complete travesty of the whole doctrine of separation of powers." In the view of a staffer of the Church Committee, "all within two days, the House Intelligence Committee had ground to a halt, and the Senate Intelligence Committee had split asunder over the centerpiece of its recommendations. The White House must have rejoiced; the Welch death and leaks from the Pike Committee report had produced, at last, a backlash against the congressional investigations." / Note #1 / Note #2

Riding the crest of that wave of backlash was George Bush. The constellation of events around his confirmation prefigures the wretched

state of Congress today: a rubber stamp parliament in a totalitarian state, incapable of overriding even one of Bush's 22 vetoes.

On Friday, January 30, Ford and Bush were joined at the CIA auditorium for Bush's swearing-in ceremony before a large gathering of agency employees. Colby was also there: Some said he had been fired primarily because Kissinger thought that he was divulging too much to the congressional committees, but Kissinger later told Colby that the latter's stratagems had been correct.

Colby opened the ceremony with a few brief words: "Mr. President, and Mr. Bush, I have the great honor to present you to an organization of dedicated professionals. Despite the turmoil and tumult of the last year, they continue to produce the best intelligence in the world." This was met by a burst of applause. / Note #1 / Note #3 Ford's line was: "We cannot improve this agency by destroying it." Bush promised to make the "CIA an instrument of peace and an object of pride for all our people."

Notes for Chapter 16

1. Nathan Miller, "Spying for America" (New York: Paragon House, 1989), p. 399.
2. Gerald R. Ford Library, Richard B. Cheney Files, Box 5.
3. See Loch K. Johnson, "A Season of Inquiry: The Senate Intelligence Investigation" (University Press of Kentucky, 1985), pp. 108-9.
4. "Ibid.", pp. 115-16.
5. Nedzi to Ford, Dec. 12, 1975, Ford Library, John O. Marsh Files, Box 1.
6. "Ibid."
7. U.S. Senate, Committee on Armed Services, Nomination of George Bush to be Director of Central Intelligence, Dec. 15-16, 1975, p. 10.
8. Memo of Dec. 16, 1975 from O'Donnell to Marsh through Friedersdorf on the likely vote in the Stennis Senate Armed Services Committee. Ford Library, William T. Kendall Files, Box 7.
9. For an account of the exploitation of the Welch incident by the Ford administration, see Johnson, "op. cit.", pp. 161-62.
10. For an account of the leaking of the Pike Committee Report and the

situation in late Jan. and Feb. 1976, see Daniel Schorr, "Clearing the Air" (Boston: Houghton Mifflin, 1977) especially pp. 179-207, and Johnson, "op. cit.", pp. 172-91.

11. Johnson, "op. cit.", p. 180.

12. "Ibid.", p. 182.

13. Thomas Powers, "The Man Who Kept the Secrets: Richard Helms and the CIA" (New York: Knopf, 1979), p. 12.

When Bush became director of Central Intelligence (DCI), the incumbent principal deputy director was Gen. Vernon Walters, a former Army lieutenant general. This is the same Gen. Vernon Walters who was mentioned by Haldeman and Nixon in the notorious "smoking gun" tape already discussed, but who of course denied that he ever did any of the things that Haldeman and Ehrlichman said that he had promised to do. Walters had been at the CIA since May 1972 -- a Nixon appointee who had been with Nixon when the then-Vice President's car was stoned in Caracas, Venezuela. Ever since then, Nixon had seen him as part of the old guard. Walters left to become a private consultant in July 1976.

To replace Walters, Bush picked Enno Henry Knoche, who had joined the CIA in 1953 as an intelligence analyst specializing in Far Eastern political and military affairs. Knoche came from the Navy and knew Chinese. From 1962 to 1967, he had been the chief of the National Photographic Interpretation Center. In 1969, he had become deputy director of planning and budgeting, and chaired the internal CIA committee in charge of computerization. Next, Knoche was deputy director of the Office of Current Intelligence, which produces ongoing assessments of international events for the President and the National Security Council. After 1972, Knoche headed the Intelligence Directorate's Office of Strategic Research, charged with evaluating strategic threats to the U.S. In 1975, Knoche had been a special liaison between Colby and the Rockefeller Commission, as well as with the Church and Pike Committees. This was a very sensitive post, and Bush clearly looked to Knoche to help him deal with continuing challenges coming from the Congress. In the fall of 1975, Knoche had become number two on Colby's staff for the coordination and management of the intelligence community. According to some, Knoche was to function as Bush's "Indian guide" through the secrets of Langley; he knew "where the bodies were buried."

Knoche was highly critical of Colby's policy of handing over limited amounts of classified material to the Pike and Church committees, while fighting to save the core of covert operations. Knoche told a group of

friends during this period: "There is no counterintelligence any more."
This implies a condemnation of the congressional committees with whom Knoche had served as liaison, and can also be read as a lament for the ousting of James Jesus Angleton, chief of the CIA's counterintelligence operations until 1975 and director of the mail-opening operation that had been exposed by various probers. / Note #1 / Note #4

Adm. Daniel J. Murphy was Bush's deputy director for the intelligence community, and later became Bush's chief of staff during his first term as vice president. Much later, in November 1987, Murphy visited Panama in the company of South Korean businessman and intelligence operative Tongsun Park, and met with Gen. Manuel Antonio Noriega. Murphy was later obliged to testify to the Senate Foreign Relations Committee about his meeting with Noriega. Murphy claimed that he was only in Panama to "make a buck," but there are indications that he was carrying messages to Noriega from Bush. Tongsun Park, Murphy's ostensible business associate, will soon turn out to have been the central figure of the Koreagate scandal of 1976, a very important development on Bush's CIA watch. / Note #1 / Note #5

Other names on the Bush flow chart included holdover Edward Proctor, followed by Bush appointee Sayre Stevens in the slot of deputy director for intelligence; holdover Carl Duckett, followed by Bush appointee Leslie Dirks as deputy director for science and technology; John Blake, holdover as deputy director for administration; and holdover William Nelson, followed by Bush appointee William Wells, deputy director for operations.

William Wells as deputy director for operations was a very significant choice. He was a career covert operations specialist who had graduated from Yale a few years before Bush. Wells soon acquired his own deputy, recommended by him and approved by Bush: This was the infamous Theodore Shackley, whose title thus became associate deputy director for covert operations. Shackley later emerged as one of the central figures of the Iran-Contra scandal of the 1980s. He is reputedly one of the dominant personalities of a CIA old boys' network known as The Enterprise, which was at the heart of Iran-Contra and the other illegal covert operations of the Reagan-Bush years.

During the early 1960s, after the Bay of Pigs, Theodore Shackley had been the head of the CIA Miami Station during the years in which Operation Mongoose was at its peak. This was the E. Howard Hunt and Watergate Cubans crowd, circles familiar to Felix Rodriguez (Max Gomez), who in the 1980s ran Contra gun-running and drug-running out of Bush's vice-presidential office.

Later, Shackley was reportedly the chief of the CIA station in Vientiane, Laos, between July 1966 and December 1968. Some time after that, he moved on to become the CIA station chief in Saigon, where he directed the implementation of the Civilian Operations and Rural Development Support (CORDS) program, better known as Operation Phoenix, a genocidal crime against humanity which killed tens of thousands of Vietnamese civilians because they were suspected of working for the Vietcong, or sometimes simply because they were able to read and write. As for Shackley, there are also reports that he worked for a time in the late 1960s in Rome, during the period when the CIA's GLADIO capabilities were being used to launch a wave of terrorism in that country that went on for well over a decade. Such was the man whom Bush chose to appoint to a position of responsibility in the CIA. Later, Shackley will turn up as a "speechwriter" for Bush during the 1979-80 campaign.

Along with Shackley came his associate and former Miami Station second in command, Thomas Clines, a partner of Gen. Richard Secord and Albert Hakim during the Iran-Contra operation, convicted in September 1990 on four felony tax counts for not reporting his ill-gotten gains, and sentenced to 16 months in prison and a fine of \$40,000.

Another career covert operations man, John Waller, became the inspector general, the officer who was supposed to keep track of illegal operations. For legal advice, Bush turned first to holdover General Counsel Mitchell Rogovin, who had in December 1975 theorized that intelligence activities belonged to the "inherent powers" of the presidency, and that no special congressional legislation was required to permit such things as covert operations to go on. Later, Bush appointed Anthony Lapham, Yale '58, as CIA general counsel. Lapham was the scion of an old San Francisco banking family, and his brother was Lewis Lapham, the editor of "Harper's" magazine. Lapham would take a leading role in the CIA coverup of the Letelier assassination case. / Note #1 / Note #6

Typical of the broad section of CIA officers who were delighted with their new boss from Brown Brothers Harriman/Skull and Bones was Cord Meyer, who had most recently been the station chief in London from 1973 on, a wild and woolly time in the tight little island, as we will see. Meyer, a covert action veteran and Watergate operative, writes at length in his autobiography about his enthusiasm for the Bush regime at CIA, which induced him to prolong his own career there. / Note #1 / Note #7

And what did other CIA officers, such as intelligence analysts, think of Bush? A common impression is that he was a superficial lightweight with no serious interest in intelligence. Deputy Director for Science and

Technology Carl Duckett, who was ousted by Bush after three months, commented that he "never saw George Bush feel he had to understand the depth of something.... [He] is not a man tremendously dedicated to a cause or ideas. He's not fervent. He goes with the flow, looking for how it will play politically." According to Maurice Ernst, the head of the CIA's Office of Economic Research from 1970 to 1980, "George Bush doesn't like to get into the middle of an intellectual debate .. he liked to delegate it. I never really had a serious discussion with him on economics." Hans Heymann was Bush's national intelligence officer for economics, and he remembers having been impressed by Bush's Phi Beta Kappa Yale degree in economics. As Heymann later recalled Bush's response, "He looked at me in horror and said, 'I don't remember a thing. It was so long ago, so I'm going to have to rely on you.'"

/ Note #1 / Note #8

Intelligence Czar

During the first few weeks of Bush's tenure, the Ford administration was gripped by a "first strike" psychosis. This had nothing to do with the Soviet Union, but was rather Ford's desire to preempt any proposals for reform of the intelligence agencies coming out of the Pike or Church Committees with a pseudo-reform of his own, premised on his own in-house study, the Rockefeller report, which recommended an increase of secrecy for covert operations and classified information. Since about the time of the Bush nomination, an interagency task force armed with the Rockefeller Commission recommendations had been meeting under the chairmanship of Ford's counselor Jack O. Marsh. This was the Intelligence Coordinating Group, which included delegates of the intelligence agencies, plus NSC, Office of Management and the Budget (OMB), and others. This group worked up a series of final recommendations that were given to Ford to study on his Christmas vacation in Vail, Colorado. At this point, Ford was inclined to "go slow and work with Congress."

But on January 10, Marsh and the intelligence agency bosses met again with Ford, and the strategy began to shift toward preempting Congress. On January 30, Ford and Bush came back from their appearance at the CIA auditorium swearing-in session and met with other officials in the Cabinet Room. Attending besides Ford and Bush were Secretary of State Kissinger, Secretary of Defense Donald Rumsfeld, Attorney General Edward Levi, Jack Marsh, Philip Buchen, Brent Scowcroft, Mike Duval, and Peter Wallison representing Vice President Rockefeller, who was out of town that day. / Note #1 / Note #9 Here Ford presented his tentative conclusions for further discussion. The general line was to preempt the Congress, not to cooperate with it, to increase secrecy, and to increase authoritarian tendencies.

Ford scheduled a White House press conference for the evening of February 17.

In his press conference of February 17, Ford scooped the Congress and touted his bureaucratic reshuffle of the intelligence agencies as the most sweeping reform and reorganization of the United States' intelligence agencies since the passage of the National Security Act of 1947. "I will not be a party to the dismantling of the CIA or other intelligence agencies," he intoned. He repeated that the intelligence community had to function under the direction of the National Security Council, as if that were something earth-shaking and new; from the perspective of Oliver North and Admiral Poindexter we can see in retrospect that it guaranteed nothing. A new NSC committee chaired by Bush was entrusted with the task of giving greater central coordination to the intelligence community as a whole. This committee was to consist of Bush, Kissinger clone William Hyland of the National Security Council staff, and Robert Ellsworth, the assistant secretary of defense for intelligence. This committee was jointly to formulate the budget of the intelligence community and allocate its resources to the various tasks.

The 40 Committee, which had overseen covert operations, was now to be called the Operations Advisory Group, with its membership reshuffled to include Scowcroft of NSC, Kissinger, Rumsfeld, Chairman of the Joint Chiefs of Staff George Brown, plus observers from the attorney general and OMB.

An innovation was the creation of the Intelligence Oversight Board (in addition to the President's Foreign Intelligence Advisory Board), which was chaired by Ambassador Robert D. Murphy, the old adversary of Charles de Gaulle during World War II. The IOB was supposed to be a watchdog to prevent new abuses from coming out of the intelligence community. Also on this board were Stephen Ailes, who had been undersecretary of defense for Kennedy and secretary of the Army for LBJ. The third figure on this IOB was Leo Cherne, who was soon to be promoted to chairman of PFIAB as well. The increasingly complicit relationship of Cherne to Bush meant that all alleged oversight by the IOB was a mockery.

Ford also wanted a version of the Official Secrets Act, which we have seen Bush supporting: He called for "special legislation to guard critical intelligence secrets. This legislation would make it a crime for a government employee who has access to certain highly classified information to reveal that information improperly" -- which would have made the Washington leak game rather more dicey than it is at present.

The Official Secrets Act would have to be passed by Congress, but most of the rest of what Ford announced was embodied in Executive Order 11905.

Church thought that this was overreaching, since it amounted to changing some provisions of the National Security Act by presidential fiat. But this was now the new temper of the times.

As for the CIA, Executive Order 11905 authorized it "to conduct foreign counterintelligence activities .. in the United States," which opened the door to many things. Apart from restrictions on physical searches and electronic bugging, it was still open season on Americans abroad. The FBI was promised the Levi guidelines, and other agencies would get charters written for them. In the interim, the power of the FBI to combat various "subversive" activities was reaffirmed. Political assassination was banned, but there were no limitations or regulations placed on covert operations, and there was nothing about measures to improve the intelligence and analytical product of the agencies.

In the view of the "New York Times", the big winner was Bush: "From a management point of view, Mr. Ford tonight centralized more power in the hands of the director of Central Intelligence than any had had since the creation of the CIA. The director has always been the nominal head of the intelligence community, but in fact has had little power over the other agencies, particularly the Department of Defense." Bush was now de facto intelligence czar. / Note #2 / Note #0

Congressman Pike said that Ford's reorganization was bent "largely on preserving all of the secrets in the executive branch and very little on guaranteeing a lack of any further abuses." Church commented that what Ford was really after was "to give the CIA a bigger shield and a longer sword with which to stab about."

The Bush-Kissinger-Ford counteroffensive against the congressional committees went forward. On March 5, the CIA leaked the story that the Pike Committee had lost more than 232 secret documents which had been turned over from the files of the executive branch. Pike said that this was another classic CIA provocation designed to discredit his committee, which had ceased its activity. Bush denied that he had engineered the leak.

By September, Bush could boast in public that he had won the immediate engagement: His adversaries in the congressional investigating committees were defeated. "The CIA," Bush announced, "has weathered the storm.... The mood in Congress has changed," he crowed. "No one is campaigning against strong intelligence. The adversary thing, how we can ferret out corruption, has given way to the more serious question how we can have better intelligence."

Such was the public profile of Bush's CIA tenure up until about the time of the November 1976 elections. If this had been the whole story, then we might accept the usual talk about Bush's period of uneventful rebuilding and morale boosting while he was at Langley.

Bush's Real Agenda

Reality was different. The administration Bush served had Ford as its titular head, but most of the real power, especially in foreign affairs, was in the hands of Kissinger. Bush was more than willing to play along with the Kissinger agenda.

The first priority was to put an end to such episodes as contempt citations for Henry Kissinger. Thanks to the presence of Don Gregg as CIA station chief in Seoul, South Korea, that was easy to arrange. This was the same Don Gregg of the CIA who would later serve as Bush's national security adviser during the second vice-presidential term, and who would manage decisive parts of the Iran-Contra operations from Bush's own office. Gregg knew of an agent of the Korean CIA, Tongsun Park, who had for a number of years been making large payments to members of Congress, above all to Democratic members of the House of Representatives, in order to secure their support for legislation that was of interest to Park Chung Hee, the South Korean leader. It was therefore a simple matter to blow the lid off this story, causing a wave of hysteria among the literally hundreds of members of Congress who had attended parties organized by Tongsun Park.

The Koreagate headlines began to appear a few days after Bush had taken over at Langley. In February, there was a story by Maxine Cheshire of the "Washington Post" reporting that the Department of Justice was investigating Congressmen Bob Leggett and Joseph Addabbo for allegedly accepting bribes from the Korean government. Both men were linked to Suzi Park Thomson, who had been hosting parties of the Korean embassy. Later, it turned out that Speaker of the House Carl Albert had kept Suzi Park Thomson on his payroll for all of the six years that he had been speaker. The "New York Times" estimated that as many as 115 Congressmen were involved.

In reality the number was much lower, but former Watergate Special Prosecutor Leon Jaworski was brought back from Houston to become special prosecutor for this case as well. This underlined the press line that "the Democrats' Watergate" had finally arrived. It was embarrassing to the Bush CIA when Tongsun Park's official agency file disappeared for several months, and finally turned up shorn of key information on the CIA officers who had been working most closely with Park.

With "Koreagate," the Congress was terrorized and brought to heel. In this atmosphere, Bush moved to reach a secret foreign policy consensus with key congressional leaders of both parties of the one-party state. According to two senior government officials involved, limited covert operations in such places as Angola were continued under the pretext that they were necessary for phasing out the earlier, larger, and more expensive operations. Bush's secret deal was especially successful with the post-Church Senate Intelligence Committee. Because of the climate of restoration that prevailed, a number of Democrats on this committee concluded that they must break off their aggressive inquiries and make peace with Bush, according to reports of remarks by two senior members of the committee staff. The result was an interregnum during which the Senate committee would neither set specific reporting requirements, nor attempt to pass any binding legislation to restrict CIA covert and related activity. In return, Bush would pretend to make a few disclosures to create a veneer of cooperation.

/ Note #2 / Note #1

The Letelier Affair

One of the most spectacular scandals of Bush's tenure at the CIA was the assassination in Washington, D.C. of Orlando Letelier, the Chilean exile leader. Letelier had been a minister in the Allende government, which had been overthrown by Kissinger in 1973. Letelier, along with Ronnie Moffitt of the Washington Institute for Policy Studies, died on September 21, 1976 in the explosion of a car bomb on Sheridan Circle, in the heart of Washington's Embassy Row district along Massachusetts Avenue.

Relatively few cases of international terrorism have taken place on the territory of the United States, but this was certainly an exception. Bush's activities before and after this assassination amount to one of the most bizarre episodes in the annals of secret intelligence operations.

One of the assassins of Letelier was unquestionably one Michael Vernon Townley, a CIA agent who had worked for David Atlee Phillips in Chile. Phillips had become the director of the CIA's Western Hemisphere operations after the overthrow of Allende and the advent of the dictatorship of Augusto Pinochet Ugarte, and its Milton Friedman/Chicago School economic policies. In 1975, Phillips founded AFIO, the Association of Former Intelligence Officers, which has supported George Bush in every campaign he has ever waged since that time. Townley, as a "former" CIA agent, had gone to work for the DINA, the Chilean secret police, and had been assigned by the DINA as its liaison man with a group called CORU. CORU was the acronym for Command of United Revolutionary Organizations, a united front of four anti-Castro Cuban organizations based primarily in the neighborhood of

Miami called Little Havana. With CORU, we are back in the milieu of Miami anti-Castro Cubans, whose political godfather George Bush had been since very early in the 1960s.

It was under these circumstances that the U.S. ambassador to Chile, George Landau, sent a cable to the State Department with the singular request that two agents of the DINA be allowed to enter the United States with Paraguayan passports. One of these agents is likely to have been Townley. The cable also indicated that the two DINA agents also wanted to meet with Gen. Vernon Walters, the outgoing deputy director of central intelligence, and so the cable also went to Langley. Here, the cable was read by Walters, and also passed into the hands of Director George Bush. Bush not only had this cable in his hands; Bush and Walters discussed the contents of the cable and what to do about it, including whether Walters ought to meet with the DINA agents. The cable also reached the desk of Henry Kissinger. One of Landau's questions appears to have been whether the mission of the DINA men had been approved in advance by Langley; his cable was accompanied by photocopies of the Paraguayan passports. (Later on, in 1980, Bush denied that he had ever seen this cable; he had not just been out of the loop, he claims; he had been in China.) The red Studebaker hacks, including Bush himself in his campaign autobiography, do not bother denying anything about the Letelier case; they simply omit it. / Note #2 / Note #2

On August 4, on the basis of the conversations between Bush and Vernon Walters, the CIA sent a reply from Walters to Landau, stating that the former "was unaware of the visit and that his Agency did not desire to have any contact with the Chileans." Ambassador Landau responded by revoking the visas that he had already granted and telling the Immigration and Naturalization Service to put the two DINA men on their watch list to be picked up if they tried to enter the United States. The two DINA men entered the United States anyway on August 22, with no apparent difficulty. The DINA men reached Washington, and it is clear that they were hardly traveling incognito: They appear to have asked a Chilean embassy official to call the CIA to repeat their request for a meeting.

According to other reports, the DINA men met with New York Senator James Buckley, the brother of conservative columnist William Buckley of Skull and Bones. It is also said that the DINA men met with Frank Terpil, a close associate of Ed Wilson, and no stranger to the operations of the Shackley-Clines Enterprise. According to one such version, "Townley met with Frank Terpil one week before the Letelier murder, on the same day that he met with Senator James Buckley and aides in New York City. The explosives sent to the United States on Chilean airlines were to replace explosives supplied by Edwin Wilson, according to a source close to the

office of Assistant U.S. Attorney Lawrence Barcella." / Note #2 / Note #3
The bomb that killed Letelier and Moffitt was of the same type that the FBI believed that Ed Wilson was selling, with the same timer mechanism.

Bush therefore had plenty of warning that a DINA operation was about to take place in Washington, and it was no secret that it would be wetwork. As authors John Dinges and Saul Landau point out, when the DINA hitmen arrived in Washington they "alerted the CIA by having a Chilean embassy employee call General Walters' office at the CIA's Langley headquarters. It is quite beyond belief that the CIA is so lax in its counterespionage functions that it would simply have ignored a clandestine operation by a foreign intelligence service in Washington, D.C., or anywhere in the United States. It is equally implausible that Bush, Walters, [Ambassador George] Landau and other officials were unaware of the chain of international assassinations that had been attributed to DINA." / Note #2 / Note #4

Bush's complicity deepens when we turn to the post-assassination coverup. The prosecutor in the Letelier-Moffitt murders was Assistant U.S. Attorney Eugene M. Propper. Nine days after the assassinations, Propper was trying without success to get some cooperation from the CIA, since it was obvious enough to anyone that the Chilean regime was the prime suspect in the killing of one of its most prominent political opponents. The CIA had been crudely stonewalling Propper. He had even been unable to secure the requisite security clearance to see documents in the case. Then Propper received a telephone call from Stanley Pottinger, assistant attorney general in charge of the Civil Rights Division of the Justice Department. Pottinger said that he had been in contact with members of the Institute for Policy Studies, who had argued that the Civil Rights Division ought to take over the Letelier case because of its clear political implications. Propper argued that he should keep control of the case since the Protection of Foreign Officials Act gave him jurisdiction. Pottinger agreed that Propper was right, and that he ought to keep the case. When Pottinger offered to be of help in any possible way, Propper asked if Pottinger could expedite cooperation with the CIA.

As Propper later recounted this conversation: "Instant, warm confidence shot through the telephone line. The assistant attorney general replied that he happened to be a personal friend of the CIA Director himself, George Bush. Pottinger called him 'George.' For him, the CIA Director was only a phone call away. Would Propper like an appointment? By that afternoon he [an FBI agent working on the case] and Pottinger were scheduled for lunch with Director Bush at CIA headquarters on Monday. A Justice Department limousine would pick them up at noon. Propper whistled to himself. This was known in Washington as access." / Note #2 / Note #5

At CIA headquarters, Pottinger introduced Propper to Director Bush, and Bush introduced the two lawyers to Tony Lapham, his general counsel. There was some polite conversation. Then, "when finally called on to state his business, Propper said that the Letelier-Moffitt murders were more than likely political assassinations, and that the investigation would probably move outside the United States into the Agency's realm of foreign intelligence. Therefore, Propper wanted CIA cooperation in the form of reports from within Chile, reports on assassins, reports on foreign operatives entering the United States, and the like. He wanted anything he could get that might bear upon the murders."

If Bush had wanted to be candid, he could have informed Propper that he had been informed of the coming of the DINA team twice, once before they left South America and once when they had arrived in Washington. But Bush never volunteered this highly pertinent information. Instead, he went into a sophisticated stonewall routine: "[Look,' said Bush, 'I'm appalled by the bombing. Obviously we can't allow people to come right here into the capital and kill foreign diplomats and American citizens like this. It would be a hideous precedent. So, as director, I want to help you. As an American citizen, I want to help. But, as director, I also know that the Agency can't help in a lot of situations like this. We've got some problems. Tony, tell him what they are.']"

Lapham launched into a consummate Aristotelian obfuscation, recounted in Lapham and Propper's "Labyrinth". Lapham and Propper finally agreed that they could handle the matter best through an exchange of letters between the CIA Director and Attorney General Levi. George Bush summed up: "If you two come up with something that Tony thinks will protect us, we'll be all right." The date was October 4, 1976.

Contrary to that pledge, Bush and the CIA began actively to sabotage Propper's investigation in public as well as behind the scenes. By Saturday, the "Washington Post" was reporting many details of Propper's arrangement with the CIA. Even more interesting was the following item in the "Periscope" column of "Newsweek" magazine of October 11: "After studying FBI and other field investigations, the CIA has concluded that the Chilean secret police were not involved in the death of Orlando Letelier.... The agency reached its decision because the bomb was too crude to be the work of experts and because the murder, coming while Chile's rulers were wooing U.S. support, could only damage the Santiago regime."

On November 1, the "Washington Post" reported a leak from Bush personally: "CIA officials say ... they believe that operatives of the present Chilean

military junta did not take part in Letelier's killing. According to informed sources, CIA Director Bush expressed this view in a conversation last week with Secretary of State Kissinger, the sources said. What evidence the CIA has obtained to support this initial conclusion was not disclosed."

Most remarkably, Bush is reported to have flown to Miami on November 8 with the purpose or pretext of taking "a walking tour of little Havana." As author Donald Freed tells it, "Actually [Bush] met with the Miami FBI Special Agent in Charge Julius Matson and the chief of the anti-Castro terrorism squad. According to a source close to the meeting, Bush warned the FBI against allowing the investigation to go any further than the lowest level Cubans." / Note #2 / Note #6

In a meeting presided over by Pottinger, Propper was only able to get Lapham to agree that the Justice Department could ask the CIA to report any information on the Letelier murder that might relate to the security of the United States against foreign intervention. It was two years before any word of the July-August cables was divulged.

Ultimately, some low-level Cubans were convicted in a trial that saw Townley plea bargain and get off with a lighter sentence than the rest. Material about Townley under his various aliases strangely disappeared from the Immigration and Naturalization Service files, and records of the July-August cable traffic with Vernon Walters (and Bush) were expunged. No doubt there had been obstruction of justice; no doubt there had been a coverup.

Team A and Team B

Now, what about the intelligence product of the CIA, in particular the National Intelligence Estimates that are the centerpiece of the CIA's work? Here Bush was to oversee a maneuver to markedly enhance the influence of the pro-Zionist wing of the intelligence community.

In June 1976, Bush accepted a proposal from Leo Cherne to carry out an experiment in "competitive analysis" in the area of National Intelligence Estimates of Soviet air defenses, Soviet missile accuracy, and overall Soviet strategic objectives. Bush and Cherne decided to conduct the competitive analysis by commissioning two separate groups, each of which would present and argue for its own conclusions. On the one, Team A would be the CIA's own National Intelligence Officers and their staffs. But there would also be a separate Team B, a group of ostensibly independent outside experts.

The group leader of Team B was Harvard history professor Richard Pipes, who was working in the British Museum in London when he was appointed by Bush and Cherne.

The liaison between Pipes's Team B and Team A, the official CIA, was provided by John Paisley, who had earlier served as the liaison between Langley and the McCord-Hunt-Liddy Plumbers. In this sense, Paisley served as the staff director of the Team A-Team B experiment.

Team B's basic conclusion was that the Soviet military preparations were not exclusively defensive, but rather represented the attempt to acquire a first-strike capability that would allow the U.S.S.R. to unleash and prevail in thermonuclear war. The U.S. would face a window of vulnerability during the 1980s. But it is clear from Pipes's own discussion of the debate, / Note #2 / Note #7 that Team B was less interested in the Soviet Union and its capabilities than in seizing hegemony in the intelligence and think-tank community in preparation for seizing the key posts in the Republican administration that might follow Carter in 1980. The argument in Team B quarters was that, since the Soviets were turning aggressive once again, the U.S.A. must do everything possible to strengthen the only staunch and reliable American ally in the Middle East or possibly anywhere in the world, Israel. This meant not just that Israel had to be financed without stint, but that Israel had to be brought into Central America, the Far East, and Africa. There was even a design for a new NATO, constructed around Israel, while junking the old NATO because it was absorbing vital U.S. resources needed by Israel.

By contrast, Team B supporters like Richard Perle, who served as assistant secretary of defense under Reagan, were bitterly hostile to the Strategic Defense Initiative, which was plainly the only rational response to the Soviet buildup, which was very real indeed. The "window of vulnerability" argument had merit, but the policy conclusions favored by Team B had none, since their idea of responding to the Soviet threat was, once again, to subordinate everything to Israeli demands.

Team A and Team B were supposed to be secret, but leaks appeared in the "Boston Globe" in October. Pipes was surprised to find an even more detailed account of Team B and its grim estimate of Soviet intent in the "New York Times" shortly after Christmas, but Paisley told him that Bush and CIA official Richard Lehman had already been talking to the press, and urged Pipes to begin to offer some interviews of his own. / Note #2 / Note #8

Typically enough, Bush appeared on "Face the Nation" early in the new year, before the inauguration of the new President, Jimmy Carter, to say that he was "appalled" by the leaks of Team B's conclusions. Bush confessed that "outside expertise has enormous appeal to me." He refused to discuss the Team B conclusions themselves, but did say that he wanted to "gun down" speculation that the CIA had leaked a tough estimate of the Soviet Union's military buildup in order to stop Carter from cutting the defense budget.

After the Team B conclusions had been bruited around the world, Pipes became a leading member of the Committee on the Present Danger, where his fellow Team B veteran, Paul Nitze, was already ensconced, along with Eugene V. Rostow, Dean Rusk, Lane Kirkland, Max Kampelman, Richard Allen, David Packard and Henry Fowler. About 30 members of the Committee on the Present Danger went on to become high officials of the Reagan administration.

Ronald Reagan himself embraced the "window of vulnerability" thesis, which worked as well for him as the bomber gap and missile gap arguments had worked in previous elections. When the Reagan administration was being assembled, Bush and James Baker had a lot to say about who got what appointments. Bush was the founder of Team B, and that is the fundamental reason why such pro-Zionist neoconservatives as Max Kampelman, Richard Perle, Steven Bryen, Noel Koch, Paul Wolfowitz and Dov Zakem showed up in the Reagan administration.

In a grim postlude to the Team B exercise, Bush's hand-picked staff director for the operation, John Paisley, the Soviet analyst (Paisley was the former deputy director of the CIA's Office of Strategic Research) and CIA liaison to the Plumbers, disappeared on September 24, 1978 while sailing on Chesapeake Bay in his sloop, the "Brillig." Several days later, a body was found floating in the bay in an advanced state of decomposition, and with a gunshot wound behind the left ear. The corpse was weighted down by two sets of ponderous diving belts. The body was four inches shorter than Paisley's own height, and Paisley's wife later asserted that the body found was not that of her husband. Despite all this, the body was positively identified as Paisley's, the death summarily ruled a suicide, and the body quickly cremated at a funeral home approved by the Office of Security.

Parting Shots

As he managed the formidable world-wide capabilities of the CIA during 1976, Bush was laying the groundwork for his personal advancement to higher office and greater power in the 1980s. As we have seen, there was some intermittent speculation during the year that, in spite of what Ford had

promised the Senate, Bush might show up as Ford's running mate after all. But, at the Republican convention, Ford chose Kansas Senator Bob Dole for Vice President. If Ford had won the election, Bush would certainly have attempted to secure a further promotion, perhaps to secretary of state, defense, or treasury as a springboard for a new presidential bid of his own in 1980. But if Carter won the election, Bush would attempt to raise the banner of the non-political status of the CIA in order to convince Carter to let him stay at Langley during the period 1977-81 as a "non-partisan" administrator.

In the close 1976 election, Carter prevailed by vote fraud in New York, Ohio, and other states, but Ford was convinced by William Nelson and Happy Rockefeller, as well as by his own distraught wife Betty, that he must concede in order to preserve the work of "healing" that he had accomplished since Watergate. Carter would therefore enter the White House.

Bush prepared to make his bid for continuity at the CIA. Shortly after the election, he was scheduled to journey to Plains to brief Carter with the help of his deputy Henry Knoche. The critical meeting with Carter went very badly indeed. Bush took Carter aside and argued that in 1960 and 1968, CIA directors were retained during presidential transitions, and that it would make Carter look good if he did the same. Carter signaled that he wasn't interested. Then Bush lamely stammered that if Carter wanted his own man in Langley, Bush would be willing to resign, which is of course standard procedure for all agency heads when a new President takes office. Carter said that that was indeed exactly what he wanted, and that he would have his own new DCI ready by January 21, 1977. Bush and Knoche then briefed Carter and his people for some six hours. Carter insiders told the press that Bush's briefing had been a "disaster." "Jimmy just wasn't impressed with Bush," said a key Carter staffer. / Note #2 / Note #9

Bush and Knoche then flew back to Washington, and on the plane Bush wrote a memo for Henry Kissinger describing his exchanges with Carter. At midnight, Bush drove to Kissinger's home and briefed him for an hour.

Bush left Langley with Carter's inauguration, leaving Knoche to serve a couple of months as acting DCI. George Bush now turned to his family business of international banking.

Notes for Chapter XVI

14. William Colby, "Honorable Men" (New York: Simon and Schuster, 1978), p. 452.

15. On Murphy and Noriega, see Frank McNeil, "War and Peace in Central America" (New York: Scribners, 1988), p.278.
16. See John Prados, "Presidents' Secret Wars" (New York: William Morrow, 1986); Powers, "op. cit."; and John Ranelagh, "The Agency: The Rise and Decline of the CIA" (New York: Simon and Schuster, 1987).
17. Cord Meyer, "Facing Reality: >From World Federalism to the CIA" (Washington, D.C.: University Press of America, 1982), pp. 225-26.
18. "Washington Post", Aug. 10, 1988.
19. Ford Library, Philip W. Buchen Files, Box 2.
20. For Ford's reorganization, see Johnson, "op. cit.", pp. 194-97, and "New York Times", Feb. 18, 1976.
21. Scott Armstrong and Jeff Nason, "Company Man," "Mother Jones", October 1988.
22. See Armstrong and Nason, "op. cit.", p. 43.
23. Freed, "op. cit.", p. 174.
24. Dinges and Landau, "op. cit.", p. 384.
25. Taylor Branch and Eugene M. Propper, "Labyrinth" (New York: Viking Press, 1982), p. 72.
26. Freed, "op. cit.", p. 174.
27. Richard Pipes, "Team B: The Reality Behind the Myth," "Commentary", Oct. 1986.
28. "Ibid.", p. 34. Pipes makes clear that it was Bush and Richard Lehman who both leaked to David Binder of the "New York Times." Lehman also encouraged Pipes to leak. The version offered by William R. Corson, Susan B. Trento and Joseph J. Trento in "Widows" (New York: Crown, 1989), namely that Paisley did the leaking, may also be true, but will not exonerate Bush.
29. Evans and Novak column, "Houston Post", Dec. 1, 1976. For the pro-Bush account of these events, see Nicholas King, "George Bush: A Biography" (New York: Dodd, Mead & Company, 1980), pp. 109-10.

"XVII: Campaign 1980"

Shortly after leaving Langley, Bush asserted his birthright as an international financier, that is to say, he became a member of the board of directors of a large bank. On February 22, 1977, Robert H. Stewart III, the chairman of the holding company for First International Bankshares of Dallas, announced that Bush would become the chairman of the executive committee of First International Bank of Houston, and would simultaneously become a director of First International Bankshares Ltd. of London, a merchant bank owned by First International Bankshares, Inc. Bush also became a director of First International Bankshares, Inc. ("Interfirst"), which was the Dallas-based holding company for the entire international group.

During the 1988 campaign, Bush gave the implacable stonewall to any questions about the services he performed for the First International Bankshares group or about any other aspects of his business activities during the pre-1980 interlude.

Later, after the Reagan-Bush orgy of speculation and usury had ruined the Texas economy, the Texas commercial banks began to collapse into bankruptcy. Interfirst merged with RepublicBank during 1987 to form First RepublicBank, which became the biggest commercial bank in Texas. Bankruptcy overtook the new colossus just a few months later, but federal regulators delayed their inevitable intervention until after the Texas primary, in the spring of 1988, in order to avoid a potentially acute embarrassment for Bush. Once Bush had the presidential nomination locked up, the Federal Deposit Insurance Corporation, with the connivance of the IRS, awarded the assets of First RepublicBank to the North Carolina National Bank in exchange for no payment whatsoever on the part of NCNB (now NationsBank).

During the heady days of Bush's directorship at Interfirst, the bank retained a law firm in which one Lawrence Gibbs was a partner.

Gibbs, a clear Bush asset, was made commissioner of the Internal Revenue Service on August 4, 1986. Here, he engineered the sweetheart deal for NCNB by decreeing \$1.6 billion in tax breaks for this bank. This is typical of the massive favors and graft for pro-Bush financier interests at the expense of the taxpayer which are the hallmark of the Bush machine. Lawrence Gibbs also approved IRS participation in the October 6, 1986 federal-state police raid against premises and persons associated with the political movement of Lyndon H. LaRouche in Leesburg, Virginia. This raid was a leading part of the Bush machine's long term effort to eliminate

centers of political opposition to Bush's 1988 presidential bid. And LaRouche had been a key adversary of Bush dating back to the 1979-80 New Hampshire primary campaign, as we will shortly document.

Bush also joined the board of Purolator Oil Company in Rahway, New Jersey, where his crony, Wall Street raider Nicholas Brady (later Bush's Secretary of the Treasury) was the chairman. Bush also joined the board of Eli Lilly & Co., a very large and very sinister pharmaceutical company. The third board Bush joined was that of Texas Gulf, Inc. Bush's total 1977 rakeoff from the four companies with which he was involved was \$112,000, according to Bush's 1977 tax return.

Bush also found time to line his pockets in a series of high-yield deals that begin to give us some flavor of what would later be described as the "financial excesses of the 1980s," in which Bush's circle was to play a decisive role.

A typical Bush venture of this period was Ponderosa Forest Apartments, a highly remunerative speculative play in real estate. Ponderosa bought up a 180-unit apartment complex near Houston that was in financial trouble, gentrified the interiors, and hiked the rents. Horace T. Ardinger, a Dallas real estate man who was among Bush's partners in this deal, described the transaction as "a good tax gimmick ... and a typical Texas joint venture offering."

According to Bush's tax returns from 1977 through 1985, the Ponderosa partnership accrued to Bush a paper loss of \$225,160, which allowed him to avoid payment of some \$100,000 in federal taxes alone, plus a direct profit of over \$14,000 and a capital gain of \$217,278. This type of windfall represents precisely the form of real estate swindle that contributed to the Texas real estate and banking crisis of the mid-1980s. The deal illustrates one of the important ways in which the federal tax base has been eroded through real estate scams. We also see why it is no surprise that the one fiscal innovation which has earned Bush's sustained attention is the idea of a reduction in the capital gains tax to allow those who engage in swindles like these to pay an even smaller federal tax bite.

But Bush's main preoccupation during these years was to assemble a political machine with which he could bludgeon his way to power. After his numerous frustrations of the past, Bush was resolved to organize a campaign that would go far beyond the innocuous exercise of appealing for citizens' votes. If such a machine were actually to succeed in seizing power in Washington, tendencies toward the creation of an authoritarian police state would inevitably increase.

The Spook Campaign Machine

Bush assembled quite a campaign machine.

One of the central figures of the Bush effort would be James Baker III, Bush's friend of ten years' standing. Baker's power base derived first of all from his family's Houston law firm, Baker & Botts, which was founded just after the end of the Civil War by defeated partisans of the Confederate cause.

Baker & Botts founder Peter Gray had been assistant treasurer of the Confederate States of America and financial supervisor of the CSA's "Trans-Mississippi Department." Gray, acting on orders of Confederate Secretary of State Robert Toombs, financed the subversive work of Confederate Gen. Albert Pike among the Indian tribes of the Southwest. The close of the war in 1865 had found Pike hiding in Canada, and Toombs in exile in England. Pike was excluded from the general U.S. amnesty for rebels because he was thought to have induced Indians to commit massacres and war crimes.

Pike and Toombs reestablished the "Southern Jurisdiction" of the Scottish Rite of Freemasonry, of which Pike had been the leader in the slave states before the Civil War. Pike's deputy, one Phillip C. Tucker, returned from Scottish Rite indoctrination in Great Britain to set up a Scottish Rite lodge in Houston in the spring of 1867. Tucker designated Walter Browne Botts and his relative Benjamin Botts as the leaders of this new Scottish Rite lodge. / Note #1 The policy of the Scottish Rite was to regroup unreconstructed Confederates to secure the disenfranchisement of black citizens and to promote Anglophile domination of finance and business.

By the beginning of the twentieth century, there were two great powers dominating Texas: On the one hand, the railroad empire of E.H. Harriman, served by the law firm of Baker & Botts; and on the other, the British-trained political operative Colonel Edward M. House, the controller of President Woodrow Wilson. The close relation between Baker & Botts and the Harriman interests has remained in place down to the present. And since the time that Captain James A. Baker founded the Texas Commerce Bank, the Baker family has helped the London-New York axis run the Texas banking system.

In 1901, the discovery of large oil deposits in Texas offered great promise for the future economic development of the state, but also attracted the Anglo-American oil cartel. The Baker family law firm in Texas, like the

Bush and Dulles families in New York, was aligned with the Harriman-Rockefeller cartel.

The Bakers were prominent in supporting eugenics and utopian-feudalist social engineering. Captain James A. Baker, so the story goes, the grandfather of the current boss of Foggy Bottom, solved the murder of his client William Marsh Rice and took control of Rice's huge estate. Baker used the money to start Rice University and became the chairman of the school's board of trustees. Baker sought to create a center for diffusion of racist eugenics, and for this purpose brought in Julian Huxley of the infamous British oligarchical family to found the biology program at Rice starting in 1912. / Note #2 Huxley was the vice president of the British Eugenics Society and actually helped to organize "race science" programs for the Nazi Interior Ministry, before becoming the founding director general of UNESCO in 1946-48.

James A. Baker III was born April 28, 1930, in the fourth generation of his family's wealth. Baker holdings have included Exxon, Mobil, Atlantic Richfield, Standard Oil of California, Standard Oil of Indiana, Kerr-McGee, Merck, and Freeport Minerals. Baker also held stock in some large New York banks during the time that he was negotiating the Latin American debt crisis in his capacity as secretary of the treasury. / Note #3

James Baker grew up in patrician surroundings. His social profile has been described as "Tex-prep." Like his father, James III attended the Hill School near Philadelphia, and then went on to Princeton, where he was a member of the Ivy Club, a traditional preserve of Eastern Anglophile Liberal Establishment oligarchs.

Baker & Botts maintains an "anti-nepotism" policy, so James III became a boss of Houston's Andrews, Kurth, Campbell & Jones law firm, a satellite of Baker & Botts. Baker's relation to Bush extends across both law firms: In 1977, Baker & Botts partner Blaine Kerr became president of Pennzoil, and in 1979, Baker & Botts partner B.J. Mackin became chairman of Zapata Corporation. Baker & Botts have always represented Zapata, and are often listed as counsel for Schlumberger, the oil services firm. James Baker and his Andrews, Kurth partners were the Houston attorneys for First International Bank of Houston when George Bush was chairman of the bank's executive committee.

During the 1980 campaign, Baker became the chairman of the Reagan-Bush campaign committee, while fellow Texan Bob Strauss was chairman of the Carter-Mondale campaign. But Baker and Strauss were at the very same time business partners in Herman Brothers, one of America's largest beer

distributors. Bush Democrat Strauss later went to Moscow as Bush's ambassador to the U.S.S.R., and later, to Russia.

Another leading Bush supporter was Ray Cline. During 1979, it was Ray Cline who had gone virtually public with a loose and informal, but highly effective, campaign network mainly composed of former intelligence officers. Cline had been the CIA station chief in Taiwan from 1958 to 1962. He had been deputy director of central intelligence from 1962 to 1966, and had then gone on to direct the intelligence-gathering operation at the State Department. Cline became a de facto White House official during the first Bush administration, and wrote the White House boiler plate entitled "National Security Strategy of the United States," under which the Gulf war was carried out.

Heading up the Bush campaign muckraking "research" staff was Stefan Halper, Ray Cline's son-in-law and a former official of the Nixon White House.

A member of Halper's staff was a CIA veteran named Robert Gambino. Gambino had held the sensitive post of director of the CIA's Office of Security. The Office of Security is reputed to possess extensive files on the domestic activities of American citizens. David Aaron, Brzezinski's deputy at the Carter National Security Council, recalled that some high Carter officials were "upset" that Gambino had gone to work for the Bush camp. According to Aaron, "several [CIA] people took early retirement and went to work for Bush's so-called security staff. The thing that upset us, was that a guy who has been head of security for the CIA has been privy to a lot of dossiers, and the possibility of abuse was quite high, although we never heard of any occasion when Gambino called someone up and forced them to do something for the campaign." / Note #4

Other high-level spooks active in the Bush campaign included Lt. Gen. Sam V. Wilson and Lt. Gen. Harold A. Aaron, both former directors of the Defense Intelligence Agency. Another enthusiastic Bushman was retired Gen. Richard Stillwell, formerly the CIA's chief of covert operations for the Far East. The former deputy director for operations, Theodore Shackley, was also on board, reportedly as a speechwriter, but more likely for somewhat heavier work.

According to one estimate, at least 25 former intelligence officials worked directly for the Bush campaign. As Bill Peterson of the "Washington Post" wrote on March 1, 1980, "Simply put, no presidential campaign in recent memory -- perhaps ever -- has attracted as much support from the intelligence community as the campaign of former CIA Director George Bush."

Further intelligence veterans among the Bushmen included Daniel C. Arnold, the former CIA station chief in Bangkok, Thailand, who retired early to join the campaign during 1979. Harry Webster, a former clandestine agent, became a member of Bush's paid staff for the Florida primary. CIA veteran Bruce Rounds was Bush's "director of operations" during the key New Hampshire primary. Also on board with the Bushmen was Jon R. Thomas, a former clandestine operative who had been listed as a State Department official during a tour of duty in Spain, and who later worked on terrorism and drug-trafficking at the State Department. Andrew Falkiewicz, the former spokesman of the CIA in Langley, attended some of Bush's pre-campaign brainstorming sessions as a consultant on foreign policy matters.

One leading bastion of the Bushmen was predictably David Atlee Philips's AFIO, the Association of Former Intelligence Officers. Jack Coakley was a former director and Bush's campaign coordinator for Virginia. He certified that at the AFIO annual meeting in the fall of 1979, he counted 190 "Bush for President" buttons among 240 delegates to the convention. / Note #5

James Baker was the obvious choice to be Bush's campaign manager. He had served Bush in this function in the failed Senate campaign of 1970. During the Ford years, Baker had advanced to become deputy secretary of commerce. Baker had been the manager of Ford's failed 1976 campaign. In 1978, Baker had attempted to get himself elected attorney general of Texas, but had been defeated.

David Keene was political adviser. And, as always, no Bush campaign would be complete without Robert Mosbacher heading up the national finance operation. Mosbacher's experience, as we have seen, reached back to the Bill Liedtke conveyances to Maurice Stans of the CREEP in 1972.

With the help of Baker and Mosbacher, Bush began to set up political campaign committees that could be used to convoy quasi-legal "soft money" into his campaign coffers. This is the classic stratagem of setting up political action committees that are registered with the Federal Election Commission for the alleged purpose of channeling funds into the campaigns of deserving Republican (or Democratic) candidates. In reality, almost all of the money is used for the presidential candidate's own staff, office, mailings, travel and related expenses. Bush's principal vehicle for this type of funding was called the Fund for Limited Government. During the first six months of 1987, this group collected \$99,000 and spent \$46,000, of which only \$2,500 went to other candidates.

Despite the happy facade, Bush's campaign staff was plagued by turmoil and morale problems, leading to a high rate of turnover in key posts.

One who has stayed on all along has been Jennifer Fitzgerald, a British woman born in 1932 who had been with Bush at least since Beijing. Fitzgerald later worked in Bush's vice-presidential office, first as appointments secretary, and later as executive assistant. According to some Washington wags, she controlled access to Bush in the same way that Martin Bormann controlled access to Hitler. According to Harry Hurt, among former Bush staffers, "Fitzgerald gets vituperative reviews. She has been accused of bungling the 1980 presidential campaign by canceling Bush appearances at factory sites in favor of luncheon club speeches. Critics of her performance say she misrepresents staff scheduling requests and blocks access to her boss.... A number of the vice president's close friends worry that 'the Jennifer problem' -- or the appearance of one -- may inhibit Bush's future political career. 'There's just something about her that makes him feel good,' says one trusted Bush confidant. 'I don't think it's sexual. I don't know what it is. But if Bush ever runs for president again, I think he's going to have to make a change on that score.'" / Note #6

The Establishment's Candidate

Bush formally announced his presidential candidacy on May 1, 1979. One of Bush's themes was the idea of a "Union of the English-Speaking Peoples." Bush was asked later in his campaign by a reporter to elaborate on this. Bush stated at that time that "the British are the best friend America has in the world today. I believe we can benefit greatly from much close collaboration in the economic, military, and political spheres. Sure, I am an Anglophile. We should all be. Britain has never done anything bad to the United States." / Note #7

Together with James Baker III, always the idea man of the Bush-Baker combo, the Bush campaign studied Jimmy Carter's success story of 1976. They knew they were starting with a "George Who?" virtually unknown to most voters. First of all, Bush would ape the Carter strategy of showing up in Iowa and New Hampshire early and often.

Thanks to Mosbacher's operation, the Bush campaign would advance on a cushion of money -- he spent \$1.3 million for the Illinois primary alone. The biggest item would be media buys -- above all television. This time Bush brought in Baltimore media expert Robert Goodman, who designed a series of television shorts that were described as "fast-moving, newsfilmlike portraits of an energetic, dynamic Bush creating excitement and moving through crowds, with an upbeat musical track behind him. Each of the advertisements used a slogan that attempted to capitalize on Bush's experience, while hitting Carter's wretched on-the-job performance and

Ronald Reagan's inexperience on the national scene: 'George Bush,' the announcer intoned, 'a President we won't have to train.'" / Note #8

On November 3, 1979, Bush bested Sen. Howard Baker in a "beauty contest" straw poll taken at the Maine Republican convention in Portland. Bush won by a paper-thin margin of 20 votes out of 1,336 cast, and Maine was really his home state, but the Brown Brothers Harriman networks at the "New York Times" delivered a front-page lead story with a subhead that read, "Bush Gaining Stature as '80 Contender."

Bush's biggest lift of the 1980 campaign came when he won a plurality in the January 21 Iowa caucuses, narrowly besting Reagan, who had not put any effort into the state. At this point, the Brown Brothers Harriman/Skull and Bones media operation went into high gear. That same night Walter Cronkite told viewers: "George Bush has apparently done what he hoped to do, coming out of the pack as the principal challenger to front-runner Ronald Reagan."

In the interval between January 21 and the New Hampshire primary of February 26, the Eastern Liberal Establishment labored mightily to put George Bush into power as President that same year. The press hype in favor of Bush was overwhelming. "Newsweek"'s cover featured a happy and smiling Bush talking with his supporters: "Bush Breaks Out of the Pack," went the headline.

"Time", which had been founded by Henry Luce of Skull and Bones, showed a huge, grinning Bush and a smaller, very cross Reagan, headlined: "BUSH SOARS." The leading polls, always doctored by the intelligence agencies and other interests, showed a Bush boom: Lou Harris found that whereas Reagan had led Bush into Iowa by 32-6 nationwide, Bush had pulled even with Reagan at 27-27 within 24 hours after the Iowa result had become known.

Robert Healy of the "Boston Globe" stuck his neck out even further for the neo-Harrimanite cause with a forecast that "even though he is still called leading candidate in some places, Reagan does not look like he'll be on the Presidential stage much longer."

NBC's Tom Brokaw started calling Reagan the "former front-runner." Tom Pettit of the same network was more direct: "I would like to suggest that Ronald Reagan is politically dead."

The Eastern Liberal Establishment had left no doubt who its darling was: Bush, and not Reagan. In their arrogance, the Olympians had once again committed the error of confusing their collective patrician whim with real processes ongoing in the real world. The New Hampshire primary was to prove

a devastating setback for Bush, in spite of all the hype the Bushman networks were able to crank out. How did it happen?

New Hampshire: The LaRouche Factor

George Bush was, of course, a lifelong member of the Skull and Bones secret society of Yale University, through which he advanced toward the freemasonic upper reaches of the Anglo-American Establishment, toward those exalted circles of London, New York and Washington, in which the transatlantic destiny of the self-styled Anglo-Saxon master race is elaborated. The entrees provided by Skull and Bones membership would always be, for Bush, the most vital ones. But, in addition to such exalted feudal brotherhoods as Skull and Bones, the Anglo-American Establishment also maintains a series of broader-based elite organizations whose function is to manifest the hegemonic Anglo-American policy line to the broader layers of the Establishment, including bureaucrats, businessmen, bankers, journalists, professors and other such assorted retainers and stewards of power.

George Bush had thus found it politic over the years to become a member of the New York Council on Foreign Relations. By 1979, Bush was a member of the board of the CFR, where he sat next to his old patron Henry Kissinger. The president of the CFR during this period was Kissinger clone Winston Lord of the traditional Skull and Bones family.

George was also a member of the Bohemian Club of San Francisco, which had been founded by Ambrose Bierce after the Civil War to cater to the Stanfords, Huntingtons, Crockers, Hopkinses and the other nouveau-riche tycoons that had emerged from the gold rush.

Then there was the Trilateral Commission, founded by David Rockefeller in 1973-74. The Trilateral Commission emerged at the same time that the Rockefeller-Kissinger interests perpetrated the first oil hoax. Some of its first studies were devoted to the mechanics of imposing authoritarian-totalitarian forms of government in the United States, Europe, and Japan to manage the austerity and economic decay that would be the results of Trilateral policies.

As we saw briefly during Bush's Senate campaign, the combination of bankruptcy and arrogance which was the hallmark of Eastern Liberal Establishment rule over the United States generated resentments which could make membership in such organizations a distinct political liability. That the issue exploded in New Hampshire during the 1979-80 campaign in such a way as to wreck the Bush campaign was largely the merit of Lyndon LaRouche,

who had launched an outsider bid in the Democratic primary.

LaRouche conducted a vigorous campaign in New Hampshire during late 1979, focusing on the need to put forward an economic policy to undo the devastation being wrought by the 22 percent prime rate being charged by many banks as a result of the high-interest, usurious policies of Paul Volcker, whom Carter had made the head of the Federal Reserve. But in addition to contesting Carter, Ted Kennedy and Jerry Brown on the Democratic side, LaRouche's campaign also noticed George Bush, whom LaRouche correctly identified as a liberal Republican in the Theodore Roosevelt-House of Morgan "Bull Moose" tradition of 1912.

During late 1979, the LaRouche campaign began to call attention to Bush as a threat against which other candidates, Republicans and Democrats, ought to unite. LaRouche attacked Bush as the spokesman for "the folks who live on the hill," for petty oligarchs and blue bloods who think that it is up to them to dictate political decisions to the average citizen. These broadsides were the first to raise the issue of Bush's membership in David Rockefeller's Trilateral Commission and in the New York Council on Foreign Relations.

While on the hustings in New Hampshire, LaRouche observed the high correlation between preppy, liberal Republican, blue-blooded support for Bush and mental pathology. As LaRouche wrote, "In the course of campaigning in New Hampshire during 1979 and 1980, I have encountered minds, especially in western New Hampshire, who represent, in a decayed sort of way, exactly the treasonous outlook our patriotic forefathers combatted more than a century or more ago. Naturally, since I am an American Whig by family ancestry stretching back into the early 19th century, born a New Hampshire Whig, and a Whig Democrat by profession today, the blue-blooded kooks of certain 'respected' Connecticut River Valley families get my dander up." / Note #9

LaRouche's principal charge was that George Bush was a "cult-ridden kook, and more besides." He cited Bush's membership in "the secret society which largely controls George Bush's personal destiny, the Russell Trust Association, otherwise known as 'Skull and Bones'.... Understanding the importance of the Russell Trust Association in Bush's adult life will help the ordinary citizen to understand why one must place a question mark on Bush's political candidacy today. Is George Bush a 'Manchurian candidate'?"

After noting that the wealth of many of the Skull and Bones families was derived from the British East India Company's trade in black slaves and in opium, LaRouche went on to discuss "How Yale Turned 'Gay'":

"Today, visiting Yale, one sees male students walking hand in hand, lovers, blatantly, on the streets. One does not permit one's boy children to visit certain of the residences on or around that campus. There have been too many incidents to be overlooked. One is reminded of the naked wrestling in the mud which initiates to the Yale Skull and Bones Society practice. One thinks of 'Skull and Boneser' William F. Buckley's advocacy of the dangerous, mind-wrecking substance, marijuana, and of Buckley's recent, publicly expressed sympathies for sodomy between male public school teachers and students....

"As the anglophile commitments [of the blue-blooded families] deepened and decayed, the families reflected this in part by a growth of the incidence of 'homosexuality' for which British public schools and universities are rightly notorious. Skull and Bones is a concentrated expression of that moral and intellectual degeneration."

LaRouche pointed out that the symbol of Skull and Bones is the skull and crossbones of the pirate Jolly Roger with "322" placed under the crossbones. The 322 is thought to refer to 322 B.C., the year of the death of the Athenian orator Demosthenes, whom LaRouche identified as a traitor to Athens and an agent provocateur in the service of King Philip of Macedonia. The Skull and Bones ceremony of induction and initiation is modeled on the death and resurrection fetish of the cult of Osiris in ancient Egypt. LaRouche described the so-called "Persian model" of oligarchical rule sought by Skull and Bones:

"The 'oligarchical' or 'Persian' model was what might be called today a 'neo-Malthusian' sort of 'One World' scheme. Science and technological progress were to be essentially crushed and most of the world turned back into labor-intensive, 'appropriate' technologies. By driving civilization back toward barbarism in that way, the sponsors of the 'oligarchical model' proposed to ensure the perpetuation of a kind of 'one world' rule by what we would term today a 'feudal landlord' class. To aid in bringing about that "'One World Order",' the sponsors of the project utilized a variety of religious cults. Some of these cults were designed for the most illiterate strata of the population, and, at the other extreme, other cults were designed for the indoctrination and control of the ruling elite themselves. The cult-organization under the Roman Empire is an excellent example of what was intended."

LaRouche went on: "Skull and Bones is no mere fraternity, no special alumni association with added mumbo-jumbo. It is a very serious, very dedicated cult-conspiracy against the U.S. Constitution. Like the Cambridge Apostles,

the initiate to the Skull and Bones is a dedicated agent of British secret intelligence for life. The fifteen Yale recruits added each year function as a powerful secret intelligence association for life, penetrating into our nation's intelligence services as well as related high levels of national policy-making.

"Representatives of the cult who have functioned in that way include Averell Harriman, Henry Luce, Henry Stimson, Justice Potter Stewart, McGeorge Bundy, Rev. William Sloane Coffin (who recruited William F. Buckley), William Bundy, J. Richardson Dilworth, and George Bush ... and many more notables. The list of related Yalies in the history of the CIA accounts for many of the CIA's failures and ultimate destruction by the Kennedy machine, including the reason Yalie James Jesus Angleton failed to uncover H. 'Kim' Philby's passing of CIA secrets to Moscow.

"Now, the ordinary citizen should begin to realize how George Bush became a kook-cultist, and also how so incompetent a figure as Bush was appointed for a while Director of Central Intelligence for the CIA....

"On the record, the ordinary citizen who knew something of Bush's policies and sympathies would class him as a 'Peking sympathizer,' hence a Communist sympathizer."

Focusing on Bush's links with the Maoist regime, LaRouche stressed the recent genocide in Cambodia: "The genocide of three out of seven million Cambodians by the Peking puppet regime of Pol Pot (1975-78) was done under the direction of battalions of Peking bureaucrats controlling every detail of the genocide -- the worst genocide of the present century to date. This genocide, which was aimed especially against all merely literate Cambodians as well as professional strata, had the purpose of sending all of Southeast Asia back into a 'dark age.' That 'dark age' policy is the policy of the present Peking regime. That is the regime which Kissinger, Bush and Brzezinski admire so much as an 'ally'....

"The leading circles of London have no difficulty in recognizing what 'Peking Communism' is. It is their philosophy, their policy in a Chinese mandarin culture form. To the extent that Yalies of the Skull and Bones sort are brought into the same culture as their superiors in London, such Yalies, like Bush, also have deep affection for 'Peking Communism.'

"Like Bush, who supports neo-Malthusian doctrines and zero-growth and anti-nuclear policies, the Peking rulers are dedicated to a 'one world' order in which the population is halved over the next twenty years (i.e. genocide far greater than Hitler's), and most of the survivors are driven

into barbarism and cultism under the rule of parasitical blue blood families of the sort represented in the membership of the Skull and Bones.

"In that sense, Bush is to be viewed without quibble as a 'Manchurian candidate.' From the vantage point of the U.S. Constitution and American System of technological progress and capital formation, Bush is in effect an agent of the same evil philosophies and policies as the rulers of Peking.

"That, dear friends, is not mere opinion; that is hard fact." / Note #1 / Note #0

This leaflet represented the most accurate and devastating personal and political indictment Bush had ever received in his career. It was clear that LaRouche had Bush's number. The linking of Bush with the Cambodian genocide is all the more surprising, since most of the evidence on Bush's role was at that time not in the public domain. Other aspects of LaRouche's comments are prophetic: Bush's "deep affection" for Chinese communism was to become an international scandal when Bush maintained his solidarity with Deng Xiaoping after the Tiananmen massacre of 1989. Outstanding is LaRouche's reference to the 'One World Order' which the world began to wonder about as the 'New World Order' in the late summer of 1990, during the buildup for Bush's Gulf war; LaRouche had identified the policy content of the term way back in 1980.

Bush's handlers were stunned, then enraged. No one had ever dared to stand up to George Bush and Skull and Bones like this before. The Bush entourage wanted revenge. A vote fraud to deprive LaRouche of virtually all the votes cast in the Democratic primary, and transfer as many of them as possible to the Bush column, would be the first installment. Later, Gary Howard and Ron Tucker, two agents provocateur from Midland, Texas, were dispatched to try to infiltrate pro-LaRouche political circles. From 1986 on, Bush would emerge as a principal sponsor of a judicial vendetta by the Department of Justice that would see LaRouche and several of his supporters twice indicted, and finally convicted, on a series of trumped-up charges. One week after George Bush's inauguration as President, his most capable and determined opponent, Lyndon LaRouche, would be thrown into federal prison, where he remains to this day.

But in the New Hampshire of 1979-80, LaRouche's attacks on Bush brought into precise focus many aspects of Bush's personality that voters found profoundly distasteful. LaRouche's attack sent out a shock wave, which, as it advanced, detonated one turbulent assault on Bush after the other.

One who was caught up in the turbulence was William Loeb, the opinionated curmudgeon of Pride's Crossing, Massachusetts who was the publisher of the Manchester "Union Leader", the most important newspaper in the state. Loeb had supported Reagan in 1976 and was for him again in 1980. Loeb might have dispersed his fire against all of Reagan's Republican rivals, including Howard Baker, Robert Dole, Phil Crane, John Anderson, John Connally and Bush. It was the LaRouche campaign which demonstrated to Loeb long before the Iowa caucuses that Bush was the main rival to Reagan, and therefore the principal target. As a result, Loeb would launch a barrage of slashing attacks on Bush.

Loeb had assailed Ford as "Gerry the Jerk" in 1976; his attacks on Sen. Edmund Muskie reduced the latter to tears during the 1972 primary. Loeb began to play up the theme of Bush as a liberal, as a candidate controlled by the "internationalist" (or Kissinger) wing of the GOP and the Wall Street bankers, always soft on communism and always ready to undermine liberty through Big Government here at home. A February editorial by Loeb reacted to Bush's Iowa success with these warnings of vote fraud: "The Bush operation in Iowa had all the smell of a CIA covert operation.... Strange aspects of the Iowa operation [included] a long, slow count and then the computers broke down at a very convenient point, with Bush having a six per cent bulge over Reagan.... Will the elite nominate their man, or will we nominate Reagan?" / Note #1 / Note #1

For Loeb, the most damning evidence was Bush's membership in the Trilateral Commission, the creature of David Rockefeller and the international bankers. Carter and his administration had been packed with Trilateral members; there were indications that the Establishment choice of Carter to be the next U.S. President had been made at a meeting of the Trilateral Commission in Kyodo, Japan, where Carter had been introduced by Gianni Agnelli of Italy's FIAT motor company.

Loeb simplified all that: "George Bush is a Liberal" was the title of his editorial published the day before the primary. Loeb flayed Bush as a "spoiled little rich kid who has been wet-nursed to succeed and now, packaged by David Rockefeller's Trilateral Commission, thinks he is entitled to the White House as his latest toy."

Shortly before the election Loeb ran a cartoon entitled "Silk Stocking Republicans," which showed Bush at a cocktail party with a cigarette and glass in hand. Bush and the other participants, all male, were wearing women's pantyhose.

Paid political ads began to appear in the "Union Leader" sponsored by

groups from all over the country, some helped along by John Sears of the Reagan campaign. One showed a drawing of Bush juxtaposed with a Mr. Peanut logo: "The same people who gave you Jimmy Carter want now to give you George Bush," read the headline. The text described a "coalition of liberals, multinational corporate executives, big-city bankers, and hungry power brokers" led by David Rockefeller, whose "purpose is to control the American government, regardless of which political party -- Democrat or Republican -- wins the presidency this coming November! ... The Trojan horse for this scheme," the ad went on, "is Connecticut-Yankee-turned-Texas oilman George Bush -- the out-of-nowhere Republican who openly admits he is using the same 'game-plan' developed for Jimmy Carter in the 1976 presidential nomination campaign." The ad went on to mention the Council on Foreign Relations and the "Rockefeller money" that was the lifeblood of Bush's effort.

While campaigning, Bush was asked once again about the money he received from Nixon's 1970 Townhouse slush fund. Bush's stock reply was that his friend Leon Jaworski had cleared him: "The answer came back, clean, clean, clean," said Bush.

By now the Reagan camp had caught on that something important was happening, something which could benefit Reagan enormously. First Reagan's crony Edwin Meese piped up an oblique reference to the Trilateral membership of some candidates, including Bush: "[A]ll these people come out of an international economic industrial organization with a pattern of thinking on world affairs" that led to a "softening on defense." That played well, and Reagan decided he would pick up the theme. On February 7, 1980, Reagan observed in a speech that 19 key members of the Carter administration, including Carter, were members of the Trilateral Commission. According to Reagan, this influence had indeed led to a "softening on defense" because of the Trilateraloids' belief that business "should transcend, perhaps, the national defense." / Note #1 / Note #2

Bush realized that he was faced with an ugly problem. He summarily resigned from both the Trilateral Commission and from the New York Council on Foreign Relations. But his situation in New Hampshire was desperate. His cover had been largely blown.

Now the real polls, the ones that are generally not published, showed Bush collapsing, and even media that would normally have been rabidly pro-Bush were obliged to distance themselves from him in order to defend their own "credibility."

Bush was now running scared, sufficiently so as to entertain the prospect

of a debate among candidates.

Notes for Chapter XVII

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"XVII: Campaign 1980"

Epiphany of a Scoundrel

John Sears of the Reagan campaign signaled to the "Nashua Telegraph", a paper published in southern New Hampshire, that Reagan would accept a one-on-one debate with Bush. James Baker was gulled: He welcomed the idea because the debate format would establish Bush as the main alternative to Reagan. "We thought it was the best thing since sliced bread," said Baker. Bob Dole complained to the Federal Elections Commission about being excluded, and the Reagan camp suggested that the debate be paid for out of campaign funds, half by Reagan and half by Bush. Bush refused to pay, but Reagan pronounced himself willing to defray the entire cost. Thus it came to pass that a bilateral Bush-Reagan debate was scheduled for February 23 at a gymnasium in Nashua.

For many, this evening would provide the epiphany of George Bush, a moment when his personal essence was made manifest.

Bush propaganda has always tried to portray the "Nashua Telegraph" debate as some kind of ambush planned by Reagan's diabolical campaign manager, John Sears. Established facts include that the "Nashua Telegraph" owner, blueblood J. Herman Pouliot, and "Telegraph" editor John Breen, were both close personal friends of former Governor Hugh Gregg, who was Bush's campaign director in the state. Bush had met with Breen before the debate. Perhaps it was Bush who was trying to set some kind of a trap for Reagan.

On the night of February 23, the gymnasium was packed with more than 2,400 people. Bush's crony, Rep. Barber Conable (or "Barbarian Cannibal," later Bush's man at the World Bank), was there with a group of congressmen for Bush. Then the excluded GOP candidates, John Anderson, Howard Baker, Bob Dole, and Phil Crane, all arrived and asked to meet with Reagan and Bush to discuss opening the debate up to them as well. (Connally, also a candidate, was in South Carolina.) Reagan agreed to meet with them and went backstage into a small office with the other candidates. He expressed a general willingness to let them join in. But Bush refused to talk to the other candidates, and sat on the stage waiting impatiently for the debate to begin. John Sears told Bush's press secretary, Peter Teeley, that Sears wanted to talk to Bush about the debate format. "It doesn't work that way," hissed the liberal Teeley, who sent James Baker to talk with Sears. Sears said it was time to have an open debate. Baker passed the buck to the "Nashua Telegraph".

>From the room behind the stage where the candidates were meeting, the Reagan people sent U.S. Senator Gordon Humphrey out to urge Bush to come and confer with the rest of them. "If you don't come now," said Humphrey to Bush, "you're doing a disservice to party unity." Bush whined in reply: "Don't tell me about unifying the Republican Party! I've done more for this party than you'll ever do! I've worked too hard for this and they're not going to take it away from me!" In the back room, there was a proposal that Reagan, Baker, Dole, Anderson, and Crane should go on stage together and announce that Reagan would refuse to debate unless the others were included.

"Everyone seemed quite irritated with Bush, whom they viewed as acting like a spoiled child," wrote an aide to Anderson later. / Note #1 / Note #3 Bush refused to even acknowledge the presence of Dole, who had helped him get started as GOP chairman; of Anderson and Crane, former House colleagues; and of Howard Baker, who had helped him get confirmed at the CIA. George kept telling anybody who came close that he was sticking with the original rules.

The audience was cheering for the four excluded candidates, demanding that they be allowed to speak. Publisher Pouliot addressed the crowd: "This is getting to sound more like a boxing match. In the rear are four other candidates who have not been invited by the "Nashua Telegraph"," said Pouliot. He was roundly booed. "Get them chairs," cried a woman, and she was applauded. Bush kept staring straight ahead into space, and the hostility of the crowd was focusing more and more on him.

Reagan started to speak, motivating why the debate should be opened up. Editor Breen, a rubbery-looking hack with a bald pate and glasses, piped up: "Turn Mr. Reagan's microphone off." There was pandemonium. "You Hitler!" screamed a man in the front row right at Breen.

Reagan replied: "I'm paying for this microphone, Mr. Breen." The crowd broke out in wild cheers. Bush still stared straight ahead in his temper tantrum. Reagan spoke on to ask that the others be included, saying that exclusion was unfair. But he was unsure of himself, looking to Nancy Reagan for a sign as to what he should do. At the end, Reagan said he would prefer an open debate, but that he would accept the bilateral format if that were the only way.

With that, the other candidates left the podium in a towering rage. "There'll be another day, George," growled Bob Dole.

Reagan and Bush then debated, and those who were still paying attention

agreed that Bush was the loser. A staff member later told Bush, "The good news is that nobody paid any attention to the debate. The bad news is you lost that, too."

Film footage of Reagan grabbing the microphone while Bush stewed in his temper tantrum was all over local and network television for the next 48 hours. It was the epiphany of a scoundrel.

Now the Bush damage control apparatus went into that mode it finds so congenial: lying. A radio commercial was prepared under orders from James Baker for New Hampshire stations: Here an announcer, not Bush, intoned that "at no time did George Bush object to a full candidate forum. This accusation by the other candidates is without foundation whatsoever."

Walter Cronkite heard a whining voice from Houston, Texas as he interviewed Bush on his new program: "I wanted to do what I agreed to do," said the whine. "I wanted to debate with Ronald Reagan."

The New Hampshire primary was a debacle for Bush. Reagan won 50 percent of the votes to George's 23 percent, with 13 percent for Baker and 10 percent for Anderson. / Note #1 / Note #4

Bush played out the string through the primaries, but he won only four states (Massachusetts, Connecticut, Pennsylvania and Michigan) plus Puerto Rico. Reagan took 29. Even in Pennsylvania, where the Bushmen outspent Reagan by a colossal margin, Reagan managed to garner more delegates even though Bush got more votes.

Bush was able to keep going after New Hampshire because Mosbacher's machinations had given him a post-New Hampshire war chest of \$3 million. The Reagan camp had spent two-thirds of their legal total expenditure of \$18 million before the primaries had begun. This had proven effective, but it meant that in more than a dozen primaries, Reagan could afford no television purchases at all. This allowed Bush to move in and smother Reagan under a cascade of greenbacks in a few states, even though Reagan was on his way to the nomination. That was the story in Pennsylvania and Michigan. The important thing for Bush now was to outlast the other candidates and to build his credentials for the vice-presidency, since that was what he was now running for.

Seeking his 'Birthright'

All the money and organization had not sufficed. After some expensive primary failures, Bush now turned his entire attention to the quest for his

"birthright," the vice-presidency. This would be his fifth attempt to attain that office, and once again, despite the power of Bush's network, success was uncertain.

Inside the Reagan camp, one of Bush's greatest assets would be William Casey, who had been closely associated with the late Prescott Bush. Casey was to be Reagan's campaign manager for the final phase of the 1980 elections. In 1962, Prescott and Casey had co-founded a think tank called the National Strategy Information Center in New York City, a forum where Wall Street lawyers like Casey could join hands with politicians from Prescott's wing of the Republican Party, financiers, and the intelligence community. The National Strategy Information Center provided material for a news agency called Forum World Features, a CIA proprietary that operated in London, and which was in liaison with the British Information Research Department, a Cold War propaganda unit set up by Christopher Mayhew of British intelligence with the approval of Prime Minister Clement Attlee.

This Prescott Bush-William Casey think tank promoted the creation of endowed chairs in strategic analysis, national intelligence and the like on a number of campuses. The Georgetown Center for Strategic and International Studies, later the home of Kissinger, Michael Ledeen and a whole stable of ideologues of the Anglo-American empire, was in part a result of the work of Casey and Prescott.

Casey was also a close associate of George Bush. During 1976, Ford appointed Casey to PFIAB, where Casey was an enthusiastic supporter of the Team B operation along with Bush and Leo Cherne. George Bush and Casey would play decisive roles in the secret government operations of the Reagan years.

As the Republican convention gathered in Detroit in July 1980, the problem was to convince Reagan of the inevitability of tapping Bush as his running mate. But Reagan did not want Bush. He had conceived an antipathy, even a hostility, for George. What Reagan had experienced personally from Bush during the "Nashua Telegraph" debate had left a lasting and highly derogatory impression.

According to one account of this phase, "ever since the episode in Nashua in February, Reagan had come to hold the preppy Yankee transplant in, as the late Senator Robert Kerr of Oklahoma used to say, minimum high regard. 'Reagan is a very gracious contestant,' one of his inner circle said, 'and he generally views his opponents with a good deal of respect. The thing he couldn't understand was Bush's conduct at the "Nashua Telegraph" debate. It imprinted with Reagan that Bush was a wimp. He remembered that night

clearly when we had our vice-presidential discussions. He couldn't understand how a man could have sat there so passively. He felt it showed a lack of courage." And now that it was time to think about a running mate, the prospective presidential nominee gave a sympathetic ear to those who objected to Bush for reasons that ran, one of the group said later, from his behavior at Nashua to 'anti-Trilateralism.]" According to this account, conservatives seeking to stop Bush at the convention were citing their suspicions about a "'conspiracy' backed by Rockefeller to gain control of the American government." / Note #1 / Note #5

Drew Lewis was a leading Bushman submarine in the Reagan camp, telling the candidate that Bush could help him in electoral college mega-states like Pennsylvania and Michigan where Ted Kennedy had demonstrated that Carter was vulnerable during the primaries. Lewis badgered Reagan with the prospect that if he waited too long, he would have to accept a politically neutral running mate in the way that Ford took Dole in 1976, which might end up costing him the election. According to Lewis, Reagan needed to broaden his base, and Bush was the most palatable and practical vehicle for doing so.

Much to his credit, Reagan resisted; "[H]e told several staff members and advisers that he still harbored 'doubts' about Bush, based on Nashua. 'If he can't stand up to that kind of pressure,' Reagan told one intimate, 'how could he stand up to the pressure of being President?' To another, he said: 'I want to be very frank with you. I have strong reservations about George Bush. I'm concerned about turning the country over to him.]"

As the convention came closer, Reagan continued to be hounded by Bushmen from inside and outside his own campaign. A few days before the convention, it began to dawn on Reagan that one alternative to the unpalatable Bush might be former President Gerald Ford, assuming the latter could be convinced to make the run. Two days before Reagan left for Detroit, according to one of his strategists, Reagan "came to the conclusion that it would be Bush, but he wasn't all that happy about it." / Note #1 / Note #6 But this was not yet the last word.

Casey, Meese and Michael Deaver sounded out Ford, who was reluctant but did not issue a categorical rejection. Stuart Spencer, Ford's 1976 campaign manager, reported to Reagan on his contacts with Ford. "Ron," Spencer said, "Ford ain't gonna do it, and you're gonna pick Bush." But judging from Reagan's reaction, Spencer recalled later, "There was no way he was going to pick Bush," and the reason was simple: Reagan just didn't like the guy. "It was chemistry," Spencer said. / Note #1 / Note #7

Reagan now had to be ground down by an assortment of Eastern Liberal Establishment perception-mongers and political heavies. Much of the well-known process of negotiation between Reagan and Ford for the "Dream Ticket" of 1980 was simply a charade to disorient and demoralize Reagan while eating up the clock, until the point was reached when Reagan would have no choice but to make the classic phone call to Bush. It is obvious that Reagan offered the vice-presidency to Ford, and that the latter refused to accept it outright, but engaged in a process of negotiations ostensibly in order to establish the conditions under which he might, eventually, accept. / Note #1 / Note #8 Casey called in Henry Kissinger and asked him to intercede with Ford. What then developed was a marathon of haggling in which Ford was represented by Kissinger, Alan Greenspan, Jack Marsh and Bob Barrett. Reagan was represented by Casey, Meese and perception-monger Richard Wirthlin. Dick Cheney, Ford's former chief of staff, who is now Bush's pro-genocide secretary of defense, also got into the act.

This complex strategy of intrigue culminated in Ford's notorious interview with Walter Cronkite, in which the CBS anchorman asked Ford if "It's got to be something like a co-presidency?" "That's something Governor Reagan really ought to consider," replied Ford, which was not what a serious vice-presidential candidate might say, but did correspond rather well to what "Gerry the Jerk" would say if he wanted to embarrass Reagan and help Bush.

The best indication that Ford had been working all along as an agent of Bush was provided by Ford himself to Germond and Witcover: "Ford, incidentally, told us after the election that one of his prime objectives at the convention had been 'to subtly help George Bush get the [vice-presidential] nomination.'" / Note #1 / Note #9

Drew Lewis helped Reagan make the call that he found so distasteful. Reagan came on the line: "Hello, George, this is Ron Reagan. I'd like to go over to the convention and announce that you're my choice for vice president ... if that's all right with you."

"I'd be honored, Governor."

Reagan now proceeded to the convention floor, where he would announce his choice of Bush. Knowing that this decision would alienate many of Reagan's ideological backers, the Reagan campaign leaked the news that Bush had been chosen to the media, so that it would quickly spread to the convention floor. They were seeking to cushion the blow, to avoid mass expressions of disgust when Bush's name was announced. Even as it was, there was much

groaning and booing among the Reagan faithful.

As the Detroit convention came to a close, the Reagan and Bush campaign staffs were merged, with James Baker assuming a prominent position in the Casey-run Reagan campaign. The Ray Cline, Halper, and Gambino operations were all continued. From this point on, Reagan's entourage would be heavily infiltrated by Bushmen.

The October Surprise

The Reagan-Bush campaign, now chock full of Bush's Brown Brothers Harriman/Skull and Bones assets, announced a campaign of espionage. This campaign told reporters that it was going to spy on the Carter regime.

Back in April, Carter had taken to live television at 7:00 a.m. one morning to announce some ephemeral progress in his efforts to secure the release of State Department officials and others from the U.S. embassy in Teheran, who were being held as hostages by the Khomeini forces in Iran. This announcement was timed to coincide with Democratic primaries in Kansas and Wisconsin, in which Carter was able to overwhelm challenges from Teddy Kennedy and Jerry Brown. A memo from Richard Wirthlin to Casey and Reagan initiated a discussion of how the Carter gang might exploit the advantages of incumbency in order to influence the outcome of the election, perhaps by attempting to stampede the public by some dramatic event at the last minute, such as the freeing of the hostages in Teheran. On April 24, a military task force failed to free the hostages. Casey began to institute countermeasures even before the Detroit GOP convention.

During the convention, at a July 14 press conference, Casey told reporters of his concern that Carter might spring an "October Surprise" in foreign or domestic policy on the eve of the November elections. He announced that he had set up what he called an "incumbency watch" to monitor Carter's activities and decisions. Casey explained that an "intelligence operation" directed against the Carter White House was functioning "already in germinal form." Ed Meese, who was with Casey at this press conference, added that the October Surprise "could be anything from a summit conference on energy" or development in Latin America, or perhaps the imposition of "wage and price controls" on the domestic economy.

"We've talked about the October surprise and what the October surprise will be," said Casey. "I think it's immoral and improper." / Note #2 / Note #0

The previous evening, in a television appearance, Reagan had suggested that "the Soviet Union is going to throw a few bones to Mr. Carter during this

coming campaign to help him continue as President."

Although Casey and Meese had defined a broad range of possibilities for the October Surprise, the most prominent of these was certainly the liberation of the American hostages in Iran. A poll showed that if the hostages were to be released during the period between October 18 and October 25, Carter could receive a 10 percent increase in popular vote on election day.

The "incumbency watch" set up by Casey would go beyond surveillance and become a dirty tricks operation against Carter.

What followed was in essence a pitched battle between two fascist gangs, the Carter White House and the Bush-Casey forces. Out of this 1980 gang warfare, the post-1981 United States regime would emerge.

Carter and Brzezinski had deliberately toppled the Shah of Iran, and deliberately installed Khomeini in power. This was an integral part of Brzezinski's "arc of crisis" geopolitical lunacy, another made-in-London artifact which called for the United States to support the rise of Khomeini, and his personal brand of fanaticism, a militant heresy within Islam. U.S. arms deliveries were made to Iran during the time of the Shah; during the short-lived Shahpour Bakhtiar government at the end of the Shah's reign; and continuously after the advent of Khomeini.

Subsequently, President Carter and senior members of his administration have suggested that the Reagan/Bush campaign cut a deal with the Khomeini regime to block the liberation of the hostages before the November 1980 election. By early 1992, the charges and countercharges reached such a fever pitch that a preliminary congressional investigation of the affair had been initiated.

In March 1992, "Executive Intelligence Review" issued a Special Report titled, "Treason in Washington: New Evidence on the 'October Surprise,'" / Note #2 / Note #1 which presented extensive new evidence from internal FBI and CIA documents, released under the Freedom of Information Act, that suggests that the then-Republican vice-presidential candidate played a personal role in keeping the hostages in Khomeini's hands until after Election Day 1980; and that Casey, a personal friend of Bush's father and Reagan's CIA director, coordinated the operation.

The central link suggesting Bush's role in the scandal was Cyrus Hashemi, an Iranian arms dealer and agent of the Iranian SAVAK secret police, whom Casey seems to have recruited as a liaison to the mullahs.

On December 7, 1979, less than two months after the hostages were seized, Carter's assistant secretary of state, Harold Saunders, was contacted by an intermediary for Cyrus Hashemi. The Iranian arms merchant proposed a deal to free the hostages, and submitted a memorandum calling for the following: removal of the ailing expatriate Shah from U.S. territory; an apology by the United States to the people of Iran for past U.S. interference; the creation of a United Nations Commission; the unfreezing of the Iranian financial assets seized by Carter; and arms and spare parts deliveries by the United States to Iran. All of this was summed up in a memorandum submitted to Secretary of State Cyrus Vance following meetings with Hashemi and his attorney. / Note #2 / Note #2

The notable aspect of this encounter is the identity of the American lawyer who was both the business partner and the intermediary for the Iranian gun-runner: John Stanley Pottinger. The account of the 1976 Letelier case provided above (see Chapter 16) has established that Pottinger was a close friend of George Bush. Pottinger, it will be recalled, had served as assistant attorney general for civil rights in the Nixon and Ford administrations between 1973 and 1977, after having directed the U.S. Office of Civil Rights in the Justice Department between 1970 and 1973. Pottinger had also stayed on into the early Carter administration, serving as special assistant to the attorney general from February to April 1977. Pottinger had then joined the law firm of Tracy, Malin and Pottinger of Washington, London, and Paris. After the 1980 election, Pottinger was being considered for a high-level post in the Reagan/Bush administration.

This same Pottinger was now the representative for gun-runner Cyrus Hashemi. Given Pottinger's proven relation to Bush, we may wonder to what extent was Bush informed of Hashemi's proposal, and of the responses of the Carter administration.

Relevant evidence that might help us to determine what Bush knew and when he knew it is still being withheld by the Bush regime. The FBI bugged Cyrus Hashemi's phones and office from August 1980 to February 1981, and many of the conversations that were recorded were between Hashemi and Bush's friend Pottinger. Ten years later, in November 1991, the FBI released heavily redacted summaries of some of the conversations, but most of the summaries and transcripts are still classified.

"EIR"'s Special Report thoroughly documented how Pottinger was protected from indictment by the Reagan-Bush Justice Department. For years, prosecution of Hashemi and Pottinger, for illegally conspiring to ship weapons to the Khomeini regime, was blocked by the administration on "national security" grounds. Declassified FBI documents show that an

indictment of Pottinger had been drawn up, but that the indictment was killed at the last minute in 1984 when the FBI "lost" crucial taped evidence. The FBI conducted an extensive internal investigation of the missing "Pottinger tapes" but the results have never been disclosed.

Other information on the intentions of the Khomeini regime and secret dealings may have reached Bush from his old friend and associate Mitchell Rogovin, the former CIA general counsel. During 1976, Rogovin had accompanied Bush on many trips to the capital to testify before congressional committees; the two were known to be close. Rogovin was credited with having saved the CIA after it came under major congressional and media attack in the mid-1970s. In the spring of 1980, Rogovin told the Carter administration that he had been approached by Iranian-American arms dealer Houshang Lavi with an offer to start negotiations for the release of the hostages. Lavi claimed to be an emissary of Iranian President Abol Hassan Bani-Sadr; Rogovin at this time was working as the lawyer for the John Anderson GOP presidential campaign.

Bush's family friend Casey had also been in direct contact with Iranian representatives. Jamshid Hashemi, the brother of Cyrus Hashemi (who died under suspicious circumstances during 1986), had told Gary Sick, a former official of Carter's National Security Council, that he met with William Casey at the Mayflower Hotel in Washington, D.C. in March of 1980 to discuss the hostages. According to Jamshid Hashemi, "Casey quickly made clear that he wanted to prevent Jimmy Carter from gaining any political advantage from the hostage crisis. The Hashemis agreed to cooperate with Casey without the knowledge of the Carter administration." / Note #2 / Note #3

Casey's "intelligence operation" included the spying on the opposing candidate that has been routine in U.S. political campaigns for decades, but went far beyond it. As journalists like Witcover and Germond knew during the course of the campaign, and as the 1984 Albosta committee "Debategate" investigation showed, Casey set up at least two "October Surprise" espionage groups.

The first of these watched the Carter White House, the Washington bureaucracy, and diplomatic and intelligence posts overseas. This group was headed by Reagan's principal foreign policy adviser and later NSC chairman, Richard Allen. Allen was in touch with some 120 foreign policy and national security experts sympathetic to the Reagan campaign. Casey helped Allen to interface with the Bush campaign network of retired and active duty assets in the intelligence community. This network reached into the Carter NSC, where Bush crony Don Gregg worked as the CIA liaison man, and into Carter's

top-secret White House situation room.

Another October Surprise monitoring group was headed by Adm. Robert Garrick. The task of this group was the physical surveillance of U.S. military bases by on-the-ground observers, often retired and sometimes active duty military officers. Lookouts were posted to watch Tinker Air Force Base in Oklahoma, Andrews Air Force Base near Washington, McGuire Air Force Base in New Jersey (where weapons already bought and paid for by the Shah were stockpiled), and Norton and March Air Force bases in California.

Garrick, Casey, Meese, Wirthlin, and other campaign officials met each morning in Falls Church, Virginia, just outside of Washington, to review intelligence gathered.

This group soon became operational. It was clear that Khomeini was keeping the hostages to sell them to the highest bidder. Bush and Casey were not reticent about putting their own offer on the table.

Shortly after the GOP convention, Casey appears to have traveled to Europe for a meeting in Madrid in late July with Mehdi Karrubi, a leading Khomeini supporter, now the speaker of the Iranian Parliament. Jamshid Hashemi said that he and his late brother Cyrus were present at this meeting and at another one in Madrid during August, which they say Casey also attended. The present government of Iran has declined to confirm or deny this contact, saying that "the Islamic Government of Iran sees no benefit to involve itself in the matter."

Casey's whereabouts in the last days of July 1980 are officially unknown. Part of the coverup on the story has been to create uncertainty and confusion on Casey's travels at the time. What is known is that as soon as Casey surfaced again in Washington on July 30, he reported back to vice-presidential candidate George Bush in a dinner meeting held at the Alibi Club. It is certain from the evidence that there were negotiations with the mullahs by the Reagan-Bush camp, and that Bush was heavily involved at every stage.

In early September, Bush's brother, Prescott Bush, Jr., became involved, with a letter to James Baker in which he described his contacts with a certain Herbert Cohen, a consultant to the Carter administration on Middle East matters. Cohen had promised to abort any possible Carter moves to "politicize" the hostage issue by openly denouncing any machinations that Carter might attempt. Prescott offered Baker a meeting with Cohen.

Sometime in fall 1980, there was a meeting at the L'Enfant Plaza Hotel in

Washington among Richard Allen, Bud McFarlane, Laurence Silberman of the Reagan-Bush campaign, and a mysterious Iranian representative, thought to be an emissary of Hashemi Rafsanjani, currently Iranian President and an asset of U.S. intelligence who was then becoming one of the most powerful mullahs in Khomeini's entourage. The Iranian representative offered a deal whereby "he could get the hostages released directly to our campaign before the election," Silberman recalls. (Silberman went on to become a judge in the District of Columbia Appeals Court and led the vote in overturning Oliver North's conviction.) Allen has claimed that he cut this meeting short after 20 minutes. Allen, McFarlane, and Silberman all failed to report this approach to the White House, the State Department or other authorities.

On September 22, Iraq invaded Iran, starting a war that would last until the middle of 1988 and which would claim more than a million lives. The U.S. intelligence estimate had been that Khomeini and the mullahs were in danger of losing power by the end of 1980 because of their incompetence, corruption and benighted stupidity. U.S. and other Western intelligence agencies, especially the French, thereupon encouraged Iraq to attack Iran, offering the prospect of an easy victory. The "easy victory" analysis was incorporated into a "secret" CIA report which was delivered to the Saudi Arabian government with the suggestion that it be leaked to Iraq. The real U.S. estimate was that a war with Iraq would strengthen Khomeini against reformers who looked to President Bani-Sadr, and that the war emergency would assist in the imposition of a "new dark ages" regime in Iran. An added benefit was that Iran and Iraq as warring states would be forced vastly to increase their oil production, forcing down the oil price on the world market and thus providing the bankrupt U.S. dollar with an important subsidy in terms of the dollar's ability to command basic commodities in the real world. Bani-Sadr spoke in this connection of "an oil crisis in reverse" as a result of the Iran-Iraq war.

President Bani-Sadr, who was later deposed in a coup d'etat by Khomeini, Rafsanjani and Beheshti, has recalled that during this period, Khomeini decided to bet on Reagan-Bush. "So what if Reagan wins," said Khomeini. "Nothing will really change since he and Carter are both enemies of Islam."
/ Note #2 / Note #4

This was the time of the Reagan-Carter presidential debates, and Casey's operation had also yielded booty in this regard. Bush ally and then-Congressman David Stockman boasted in Indiana in late October that he had used a "pilfered copy" of Carter's personal briefing book to coach Reagan prior to the debates.

Many sources agree that a conclusive series of meetings between the Reagan-Bush and Khomeini forces took place in the weeks and months prior to Election Day 1980. In late 1991, as the campaign season heated up, close to a score of articles appeared in the U.S. press responding to Gary Sick's "October Surprise" book, which gave credibility to the charge that the Reagan-Bush campaign had indeed made a dirty deal with the mullahs to prevent the release of the hostages. Even Carter, who said that he had heard such rumors back in 1980, now agreed that a congressional investigation would be helpful in settling the matter. President Bush and an entire gaggle of political operatives and neoconservative journalists denounced Sick's book and the accusation as the fantasies of "conspiracy theorists."

Sick and other journalists who published articles about the affair were severely criticized for retailing the stories of an assortment of intelligence informants, gun-runners, money launderers, pilots, and other flotsam and jetsam from the seamy side of international espionage and intrigue by pro-Bush journalists and congressional leaders opposed to probing the accusations. Immediately after the Iran-Contra scandal made headlines in early 1987, numerous sources surfaced and began to contact journalists with purported eyewitness accounts of meetings between Reagan/Bush campaign representatives and Khomeini intermediaries. Several of the sources said they had seen Bush and Casey at meetings in Europe with Khomeini's emissaries. Others offered bits and pieces of information complementing the eyewitness reports.

One source, Richard Brenneke, a self-admitted money launderer and pilot for the CIA, was indicted for perjury by a U.S. attorney in Colorado for saying he had been told by another alleged CIA pilot, Heinrich Rupp, that he had seen Bush in Paris in October 1980. Brenneke said that he had personally seen Casey and Donald Gregg in Paris at the same time. But a jury acquitted Brenneke. Later, Frank Snapp, a former CIA officer turned investigative reporter, did an expose published in the "Village Voice", allegedly proving that Brenneke could not have been in Paris in October 1980 because he had obtained credit card receipts showing that Brenneke was in Oregon at the time he had told others he had been in Paris. The original source on Bush's secret trip to Paris was Oscar LeWinter, a German-based professional snitch, who seems to have done some work for both the Israeli Mossad and the CIA. LeWinter later admitted that he had been paid, allegedly by the CIA, to spread false information about Bush and Casey's secret trips to Europe for meetings with messengers from the mullahs.

Does that mean there is no smoking gun linking Bush to the "coincidence" that the hostages were only released on Inauguration Day 1981, within

minutes of Reagan taking his presidential oath? No. What is clear, is that some intelligence apparatus deployed an elaborate disinformation campaign which created a false trail which could be discredited. The intelligence community operation of "damage-control" is premised on revealing some of the truth, mixed with half-truths and blatantly false facts, which allows the bigger story to be undermined. It is possible that Bush was not in Paris in October 1980 to meet with an Iranian delegation to seal the deal. Bush has heatedly denied that he was in Paris at this time, and has said that he personally did not negotiate with Khomeini envoys. But he has generally avoided a blanket denial that the campaign, of which he was a principal, engaged in surreptitious dealings with the Khomeini mullahs.

There is another intriguing possibility: During the same time frame that LeWinter and Brenneke (Oct. 18-19, 1980) say Bush was in Paris, an adversary of then-President Bani-Sadr and puppet of Khomeini, Prime Minister Ali Rajai, was in New York preparing to depart for Algiers after consultations at the United Nations. Rajai had refused all contact with Carter, Muskie, and other U.S. officials, but he may have been more interested in meeting Bush or one of his representatives. What is now well documented is, that throughout 1980, many Reagan/Bush campaign officials were tripping over themselves to meet with anyone purporting to be an Iranian. If a deal were to be authenticated, there is no question that Khomeini and crew would have sought a handshake from someone who could not later deny the agreement.

Between October 21 and October 23, Israel dispatched a planeload of much-needed F-4 Phantom jet spare parts to Iran in violation of the U.S. arms boycott. Who in Washington had sanctioned these shipments? In Teheran, the U.S. hostages were reportedly dispersed into a multitude of locations on October 22. Also on October 22, Prime Minister Rajai, back from New York and Algiers, announced that Iran wanted neither American spare parts nor American arms.

The Iranian approach to the ongoing contacts with the Carter administration now began to favor evasive delaying tactics. There were multiple indications that Khomeini had decided that Reagan-Bush was a better bet than Carter, and that Reagan-Bush had made the more generous offer.

Barbara Honegger, then an official of the Reagan-Bush campaign, recalls that "on October 24th or 25th, an assistant to Stephan Halper's 'October Surprise' intelligence operation echoed William Casey's newfound confidence, boasting to the author in the operations center where [Reagan-Bush Iran-watcher Michel] Smith worked that the campaign no longer

needed to worry about an 'October Surprise' because Dick [Allen] cut a deal." / Note #2 / Note #5

On October 27, Bush campaigned in Pittsburgh, where he addressed a gathering of labor leaders. His theme that day was the Iranian attempt to "manipulate" the outcome of the U.S. election through the exertion of "last-minute leverage" involving the hostages. "It's no secret that the Iranians do not want to see Ronald Reagan elected President," Bush lied. "They want to play a hand in the election -- with our 52 hostages as the 52 cards in their negotiating deck." It was a "cool, cynical, unconscionable ploy" by the Khomeini regime. Bush asserted that it was "fair to ask how come right now there's talk of releasing them [the hostages] after nearly a year." His implication was that Carter was the one with the dirty deal. Bush concluded that he wanted the hostages "out as soon as possible.... We want them home and we'll worry about who to blame later." / Note #2 / Note #6

During the first week of December, "Executive Intelligence Review" reported that Henry Kissinger "held a series of meetings during the week of November 12 in Paris with representatives of Ayatollah Beheshti, leader of the fundamentalist clergy in Iran.... Top-level intelligence sources in Reagan's inner circle confirmed Kissinger's unreported talks with the Iranian mullahs, but stressed that the Kissinger initiative was totally unauthorized by the president-elect." According to "EIR", "it appears that the pattern of cooperation between the Khomeini people and circles nominally in Reagan's camp began approximately six to eight weeks ago, at the height of President Carter's efforts to secure an arms-for-hostages deal with Teheran. Carter's failure to secure the deal, which a number of observers believe cost him the November 4 election, apparently resulted from an intervention in Teheran by pro-Reagan British circles and the Kissinger faction." / Note #2 / Note #7 These revelations from "EIR" are the first mention in the public record of the scandal which has come over the years to be known as the October Surprise.

The hostages were not released before the November election, which Reagan won convincingly. Khomeini kept the hostages imprisoned until January 20, the day of the Reagan-Bush inauguration, and let the hostage plane take off just as Reagan and Bush were taking their oaths of office.

Whether George Bush was personally present in Paris, or at other meetings with Iranian representatives where the hostage and arms questions were on the agenda, has yet to be conclusively proven. Here a thorough and intrusive congressional investigation of the Carter and Reagan machinations in this regard is long overdue. Such a probe might also shed light on the

origins of the Iran-Iraq war, which set the stage for the more recent Gulf crisis. But, quite apart from questions regarding George Bush's presence at this or that meeting, there can be no doubt that both the Carter regime and the Reagan-Bush campaign were actively involved in dealings with the Khomeini regime concerning the hostages and concerning the timing of their possible release. In the case of the Reagan-Bush Iran connection, there is reason to believe that federal crimes in violation of the Logan Act and other applicable laws may have taken place.

George Bush had now grasped the interim prize that had eluded him since 1968: After more than a dozen years of effort, he had now become the Vice President of the United States.

Notes for Chapter XVII

13. Mark Bisnow, "Diary of a Dark Horse: The 1980 Anderson Presidential Campaign" (Carbondale: Southern Illinois University Press, 1983), p. 136.

14. For the "Nashua Telegraph" debate, see: Jeff Greenfield, "op. cit.," pp. 44 ff.; Mark Bisnow, "op. cit.," pp. 134 ff.; Jules Witcover and Jack Germond, "Blue Smoke and Mirrors" (New York: Viking, 1981), pp. 116 ff.

15. Germond and Witcover, "op. cit.," p. 169.

16. "Ibid.," p. 170.

17. "Ibid.," p. 171.

18. The best testimony on this is Reagan's own response to a question from Witcover and Germond. Asked if "it was true that he was trying to get President Ford to run with him," Reagan promptly responded, "Oh, sure. That would be the best." See Germond and Witcover, "op. cit.," p. 178.

19. "Ibid.," p. 188.

20. "Washington Star," July 15, 1980.

21. "EIR Special Report:" "Treason in Washington: New Evidence on the October Surprise," March 1992.

22. See "EIR Special Report:" "Project Democracy: The 'Parallel Government' Behind the Iran-Contra Affair" (Washington, 1987), pp. 88-101.

23. Gary Sick, "The Election Story of the Decade," "New York Times," April

15, 1991.

24. Abol Hassan Bani-Sadr, "My Turn to Speak" (New York: Brassey's, U.S., 1991), p. 33.

25. Barbara Honegger, "October Surprise" (New York: Tudor Publishing Co., 1989) p. 58.

26. "Washington Post," Oct. 28, 1980.

27. "Executive Intelligence Review," Dec. 2, 1980.

"XVIII: The Attempted Coup d'Etat of March 30, 1981"

For Bush, the vice-presidency was not an end in itself, but merely another stage in the ascent toward the White House. With the help of his Brown Brothers Harriman/Skull and Bones network, Bush had now reached the point where but a single human life stood between him and the presidency.

Ronald Reagan was 70 years old when he took office, the oldest man ever to be inaugurated as President. His mind wandered; long fits of slumber crept over his cognitive faculties. His custom was to delegate all administrative decisions to the cabinet members, to the executive departments and agencies. Policy questions were delegated to the White House staff, who prepared the options and then guided Reagan's decisions among the pre-defined options. This was the staff that composed not just Reagan's speeches, but the script of his entire life.

But sometimes Reagan was capable of lucidity, and even of inspired greatness, in the way a thunderstorm can momentarily illuminate a darkling countryside. Reagan's greatest moment of conceptual clarity came in his television speech of March 23, 1983 on the Strategic Defense Initiative, a concept that had been drummed into the Washington bureaucracy through the indefatigable efforts of Lyndon LaRouche and a few others. The idea of defending against nuclear missiles, of not accepting Mutually Assured Destruction, and of using such a program as a science driver for rapid technological renewal was something Reagan permanently grasped and held onto, even under intense pressure.

In addition, during the early years of Reagan's first term, there were enough Reaganite loyalists in the administration, typified by William Clark, to cause much trouble for the Bushmen. But as the years went by, the few men like Clark whom Reagan had brought with him from California would be ground up by endless bureaucratic warfare, and their replacements, like

McFarlane at the NSC, would come more and more from the ranks of the Kissingerians. Unfortunately, Reagan never developed a plan to make the SDI an irreversible political and budgetary reality, and this critical shortcoming grew out of Reagan's failed economic policies, which never substantially departed from Carter's.

But apart from rare moments like the SDI, Reagan tended to drift. Don Regan called it "the guesswork presidency"; for Al Haig, frustrated in his own lust for power, it was government by an all-powerful staff. Who were the staff? At first, it was thought that Reagan would take most of his advice from his old friend Edwin Meese, his close associate from California days, loyal and devoted to Reagan, and sporting his Adam Smith tie. But it was soon evident that the White House was really run by a troika: Meese, Michael Deaver, and James Baker III, Bush's man.

Deaver gravitated by instinct toward Baker; Deaver tells us in his memoirs that he was a supporter of Bush for vice president at the Detroit convention. This meant that James Baker-Michael Deaver became the dominant force over Ron and over Nancy; George Bush, in other words, already had an edge in the bureaucratic infighting.

Thus it was that White House Press Secretary James Brady could say in early March 1981: "Bush is functioning much like a co-President. George is involved in all the national security stuff because of his special background as CIA director. All the budget working groups he was there, the economic working groups, the Cabinet meetings. He is included in almost all the meetings." / Note #1

During the first months of the Reagan administration, Bush found himself locked in a power struggle with Gen. Alexander Haig, whom Reagan had appointed to be secretary of state.

Inexorably, the Brown Brothers Harriman/Skull and Bones networks went into action against Haig. The idea was to paint him as a power-hungry megalomaniac bent on dominating the administration of the weak figurehead Reagan. This would then be supplemented by a vicious campaign of leaking by James Baker and Michael Deaver, designed to play Reagan against Haig and vice-versa, until the rival to Bush could be eliminated.

Three weeks into the new administration, Haig concluded that "someone in the White House staff was attempting to communicate with me through the press," by a process of constant leakage, including leakage of the contents of secret diplomatic papers. Haig protested to Meese, NSC chief Richard Allen, James Baker and Bush. Shortly thereafter, Haig noted that "Baker's

messengers sent rumors of my imminent departure or dismissal murmuring through the press." "Soon, a 'senior presidential aide' was quoted in a syndicated column as saying, 'We will get this man [Haig] under control.'"

/ Note #2 It took more than a year for Baker and Bush to drive Haig out of the administration. Shortly before his ouster, Haig got a report of a White House meeting during which Baker was reported to have said, "Haig is going to go, and quickly, and we are going to make it happen." / Note #3

Haig's principal bureaucratic ploy during the first weeks of the Reagan administration was his submission to Reagan, on the day of his inauguration, of a draft executive order to organize the National Security Council and interagency task forces, including the crisis staffs, according to Haig's wishes. Haig refers to this document as National Security Decision Directive 1 (NSDD 1), and laments that it was never signed in its original form, and that no comparable directive for structuring the NSC interagency groups was signed for over a year. Ultimately a document called NSDD 1 would be signed, establishing a Special Situation Group (SSG) crisis management staff chaired by Bush. Haig's draft would have made the secretary of state the chairman of the SSG crisis staff in conformity with Haig's demand to be recognized as Reagan's "vicar of foreign policy." This was unacceptable to Bush, who made sure, with the help of James Baker and probably also Deaver, that Haig's draft of NSDD 1 would never be signed.

The struggle between Haig and Bush culminated toward the end of Reagan's first 100 days in office. Haig was chafing because the White House staff, meaning James Baker, was denying him access to the President. Haig's NSDD 1 had still not been signed. Then, on Sunday, March 22, Haig's attention was called to an elaborate leak to reporter Martin Schram that had appeared that day in the "Washington Post" under the headline "White House Revamps Top Policy Roles; Bush to Head Crisis Management." Haig's attention was drawn to the following paragraphs: "Partly in an effort to bring harmony to the Reagan high command, it has been decided that Vice President George Bush will be placed in charge of a new structure for national security crisis management, according to senior presidential assistants. This assignment will amount to an unprecedented role for a vice president in modern times....

"Reagan officials emphasized that Bush, a former director of the CIA and former United Nations ambassador, would be able to preserve White House control over crisis management without irritating Haig, who they stressed was probably the most experienced and able of all other officials who could serve in that function.

"|The reason for this [choice of Bush] is that the secretary of state

might wish he were chairing the crisis management structure,' said one Reagan official, 'but it is pretty hard to argue with the vice president being in charge.'" / Note #4

Haig says that he called Ed Meese at the White House to check the truth of this report, and that Meese replied that there was no truth to it. Haig went to see Reagan at the White House. Reagan was concerned about the leak, and reassured Haig: "I want you to know that the story in the "Post" is a fabrication. It means that George would sit in for me in the NSC in my absence, and that's all it means. It doesn't affect your authority in any way."

But later the same afternoon, White House Press Secretary James Brady read the following statement to the press: "I am confirming today the President's decision to have the Vice President chair the Administration's 'crisis management' team, as a part of the National Security Council system.... President Reagan's choice of the Vice President was guided in large measure by the fact that management of crises has traditionally -- and appropriately -- been done in the White House." / Note #5

In the midst of the Bush-James Baker cabal's relentless drive to seize control over the Reagan administration, John Warnock Hinckley, Jr. carried out his attempt to assassinate President Reagan on the afternoon of March 30, 1981. George Bush was visiting Texas that day. Bush was flying from Fort Worth to Austin in his Air Force Two Boeing 707.

In Austin, Bush was scheduled to deliver an address to a joint session of the Texas state legislature. It was Al Haig who called Bush and told him that the President had been shot, while forwarding the details of Reagan's condition, insofar as they were known, by scrambler as a classified message. Haig was in touch with James Baker III, who was close to Reagan at George Washington University hospital. Bush's man in the White House situation room was Admiral Dan Murphy, who was standing right next to Haig. Bush agreed with Haig's estimate that he ought to return to Washington at once. But first his plane needed to be refueled, so it landed at Carswell Air Force Base near Austin.

Bush says that his flight from Carswell to Andrews Air Force Base near Washington took about two and one-half hours, and that he arrived at Andrews at about 6:40 p.m. Bush says he was told by Ed Meese that the operation to remove the bullet that had struck Reagan was a success, and that the President was likely to survive.

Back at the White House, the principal cabinet officers had assembled in

the Situation Room and had been running a crisis management committee during the afternoon. Haig says he was at first adamant that a conspiracy, if discovered, should be ruthlessly exposed: "Remembering the aftermath of the Kennedy assassination, I said to Woody Goldberg, 'No matter what the truth is about this shooting, the American people must know it.'" / Note #6

In his memoir Defense Secretary Caspar Weinberger recalls, that "at almost exactly 7:00, the Vice President came to the Situation Room and very calmly assumed the chair at the head of the table." / Note #7 Bush asked Weinberger for a report on the status of U.S. forces, which Weinberger furnished.

Another eyewitness of these transactions was Don Regan, who records that "the Vice President arrived with Ed Meese, who had met him when he landed to fill him in on the details. George asked for a condition report: 1) on the President; 2) on the other wounded; 3) on the assailant; 4) on the international scene.... After the reports were given and it was determined that there were no international complications and no domestic conspiracy, it was decided that the U.S. government would carry on business as usual. The Vice President would go on TV from the White House to reassure the nation and to demonstrate that he was in charge." / Note #8

As Weinberger recounts the same moments: "[Attorney General William French Smith] then reported that all FBI reports concurred with the information I had received; that the shooting was a completely isolated incident and that the assassin, John Hinckley, with a previous record in Nashville, seemed to be a 'Bremmer' type, a reference to the attempted assassin of George Wallace." / Note #9

Those who were not watching carefully here may have missed the fact that just a few minutes after George Bush had walked into the room, he had presided over the sweeping under the rug of the decisive question regarding Hinckley and his actions: Was Hinckley a part of a conspiracy, domestic or international? Not more than five hours after the attempt to kill Reagan, on the basis of the most fragmentary early reports, before Hinckley had been properly questioned, and before a full investigation had been carried out, a group of cabinet officers chaired by George Bush had ruled out "a priori" any conspiracy. Haig, whose memoirs talk most about the possibility of a conspiracy, does not seem to have objected to this incredible decision.

>From that moment on, "no conspiracy" became the official doctrine of the U.S. regime and the most massive efforts were undertaken to stifle any

suggestion to the contrary.

The Conspiracy

Curiously enough, press accounts emerging over the next few days provided a "prima facie" case that there had been a conspiracy around the Hinckley attentat, and that the conspiracy had included members of Bush's immediate family. Most of the overt facts were not disputed, but were actually confirmed by Bush and his son Neil.

On Tuesday, March 31, the "Houston Post" published a copyrighted story under the headline: "Bush's Son Was to Dine with Suspect's Brother." The lead paragraph read as follows: "Scott Hinckley, the brother of John Hinckley, Jr., who is charged with shooting President Reagan and three others, was to have been a dinner guest Tuesday night at the home of Neil Bush, son of Vice President George Bush, the "Houston Post" has learned."

According to the article, Neil Bush had admitted on Monday, March 30 that he was personally acquainted with Scott Hinckley, having met with him on one occasion in the recent past. Neil Bush also stated that he knew the Hinckley family, and referred to large monetary contributions made by the Hinckleys to the Bush 1980 presidential campaign. Neil Bush and Scott Hinckley both lived in Denver at this time. Scott Hinckley was the vice president of Vanderbilt Energy Corporation, and Neil Bush was employed as a landman for Standard Oil of Indiana. John W. Hinckley, Jr., the would-be assassin, lived on and off with his family in Evergreen, Colorado, not far from Denver.

Neil Bush was reached for comment on Monday, March 30, and was asked if, in addition to Scott Hinckley, he also knew John W. Hinckley, Jr., the would-be killer. "I have no idea," said Neil Bush. "I don't recognize any pictures of him. I just wish I could see a better picture of him."

Sharon Bush, Neil's wife, was also asked about her acquaintance with the Hinckley family. "I don't even know the brother," she replied, suggesting that Scott Hinckley was coming to dinner as the date of a woman whom Sharon did know. "From what I know and have heard, they [the Hinckleys] are a very nice family ... and have given a lot of money to the Bush campaign. I understand he [John W. Hinckley, Jr.] was just the renegade brother in the family. They must feel awful."

It also proved necessary for Bush's office to deny that the Vice President was familiar with the "Hinckley-Bush connection." Bush's press secretary, Peter Teeley, said when asked to comment: "I don't know a damn thing about

it. I was talking to someone earlier tonight, and I couldn't even remember his [Hinckley's] name. All I know is what you're telling me."

On April 1, 1981, the "Rocky Mountain News" of Denver carried Neil Bush's confirmation that if the assassination attempt had not happened on March 30, Scott Hinckley would have been present at a dinner party at Neil Bush's home the night of March 31. According to Neil, Scott Hinckley had come to the home of Neil and Sharon Bush on January 23, 1981 to be present along with about 30 other guests at a surprise birthday party for Neil, who had turned 26 one day earlier. Scott Hinckley had come "through a close friend who brought him," according to this version, and this same close female friend was scheduled to come to dinner along with Scott Hinckley on that last night of March, 1981.

"My wife set up a surprise party for me, and it truly was a surprise, and it was an honor for me at that time to meet Scott Hinckley," said Neil Bush to reporters. "He is a good and decent man. I have no regrets whatsoever in saying Scott Hinckley can be considered a friend of mine. To have had one meeting doesn't make the best of friends, but I have no regrets in saying I do know him."

Neil Bush told the reporters that he had never met John W. Hinckley, Jr., the gunman, nor his father, John W. Hinckley, Sr., president and chairman of the board of Vanderbilt Energy Corporation of Denver. But Neil Bush also added that he would be interested in meeting the elder Hinckley: "I would like [to meet him]. I'm trying to learn the oil business, and he's in the oil business. I probably could learn something from Mr. Hinckley."

Neil Bush then announced that he wanted to "set straight" certain inaccuracies that had appeared the previous day in the "Houston Post" about the relations between the Bush and Hinckley families. The first was his own wife Sharon's reference to the large contributions from the Hinckleys to the Bush campaign. Neil asserted that the 1980 Bush campaign records showed no money whatever coming in from any of the Hinckleys. All that could be found, he argued, was a contribution to that "great Republican," John Connally.

The other issue the "Houston Post" had raised regarded the 1978 period, when George W. Bush of Midland, Texas, Neil's oldest brother, had run for Congress in Texas's 19th Congressional District. At that time, Neil Bush had worked for George W. Bush as his campaign manager, and in this connection Neil had lived in Lubbock, Texas during most of the year. This raised the question of whether Neil might have been in touch with gunman John W. Hinckley, Jr. during that year of 1978, since gunman Hinckley had

lived in Lubbock from 1974 through 1980, when he was an intermittent student at Texas Tech University there. Neil Bush ruled out any contact between the Bush family and gunman John W. Hinckley, Jr. in Lubbock during that time.

The previous day, elder son George W. Bush had been far less categorical about never having met gunman Hinckley. He had stated to the press: "It's certainly conceivable that I met him or might have been introduced to him.... I don't recognize his face from the brief, kind of distorted thing they had on TV, and the name doesn't ring any bells. I know he wasn't on our staff. I could check our volunteer rolls."

Neil Bush's confirmation of his relations with Scott Hinckley was matched by a parallel confirmation from the Executive Office of the Vice President. This appeared in the "Houston Post", April 1, 1981 under the headline, "Vice President Confirms his Son was to have Hosted Hinckley Brother." Here the second-string press secretary, Shirley M. Green, was doing the talking. "I've spoken to Neil," she said, "and he says they never saw [Scott] Hinckley again [after the birthday party]. They kept saying 'we've got to get together,' but they never made any plans until tonight." Contradicting Neil Bush's remarks, Ms. Green asserted that Neil Bush knew Scott Hinckley "only slightly."

Later in the day, Bush spokesman Peter Teeley surfaced to deny any campaign donations from the Hinckley clan to the Bush campaign. When asked why Sharon Bush and Neil Bush had made reference to large political contributions from the Hinckleys to the Bush campaign, Teeley responded, "I don't have the vaguest idea." "We've gone through our files," said Teeley, "and we have absolutely no information that he [John W. Hinckley, Sr.] or anybody in the family were contributors, supporters, anything."

Once the cabinet had decided that there had been no conspiracy, all such facts were irrelevant anyway. There is no record of Neil Bush, George W. Bush, or Vice President George H.W. Bush ever having been questioned by the FBI in regard to the contacts described. They never appeared before a grand jury or a congressional investigating committee. Which is another way of saying that by March 1981, the United States government had degenerated into total lawlessness, with special exemptions for the now-ruling Bush family. Government by law had dissolved.

Haig Is Out

The media were not interested in the dinner date of Neil Bush and Scott Hinckley, but they were very interested indeed in the soap opera of what

had gone on in the Situation Room in the White House during the afternoon of March 30. Since the media had been looking for ways to go after Haig for weeks, they simply continued this line into their coverage of the White House scene that afternoon. Haig had appeared before the television cameras to say: "Constitutionally, gentlemen, you have the President, the Vice President, and the Secretary of State, in that order, and should the President decide that he wants to transfer the helm he will do so. He has not done that. As of now, I am in control here, in the White House, pending the return of the Vice President and in close touch with him. If something came up, I would check with him, of cou rse."

The "I'm in control here" story on Haig was made into the leitmotif for his sacking, which was still a year in the future. Reagan's own ghostwritten biography published the year after he left office gives a good idea what James Baker and Michael Deaver fed the confused and wounded President about

what had gone on during his absence: "On the day I was shot, George Bush was out of town and Haig immediately came to the White House and claimed he was in charge of the country. Even after the vice-president was back in Washington, I was told he maintained that he, not George, should be in charge. I didn't know about this when it was going on. But I heard later that the rest of the cabinet was furious. They said he acted as if he thought he had the right to sit in the Oval Office and believed it was his constitutional right to take over -- a position without any legal basis." / Note #1 / Note #0

This fantastic account finds no support in the Regan or Weinberger memoirs, but is a fair sample of the Bushman line.

Manchurian Candidate?

What also interested the media very much was the story of John W. Hinckley, Jr.'s obsession with the actress Jodie Foster, who had played the role of a teenage prostitute in the 1976 movie "Taxi Driver." The prostitute is befriended by a taxi driver, Travis Bickle, who threatens to kill a Senator who is running for President in order to win the love of the girl. Young John Hinckley had imitated the habits and mannerisms of Travis Bickle.

When John Hinckley, Jr. had left his hotel room in Washington, D.C. on his way to shoot Reagan, he had left behind a letter to Jodie Foster:

Dear Jodie,

There is a definite possibility that I will be killed in my attempt to get

Reagan. It is for this reason that I am writing you this letter now. As you well know by now, I love you very much. The past seven months I have left you dozens of poems, letters, and messages in the faint hope you would develop an interest in me.... Jodie, I'm asking you to please look into your heart and at least give me the chance with this historical deed to gain your respect and love.

I love you forever.

[signed] John Hinckley / Note #1 / Note #1

In 1980, Jodie Foster was enrolled at Yale University in New Haven, Connecticut, as an undergraduate. Hinckley spent three weeks in September 1980 in a New Haven hotel, according to the "New York Daily News". In early October, he spent several days in New Haven, this time at the Colony Inn motel. Two bartenders in a bar near the Yale campus recalled Hinckley as having bragged about his relationship with Jodie Foster. Hinckley had been arrested by airport authorities in Nashville, Tennessee on October 9, 1980 for carrying three guns, and was quickly released. Reagan had been in Nashville on October 7, and Carter arrived there on October 9. The firearms charge on the same day that the President was coming to town should have landed Hinckley on the Secret Service watch list of potential presidential assassins, but the FBI apparently neglected to transmit the information to the Secret Service.

In February 1981, Hinckley was again near the Yale campus. During this time, Hinckley claimed that he was in contact with Jodie Foster by mail and telephone. Jodie Foster had indeed received a series of letters and notes from Hinckley, which she had passed on to her college dean. The dean allegedly gave the letters to the New Haven police, who supposedly gave them to the FBI. Nevertheless, nothing was done to restrain Hinckley, who had a record of psychiatric treatment. Hinckley had been buying guns in various locations across the United States. Was Hinckley a Manchurian candidate, brainwashed to carry out his role as an assassin? Was a network operating through the various law enforcement agencies responsible for the failure to restrain Hinckley or to put him under special surveillance?

The FBI soon officially rubber-stamped the order promulgated by the cabinet that no conspiracy be found: "There was no conspiracy and Hinckley acted alone," said the bureau. Hinckley's parents' memoir refers to some notes penciled by Hinckley which were found during a search of his cell and which "could sound bad." These notes "described an imaginary conspiracy -- either with the political left or the political right .. to assassinate the President." Hinckley's lawyers, from Edward Bennett Williams's law firm,

said that the notes were too absurd to be taken seriously, and they have been suppressed. / Note #1 / Note #2

In July 1985, the FBI was compelled to release some details of its investigation of Hinckley under the Freedom of Information Act. No explanation was offered of how it was determined that Hinckley had acted alone, and the names of all witnesses were censored. According to a wire service account, "The file made no mention of papers seized from Hinckley's prison cell at Butner, North Carolina, which reportedly made reference to a conspiracy. Those writings were ruled inadmissible by the trial judge and never made public." / Note #1 / Note #3

The FBI has refused to release 22 pages of documents concerning Hinckley's "associates and organizations," 22 pages about his personal finances, and 37 pages about his personality and character. The Williams and Connally defense team argued that Hinckley was insane, controlled by his obsession with Jodie Foster. The jury accepted this version, and in July 1982, Hinckley was found not guilty by reason of insanity. He was remanded to St. Elizabeth's mental hospital where he remains to this day with no fixed term to serve; his mental condition is periodically reviewed by his doctors.

Bush Takes Over

Bush took up the duties of the presidency, all the while elaborately denying, in his self-deprecating way, that he had in fact taken control. During the time that Reagan was convalescing, the President was even less interested than usual in detailed briefings about government operations. Bush's visits to the chief executive were thus reduced to the merest courtesy calls, after which Bush was free to do what he wanted.

Bush's key man was James Baker III, White House chief of staff and the leading court favorite of Nancy Reagan. During this period, Michael Deaver was a wholly controlled appendage of Baker, and would remain one for as long as he was useful to the designs of the Bushmen.

And Baker and Deaver were not the only Bushmen in the White House. There were also Bush campaign veterans David Gergen and Jay Moorhead. In the cabinet, one Bush loyalist was Secretary of Commerce Malcolm Baldrige, who was flanked by his assistant secretary, Fred Bush (apparently not a member of the George Bush family). The Bushmen were strong in the sub-cabinet: Here were Assistant Secretary of State for East Asian and Pacific Affairs John Holdridge, who had served Bush on his Beijing mission staff and during the 1975 Pol Pot caper in Beijing; and Assistant Secretary of State for Congressional Affairs Richard Fairbanks; with these two in Foggy Bottom,

Haig's days were numbered. At the Pentagon was Henry E. Catto, the assistant secretary of defense for public affairs; Catto would later be rewarded by Bush with an appointment as U.S. ambassador to the Court of St. James in London, the post that foreign service officers spend their lives striving to attain. Bush was also strong among the agencies: His pal William H. Draper III, son of the Nazi banker, was the chairman and president of the Export-Import Bank. Loret Miller Ruppe, Bush's campaign chairman in Michigan, was director of the Peace Corps.

At the Treasury, Bush's cousin, John Walker, would be assistant secretary for enforcement. When the BCCI scandal exploded in the media during 1991, William von Raab, the former director of the U.S. Customs, complained loudly that, during Reagan's second term, his efforts to "go after" BCCI had been frustrated by reticence at the Treasury Department. By this time, James Baker III was secretary of the treasury, and Bush's kissing cousin, John Walker, was an official who would have had the primary responsibility for the intensity of such investigations.

At the Pentagon, Caspar Weinberger's deputy assistant secretary for East Asia, Richard Armitage, was no stranger to the circles of Shackley and Clines. Bush's staff numbered slightly less than 60 during the early spring of 1981. He often operated out of a small office in the West Wing of the White House where he liked to spend time because it was "in the traffic pattern," but his staff was principally located in the Old Executive Office Building. Here Bush sat at a mammoth mahogany desk which had been used in 1903 by his lifetime ego ideal, the archetypal liberal Republican extravagant, Theodore Roosevelt.

During and after Reagan's recovery, Bush put together a machine capable of steering many of the decisions of the Reagan administration. Bush had a standing invitation to sit in on all cabinet meetings and other executive activities, and James Baker was always there to make sure he knew what was going on. Bush was a part of every session of the National Security Council. Bush also possessed guaranteed access to Reagan, in case he ever needed that: Each Thursday Reagan and Bush would have lunch alone together in the Oval Office.

Each Tuesday, Bush attended the weekly meeting of GOP committee chairmen presided over by Senate Majority Leader Howard Baker at the Senate. Then Bush would stay on the Hill for the weekly luncheon of the Republican Policy Committee hosted by Senator John Tower of Texas.

Prescott's old friend William Casey was beginning to work his devilry at Langley, and kept in close touch with Bush.

The Attempt on the Pope

Forty-four days after the attempted assassination of Reagan, there followed the attempt to assassinate Pope John Paul II during a general audience in St. Peter's Square in Rome. During those 44 days, Bush had been running the U.S. government. It was as if a new and malignant evil had erupted onto the world stage, and was asserting its presence with an unprecedented violence and terror. Bush was certainly involved in the attempt to cover up the true authors of the attentat of St. Peter's Square. An accessory before the fact in the attempt to slay the pontiff appears to have been Bush's old cohort Frank Terpil, who had been one of the instructors who had trained Mehmet Ali Agca, who fired on the Pope.

After a lengthy investigation, the Italian investigative magistrate, Ilario Martella, in December 1982 issued seven arrest warrants in the case, five against Turks and two against Bulgarians. Ultimate responsibility for the attempt on the Pope's life belonged to Yuri Andropov of the Soviet KGB. On March 1, 1990, Viktor Ivanovich Sheymov, a KGB officer who had defected to the West, revealed at a press conference in Washington, D.C. that as early as 1979, shortly after Karol Wojtyla became Pope, the KGB had been instructed through an order signed by Yuri Andropov to gather all possible information on how to get "physically close to the Pope." / Note #1 / Note #4

According to one study of these events, during the second week of August 1980, when the agitation of the Polish trade union Solidarnosc was at its height, the Pope had dispatched a special emissary to Moscow with a personal letter for Soviet President Leonid Brezhnev. The Pope's message warned the Soviet dictator that if the Red Army were to invade Poland, as then seemed imminent, the Pope would fly to Warsaw and lead the resistance. It is very likely that shortly after this the Soviets gave the order to eliminate Pope John Paul II. / Note #1 / Note #5

With the Vatican supporting Judge Martella in his campaign to expose the true background of Ali Agca's assault, it appeared that the Bulgarian connection, and with it the Andropov-KGB connection, might soon be exposed. But in the meantime, Brezhnev had died, and had been succeeded by the sick and elderly Konstantin Chernenko. Bush was already in the "you die, we fly" business, representing Reagan at all important state funerals, and carrying on the summit diplomacy that belongs to such occasions. Bush attended Brezhnev's funeral in November 1982, and conferred at length with Yuri Andropov. Chernenko was a transitional figure, and the Anglo-American elites were looking to KGB boss Andropov as a desirable successor with whom

a new series of condominium deals at the expense of peoples and nations all over the planet might be consummated. For the sake of the condominium, it was imperative that the hit against the Pope not be pinned on Moscow. There was also the scandal that would result if it turned out that U.S. assets had also been involved within the framework of derivative assassination networks.

During the first days of 1983, Bush lodged an urgent request with Monsignor Pio Laghi, the apostolic pro-nuncio in Washington, in which Bush asked for an immediate private audience with the Pope. By February 8, Bush was in Rome. According to reliable reports, during the private audience Bush "suggested that John Paul should not pursue quite so energetically his own interest in the plot." / Note #1 / Note #6

Bush's personal intervention had the effect of supplementing and accelerating a U.S. intelligence operation that was already in motion to sabotage and discredit Judge Martella and his investigation. On May 13, 1983, the second anniversary of the attempt on the Pope's life, Vassily Dimitrov, the first secretary of the Bulgarian embassy in Rome, expressed his gratitude: "Thanks to the CIA, I feel as if I were born again!" / Note #1 / Note #7

Bush consistently expressed skepticism on Bulgarian support for Agca. On December 20, 1982, responding to the Martella indictments, Bush told the "Christian Science Monitor": "Maybe I speak defensively as a former head of the CIA, but leave out the operational side of the KGB -- the naughty things they allegedly do: Here's a man, Andropov, who has had access to a tremendous amount of intelligence over the years. In my judgment, he would be less apt to misread the intentions of the U.S.A. That offers potential. And the other side of that is that he's tough, and he appears to have solidified his leadership position."

According to one study, the German foreign intelligence service (the Bundesnachrichtendienst) believed at this time that "a common link between the CIA and the Bulgarians" existed. / Note #1 / Note #8

Martella was convinced that Agca had been sent into action by Sergei Antonov, a Bulgarian working in Rome. According to author Gordon Thomas, Martella was aware that the White House, and Bush specifically, were determined to sabotage the exposure of this connection. Martella brought Agca and Antonov together, and Agca identified Antonov in a line-up. Agca also described the interior of Antonov's apartment in Rome. "Later, Martella told his staff that the CIA or anyone else can spread as much disinformation as they like; he is satisfied that Agca is telling the truth

about knowing Antonov." / Note #1 / Note #9

Later, U.S. intelligence networks would redouble these sabotage efforts with some success. Agca was made to appear a lunatic, and two key Bulgarian witnesses changed their testimony. A campaign of leaks was also mounted. In a bizarre but significant episode, even New York Senator Al D'Amato got into the act. D'Amato alleged that he had heard about the Pope's letter warning Brezhnev about invading Poland while he was visiting the Vatican during early 1981: As the "New York Times" reported on February 9, 1983, "D'Amato says he informed the CIA about the letter and identified his source in the Vatican when he returned to the U.S. from a 1981 trip to Rome." Later, D'Amato was told that the Rome CIA station had never heard anything from Langley about his report of the Pope's letter. "I gave them important information and they clearly never followed it up," complained D'Amato to reporters.

In February 1983, D'Amato visited Rome once again on a fact-finding mission in connection with the Agca plot. He asked the U.S. embassy in Rome to set up appointments for him with Italian political leaders and law enforcement officials, but his visit was sabotaged by U.S. Ambassador Maxwell Raab. The day before D'Amato was scheduled to leave Washington, he found that he had no meetings set up in Rome. Then an Italian-speaking member of the staff of the Senate Intelligence Committee, who was familiar with the Agca investigation and who was scheduled to accompany D'Amato to Rome, informed the Senator that he would not make the trip. D'Amato told the press that this last-minute cancellation was due to pressure from the CIA.

Much to D'Amato's irritation, it turned out that George Bush personally had been responsible for a rather thorough sabotage of his trip. D'Amato showed the Rome press "a telegram from the American Ambassador in Rome urging him to postpone the visit because the embassy was preoccupied with an overlapping appearance by Vice President Bush," as the "New York Times" reported. This was Bush's mission to warn the Pope not to pursue the Bulgarian connection. D'Amato said he was shocked that no one on the CIA staff in Rome had been assigned to track the Agca investigation.

The CIA station chief in Rome during the early 1980s was William Mulligan, a close associate of former CIA Deputy Assistant Director for Operations Theodore Shackley. Shackley, as we have seen, was a part of the Bush for President campaign of 1980.

Mehmet Ali Agca received training in the use of explosives, firearms, and other subjects from the "former" CIA agent Frank Terpil. Terpil was known to Agca as "Major Frank," and the training appears to have taken place in

Syria and in Libya.

Agca's identification of Terpil had been very precise and detailed on Major Frank and on the training program. Terpil himself granted a television interview, which was incorporated into a telecast on his activities and entitled "The Most Dangerous Man in the World," broadcast in January 1982, during which Terpil described in some detail how he had trained Agca. Shortly after this, Terpil left his apartment in Beirut, accompanied by three unidentified men, and disappeared. Terpil and Ed Wilson had gone to Libya and begun a program of terrorist training at about the time that George Bush became the CIA director. Wilson was indicted for supplying explosives to Libya, for conspiring to assassinate one of Qaddafi's opponents in Egypt, and for recruiting former U.S. pilots and Green Berets to work for Qaddafi. Wilson was later lured back to the U.S. and jailed. Frank Terpil presumably continues to operate, if he is still alive. Was Terpil actually a triple agent?

What further relation might George Bush have had to the attempt to take the life of the Pope?

Notes for Chapter XVI

1. Clay F. Richards, "George Bush: 'co-president' in the Reagan administration," United Press International, March 10, 1981.
2. Alexander Haig, "Caveat" (New York: MacMillan, 1984), p. 115.
3. "Ibid.," p. 302.
4. "Washington Post," March 22, 1981.
5. Haig, "op. cit.," pp. 144-45.
6. Haig, "op. cit.," p. 151.
7. Caspar Weinberger, "Fighting for Peace" (New York: Warner Books, 1990), p. 94.
8. Donald T. Regan, "For the Record" (New York: Harcourt, Brace, Jovanovich, 1988), p. 168.
9. Weinberger, "op. cit.," p. 95.
10. Ronald Reagan, "An American Life" (New York: Simon and Schuster, 1990),

p. 271.

11. Jack and JoAnn Hinckley, "Breaking Points" (Grand Rapids: Chosen Books, 1985), p. 169.

12. "Ibid.," p. 215.

13. Judy Hasson, United Press International, July 31, 1985.

14. "Washington Post," March 2, 1990.

15. See Gordon Thomas, "Pontiff" (New York: Doubleday, 1983).

16. Gordon Thomas, "Averting Armageddon" (New York: Doubleday, 1984), p. 74.

17. "American Leviathan," "op. cit."

18. "Ibid.," p. 268.

19. "Ibid.," p. 75.

"XVII: Iran-Contra"

"What pleases the prince has the force of law."

-- Roman law ""As long as the police carries out the will of the leadership, it is acting legally.""

-- Gestapo officer Werner Best / Note #1 We cannot provide here a complete overview of the Iran-Contra affair. We shall attempt, rather, to give an account of George Bush's decisive, central role in those events, which occurred during his vice-presidency and spilled over into his presidency.

The principal elements of scandal in Iran-Contra may be reduced to the following points:

1) the secret arming of the Khomeini regime in Iran by the U.S. government, during an official U.S.-decreed arms embargo against Iran, while the U.S. publicly denounced the recipients of its secret deliveries as terrorists and kidnappers;

2) the secret arming of its "Contras" for war against the Sandinista regime in Nicaragua, while such aid was explicitly prohibited under U.S. law;

- 3) the use of communist and terrorist enemies -- often "armed directly by the Anglo-Americans" -- to justify a police state and covert, oligarchical rule at home;
- 4) paying for and protecting the gun-running projects with drug-smuggling, embezzlement, theft by diversion from authorized U.S. programs, and the "silencing" of both opponents and knowledgeable participants in the schemes; and
- 5) the continual, routine perjury and deception of the public by government officials pretending to have no knowledge of these activities.

Bush's Central Role

When the scandal broke, in late 1986 and early 1987, George Bush maintained that he knew nothing about these illegal activities.

Since that time, many once-classified documents have come to light, which suggest that Bush organized and supervised many, if not most, of the criminal aspects of the Iran-Contra adventures.

The most significant events relevant to George Bush's role are presented here in the format of a chronology.

Over the time period covered, the reader will observe the emergence of new structures in the U.S. government:

/ Note #b^The "Special Situation Group," together with its subordinate "Standing Crisis Pre-Planning Group" (May 14, 1982).

/ Note #b^The "Crisis Management Center" (February 1983).

/ Note #b^The "Terrorist Incident Working Group" (April 3, 1984).

/ Note #b^The "Task Force on Combatting Terrorism" (or simply Terrorism Task Force) (July 1985).

/ Note #b^The "Operations Sub-Group" (January 20, 1986).

All of these structures revolved around the secret command role of the then-vice president, George Bush.

The propaganda given out to justify these changes in government has

stressed the need for secrecy to carry out necessary "covert acts" against enemies of the nation (or of its leaders). Certainly, a military command will act secretly in war, and will protect secrets of its vulnerable capabilities.

But the Bush apparatus, within and behind the government, was formed to carry out "covert policies": to make war when the constitutional government had decided not to make war; to support enemies of the nation (terrorists and drug-runners) who are the friends or agents of the secret government.

In the period of the chronology, there are a number of meetings of public officials. By looking at the scant information that has come to light on these meetings, we may reach some conclusions about who advocated certain policy choices; but we have not then learned much about the actual origin of the policies that were being carried out. This is the rule of an oligarchy whose members are unknown to the public, an oligarchy which is bound by no known laws.

"March 25, 1981:"

Vice President George Bush was named the leader of the United States "crisis management" staff, "as a part of the National Security Council system."

"March 30, 1981:"

President Reagan was shot in an attempted assassination.

"May 14, 1982:"

Bush's position as chief of all covert action and "de facto" head of U.S. intelligence -- in a sense, the acting President -- was formalized in a secret memorandum.

The memo explained that "National Security Decision Directive 3, Crisis Management, establishes the Special Situation Group (SSG), chaired by the Vice President. The SSG is charged ... with formulating plans in anticipation of crises."

The memo in question also announced the birth of another organization, the Standing Crisis Pre-Planning Group (CPPG), which was to work as an intelligence-gathering agency for Bush and his SSG. This new subordinate group, consisting of representatives of Vice President Bush, National Security Council (NSC) staff members, the CIA, the military, and the State

Department, was to "meet periodically in the White House Situation Room...." They were to identify areas of potential crisis and "[p]resent ... plans and policy options to the SSG" under Chairman Bush. And they were to provide to Bush and his assistants, "as crises develop, alternative plans," "action/options" and "coordinated implementation plans" to resolve the "crises."

Finally, the subordinate group was to give to Chairman Bush and his assistants "recommended security, cover, and media plans that will enhance the likelihood of successful execution." It was announced that the CPPG would meet for the first time on May 20, 1982, and that agencies were to "provide the name of their CPPG representative to Oliver North, NSC staff...."

The memo was signed ""for the President"" by Reagan's national security adviser, William P. Clark. It was declassified during the congressional Iran-Contra hearings. / Note #2

Gregg, Rodriguez, and North

"August 1982:"

Vice President Bush hired Donald P. Gregg as his principal adviser on national security affairs. Gregg now officially retired from the Central Intelligence Agency.

Donald Gregg brought along into the vice president's office his old relationship with mid-level CIA assassinations manager "Felix I. Rodriguez". Gregg had been Rodriguez's boss in Vietnam.

Donald Gregg worked under Bush in Washington from 1976 -- when Bush was CIA

director -- through the later 1970s, when the Bush clique was at war with President Carter and his CIA director, Stansfield Turner. Gregg was detailed to work at the National Security Council between 1979 and 1982. >From 1976 right up through that NSC assignment, CIA officer Gregg saw CIA agent Rodriguez regularly. Both men were intensely loyal to Bush. / Note #3

Their continuing collaboration was crucial to Vice President Bush's organization of covert action. Rodriguez was now to operate out of the vice president's office.

"December 21, 1982:"

The first "Boland Amendment" became law: "None of the funds provided in this Act [the Defense Appropriations Bill] may be used by the Central Intelligence Agency or the Department of Defense to furnish military equipment, military training or advice, or other support for military activities, to any group or individual ... for the purpose of overthrowing the government of Nicaragua."

"Boland I," as it was called, remained in effect until Oct. 3, 1984, when it was superseded by a stronger prohibition known as "Boland II." / Note #4

"February 1983:"

Fawn Hall joined Oliver North as his assistant. Ms. Hall reported that she worked with North on the development of a secret "Crisis Management Center."

Lt. Colonel North, an employee of the National Security Council, is seen here managing a new structure within the Bush-directed SSG/CPPG arrangements of 1981-82. / Note #5

"March 3, 1983:"

In the spring of 1983, the National Security Council established an office of "Public Diplomacy" to propagandize in favor of and run cover for the Iran-Contra operations, and to coordinate published attacks on opponents of the program.

Former CIA Director of Propaganda Walter Raymond was put in charge of the effort. The unit was to work with domestic and international news media, as well as private foundations. The Bush family-affiliated Smith Richardson Foundation was part of a National Security Council "private donors steering committee" charged with coordinating this propaganda effort.

A March 3, 1983 memorandum from Walter Raymond to then-NSC Director William

Clark, provided details of the program: "As you will remember you and I briefly mentioned to the President when we briefed him on the N[ational] S[ecurity] D[ecision] D[irective] on public diplomacy that we would like to get together with some potential donors at a later date....

"To accomplish these objectives Charlie [United States Information Agency Director Charles Z. Wick] has had two lengthy meetings with a group of people representing the private sector. This group had included principally program directors rather than funders. The group was largely pulled

together by Frank Barnett, Dan McMichael (Dick [Richard Mellon] Scaife's man), Mike Joyce (Olin Foundation), Les Lenkowsky (Smith Richardson Foundation) plus Leonard Sussman and Leo Cherne of Freedom House. A number of others including Roy Godson have also participated." / Note #6

Elsewhere, Raymond described Cherne and Godson as the coordinators of this group. Frank Barnett was the director of the Bush family's National Strategy Information Center, for which Godson was the Washington, D.C. director. Barnett had been the project director of the Smith Richardson Foundation prior to being assigned to that post.

The Smith Richardson Foundation has sunk millions of dollars into the Iran-Contra projects. Some Smith Richardson grantees, receiving money since the establishment of the National Security Council's "private steering committee" include the following:

/ Note #b^"Dennis King", to write the book "Lyndon LaRouche and the New American Fascism", used as the basis for arguments against LaRouche and his associates by federal and state prosecutors around the country.

/ Note #b^"Freedom House." This was formed by Leo Cherne, business partner of CIA Director William Casey. Cherne oversaw Walter Raymond's "private donors committee."

/ Note #b^"National Strategy Information Center", founded in 1962 by Casey, Cherne, and the Bush family.

Thus, when an item appeared in a daily newspaper, supporting the Contras, or attacking their opponents -- calling them "extremists," etc. -- it is likely to have been planted by the U.S. government, by the George Bush-NSC "private donors" apparatus.

"March 17, 1983:"

Professional assassinations manager Felix I. Rodriguez met with Bush aide Donald P. Gregg, officially and secretly, at the White House. Gregg then recommended to National Security Council adviser Robert "Bud" McFarlane a plan for El Salvador-based military attacks on a target area of Central American nations including Nicaragua.

Gregg's March 17, 1983 memo to McFarlane said: "The attached plan, written in March of last year, grew out of two experiences:

" -- Anti-Vietcong operations run under my direction in III Corps Vietnam from 1970-1972. These operations [see below], based on ... a small elite force ... produced very favorable results.

" -- Rudy Enders, who is now in charge of what is left of the para-military capability of the CIA, went to El Salvador in 1981 to do a survey and develop plans for effective anti-guerrilla operations. He came back and endorsed the attached plan. (I should add that Enders and Felix Rodriguez, who wrote the attached plan, both worked for me in Vietnam and carried out the actual operations outlined above.)

"This plan encountered opposition and skepticism from the U.S. military....

"I believe the plan can work based on my experience in Vietnam...." / Note #7

Three years later, Bush agent Rodriguez would be publicly exposed as the supervisor of the covert Central American network illegally supplying arms to the Contras.

Rodriguez's uncle had been Cuba's public works minister under Fulgencio Batista, and his family fled Castro's 1959 revolution. Felix Rodriguez joined the CIA, and was posted to the CIA's notorious Miami Station in the early 1960s. The Ted Shackley-E. Howard Hunt organization there, assisted by Meyer Lansky and Santos Trafficante's mafiosi, trained Rodriguez and other Cubans in the arts of murder and sabotage.

Felix Rodriguez recounted his early adventures in gun-running under false pretexts in a ghost-written book, "Shadow Warrior": "[J]ust around the time President Kennedy was assassinated, I left for Central America.

"I spent almost two years in Nicaragua, running the communications network for [our enterprise].... [O]ur arms cache was in Costa Rica. The funding for the project came from the CIA, but the money's origin was hidden through the use of a cover corporation.... The U.S. government had the deniability it wanted; we got the money we needed....

"In fact, what we did in Nicaragua twenty-five years ago has some pretty close parallels to the Contra operation today." / Note #8

Rodriguez followed his CIA boss Ted Shackley to Southeast Asia in 1970. Shackley and Donald Gregg put Rodriguez into the huge assassination and dope business which Shackley and his colleagues ran during the Indochina war; this bunch became the heart of the "Enterprise" that went into action 15 to 20 years later in Iran-Contra.

Shackley funded opium-growing Meo tribesmen for murder, and used the dope proceeds in turn to fund his hit squads. He formed the Military Assistance Group-Special Operations Group (MAG-SOG) political murder unit; Gen. John K. Singlaub was a commander of MAG-SOG; Oliver North and Richard Secord were officers of the unit. By 1971, the Shackley group had killed about 100,000 civilians in Southeast Asia as part of the CIA's Operation Phoenix.

After Vietnam, Felix Rodriguez went back to Latin American CIA operations, while other parts of the Shackley organization went on to drug-selling and gun-running in the Middle East.

By 1983, both the Mideast Shackley group and the self-styled "Shadow Warrior," Felix Rodriguez, were attached to the shadow commander-in-chief, George Bush.

"May 25, 1983:"

Secretary of State George Shultz wrote a memorandum for President Reagan, trying to stop George Bush from running Central American operations for the U.S. government. Shultz included a draft National Security Decision Directive for the President to sign, and an organizational chart ("Proposed Structure") showing Shultz's proposal for the line of authority -- from the President and his NSC, through Secretary of State Shultz and his assistant secretary, down to an interagency group.

The last line of the Shultz memo says bluntly what role is reserved for the Bush-supervised CPPG: "The Crisis Pre-Planning Group is relieved of its assignments in this area."

Back came a memorandum on White House letterhead but bearing no signature, saying no to Shultz: "The institutional arrangements established in NSDD-2 are, I believe, appropriate to fulfill [our national security requirements in Central America]...." With the put-down is a chart headlined ""NSDD-2 Structure for Central America."" At the top is the President; just below is a complex of Bush's SSG and CPPG as managers of the NSC; then below that is the secretary of state, and below him various agencies and interagency groups. / Note #9

"July 12, 1983:"

Kenneth De Graffenreid, new manager of the Intelligence Directorate of the National Security Council, sent a secret memo to George Bush's aide, Admiral Daniel Murphy:

"... Bud McFarlane has asked that I meet with you today, if possible, to review procedures for obtaining the Vice President's comments and concurrence on all N[ational] S[ecurity] C[ouncil] P[lan]ning G[roup] covert action and MONs." / Note #1 / Note #0

The Bush Regency in Action

"October 20, 1983:"

The U.S. invasion of the Caribbean island-nation of Grenada was decided upon in a secret meeting under the leadership of George Bush. National Security Council operative Constantine Menges, a stalwart participant in these events, described the action for posterity: "My job that afternoon was to write the background memorandum that would be used by the vice president, who in his role as 'crisis manager' would chair this first NSC meeting on the [Grenada] issue....

"Shortly before 6:00 p.m., the participants began to arrive: Vice President Bush, [Secretary of Defense Caspar] Weinberger, [Attorney General Edwin] Meese, J[oint] C[hiefs of] S[taff] Chairman General Vessey, acting CIA Director McMahon, [State Dept. officer Lawrence] Eagleburger, ... North and myself.

"President Reagan was travelling, as were [CIA Director] Bill Casey and Jeane Kirkpatrick....

"Vice President Bush sat in the President's chair."

Menges continued: "The objective, right from the beginning, was to plan a rescue [of American students detained on Grenada] that would guarantee quick success, but with a minimum of casualties....

"Secrecy was imperative.... As part of this plan, there would be no change in the schedule of the top man. President Reagan ... would travel to Augusta, Georgia, for a golf weekend. Secretary of State Shultz would go too...."

Work now proceeded on detailed action plans, under the guidance of the vice president's Special Situation Group.

"Late Friday afternoon [Oct. 21] .. the CPPG ... [met] in room 208.... Now the tone of our discussions had shifted from whether we would act to how this could be accomplished....

"[The] most secure means [were to] be used to order U.S. ships to change course ... toward Grenada. Nevertheless, ABC news had learned about this and was broadcasting it."

Thus, the course of action decided upon without the President was "leaked" to the news media, and became a "fait-accompli." Menges's memo continues: "It pleased me to see that now our government was working as a team.... That evening Ollie North and I worked together ... writing the background and decision memoranda. Early in the evening [NSC officer Admiral John] Poindexter reviewed our first draft and made a few minor revisions. Then the Grenada memoranda were sent to the President, Shultz and McFarlane at the golf course in Georgia....

"Shortly before 9:00 a.m. [Oct. 22], members of the foreign policy cabinet [sic!] began arriving at the White House -- all out of sight of reporters. The participants included Weinberger, Vessey, and Fred Ikle from Defense; Eagleburger and Motley from State; McMahon and an operations officer from CIA; and Poindexter, North and myself from NSC. Vice President Bush chaired the Washington group.

"All participants were escorted to room 208, which many had never seen before. The vice president sat at one end of the long table and Poindexter at the other, with speaker phones positioned so that everyone could hear President Reagan, Shultz, and McFarlane.

"The detailed hour-by-hour plan was circulated to everyone at the meeting. There was also a short discussion of the War Powers Resolution, which requires the President to get approval of Congress if he intends to deploy U.S. troops in combat for more than sixty days. There was little question that U.S. combat forces would be out before that time....

"The President had participated and asked questions over the speaker phone; he made his decision. The U.S. would answer the call from our Caribbean neighbors. We would assure the safety of our citizens." / Note #1 / Note #1

Clearly, there was no perceived need to follow the U.S. Constitution and leave the question of whether to make war up to the Congress. After all, President Reagan had concurred, from the golf course, with Acting President Bush's decision in the matter.

"November 3, 1983:"

Bush aide Donald Gregg met with Felix Rodriguez to discuss "the general

situation in Central America." / Note #1 / Note #2

"December 1983:"

Oliver North accompanied Vice President Bush to El Salvador as his assistant. Bush met with Salvadoran army commanders. North helped Bush prepare a speech, in which he publicly called upon them to end their support for the use of "death squads." / Note #1 / Note #3

Attack from Jupiter

"January 1 through March 1984:"

The "Wall Street Journal" of March 6, 1985 gave a de-romanticized version of certain aquatic adventures in Central America: "Armed speedboats and a helicopter launched from a Central Intelligence Agency 'mother ship' attacked Nicaragua's Pacific port, Puerto Sandino on a moonless New Year's night in 1984.

"A week later the speedboats returned to mine the oil terminal. Over the next three months, they laid more than 30 mines in Puerto Sandino and also in the harbors at Corinto and El Bluff. In air and sea raids on coastal positions, Americans flew -- and fired from -- an armed helicopter that accompanied the U.S.-financed Latino force, while a CIA plane provided sophisticated reconnaissance guidance for the nighttime attacks.

"The operation, outlined in a classified CIA document, marked the peak of U.S. involvement in the four-year guerrilla war in Nicaragua. More than any single event, it solidified congressional opposition to the covert war, and in the year since then, no new money has been approved beyond the last CIA checks drawn early [in the] summer [of 1984]....

"CIA paramilitary officers were upset by the ineffectiveness of the Contras.... As the insurgency force grew ... during 1983 ... the CIA began to use the guerrilla army as a cover for its own small "Latino" force....

[The] most celebrated attack, by armed speedboats, came Oct. 11, 1983, against oil facilities at Corinto. Three days later, an underwater pipeline at Puerto Sandino was sabotaged by Latino [sic] frogmen. The message wasn't lost on Exxon Corp.'s Esso unit [formerly Standard Oil of New Jersey], and the international giant informed the Sandinista government that it would no longer provide tankers for transporting oil to Nicaragua.

"The CIA's success in scaring off a major shipper fit well into its mining

strategy....

"The mother ship used in the mining operation is described by sources as a private chartered vessel with a configuration similar to an oil-field service and towing ship with a long, flat stern section where helicopters could land...."

The reader may have already surmised that Vice President Bush (with his background in "oilfield service" and his control of a "top-level committee of the National Security Council") sat in his Washington office and planned these brilliant schemes. But such a guess is probably incorrect -- it is off by about 800 miles.

On Jupiter Island, Florida, where the Bush family has had a seasonal residence for the past several decades, is the headquarters of Continental Shelf Associates, Inc. (CSA). / Note #1 / Note #4

This company describes itself as "an environmental consulting firm specializing in applied marine science and technology ... founded in 1970.... The main office ... is located in Jupiter, Florida, approximately 75 miles north of Miami."

The founder and chief executive of CSA is Robert "Stretch" Stevens. A former lieutenant commander in naval special operations, Stevens has been a close associate of CIA officer "Theodore Shackley", and of Bush agent "Felix Rodriguez" since the early 1960s, when Stevens served as a boat captain in the invasion of Cuba at the Bay of Pigs, and through the Vietnam War.

During the period 1982-85, CSA was contracted by the U.S. intelligence community, including the CIA, to carry out coastal and on-the-ground reconnaissance and logistical support work in the eastern Mediterranean in support of the U.S. Marine deployment into Lebanon; and coastal mapping and reconnaissance of the Caribbean island of Grenada prior to the October 1983 U.S. military action.

Beginning in approximately the autumn of 1983, CSA was employed to design and execute a program for the mining of several Nicaraguan harbors. After the U.S. Senate restricted such activities to non-U.S. personnel only, CSA trained "Latin American nationals" at a facility located on El Bravo Island off the eastern coast of Nicaragua.

Acta Non Verba (Deeds Not Words) is a "subsidiary" of CSA, incorporated in 1986 and located at the identical Jupiter address.

"Rudy Enders", the head of the CIA's paramilitary section -- and deployed by George Bush aide Donald Gregg -- is a minority owner of Acta Non Verba (ANV).

ANV's own tough-talking promotional literature says that it concentrates on "counter-terrorist activities in the maritime environment."

A very high-level retired CIA officer, whose private interview was used in preparation for this book, described this "Fish Farm" in the following more realistic terms: "Assassination operations and training company controlled by Ted Shackley, under the cover of a private corporation with a regular board of directors, stockholders, etc., located in Florida. They covertly bring in Haitian and Southeast Asian boat people as recruits, as well as Koreans, Cubans, and Americans. They hire out assassinations and intelligence services to governments, corporations, and individuals, and also use them for covering or implementing 'Fish Farm' projects/activities."

The upshot of the attack from Jupiter -- the mining of Nicaragua's harbors -- was that the Congress got angry enough to pass the "Boland II" amendment, re-tightening the laws against this public-private warfare.

"April 3, 1984:"

Another subcommittee of the Bush terrorism apparatus was formed, as President Reagan signed National Security Decision Directive 138. The new "Terrorist Incident Working Group (TIWG)" reported to Bush's Special Situation Group. The TIWG geared up government agencies to support militant counterterrorism assaults, on the Israeli model. / Note #1 / Note #5

"How Can Anyone Object?"

"June 25, 1984:"

The National Security Planning Group, including Reagan, Bush, and other top officials, met secretly in the White House situation room at 2:00 p.m. They discussed whether to risk seeking "third-country aid" to the Contras, to get around the congressional ban enacted Dec. 21, 1982.

George Bush spoke in favor, according to minutes of the meeting.

Bush said, "How can anyone object to the U.S. encouraging third parties to provide help to the anti-Sandinistas under the [intelligence] finding. The

only problem that might come up is if the United States were to promise to give these third parties something in return so that "some people might interpret" this as some kind of an exchange" [emphasis added].

Warning that this would be illegal, Secretary of State Shultz said: "I would like to get money for the Contras also, but another lawyer [then-Treasury Secretary] Jim Baker said if we go out and try to get money from third countries, it is an impeachable offense."

CIA Director Casey reminded Shultz that "Jim Baker changed his mind [and now supported the circumvention]...."

NSC adviser Robert McFarlane cautioned, "I propose that there be no authority for anyone to seek third party support for the anti-Sandinistas until we have the information we need, and I certainly hope none of this discussion will be made public in any way."

President Ronald Reagan then closed the meeting with a warning against anyone leaking the fact they were considering how to circumvent the law: "If such a story gets out, we'll all be hanging by our thumbs in front of the White House until we find out who did it." In March of the following year, Bush personally arranged the transfer of funds to the Contras by the Honduran government, assuring them they would receive compensating U.S. aid.

The minutes of this meeting, originally marked ""secret,"" were released five years later, at Oliver North's trial in the spring of 1989. / Note #1 / Note #6

"October 3, 1984:"

Congress enacted a new version of the earlier attempt to outlaw the U.S. secret war in Central America. This "Boland II" amendment was designed to prevent any conceivable form of deceit by the covert action apparatus.

This law was effective from October 3, 1984, to December 5, 1985, when it was superceded by various aid-limitation laws which, taken together, were referred to as "Boland III." / Note #1 / Note #7

"November 1, 1984:"

Felix Rodriguez's partner, Gerard Latchinian, was arrested by the FBI. Latchinian was then tried and convicted of smuggling \$10.3 million in cocaine into the United States. The dope was to finance the murder and

overthrow of the President of Honduras, Roberto Suazo Cordova. Latchinian was sentenced to a 30-year prison term.

On Nov. 10, 1983, a year before the arrest, Felix Rodriguez had filed the annual registration with Florida's secretary of state on behalf of Latchinian and Rodriguez's joint enterprise, "Giro Aviation Corp." / Note #1 / Note #8

"December 21, 1984:"

Felix Rodriguez met in the office of the vice president with Bush adviser Donald Gregg. Immediately after this meeting, Rodriguez met with Oliver North, supposedly for the first time in his life. But Bush's adviser strenuously denied to investigators that he "introduced" his CIA employee to North. / Note #1 / Note #9

"January 18, 1985:"

Felix Rodriguez met with Ramon Milian Rodriguez, accountant and money launderer, who had moved \$1.5 billion for the Medellin cocaine cartel. Milian testified before a Senate investigation of the Contras' drug-smuggling, that more than a year earlier he had granted Felix's request and given \$10 million from the cocaine cartel to Felix for the Contras.

Milian Rodriguez was interviewed in his prison cell in Butner, North Carolina, by investigative journalist Martha Honey. He said Felix Rodriguez had offered that "in exchange for money for the Contra cause he would use his influence in high places to get the [Cocaine] cartel U.S. 'good will'.... Frankly, one of the selling points was that he could talk directly to Bush. The issue of good will wasn't something that was going to go through 27 bureaucratic hands. It was something that was directly between him and Bush."

Ramon Milian Rodriguez was a Republican contributor, who had partied by invitation at the 1981 Reagan-Bush inauguration ceremonies. He had been arrested aboard a Panama-bound private jet by federal agents in May 1983, while carrying over \$5 million in cash. According to Felix Rodriguez, Milian was seeking a way out of the narcotics charges when he met with Felix on January 18, 1985.

This meeting remained secret until two years later, when Felix Rodriguez had become notorious in the Iran-Contra scandal. The "Miami Herald" broke the story on June 30, 1987. Felix Rodriguez at first denied ever meeting

with Ramon Milian Rodriguez. But then a new story was worked out with various agencies. Felix "remembered" the Jan. 18, 1985 meeting, claimed he had "said nothing" during it, and "remembered" that he had filed documents with the FBI and CIA telling them about the meeting just afterwards. / Note #2 / Note #0

"January 22, 1985":

George Bush met with Felix Rodriguez in the Executive Office Building.

Felix's ghost writer doesn't tell us what was said, only that "Mr. Bush was easy to talk to, and he was interested in my stories." / Note #2 / Note #1

"Late January, 1985:"

George Bush's office officially organized contacts through the State Department for Felix Rodriguez to operate in Central America from a base in El Salvador, in a false "private" capacity.

The U.S. ambassador to El Salvador, Thomas Pickering, then cabled to Gen. Paul F. Gorman, commander of the U.S. Army Southern Command: "Rodriguez has high-level contacts at the White House, DOS [State Department] and DOD [Defense Department], some of whom are strongly supporting his use in El Salvador.

"It would be in our best interests that Mr. Rodriguez confer with you personally prior to coming to El Salvador. I have some obvious concerns about this arrangement...."

Felix Rodriguez flew to Panama to speak to General Gorman. They discussed his covert aid to the Contras "since the early eighties." / Note #2 / Note #2

Rodriguez, by George Bush's story the private, volunteer helper of the Contras, flew from Panama to El Salvador on General Gorman's personal C-12 airplane. General Gorman also sent a confidential cable to Ambassador Pickering and Col. James Steele, U.S. military liaison man with the Contra resupply operation in El Salvador: "I have just met here with Felix Rodriguez, [deleted, probably "CIA"] pensioner from Miami. Born in Cuba, a veteran of guerrilla operations [several lines deleted]....

"He is operating as a private citizen, but his acquaintanceship with the V[ice] P[resident] is real enough, going back to the latter's days as

D[irector of] C[entral] I[n]telligence].

"Rodriguez' primary commitment to the region is in [deleted] where he wants to assist the FDN [Contras military forces]." / Note #2 / Note #3

"February 7, 1985:"

The Crisis Pre-Planning Group (CPPG), subordinate to Chairman Bush of the Special Situation Group (SSG), met to discuss means to circumvent the Boland amendment's ban on aid to the Contras. They agreed on a "presidential letter" to be sent to President Suazo of Honduras, "to provide several enticements to Honduras in exchange for its continued support of the Nicaraguan Resistance. These enticements included expedited delivery of military supplies ordered by Honduras, a phased release of withheld economic assistance (ESF) funds, and other support."

The preceding was the admission of the United States government in the 1989 Oliver North trial -- number 51 in a series of "stipulations" that was given to the court to avoid having to release classified documents.

"February 12, 1985:"

The government admissions in the North trial continued:

"52: ... North proposed that McFarlane send a memo [to top officials on] the recommendation of the CPPG [the Bush-supervised body, often chaired by Bush adviser Don Gregg].... The memo stated that this part of the message [to the Honduran President] should not be contained in a written document but should be delivered verbally by a discreet emissary." This was to be George Bush himself.

Honduras would be given increased aid, to be diverted to the Contras, so as to deceive Congress and the American population. / Note #2 / Note #4

"February 15, 1985:"

After Rodriguez had arrived in El Salvador and had begun setting up the central resupply depot for the Contras, Ambassador Thomas Pickering sent an "Eyes Only" cable to the State Department on his conversation with Rodriguez. Pickering's cable bore the postscript, "Please brief Don Gregg in the V.P.'s office for me." / Note #2 / Note #5

"February 19, 1985:"

Felix Rodriguez met with Bush's staff in the vice-presidential offices in the Executive Office Building, briefing them on the progress of his mission.

Over the next two years, Rodriguez met frequently with Bush staff members in Washington and in Central America, often jointly with CIA and other officials, and conferred with Bush's staff by telephone countless times. / Note #2 / Note #6

"March 15-16, 1985:"

George Bush and Felix Rodriguez were in Central America on their common project.

On Friday, Rodriguez supervised delivery in Honduras of military supplies for the FDN Contras whose main base was there in Honduras.

On Saturday, George Bush met with Honduran President Roberto Suazo Cordova.

Bush told Suazo that the Reagan-Bush administration was expediting delivery of more than \$110 million in economic and military aid to Suazo's government. This was the "quid pro quo": a bribe for Suazo's support for the U.S. mercenary force, and a transfer through Honduras of the Contra military supplies, which had been directly prohibited by the Congress.

Notes for Chapter XIX

1. William L. Shirer, "The Rise and Fall of the Third Reich: A History of Nazi Germany" (New York: Simon and Schuster, 1960), p. 271.
2. Memo, May 14, 1982, two pp. bearing the nos. 29464 and 29465.
3. Testimony of Donald P. Gregg, pp. 72-73 in Stenographic Transcript of Hearings Before the U.S. Senate Committee on Foreign Relations, Nomination Hearing for Donald Phinney Gregg to be Ambassador to the Republic of Korea. Washington, D.C., May 12, 1989.
4. "Report of the Congressional Committees Investigating the Iran Contra Affair", published jointly by the U.S. House of Representatives Select Committee to Investigate Covert Arms Transactions with Iran, and the U.S. Senate Select Committee on Secret Military Assistance to Iran and the Nicaraguan Opposition, Nov. 17, 1987, Washington, D.C., pp. 395-97.
5. "CovertAction," No. 33, Winter 1990, p. 12.

6. Memoranda and meetings of March 1983, in the "National Security Archive" Iran-Contra Collection on microfiche at the Library of Congress, Manuscript Reading Room.

7. Don Gregg Memorandum for Bud McFarlane, March 17, 1983, stamped SECRET, since declassified. Document no. 77 in the Iran-Contra Collection.

8. Felix Rodriguez and John Weisman, "Shadow Warrior" (New York: Simon and Schuster), 1989 p. 119.

9. Shultz Memorandum, May 25, 1983 and White House reply, both stamped SECRET/SENSITIVE. Documents beginning no. 00107 in the Iran-Contra Collection.

10. De Graffenreid Memorandum for Admiral Murphy, July 12, 1983, since declassified, bearing the no. 43673. Document no. 00137 in the Iran-Contra Collection.

11. Constantine C. Menges, "Inside the National Security Council" (New York: Simon and Schuster, 1988), pp. 70-78.

12. Chronology supplied by the Office of the Vice President, cited in "The Progressive", May 18, 1987, London, England, p. 20.

13. Rodriguez and Weisman, "op. cit.," p. 221.

14. This section is based on 1) literature supplied by CSA, Inc. and its subsidiary ANV, and 2) an exhaustive examination of CSA/ANV in Jupiter and other locations.

15. Scott Armstrong, Executive Editor for The National Security Archive, "The Chronology: The Documented Day-by-Day Account of the Secret Military Assistance to Iran and the Contras" (New York: Warner Books, 1987), p. 55.

Jonathan Marshall, Peter Dale Scott and Jane Hunter, "The Iran-Contra Connection: Secret Teams and Covert Operations in the Reagan Era" (Boston: South End Press, 1987), pp. 219-20.

16. National Security Planning Group Meeting Minutes, June 25, 1984, pp. 1 and 14.

17. This is an excerpt from Section 8066 of Public Law 98-473, the

Continuing Appropriations Act for Fiscal Year 1985.

18. Armstrong, "op. cit.," Nov. 1, 1984 entry, p. 70, citing "Miami Herald" 11/2/84 and 11/3/84, "Wall Street Journal" 11/2/84, "Washington Post" 8/15/85, "New York Times" 12/23/87.

Armstrong, "op. cit.," Nov. 10, 1983 entry, p. 42, citing corporate records of the Florida secretary of state 7/14/86, "Miami Herald" 11/2/84, "New York Times" 11/3/84.

19. Rodriguez and Weisman, "op. cit.," pp. 220-21.

20. Report of the Subcommittee on Terrorism, Narcotics and International Operations of the Committee on Foreign Relations, United States Senate, December 1988, pp. 61-62.

21. Rodriguez and Weisman, "op. cit.," pp. 221-22.

22. "Ibid.," pp. 224-25.

23. General Gorman "Eyes Only" cable to Pickering and Steele, Feb. 14, 1985. Partially declassified and released on July 30, 1987 by the National Security Council, bearing no. D 23179. Document no. 00833 in the Iran-Contra Collection.

24. U.S. government stipulations in the trial of Oliver North, reproduced in "EIR SpecialReport:" "Irangate...," pp. 20, 22.

25. Gregg Hearings, p. 99.

26. Rodriguez and Weisman, "op. cit.," p. 227.

"XVII: Iran-Contra"

In July 1985, Vice President George Bush was designated by President Reagan to lead the "Task Force on Combatting Terrorism".

Bush's task force was a means to sharply concentrate the powers of government into the hands of the Bush clique, for such policies as the Iran-Contra armaments schemes.

The task force had the following cast of characters: George Bush, U.S. vice president: chairman; Admiral James L. Holloway III: executive assistant to Chairman Bush; Craig Coy: Bush's deputy assistant under Holloway; Vice

Admiral John Poindexter: senior NSC representative to Chairman Bush; Marine Corps Lt. Col. Oliver North: day-to-day NSC representative to George Bush; Amiram Nir: counterterror adviser to Israeli Premier Shimon Peres; Lt. Col. Robert Earl: staff member; Terry Arnold: principal consultant; Charles E. Allen, CIA officer: Senior Review Group; Robert Oakley, director, State Department Counter Terrorism Office: Senior Review Group; Noel Koch, deputy to assistant secretary of defense Richard Armitage: Senior Review Group; Lt. Gen. John Moellering, Joint Chiefs of Staff: Senior Review Group; Oliver "Buck" Revell, FBI executive: Senior Review Group.

The Terrorism Task Force organization, as we shall see, was a permanent affair. / Note #2 / Note #7

"August 8, 1985:"

George Bush met with the National Security Planning Group in the residence section of the White House. Spurring on their deliberations on the terrorism problem, a car bomb had blown up that day at a U.S. air base in Germany, with 22 American casualties.

The officials discussed shipment of U.S.-made arms to Iran through Israel -- to replenish Israeli stocks of TOW missiles and to permit Israel to sell arms to Iran.

According to testimony by Robert McFarlane, the transfer was supported by George Bush, Casey and Donald Regan, and opposed by Shultz and Weinberger.

/ Note #2 / Note #8

"August 18, 1985:"

Luis Posada Carriles escaped from prison in Venezuela, where he was being held for the terrorist murder of 73 persons. Using forged documents falsely identifying him as a Venezuelan named "Ramon Medina," Posada flew to Central America. Within a few weeks, Felix Rodriguez assigned him to supervise the Bush office's Contra resupply operations being run from the El Salvador air base. Posada personally ran the safe-houses used for the CIA flight crews.

Rodriguez explained the arrangement in his book: "Because of my relationship with [El Salvador Air Force] Gen. Bustillo, I was able to pave the way for [the operations attributed to Oliver] North to use the facilities at Ilopango [El Salvador air force base].... I found someone to manage the Salvadorian-based resupply operation on a day-to-day basis. They

knew that person as Ramon Medina. I knew him by his real name: Luis Posada Carriles.... I first [sic!] met Posada in 1963 at Fort Benning, Georgia, where we went through basic training together .. as U.S. Army second lieutenants...."

Rodriguez neglects to explain that agent Posada Carriles was originally recruited and trained by the same CIA murder operation, "JM/WAVE" in Miami, as was Rodriguez himself.

Felix continues: "In the sixties, he reportedly went to work for DISIP, the Venezuelan intelligence service, and rose to considerable power within its ranks. It was rumored that he held one of the top half-dozen jobs in the organization...."

"After the midair bombing of a Cubana airliner on October 6, 1976, in which seventy-three people were killed, Posada was charged with planning the attack and was thrown in prison.... Posada was confined in prison for more than nine years...." / Note #2 / Note #9

"September 10, 1985:"

George Bush's national security adviser, Donald Gregg, met at 4:30 P.M. with Oliver North and Col. James Steele, the U.S. military official in El Salvador who oversaw flights of cargo going to the Contras from various points in Central America. They discussed information given to one or more of them by arms dealer Mario DelAmico, supplier to the Contras. According to the entry in Oliver North's notebook, they discussed particularities of the supply flights, and the operations of FDN commander Enrique Bermudez.

Elsewhere in the diary pages for that day, Colonel North noted that DelAmico had procured a certain 1,000 munitions items for the Contras. / Note #3 / Note #0

"November 1985 :"

George Bush sent Oliver North a note, with thanks for "your dedication and tireless work with the hostage thing and with Central America." / Note #3 / Note #1

"December 1985:"

Congress passed new laws limiting U.S. aid to the Contras. The CIA, the Defense Department, and "any other agency or entity of the United States involved in intelligence activities" were prohibited from providing

"armaments" to the Contras. The CIA was permitted to provide communications equipment and training. "Humanitarian" aid was allowed.

These laws, known together as "Boland III," were in effect from December 4, 1985 to October 17, 1986.

"December 18, 1985:"

CIA official Charles E. Allen, a member of George Bush's Terrorism Task Force, wrote an update on the arms-for-hostages dealings with Iran. Allen's memo was a debriefing of an unnamed member of the group of U.S. government officials participating in the arms negotiations with the Iranians. The unnamed U.S. official is referred to in Allen's memo as "Subject".

Allen wrote: "[Speaker of the Iranian Parliament Hashemi] Rafsanjani .. believes Vice President George Bush is orchestrating the U.S. initiative with Iran. In fact, according to Subject, Rafsanjani believes that Bush is the most powerful man in the U.S. because in addition to being Vice President, he was once Director of CIA." / Note #3 / Note #2

"December 1985-January 1986:"

George Bush completed his official study of terrorism in December 1985. John Poindexter now directed Oliver North to go back to work with Amiram Nir.

Amiram Nir came to Washington and met with Oliver North. He told U.S. officials that the Iranians had promised to free all hostages in exchange for more arms. Reportedly after this Nir visit, President Reagan was persuaded of the necessity of revving up the arms shipments to Iran. / Note #3 / Note #3

"December 27, 1985:"

Terrorists bombed Rome and Vienna airports, killing 20 people, including five Americans. The Crisis Pre-Planning Group (CPPG), supervised by Bush's office and reporting to Bush, blamed Libyans for the attack and began planning for a military strike on Libya. Yet an unpublished CIA analysis and the Israelis both acknowledged that the Abu Nidal group (in effect, the Israeli Mossad agency) carried out the attacks. / Note #3 / Note #4

Bush's CPPG later organized the U.S. bombing of Libya, which occurred in mid-April 1986.

"December 31, 1985:"

Iranian arms dealer Cyrus Hashemi told Paris-based CIA agent Bernard Veillot that Vice President Bush was backing arms sales to Iran, and that official U.S. approval for private sales to Iran, amounting to \$2 billion, was "going to be signed by Mr. Bush and [U.S. Marine Corps commandant] Gen. [Paul X.] Kelley on Friday." / Note #3 / Note #5

Loudly and publicly exposed in the midst of Iran arms deals, Veillot was indicted by the United States. Then the charges were quietly dropped, and Veillot went underground. A few months later, Hashemi died suddenly of "leukemia." / Note #3 / Note #6

"January 2, 1986:"

Israeli counterterrorism chief Amiram Nir met with North and Poindexter in Washington. The Bush report on terrorism had now been issued within the government but was not yet published. Bush's report was urging that a counterterrorism coordinator be named for the entire U.S. government -- and Oliver North was the one man intended for that slot.

At this meeting, Nir proposed specifically that prisoners held by Israeli-controlled Lebanese, and 3,000 American TOW missiles, be exchanged for U.S. hostages held by Iran. Other discussions between Nir and Bush's nominee involved the supposedly new idea that the Iranians be overcharged for the weapons shipped to them, and the surplus funds be diverted to the Contras. / Note #3 / Note #7

"January 6, 1986:"

President Reagan met with George Bush, Donald Regan, McFarlane and Poindexter. The President was handed a draft "Presidential Finding" that called for shipping arms to Iran through Israel. The President signed this document, drafted following the discussions with Amiram Nir.

The draft consciously violated the National Security Act which had established the Central Intelligence Agency, requiring notification of Congress. But Bush joined in urging President Reagan to sign this "finding":

"I hereby find that the following operation in a foreign country ... is important to the national security of the United States, and due to its extreme sensitivity and security risks, I determine it is essential to "limit prior notice, and direct the Director of Central Intelligence to

refrain from reporting this finding to the Congress as provided in Section 501 of the National Security Act of 1947, as amended, until I otherwise direct"" [emphasis added].

"... The USG[overnment] will act to facilitate efforts by third parties and third countries to establish contacts with "moderate elements" within and outside the Government of Iran by providing these elements with arms, equipment and related materiel in order to enhance the credibility of these elements...."

Of course, Bush, Casey and their Israeli allies had never sought to bolster "moderate elements" in Iran, but overthrew them at every opportunity -- beginning with President Abolhassan Bani-Sadr. / Note #3 / Note #8

"January 7, 1986:"

President Reagan and Vice President Bush met at the White House with several other administration officials. There was an argument over new proposals by Amiram Nir and Iranian arms dealer Manucher Ghorbanifar to swap arms for hostages.

Secretary of State George Shultz later told the Tower Commission that George Bush supported the arms-for-hostages deal at this meeting, as did President Reagan, Casey, Meese, Regan and Poindexter. Shultz reported that he himself and Secretary of Defense Caspar Weinberger both opposed further arms shipments. / Note #3 / Note #9

"January 9, 1986:"

Lt. Col. Oliver North complained, in his notebook, that "Felix [Rodriguez]" has been "talking too much about the V[ice] P[resident] connection." / Note #4 / Note #0

"January 15, 1986:"

CIA and Mossad employee Richard Brenneke wrote a letter to Vice President Bush giving full details, alerting Bush about his own work on behalf of the CIA in illegal -- but U.S. government-sanctioned -- sales of arms to Iran. / Note #4 / Note #1

"Mid-January, 1986:"

George Bush and Oliver North worked together on the illegal plan.

Later, at North's trial, the Bush administration -- portraying Colonel North as the master strategist in the case! -- stipulated that North "prepared talking points for a meeting between Admiral Poindexter, Vice-President Bush, and [the new] Honduran President [Jose Simon] Azcona. North recommended that Admiral Poindexter and Vice-President Bush tell President Azcona of the need for Honduras to work with the U.S. government on increasing regional involvement with and support for the Resistance. Poindexter and Bush were also to raise the subject of better U.S. government support for the states bordering Nicaragua."

That is, Honduras, which of course "borders on Nicaragua," was to get more U.S. aid and was to pass some of it through to the Contras.

In preparation for the January 1986 Bush-Azcona meeting, the U.S. State Department sent to Bush adviser Donald Gregg a memorandum, which "alerted Gregg that Azcona would insist on receiving clear economic and social benefits from its [Honduras's] cooperation with the United States." / Note #4 / Note #2

Two months after the January Bush-Azcona meeting, President Reagan asked Congress for \$20 million in emergency aid to Honduras, needed to repel a cross-border raid by Nicaraguan forces against Contra camps. Congress voted the "emergency" expenditure.

"January 17, 1986:"

George Bush met with President Reagan, John Poindexter, Donald Regan, and NSC staff member Donald Fortier to review the final version of the January 7 arms-to-Iran draft.

With the encouragement of Bush, President Reagan signed the authorization to arm the Khomeini regime with missiles, and keep the facts of this scheme from congressional oversight committees.

The official story about this meeting -- given in the Tower Commission Report -- is as follows:

"[T]he proposal to shift to direct U.S. arms sales to Iran ... was considered by the president at a meeting on January 17 which only the Vice President, Mr. Regan, Mr. Fortier, and VADM Poindexter attended.... There was no subsequent collective consideration of the Iran initiative by the NSC principals before it became public 11 months later....

"The National Security Act also requires notification of Congress of covert

intelligence activities. If not done in advance, notification must be 'in timely fashion.' The Presidential Finding of January 17 directed that congressional notification be withheld, and this decision appears to have never been reconsidered." / Note #4 / Note #3

"January 18, 1986:"

Defense Secretary Caspar Weinberger was directed to prepare the transfer of 4,000 TOW anti-tank missiles to the CIA, which was to ship them to Khomeini's Iran. Bypassing normal channels for covert shipments, he elected to have his senior military assistant, Lt. Gen. Colin L. Powell, handle the arrangements for the arms transfer. / Note #4 / Note #4

"January 19-21, 1986:"

George Bush's deputy national security aide, Col. Samuel Watson, worked with Felix Rodriguez in El Salvador, and met with Col. James Steele, the U.S. military liaison officer with the covert Contra resupply organization in El Salvador. / Note #4 / Note #5

Bush Sets Up North

"January 20, 1986:"

Following the recommendations of an as-yet-unofficial report of the George Bush Terrorism Task Force, President Reagan signed National Security Decision Directive (NSDD) 207.

The unofficial Bush report, the official Bush report released in February, and the Bush-organized NSDD 207, together put forward Oliver North as "Mr. Iran-Contra." North became the nominal, up-front coordinator of the administration's counterterrorism program, hiding as best he could Bush's hand in these matters. He was given a secret office and staff (the Office to Combat Terrorism), separate from regular NSC staff members.

George Bush now reassigned his Terrorism Task Force employees, Craig Coy and Robert Earl, to do the daily work of the North secret office. The Bush men spent the next year working on Iran arms sales: Earl devoted one-quarter to one-half of his time on Iran and Contra support operations; Coy "knew everything" about Project Democracy. North traveled much of the time. Earl and Coy were at this time officially attached to the Crisis Management Center, which North worked on in 1983. / Note #4 / Note #6

FBI Assistant Director Revell, often George Bush's "hit man" against Bush's

domestic opponents, partially disclosed this shell game in a letter to Sen. David Boren (D-Ok.), explaining the FBI's contacts with North: "At the time [April 1986], North was the NSC official charged by the President with the coordination of our national counterterrorist program. He was responsible for working closely with designated lead agencies and was responsible for participating in all interagency groups, maintaining the national programming documents, assisting in the coordination of research and development in relation to counterterrorism, facilitating the development of response options and overseeing the implementation of the Vice President's Terrorism Task Force recommendations.

"This description of Col. North's position is set forth in the public report of the Vice President's Task Force on Combatting Terrorism, February 1986. There is an even more detailed and comprehensive description of Col. North's position in the classified National Security Decision Directive #207 issued by the President on January 20, 1986." / Note #4 / Note #7

The Bush Terrorism Task Force, having completed its official work, had simply made itself into a renamed, permanent, covert agency. Its new name was "Operations Sub-Group" (OSG).

In this transformation, CIA Contra-handler Duane Clarridge had been added to the Task Force to form the "OSG," which included North, Poindexter, Charles Allen, Robert Oakley, Noel Koch, General Moellering and "Buck" Revell.

According to the Oliver North diaries, even before this final phase of the Bush-North apparatus there were at least 14 meetings between North and the Bush Task Force's senior members Holloway, Oakley, and Allen, its principal consultant Terry Arnold, and its staff men Robert Earl and Craig Coy. The North diaries from July 1985 through January 1986, show one meeting with President Reagan, and four meetings with Vice President Bush: either the two alone, North with Bush and Amiram Nir, or North with Bush and Donald Gregg.

The Bush counterterrorism apparatus had its own communications channels, and a global antiterrorist computer network called Flashboard outside of all constitutional government arrangements. Those opposed to the arming of terrorists, including cabinet members, had no access to these communications. / Note #4 / Note #8

This apparatus had responsibility for Iran arms sales; the private funding of the Contras, from contributions, theft, dope-running; the "public diplomacy" of Project Democracy to back these efforts; and

counterintelligence against other government agencies and against domestic opponents of the policy. / Note #4 / Note #9

"January 28, 1986:"

George Bush met with Oliver North and FDN Contra Political Director Adolfo Calero in the Old Executive Office Building. / Note #5 / Note #0 North and Calero would work together to protect George Bush when the Contra supply effort blew apart in October 1986.

"January 31, 1986:"

Iranian arms dealer Cyrus Hashemi was told by a French arms agent that "[a]n assistant of the vice president's going to be in Germany ... and the indication is very clear that the transaction can go forward" referring to George Bush's supposed approval of the private arms sale to Iran. / Note #5 / Note #1

"February 6, 1986:"

Responding to the January 15 letter from Richard Brenneke, Bush aide Lt. Col. E. Douglas Menarczik wrote to Brenneke: "The U.S. government will not permit or participate in the provision of war materiel to Iran and will prosecute any such efforts by U.S. citizens to the fullest extent of the law." / Note #5 / Note #2

"February 7, 1986:"

Samuel M. Evans, a representative of Saudi and Israeli arms dealers, told Cyrus Hashemi that "[t]he green light now finally has been given [for the private sale of arms to Iran], that Bush is in favor, Shultz against, but nevertheless they are willing to proceed." / Note #5 / Note #3

"February 25, 1986:"

Richard Brenneke wrote again to Bush's office, to Lt. Col. Menarczik, documenting a secret project for U.S. arms sales to Iran going on since 1984.

Brenneke later said publicly that early in 1986, he called Menarczik to warn that he had learned that the United States planned to buy weapons for the Contras with money from Iran arms sales. Menarczik reportedly said, "We will look into it." Menarczik claimed not to have "any specific recollection of telephone conversations with" Brenneke. / Note #5 / Note #4

"Late February, 1986:"

Vice President George Bush issued the public report of his Terrorism Task Force. In his introduction to the report, Bush asserted: "We firmly oppose terrorism in all forms and wherever it takes place.... We will make no concessions to terrorists." / Note #5 / Note #5

"March 1986:"

According to a sworn statement of pilot Michael Tolliver, Felix Rodriguez had met him in July 1985. Now Rodriguez instructed Tolliver to go to Miami International Airport. Tolliver picked up a DC-6 aircraft and a crew, and flew the plane to a Contra base in Honduras. There Tolliver watched the unloading of 14 tons of military supplies, and the loading of 12 and 2/3 tons of marijuana. Following his instructions from Rodriguez, Tolliver flew the dope to Homestead Air Force Base in Florida. The next day Rodriguez paid Tolliver \$75,000. / Note #5 / Note #6

Tolliver says that another of the flights he performed for Rodriguez carried cocaine on the return trip to the U.S.A. He made a series of arms deliveries from Miami into the air base at Agucate, Honduras. He was paid in cash by Rodriguez and his old Miami CIA colleague, Rafael "Chi Chi" Quintero.

In another circuit of flights, Tolliver and his crew flew between Miami and El Salvador's Ilopango air base. Tolliver said that Rodriguez and Quintero "instructed me where to go and who to see." While making these flights, he "could go by any route available without any interference from any agency. We didn't need a stamp of approval from Customs or anybody...." / Note #5 / Note #7

With reference to the covert arms shipments out of Miami, George Bush's son Jeb said: "Sure, there's a pretty good chance that arms were shipped, but does that break any law? I'm not sure it's illegal. The Neutrality Act is a completely untested notion, established in the 1800s." / Note #5 / Note #8

Smuggling Missiles

Trafficking in lethal weapons without government authorization is always a tricky business for covert operators. But when the operatives are smuggling weapons in a particular traffic which the U.S. Congress has expressly prohibited, a good deal of criminal expertise and certain crucial contacts are required for success.

And when the smugglers report to the Vice President, who wishes his role to remain concealed, the whole thing can become very sticky -- or even ludicrous to the point of low comedy.

"March 26, 1986:"

Oliver North sent a message to Robert McFarlane about his efforts to procure missiles for the Contras, and to circumvent many U.S. laws, as well as the customs services and police forces of several nations. The most important component of such transactions, aside from the purchase money, was a falsified document showing the supposed recipient of the arms, the "end-user certificate" (EUC).

In the message he wrote, North said that "we have" an EUC; that is, a false document has been acquired for this arms sale: "[W]e are trying to find a way to get 10 BLOWPIPE launchers and 20 missiles from [a South American country] ... thru the Short Bros. Rep.... Short Bros., the mfr. of the BLOWPIPE, is willing to arrange the deal, conduct the training and even send U.K. 'tech. reps' ... if we can close the arrangement. Dick Secord has already paid 10% down on the delivery and we have a [country deleted] EUC which is acceptable to [that South American country]." / Note #5 / Note #9

Now, since this particular illegal sale somehow came to light in the Iran-Contra scandal, another participant in this one deal decided not to bother hiding his own part in it. Thus, we are able to see how Colonel North got his false certificate.

"April 20, 1986:"

Felix Rodriguez met in San Salvador with Oliver North and Enrique Bermudez, the Contras' military commander. Rodriguez informs us of the following in his own, ghost-written book:

"Shortly before that April 20 meeting, Rafael Quintero had asked me to impose upon my good relations with the Salvadoran military to obtain 'end-user' certificates made out to Lake Resources, which he told me was a Chilean company...." / Note #6 / Note #0

The plan was to acquire false end-user certificates from his contacts in the Salvadoran armed forces for Blowpipe ground-to-air missiles supposedly being shipped into El Salvador. The missiles would then be illegally diverted to the Contras in Honduras and Nicaragua.

Rodriguez continues, with self-puffery: "The Salvadorans complied with my request, and in turn I supplied the certificates, handing them over personally to Richard Secord at that April 20 meeting." / Note #6 / Note #1

While arranging the forgery for the munitions sale, Rodriguez was in touch with the George Bush staff back in his home office. On April 16, four days before the Rodriguez-North missile meeting, Bush national security adviser Donald Gregg asked his staff to put a meeting with Rodriguez on George Bush's calendar.

Gregg said the purpose of the White House meeting would be "to brief the Vice President on the war in El Salvador and resupply of the Contras." The meeting was arranged for 11:30 A.M. on May 1. / Note #6 / Note #2

Due to its explicitly stated purpose -- clandestine weapons trafficking in an undeclared war against the rigid congressional prohibition -- the planned meeting was to become one of the most notorious of the Iran-Contra scandal.

"April 30, 1986:"

Felix Rodriguez met in Washington with Bush aide Col. Sam Watson.

The following reminder message was sent to George Bush:

"Briefing Memorandum for the Vice President"

Event: Meeting with Felix Rodriguez

Date: Thursday, May 1, 1986

Time: 11:30-11:45 a.m. -- West Wing

From: Don Gregg

I. PURPOSE

Felix Rodriguez, a counterinsurgency expert who is visiting from El Salvador, will provide a briefing on the status of the war in El Salvador and resupply of the Contras.

III. [sic] PARTICIPANTS

The Vice President

Felix Rodriguez

Craig Fuller

Don Gregg

Sam Watson

IV. MEDIA COVERAGE

Staff photographer. [i.e. internal-use photographs, no media coverage] /
Note #6 / Note #3

"May 1, 1986:"

Vice President Bush and his staff met in the White House with Felix Rodriguez, Oliver North, financier Nicholas Brady, and the new U.S. ambassador to El Salvador, Edwin Corr.

At this meeting it was decided that "private citizen" Felix Rodriguez would continue his work in Central America. / Note #6 / Note #4

"May 16, 1986:"

George Bush met with President Reagan, and with cabinet members and other officials in the full National Security Planning Group. They discussed the urgent need to raise more money for the Contras.

The participants decided to seek support for the Contras from nations ("third countries") which were not directly involved in the Central American conflict.

As a result of this initiative, George Bush's former business partners, the Sultan of Brunei, donated \$10 million to the Contras. But after being deposited in secret Swiss bank accounts, the money was "lost." / Note #6 / Note #5

"May 20, 1986:"

George Bush met with Felix Rodriguez and El Salvador Air Force commander Gen. Juan Rafael Bustillo at a large reception in Miami on Cuban independence day. / Note #6 / Note #6

"May 29, 1986:"

George Bush, President Reagan, Donald Regan and John Poindexter met to hear from McFarlane and North on their latest arms-for-hostages negotiations with Iranian officials and Amiram Nir in Teheran, Iran. The two reported their arrangement with the Khomeini regime to establish a secure covert communications network between the two "enemy" governments. / Note #6 / Note #7

"July 10, 1986:"

Eugene Hasenfus, whose successful parachute landing would explode the Iran-Contra scandal into world headlines three months later, flew from Miami to El Salvador. He had just been hired to work for "Southern Air Transport," a CIA front company for which Hasenfus worked previously in the Indochina War.

Within a few days he was introduced to "Max Gomez" -- the pseudonym of Felix Rodriguez -- as "one of the Cuban coordinators of the company."

He now began work as a cargo handler on flights carrying military supplies to Contra soldiers inside Nicaragua. / Note #6 / Note #8

"July 29, 1986:"

George Bush met in Jerusalem with Terrorism Task Force member Amiram Nir, the manager of Israel's participation in the arms-for hostages schemes. Bush did not want this meeting known about. The vice president told his chief of staff, Craig Fuller, to send his notes of the meeting only to Oliver North -- not to President Reagan, or to anyone else.

Craig Fuller's memorandum said, in part:

1. SUMMARY. Mr. Nir indicated that he had briefed Prime Minister Peres and had been asked to brief the V[ice] P[resident] by his White House contacts. He described the details of the efforts from last year through the current period to gain the release of the U.S. hostages. He reviewed what had been learned which was essentially that the radical group was the group that could deliver. He reviewed the issues to be considered -- namely that there needed to be an ad [sic] decision as to whether the items requested would be delivered in separate shipments or whether we would continue to press for the release of the hostages prior to delivering the items in an amount agreed to previously.

2. The VP's 25 minute meeting was arranged after Mr. Nir called Craig Fuller and requested the meeting and after it was discussed with the VP by Fuller and North....

14. Nir described some of the lessons learned: 'We are dealing with the most radical elements.... They can deliver ... that's for sure.... [W]e've learned they can deliver and the moderates can't.... / Note #6 / Note #9

"July 30, 1986:"

The day after his Jerusalem summit with Amiram Nir, Vice President Bush conferred with Oliver North. This meeting with North was never acknowledged by Bush until the North diaries were released in May 1990.

"Early September, 1986:"

Retired Army Maj. Gen. John K. Singlaub sent a memo to Oliver North on the Contra resupply effort under Felix Rodriguez. Singlaub warned North that Rodriguez was boasting about having "daily contact" with George Bush's office. / Note #7 / Note #0

The Scandal Breaks

"October 5, 1986:"

A C-123k cargo aircraft left El Salvador's Ilopango air base at 9:30 a.m., carrying "10,000 pounds of small arms and ammunition, consisting mainly of AK rifles and AK ammunition, hand grenades, jungle boots." It was scheduled to make air drops to Contra soldiers in Nicaragua. / Note #7 / Note #1

The flight had been organized by elements of the CIA, the Defense Department, and the National Security Council, coordinated by the Office of Vice President George Bush.

At that time, such arms resupply was prohibited under U.S. law.

The aircraft headed south along the Pacific coast of Nicaragua, turned east over Costa Rica, then headed up north into Nicaraguan air space. As it descended toward the point at which it was to drop the cargo, the plane was hit in the right engine and wing by a ground-to-air missile. The wing burst into flames and broke up. Cargo handler Eugene Hasenfus jumped out the left cargo door and opened his parachute. The other three crew members died in the crash. / Note #7 / Note #2

Meanwhile, Felix Rodriguez made a single telephone call -- to the office of Vice President George Bush. He told Bush aide Samuel Watson that the C-123k aircraft was missing and was possibly down.

"October 6, 1986:"

Eugene Hasenfus, armed only with a pistol, took refuge in a small hut on a jungle hilltop inside Nicaragua. He was soon surrounded by Sandinista soldiers and gave himself up. / Note #7 / Note #3

Felix Rodriguez called George Bush's aide Sam Watson again. Watson now notified the White House Situation Room and the National Security Council staff about the missing aircraft.

Oliver North was immediately dispatched to El Salvador to prevent publicity over the event, and to arrange death benefits for the crew. / Note #7 / Note #4

After the shoot-down, several elaborate attempts were made by government agencies to provide false explanations for the origin of the aircraft.

A later press account, appearing on May 15, 1989, after Bush was safely installed as President, exposed one such attempted coverup:

Official: Contras Lied to Protect VP Bush

By Alfonso Chardy, Knight-Ridder Newspapers

WASHINGTON -- Nicaraguan rebels falsely assumed responsibility for an arms-laden plane downed over Nicaragua in 1986 in an effort to shield then-Vice President George Bush from the controversy that soon blossomed into the Iran-Contra scandal, a senior Contra official said in early May 1989.

According to the Contra official, who requested anonymity but has direct knowledge of the events, a Contra spokesman, Bosco Matamoros [official FDN representative in Washington, D.C.], was ordered by [FDN Political Director] Adolfo Calero to claim ownership of the downed aircraft, even though the plane belonged to Oliver North's secret Contra supply network....

Calero called (Matamoros) and said, "Take responsibility for the Hasenfus plane because we need to take the heat off the vice president," the Contra

source said....

The senior Contra official said that shortly after Calero talked to Matamoros, Matamoros called a reporter for the "New York Times" and "leaked" the bogus claim of responsibility. The "Times" ran a story about the claim on its front page. / Note #7 / Note #5

"October 7, 1986:"

Rep. Henry B. Gonzalez (D-Tx.) called for a congressional investigation of the Nicaraguan air crash, and the crash of a Southern Air Transport plane in Texas, to see if they were part of a covert CIA operation to overthrow the Nicaraguan government.

"October 9, 1986:"

At a news conference in Nicaragua, captured U.S. crew member Eugene Hasenfus exposed Felix Rodriguez, alias "Max Gomez," as the head of an international supply system for the Contras. The explosive, public phase of the Iran-Contra scandal had begun.

Notes for Chapter XIX

27. "CovertAction," No. 33, Winter 1990, pp. 13-14.

On Amiram Nir, see Armstrong, "op. cit.," pp. 225-26, citing "Wall Street Journal" 12/22/86, "New York Times" 1/12/87.

On Poindexter and North, see Menges, "op. cit.," p. 264.

28. Armstrong, "op. cit.," pp. 140-41, citing Senate Select Committee on Intelligence, "Report on Preliminary Inquiry," Jan. 29, 1987.

29. Rodriguez and Weisman, "op. cit.," pp. 239-41.

30. Oliver North's diary, since edited and partially declassified, entries for "10 Sep 85." Document no. 01527 in the Iran-Contra Collection.

31. "Washington Post," June 10, 1990.

32. Charles E. Allen "Memorandum for the Record," December 18, 1985. Partially declassified/released (i.e. some parts are still deleted) by the National Security Council on January 26, 1988. Document no. 02014 in the Iran-Contra Collection.

33. Armstrong, "op. cit.," pp. 226-27, citing "Wall Street Journal" 12/22/86, "New York Times" 12/25/86 and 1/12/87.
34. Armstrong, "op. cit.," p. 231, citing "Washington Post" 2/20/87, "New York Times" 2/22/87.
35. "Ibid.," p. 232, citing "Miami Herald" 11/30/86.
36. Interview with Herman Moll in "EIR Special Report:" "Irangate...," pp. 81-83.
37. Armstrong, "op. cit.," p. 235, citing "Washington Post" 12/16/86, 12/27/86, 1/10/87 and 1/12/87; "Ibid.," p. 238, citing Tower Commission Report; Menges, "op. cit.," p. 271.
38. Armstrong, "op. cit.," pp. 240-41, citing "Washington Post" 1/10/87 and 1/15/87; Sen. John Tower, Chairman, "The Tower Commission Report: The Full Text of the President's Special Review Board" (New York: Bantam Books, 1987), p. 217.
39. "Ibid.," pp. 37, 225.
40. North notebook entry Jan. 9, 1986, Exhibits attached to Gregg Deposition in Tony Avirgan and Martha Honey v. John Hull, Rene Corbo, Felipe Vidal et al., 29 April 1988.
41. Armstrong, "op. cit.," p. 258, citing the Brenneke letter, which was made available to the National Security Archive.
42. U.S. government stipulations at the North trial, in "EIR Special Report:" "Irangate...," p. 22.
43. "Tower Commission Report", pp. 67-68, 78.
44. Armstrong, "op. cit.," p. 266, citing "Washington Post" 1/10/87 and 1/15/87.
45. Chronology supplied by Office of Vice President Bush; Armstrong, "op. cit.," p. 266, citing "Washington Post" 12/16/86.
46. Deposition of Robert Earl, "Iran-Contra Report", May 2, 1987, Vol. 9, pp. 22-23; Deposition of Craig Coy, "Iran-Contra Report", March 17, 1987, Vol. 7, pp. 24-25: cited in "CovertAction," No. 33, Winter 1990, p. 13.

47. Oliver Revell to Sen. David Boren, chairman of Senate Select Committee on Intelligence, April 17, 1987; "Washington Post" Feb. 17, 20 and 22, 1987; "Wall Street Journal" Feb. 20, 1987: cited in "CovertAction," No. 33, Winter 1990, p. 13.

48.

"Newsweek," Oct. 21, 1985, p. 26; Earl Exhibit, nos. 3-8, attached to Earl Deposition, "op. cit.": cited in "CovertAction" No. 33, Winter 1990, p. 15.

49. Earl Deposition, "op. cit.," May 30, 1987, pp. 33-37; May 15, 1987, pp. 117-21 (Channell and Miller); May 15, 1987, pp. 131, 119 (private contributors).

50. Donald Gregg Briefing Memorandum for the Vice President, Jan. 27, 1986; released by the National Security Council March 22, 1988. Document no.02254 in Iran-Contra Collection.

51. Armstrong, "op. cit.," p. 275, citing "Miami Herald" 11/30/86.

52. "Ibid.," p. 280, citing the Menarczik letter to Brenneke which was made available to the National Security Archive.

53. "Ibid.," citing "Miami Herald" 11/30/86.

54. "New York Times," Nov. 30, 1986, Dec. 4, 1986. See Gregg testimony: Brenneke had M's number.

55. Quoted in Menges, "op. cit.," p. 275.

56. Deposition of Michael Tolliver in Avirgan and Honey, "op. cit."

57. Allan Nairn, "The Bush Connection," in "The Progressive" (London: May 18, 1987), pp. 21-22.

58. Nairn, "op. cit.," pp. 19, 21-23.

59. "Tower Commission Report," p. 465

60. Rodriguez and Weisman, "op. cit.," pp. 244-45.

61. "Ibid."

62. "Schedule Proposal," Office of the Vice President, April 16, 1986,

exhibit attached to Gregg Deposition in Avirgan and Honey, "op. cit."

63. Office of the Vice President Memorandum, April 30, 1986, released Aug. 28, 1987 by the National Security Council. Document no. 02738 in the Iran-Contra Collection.

64. Rodriguez and Weisman, "op. cit.," pp. 245-46.

See also Gregg confirmation hearings, excerpted "infra," and numerous other sources.

65. Armstrong, "op. cit.," pp. 368-69, citing Senate Select Intelligence Committee Report, Jan. 29, 1987.

66. "Ibid.," p. 373, citing "Washington Post" 12/16/86.

67. "Ibid.," p. 388-89, citing McFarlane testimony to the Tower Commission.

68. Affidavit of Eugene Harry Hasenfus, October 12, 1986, pp. 2-3. Document no. 03575 in the Iran-Contra Collection.

69. "Tower Commission Report," pp. 385-88.

70. "Washington Post", Feb. 26, 1987.

71. Hasenfus Affidavit, pp. 6-7.

72. "Ibid."

73. Hasenfus Affidavit, p. 7.

74. Armstrong, "op. cit.," p. 508, citing the chronology provided by George Bush's office, "Washington Post" 12/16/86; "New York Times" 12/16/86, 12/17/86 and 12/25/86; "Wall Street Journal" 12/19/86 and 12/24/86.

75. "Laredo [Texas] Morning Times," May 15, 1989, p. 1.

"XIX: Iran-Contra"

On October 11, 1986, the "Washington Post" ran two headlines side-by-side: "Captured American Flyer to be Tried in Nicaragua" and "Bush is Linked to Head of Contra Aid Network."

The "Post" reported: "Max Gomez, a Cuban American veteran of the CIA's

ill-fated Bay of Pigs operation, has told associates that he reported to Vice President Bush about his activities as head of the secret air supply operation that lost a cargo plane to Nicaraguan missile fire....

"Gomez has said that he met with Bush twice and has been operating in Nicaragua with the Vice President's knowledge and approval, the sources said....

"Asked about these matters, a spokesman for Bush, Marlin Fitzwater, said: 'Neither the vice president nor anyone on his staff is directing or coordinating an operation in Central America.'

"... The "San Francisco Examiner", which earlier this week linked [Bush adviser Donald] Gregg to Gomez, reported that Gomez maintains daily contact with Bush's office...." / Note #7 / Note #6

George Bush's career was now on the line. News media throughout the world broke the story of the Hasenfus capture, and of the crewman's fingering of Bush and his underlings Rodriguez and Posada Carriles.

Bush was now besieged by inquiries from around the world, as to how and why he was directing the gun-running into Latin America.

Speaking in Charleston, South Carolina, George Bush described Max Gomez/Rodriguez as "a patriot." The vice president denied that he himself was directing the illegal operations to supply the Contras: ""To say I'm running the operation ... it's absolutely untrue.""

Bush said of Rodriguez: "I know what he was doing in El Salvador, and I strongly support it, as does the President of El Salvador, Mr. Napoleon Duarte, and as does the chief of the armed forces in El Salvador, because this man, an expert in counterinsurgency, was down there helping them put down a communist-led revolution [i.e. in El Salvador, not Nicaragua]." / Note #7 / Note #7

Two days later, Gen. Adolfo Blandon, armed forces chief of staff in El Salvador, denied Bush's contention that Felix Rodriguez worked for his country's military forces. / Note #7 / Note #8

"October 12, 1986:"

Eugene Hasenfus gave and signed an affidavit in which it was stated: "About Max Gomez [Felix Rodriguez], Hasenfus says that he was the head Cuban coordinator for the company and that he works for the CIA and that he is a

very close friend of the Vice-President of the United States, George Bush....

"About Ramon Medina [escaped airplane bomber Luis Posada Carriles], Hasenfus says that he was also a CIA agent and that he did the 'small work' because "Max Gomez" was the 'senior man.' He says that "Ramon" took care of the rent of the houses, the maids, the food, transportation and drivers, and also, coordination of the fuel for the aircraft, etc." [emphasis in the original]. / Note #7 / Note #9

His cover being blown, and knowing he was still wanted in Venezuela for blowing up an airliner and killing 73 persons, Posada Carriles now "vanished" and went underground. / Note #8 / Note #0

"October 19, 1986:"

Eugene Hasenfus, interviewed in Nicaragua by Mike Wallace on the CBS television program "60 Minutes," said that Vice President Bush was well aware of the covert arms supply operation. He felt the Reagan-Bush administration was "backing this 100 percent."

Wallace asked Hasenfus why he thought that Gomez/Rodriguez and the other managers of the covert arms resupply "had the blessing of Vice President Bush." Hasenfus replied, "They had his knowledge that he was working [on it] and what was happening, and whoever controlled this whole organization -- which I do not know -- Mr. Gomez, Mr. Bush, I believe a lot of these other people. They know how this is being run. I do not." / Note #8 / Note #1

Cover-Up of Bush Role

"November 3, 1986:"

The Lebanese newspaper "Al-Shiraa" revealed that the U.S. government was secretly dealing arms to the Khomeini regime. This was three weeks after the Eugene Hasenfus expose of George Bush made world headlines.

"November 22, 1986:"

President Reagan sent a message, "through Vice President George Bush," to Secretary of State George Shultz, along the lines of "Support me or get off my team." / Note #8 / Note #2

"December 18, 1986:"

CIA Director William Casey, a close ally of George Bush who knew everything from the inside, was operated on for a "brain tumor" and lost the power of speech.

That same day, associates of Vice President George Bush said that Bush believed White House Chief of Staff Donald Regan should resign, but claimed Bush had not yet broached the issue with the President. Donald Regan said that he had no intention of quitting. / Note #8 / Note #3

"February 2, 1987:"

CIA Director William Casey resigned. He soon died, literally without ever talking.

"February 9, 1987:"

Former National Security Director Robert McFarlane, a principal figure in the Reagan-Bush administration's covert operations, attempted suicide by taking an overdose of drugs. McFarlane survived.

"February 26, 1987:"

The President's Special Review Board, commonly known as the Tower Commission, issued its report. The commission heavily blamed White House Chief of Staff Donald Regan for the "chaos that descended upon the White House" in the Iran-Contra affair.

The commission hardly mentioned Vice President George Bush except to praise him for his "vigorous reaffirmation of U.S. opposition to terrorism in all forms"!

The afternoon the Tower Commission report came out, George Bush summoned Donald Regan to his office. Bush said the President wanted to know what his plans were about resigning. Donald Regan blasted the President: "What's the matter -- isn't he man enough to ask me that question?" Bush expressed sympathy. Donald Regan said he would leave in four days. / Note #8 / Note #4

"February 27, 1987:"

Cable News Network televised a leaked report that Donald Regan had already been replaced as White House chief of staff. After submitting a one-sentence letter of resignation, Donald Regan said, "There's been a

deliberate leak, and it's been done to humiliate me." / Note #8 / Note #5

George Bush, when President, rewarded the commission's chairman, Texas Senator John Tower, by appointing him U.S. secretary of defense. Tower was asked by a reporter at the National Press Club, whether his nomination was a "payoff" for the "clean bill of health" he gave Bush. Tower responded that "the commission was made up of three people, Brent Scowcroft and [Senator] Ed Muskie in addition to myself, that would be sort of impugning the integrity of Brent Scowcroft and Ed Muskie.... We found nothing to implicate the Vice President.... I wonder what kind of payoff they're going to get?" / Note #8 / Note #6

President Bush appointed Brent Scowcroft his chief national security adviser.

But the Senate refused to confirm Tower. Tower then wrote a book and began to talk about the injustice done to him. He died April 5, 1991 in a plane crash.

"March 8, 1987:"

In light of the Iran-Contra scandal, President Reagan called on George Bush to reconvene his Terrorism Task Force to evaluate the current program!

"June 2, 1987:"

Bush summarized his findings in a press release: "[O]ur current policy as articulated in the Task Force report is sound, effective, and fully in accord with our democratic principles, and national ideals of freedom." / Note #8 / Note #7

"November 13, 1987:"

The designated congressional committees filed their joint report on the Iran-Contra affair. Wyoming Representative Richard Cheney, the senior Republican member of the House Select Committee to Investigate Covert Arms Transactions with Iran, helped steer the joint committees to an impotent result. George Bush was totally exonerated, and was hardly mentioned.

George Bush, when President, rewarded Dick Cheney by appointing him U.S. secretary of defense, after the Senate refused to confirm John Tower.

The Mortification of the U.S. Congress

"January 20, 1989:"

George Bush was inaugurated President of the United States.

"May 12, 1989:"

President Bush's nomination of Donald Gregg to be U.S. ambassador to Korea was considered in hearings by the Senate Foreign Relations Committee.

What follows are excerpts from the typed transcript of the Gregg hearings. The transcript has never been reproduced, it has not been printed, and it will not be published by the Senate Foreign Relations Committee, which is evidently embarrassed by its contents. / Note #8 / Note #8

"Gregg:" [As] his national security adviser [for] six and a half years ... I worked closely with the vice president keeping him informed as best I could on matters of foreign policy, defense, and intelligence....

[After Vietnam] I did not see [Felix Rodriguez] until the early eighties where he would drop into Washington sporadically ... we remained friends.... So, some of those contacts would have been [1979-1982] when I was at the White House at the NSC.

"Sen. Sarbanes:" And Felix would come to see you there?

"Gregg:" No, at my home.... [Then] he brought me in '83 the plan which I have already discussed with Senator Cranston.... [At that point] I was working for the vice president ... [which I began in] August 1982.

"Sen. Sarbanes:" In December of 1984 he came to see you with the idea of going to El Salvador. You ... cleared it with the vice president?

"Gregg:" ... I just said, "My friend Felix, who was a remarkable former agency employee ... wants to go down and help with El Salvador. And I am going to introduce him to [State Department personnel] and see if he can sell himself to those men," and the vice president said fine.

"Gregg:" Felix went down there about the first of March [1985]. Before he went ... I introduced him to the vice president....

"Sen. Sarbanes:" So before he went down, you undertook to introduce him to the vice president.... Why did you do that?

"Gregg:" Well, the vice president had always spoken very highly and enthusiastically of his career [!], or his one-year as DCI [Director of

Central Intelligence]. I had gone out with him to the agency just after I joined him in '82 and I saw the tremendous response he got there and he got quite choked up about it and as we drove back in the car he said, you know, that is the best job I have ever had before I became vice president.

So here it was, as I said probably the most extraordinary CIA comrade I had known, who was going down to help in a country that I knew that the vice president was interested in....

The vice president was interested in the progress of the Contras.

There were two occasions on which he asked me, how are they doing and I, on one occasion went to a CIA officer who was knowledgeable and got a run-down on how they were doing from that and sent it to the vice president and he sent it back with no comment.

On another occasion, he asked me again, how are they doing, and I went -- I drew a memo up, I think on the basis of a conversation with North. Again, he returned that with no comment. So he was interested in the Contras as an instrument of putting pressure on the Sandinistas....

"Sen. Simon:" Let me read another section from Senator Cranston's statement. I believe the record suggests the following happened: After Boland II was signed in October 1984 [outlawing all U.S. aid to the Contras], you and certain others in the White House were encouraged to secure military aid for the Contras through unorthodox channels.

Your career training in establishing secrecy and deniability for covert operations, your decades-old friendship for Felix Rodriguez, apparently led you to believe you could serve the national interest by sponsoring a freelance covert operation out of the vice president's office.

What is your response to that statement?

"Gregg:" Well, I think it is a rather full-blown conspiracy theory. That was not what I was doing.... I was involved in helping the vice president's task force on antiterrorist measures write their report. But normally I had no operational responsibilities....

"Sen. Simon:" When did you first find out the law was being violated?

"Gregg:" By the law, do you mean the Boland amendment?

"Sen. Simon:" That is correct.

"Gregg:" I guess my knowledge of that sort of came at me piecemeal after Hasenfus had been shot down....

"Sen. Simon:" So what you are telling us, you found out about the law being violated the same time the rest of us found out the law was being violated?

"Gregg:" Yes, sir....

"Sen. Cranston:" From February 1985 to August 1986, you have acknowledged that you spoke to Rodriguez many, many times on the telephone. Let me quote from your sworn deposition to the Iran-Contra Committee: "Felix called me quite often and frequently it was what I would call sort of combat catharsis. He used to do the same thing in Vietnam...."

Now, is it still your testimony that Rodriguez never mentioned his deep involvement in Contra supply activities during any of these phone conversations?

"Gregg:" That is my testimony.

"Sen. Cranston:" Is it still your testimony that prior to Aug. 8th, 1986, Rodriguez never mentioned the status of his Contra resupply efforts during his numerous face-to-face meetings with you in Washington?

"Gregg:" Never.

"Sen. Cranston:" Is it still your testimony that Rodriguez did not mention the status of his Contra resupply efforts in the very meetings that were convened according to two memos bearing your name, for Rodriguez to "brief the vice president on the status of the war in El Salvador and efforts to resupply the Contras"?

"Gregg:" There was no intention to discuss resupply of the Contras and everyone at that meeting, including former Senator Nick Brady have [sic] testified that it was not discussed.

"Sen. Cranston:" As you know, it is difficult to reconcile those statements about what happened in the meeting with the statement and memos from you that the agenda was ... two things, one of them being efforts to resupply the Contras....

"Gregg:" Those memos first surfaced to my attention in December of 1986, when we undertook our first document search of the vice president's office.

They hit me rather hard because by that time I had put the pieces together of what had been going on and I realized the implications of that agenda item.

I did not shred the documents. I did not hide it.... [T]his is the worst thing I have found and here it is, and I cannot really explain it.... I have a speculative explanation which I would like to put forward if you would be interested.

"Sen. Cranston:" Fine.

"Gregg:" Again, turning to Felix [Rodriguez]'s book ... Felix makes the following quote.... This is the quote, sir: "... I had no qualms about calling [Sam Watson] or Don [Gregg] when I thought they could help run interference with the Pentagon to speed up deliveries of spare chopper parts." That means helicopters.

"I must have made many such calls during the spring of 1986. Without operating Hughes 500 helicopters it was impossible to carry out my strategy against the [El Salvadoran] insurgents...." [There are] then documented steps that Colonel Watson had taken with the Pentagon to try to get spare parts expedited for El Salvador....

So my construction is this, sir. I recall that in the meeting with the vice president the question of spare parts for the helicopters in El Salvador was discussed and so that I think "what the agenda item on the two memos is, is a garbled reference to something like resupply of the copters, instead of resupply of the Contras" [emphasis added]."

"Sen. Sarbanes:" How did the scheduling proposal of April 16, 1986 and the briefing memorandum of April 30th take place?

"Gregg:" They were prepared by my assistant, Mrs. Byrne, acting on advice from Colonel Watson. She signed my initials, but those are not my initials. I did not see the documents until December 1986, when I called them to the attention of the House Intelligence Committee.... And if .. my speculation does not hold up, I have to refer you to a memorandum that I turned over to the Iran-Contra Committee on the 14th of May 1987....

"Sen. Sarbanes:" I am looking at that memorandum now.

"Gregg:" Okay. That has been my explanation up until now.

"Sen. Sarbanes:" But you are now providing a different explanation?

"Gregg:" It is the only one -- I have been thinking about these documents for over two years, and it is the only thing that I can come up with that would come close to explaining that agenda item -- given the fact that there was no intention of discussing resupply to the Contras. That resupply of the Contras was not discussed, according to the testimony of everyone who was in the meeting...."

"Sen. Kerry:" Douglas Minarczik is who?

"Gregg:" He was one of my assistants in my office responsible for Mid-East and African affairs....

"Sen. Kerry:" And he was working for you in 1985 and 1986, that period?

"Gregg:" Yes.

"Sen. Kerry:" Now, when I began first investigating allegations of the "gun-running" that was taking place out of Miami, "Miami was buzzing with the notion that the vice president's office was somehow involved in monitoring that, at least" [emphasis added].

Now, Jesus Garcia was a Miami corrections official who got into trouble and wound up going to jail on weapons offenses. Through that connection, we came across telephone records. And those telephone records demonstrate calls from Garcia's house to Contra camps in Honduras, to John Hull in Costa Rica, and Douglas Minarczik in, not necessarily in your office, but directly to the White House.

However, there is incontrovertible evidence that he had in his possession the name of Mr. Minarczik, a piece of paper in our possession, in Garcia's home in connection with monitoring those paramilitary operations, in August of 1985.

Now, how do you account for the fact that Minarczik's -- that the people involved with the Contra supply operations out of Miami ... had Minarczik's name and telephone number, and that there is a record of calls to the White House at that time?

"Gregg:" I cannot account for it. Could it have anything to do with our old friend Mr. Brenicke [sic]? Because Brenicke did have Minarczik's phone number....

"Sen. Kerry:" ... No. Totally separate.

"Gregg:" This is all new. I do not have an explanation, sir....

"Sen. Kerry:" Do you recall the downing of a Cuban airliner in [1976] in which 72 people lost their lives as a result; do you remember that?

"Gregg:" Yes.

"Sen. Kerry:" A terrorist bomb. And a Cuban-American named Luis Posada [Carriles] was arrested in Venezuela in connection with that. He then escaped in 1985 with assistance from Felix Rodriguez -- I do not know if this is going to be in the [Rodriguez] book or not --

"Gregg:" It is.

"Sen. Kerry:" Okay, and he brought him to Central America to help the Contras under pseudonym of Ramon Medina, correct?

"Gregg:" Now, I know that; yes.

"Sen. Kerry:" ... [Is] it appropriate for a Felix Rodriguez to help a man indicted in a terrorist bombing to escape from prison, and then appropriate for him to take him to become involved in supply operations, which we are supporting?

"Gregg:" I cannot justify that, sir. And I am not certain what role Felix played in getting him out....

Committee Session June 15, 1989

"Sen. Cranston:" Before proceeding in this matter, I would like to state clearly for the record what the central purpose of this investigation is about and in my view what it is not about.

It is not about who is for or against the Contras....

Similarly, this investigation is not about building up or tearing down our new President [Bush]. We have tried throughout this proceeding to avoid partisan attacks. Indeed, "Republicans and Democrats alike" have sought Mr. Gregg's withdrawal as one way to avoid casting aspersions on the [Bush] White House.... [emphasis added].

Mr. Gregg remains steadfast in his loyalty to his boss, then-Vice President Bush, and to his long-time friend, Felix Rodriguez. Mr. Gregg has served

his country in the foreign policy field for more than three decades.

By all accounts he is a loyal American....

As Mr. Gregg himself conceded last month, there are substantial reasons for senators to suspect his version of events and to raise questions about his judgment.

It does not take a suspicious or partisan mind to look at the documentary evidence, the back channel cables, the "eyes only" memos, and then to conclude that Mr. Gregg has not been straight with us. Indeed, I am informed that more than one Republican senator who has looked at the accumulated weight of the evidence against Mr. Gregg, has remained unconvinced and has sought Mr. Gregg's withdrawal.

Mr. Gregg, this committee has a fundamental dilemma. If we are to promote a man we believe to have misled us under oath, we would make a mockery of this institution....

... [It] has been established that when you are confronted with written evidence undermining your story, you point the finger of blame elsewhere. At our last hearing you said Gorman's cables were wrong, North's notebooks were wrong, Steele's memory was wrong, North's sworn testimony [that Gregg introduced Rodriguez to him] was wrong, you concocted a theory that your aide, Watson, and your secretary erred by writing "Contras" instead of "helicopters" on those infamous briefing memos for the Vice President....

Incredibly, when senators confront you with the documentary evidence which undermines your story, you accuse us of concocting conspiracy theories and you do so with a straight face.

... I think it is clear by now that many important questions may never be answered satisfactorily, especially because we have been stonewalled by the administration.

The National Security Agency has rejected our legitimate enquiries out of hand. The Central Intelligence Agency provided a response with access restrictions so severe ... as to be laughable.

The Department of Defense has given an unsatisfactory response two days late. The State Department's response was utterly unresponsive. They answered our letter after their self-imposed deadline and failed to produce specific documents we requested and which we know exist.

This Committee has been stonewalled by Oliver North, too. He has not complied with the Committee subpoena for his unredacted notebooks. The redacted notebooks contain repeated January 1985 references to Felix Rodriguez which suggests North's involvement in Rodriguez' briefings of the Vice President.

No member of the Senate can escape the conclusion that these administration actions are contemptuous of this Committee....

"Sen. McConnell:" ... During the period of the Boland Amendment, were you ever asked to inform the vice president's office or lend his name to private, nonprofit efforts to support the Contras?

"Gregg:" Yes. I recall one instance, in particular, where there was a request -- I guess it was probably from one aspect of the Spitz Channell organization, which had a variety of things going on in and around Nicaragua.

We got, on December 2nd, 1985, a letter to the vice president, asking him to get involved in something called the Friends of the Americas, which was aid to the Meskito Indians ... in Nicaragua that had been badly mistreated by the Sandinistas.... And so I have a document here which shows how we dealt with it. I sent it to Boyden Gray, the counsel of the vice president and said, "Boyden, this looks okay as a charity issue, but there is the question of precedent. Please give me a legal opinion. Thanks." ... Boyden Gray wrote back to me and said, "No, should not do. Raises questions about indirect circumvention of congressional funding limits or restriction, vis-a-vis Nicaragua."

That is the only time I recall that we had a specific request like that, and this is how we dealt with it.

"Sen. Pell" [Chairman of the Committee]:" ... First, you say that you offered to resign twice, I think.

Knowing that you are a very loyal servant of what you view as the national interest, and knowing the embarrassment that this nomination has caused the administration, I was wondering why you did not ask your name to be withdrawn ... to pull your name back.... [w]hich has been recommended by many of us as being a way to resolve this problem.

"Gregg:" Well, I haven't because I think I'm fully qualified to be ambassador to South Korea. And so does the vice president [sic].

So I am here because he has asked me to serve....

"Sen. Cranston:" ... Senators will recall that on Oct. 5th of '86 a plane bearing military supplies to the Contras was shot down over Nicaragua. The sole survivor, Eugene Hasenfus, spoke publicly of the role of Felix Rodriguez, alias Max Gomez, in aiding military resupply and noted Gomez's ties to the vice president's office.

Could you please describe your understanding of why it was that the first call to official Washington regarding the shootdown was from Felix Rodriguez to your aid[e] in Washington?

"Gregg:" ... [It] was because on the 25th of June of that year he had come to Washington to confront North about what he regarded as corruption in the supply process of the Contras.... [H]e broke with North on the 25th of June and has not been on speaking terms with the man since then.... [H]e tried to get me -- he could not -- he reached Colonel Watson....

"Sen. Cranston:" As you recall, the vice president was besieged at that time with inquiries regarding Rodriguez's ties to the vice president's office. What did you tell [Bush press spokesman] Marlin Fitzwater regarding that relationship?

"Gregg:" ... The thrust of the press inquiries was always that from the outset I had had in mind that Rodriguez should play some role in the Contra support operation, and my comments to Marlin ... were that that had not been in my mind....

"Sen. Cranston:" Let me quote again from the "New York Times", George Bush quoted October 13, '86. Bush said, "To the best of my knowledge, this man, Felix Rodriguez, is not working for the United States government."

Now Mr. Gregg, you knew that Rodriguez was aiding the Contras and receiving material assistance in the form of cars, housing, communications equipment and transportation from the U.S. government. Did you inform Bush of those facts so that he could make calculated misleading statements in ignorance of his staff's activities?

"Gregg:" ... At that point I had no idea that Felix -- you said -- you mentioned communications equipment. I had no idea he had been given by North one of those encryption devices. I think I was aware that Colonel Steele had given him access to a car, and I knew he was living in a BOQ at the air base. He was not being paid any salary. His main source of income

was, as it is now, his retirement pension from CIA.

"Sen. Cranston:" ... You told the Iran-Contra committee that you and Bush never discussed the Contras, had no expertise on the issue, no responsibility for it, and the details of Watergate-sized scandal involving NSC staff and the [Edwin] Wilson gang was not Vice Presidential.

Your testimony on that point I think is demonstrably false. There are at least six memos from Don Gregg to George Bush regarding detailed Contra issues....

"Sen Cranston:" Am I correct in this, that you have confirmed ... that senior U.S. military, diplomatic ... and intelligence personnel, really looked with great doubt upon Rodriguez's mission and that they tolerated it only because Rodriguez used his contacts with the vice president and his staff as part of the way to bolster his mission.

"Gregg:" ... I was not aware of the diplomatic; I was aware of the military and intelligence, yes, sir.

"The committee voted in favor of confirmation." Cranston voted no. But three Democrats -- Charles Robb, Terry Sanford and Chairman Claiborne Pell -- joined the Republicans.

Sanford confirmed Cranston's viewpoint, saying that he was allowing the nomination to go through because he was afraid "the path would lead to Bush," the new President. Sanford said, shamefacedly, ""If Gregg was lying, he was lying to protect the President, which is different from lying to protect himself."" / Note #8 / Note #9

In George Bush's government, the one-party state, the knives soon came out, and the prizes appeared.

The Senate Ethics Committee, including the shamefaced Terry Sanford, began in November 1989, its attack on the "Keating Five." These were U.S. Senators, among them Senator Alan Cranston, charged with savings and loan corruption. The attack soon narrowed down to one target only -- the Iran-Contra Senator Cranston.

On Aug. 2, 1991, Senator Terry Sanford, having forgotten his shame, took over as the new chairman of the Senate Ethics Committee.

Bush, LaRouche and Iran-Contra

George Bush and his friends have repeatedly told political pundits that America is "tired" and "bored" of hearing about the Iran-Contra affair.

Bush has taken a dim view of those who were not tired or bored, but fought him.

Oct. 6, 1986 was a fateful day in Washington. The secret government apparatus learned that the Hasenfus plane had been shot down the day before, and went scurrying about to protect its exposed parts. At the same time, it sent about 400 heavily armed FBI agents, other federal, state and local policemen storming into the Leesburg, Virginia, publishing offices associated with the American dissident political leader Lyndon LaRouche, Jr.

LaRouche and his political movement had certified their danger to the Bush program. Six months before the raid, LaRouche associates Mark Fairchild and Janice Hart had gained the Democratic nominations for Illinois lieutenant governor and secretary of state; they won the primary elections after denouncing the government-mafia joint coordination of the narcotics trade. With this notoriety, LaRouche was certain to act in an even more unpredictable and dangerous fashion as a presidential candidate in 1988. LaRouche allies were at work throughout Latin America, promoting resistance to the Anglo-Americans. The LaRouche-founded "Executive Intelligence Review" had exposed U.S. government covert support for Khomeini's Iranians, beginning in 1980.

More directly, the LaRouchites were fighting the Bush apparatus for its money. Connecticut widow Barbara Newington, who had given Spitz Channell's National Endowment for the Preservation of Liberty \$1,735,578 out of its total 1985 income of \$3,360,990, / Note #9 / Note #0 was also contributing substantial sums to LaRouche-related publishing efforts ... which were exposing the Contras and their dope-pushing. Fundraiser Michael Billington argued with Mrs. Newington, warning her not to give money to the Bush-North-Spitz Channell gang.

Back on August 19, 1982, and on November 25, 1982, George Bush's old boss, Henry A. Kissinger, had written to FBI Director William Webster, asking for FBI action against "the LaRouche group." In promoting covert action against LaRouche, Kissinger also got help from James Jesus Angleton, who had retired as chief of counterintelligence for the CIA. After Yalie Angleton got going in this anti-dissident work, he mused "Fancy that, now I've become Kissinger's Rebbe." / Note #9 / Note #1

One week before the raid, an FBI secret memorandum described the LaRouche political movement as "subversive," and claimed that its "policy positions

... dovetail nicely with Soviet propaganda and disinformation objectives."
/ Note #9 / Note #2

Three months after Spitz Channell's fraud confession, Vice President Bush denounced LaRouche at an Iowa campaign rally: "I don't like the things LaRouche does.... He's bilked people out of lots of money, and misrepresented what causes money was going to. LaRouche is in a lot of trouble, and deserves to be in a lot of trouble." / Note #9 / Note #3

LaRouche and several associates eventually went on trial in Boston, on a variety of "fraud" charges -- neither "subversion" nor defunding the Contras was in the indictments. Bush was now running hard for the presidency.

Suddenly, in the midst of the primary elections, the LaRouche trial took a threatening turn. On March 10, 1988, Federal Judge Robert E. Keeton ordered a search of the indexes to Vice President George Bush's confidential files to determine whether his spies had infiltrated LaRouche-affiliated organizations.

Iran-Contra Special Prosecutor Lawrence Walsh had acquired, and turned over to the LaRouche defense, in response to an FOIA request, a secret memorandum found in Oliver North's safe. It was a message from Gen. Richard Secord to North, written May 5, 1986 -- four days after North had met with George Bush and Felix Rodriguez to confirm that Rodriguez would continue running guns to the Contras using Spitz Channell's payments to Richard Secord. The memo, released in the Boston courtroom, said, "Lewis has met with FBI and other agency reps and is apparently meeting again today. Our Man here claims Lewis has collected info against LaRouche." / Note #9 / Note #4

The government conceded that "our man here" in the memo was Bush Terrorism Task Force member Oliver "Buck" Revell, the assistant director of the FBI. "Lewis" -- "soldier of fortune" Fred Lewis -- together with Bush operatives Gary Howard and Ron Tucker, had met later in May 1986, with C. Boyden Gray, counsel to Vice President Bush. / Note #9 / Note #5

Howard and Tucker, deputy sheriffs from Bush-family-controlled Midland, Texas, were couriers and bagmen for money transfers between the National Security Council and private "counterterror" companies. They were also professional sting artists. Howard and Tucker had sold 100 battle tanks to a British arms dealer for shipment to Iran, and had taken his \$1.6 million. Then they turned him in to British authorities and claimed a huge reward. A British jury, outraged at Howard and Tucker, threw out the criminal case in

late 1983.

The LaRouche defense contended, with the North memo and other declassified documents, that the Bush apparatus had sent spies and provocateurs into the LaRouche political movement in an attempt to wreck it.

Judge Keeton demanded that the Justice Department tell him why information they withheld from the defense was now appearing in court in declassified documents.

The government was not forthcoming, and in May 1988, the judge declared a mistrial. The jury told the newspapers they would have voted for acquittal.

But Bush could not afford to quit. LaRouche and his associates were simply indicted again, on new charges. This time they were brought to trial before a judge who could be counted on.

Judge Albert V. Bryan, Jr. was the organizer, lawyer and banker of the world's largest private weapons dealer, Interarms of Alexandria, Virginia. As the new LaRouche trial began, the CIA-front firm that the judge had founded controlled 90 percent of the world's official private weapons traffic. Judge Bryan had personally arranged the financing of more than a million weapons traded by Interarms between the CIA, Britain and Latin America.

Agency for International Development trucks carried small arms, rifles, machine guns and ammunition from Interarms in Alexandria for flights to Cuba -- first for Castro's revolutionary forces. Then, Judge Bryan's company, Interarms, provided guns for the anti-Castro initiatives of the CIA Miami Station, for Rodriguez, Shackley, Posada Carriles, Howard Hunt, Frank Sturgis, et al. When George Bush was CIA director, Albert V. Bryan's company was the leading private supplier of weapons to the CIA. / Note #9 / Note #6

In the LaRouche trial, Judge Bryan prohibited virtually all defense initiatives. The jury foreman, Buster Horton, had top secret clearance for government work with Oliver North and Oliver "Buck" Revell. LaRouche and his associates were declared guilty.

On January 27, 1989 -- one week after George Bush became President -- Judge Albert V. Bryan sentenced the 66-year-old dissident leader LaRouche to 15 years in prison. Michael Billington, who had tried to wreck the illicit funding for the Contras, was jailed for three years with LaRouche; he was later railroaded into a Virginia court and sentenced to another "77 years

in prison" for "fundraising fraud."

Notes for Chapter XIX

76. "Washington Post," Oct. 11, 1986.

77. "Washington Post," Oct. 12, 1986, Oct. 14, 1986.

78. "Washington Post," Oct. 14, 1986.

79. Hasenfus Affidavit, p. 3.

80. Rodriguez and Weisman, "op. cit.," p. 241.

81. "Washington Post," Nov. 20, 1986.

82. "Washington Post," Feb. 12, 1987.

83. "Washington Post," Dec. 18, 1986, "Wall Street Journal," Dec. 19, 1986.

84. Donald T. Regan, "For the Record: From Wall Street to Washington" (New York: Harcourt Brace Jovanovitch, 1988), pp. 368-73.

85. "Ibid."

86. "New York Times," March 2, 1989.

87. "CovertAction," No. 33, Winter 1990, p. 15.

88. Stenographic Transcript of Hearings Before the U.S. Senate Committee on Foreign Relations, Nomination Hearing for Donald Phinney Gregg to be Ambassador to the Republic of Korea. Washington, D.C., May 12 and June 15, 1989.

89. Mary McGrory, "The Truth According to Gregg," "Washington Post," June 22, 1989.

90. NEPL contributions 1985 printout, cited in Armstrong, "op. cit.," p. 226.

91. Kissinger letters, declassified in 1984, photostats in "EIR Special Report:" "Irangate...," pp. 52, 55.

Angleton quote in Tom Mangold, "Cold Warrior" (New York: Simon and Schuster, 1991), p. 352.

See also Burton Hersh, "In the Hall of Mirrors: The Cold War's Distorted Images," in "The Nation," June 23, 1991. Hersh says: "I knew Angleton in the last five years of his life [he died May 11, 1987]. Angleton was amusing himself just then with a vendetta against Lyndon LaRouche."

92. Director FBI to D[efense] I[n]telligence] A[gency], Sept. 30, 1986, classified SECRET.

93. Bush at Shelton, Iowa, July 31, 1987, quoted in "EIR Special Report:" "Irrangate...", p. 65.

94. Secord to North 5/5/86 memorandum marked SECRET, declassified Feb. 26, 1988 by Special Prosecutor Lawrence Walsh, photostat in "EIR Special Report:" "Irrangate...", p. 31.

95. "Washington Post," March 27, 1989.

96. Corporate records of the First National Bank of Alexandria and the First Citizens Bank of Alexandria, 1940s to 1960s, in "Polk's Bankers Directory."

Clarence J. Robinson, "Reminiscences" (Fairfax, Va.: George Mason University, 1983).

"XX: The Leveraged Buyout Mob"

During the entire decade of the 1980s, the policies of the Reagan-Bush and Bush administrations encouraged one of the greatest paroxysms of speculation and usury that the world has ever seen. Starting especially in the summer of 1982, a malignant and cancerous mass of speculative paper spread through all the vital organs of the banking, credit, and financial system. Capital had long since ceased to be used for the creation of new productive plant and equipment, new productive manufacturing jobs, investment in transportation, power systems and education; health services and other infrastructure declined well below the breakeven level. Wall Street investors came more and more to resemble vampires who ranged over a ghoulis landscape in search of living prey whose blood they could suck to perpetuate their own lively form of death.

For the vast majority of the U.S. population (to say nothing of the brutal immiseration in the developing countries) it was an epoch of austerity, sacrifice, and decline, of the entropy of a society in which most people have no purpose and feel themselves becoming redundant. But for a

paper-thin stratum of plutocrats and parasites, the 1980s was a time of unlimited opportunity. These were the practitioners of the disastrous financial swindles that marked the decade, the protagonists of the hostile takeovers, mergers and acquisitions, leveraged buyouts, greenmail, and stock plays that occupied the admiration of Wall Street. These were corporate raiders like J. Hugh Liedtke, Baine Kerr, T. Boone Pickens, and Frank Lorenzo; Wall Street financiers like Henry Kravis and Nicholas Brady. And these men, surely not by coincidence, belonged to the intimate circle of personal friends and close political supporters of George Herbert Walker Bush.

The Pennzoil Wars: A Case Study

One of the landmark corporate battles of the first Reagan administration was the battle over control of Getty Oil, a battle fought between Texaco -- at that time the third largest oil company in the United States and the fourth largest industrial corporation -- and J. Hugh Liedtke's Pennzoil. George Bush's old partner and constant crony, J. Hugh Liedtke, was still obsessed with his dream of building Pennzoil into a major oil company, one that could become the seventh of the traditional Seven Sisters after Chevron and Gulf merged.

Liedtke was the chairman of the Pennzoil board, and the Pennzoil president was now Baine Kerr, a former lawyer from Baker & Botts in Houston. Baine Kerr was also an old friend of George Bush. Back in 1970, when George was running against Lloyd Bentsen, Kerr had advised Bush on a proposed business deal involving a loan request from Victor A. Flaherty, who needed money to buy Fidelity Printing Company. Baine Kerr was a hard bargainer: He recommended that Bush make the loan, but that he also demand some stock in Fidelity Printing as part of the deal. Three years later, when Fidelity Printing was sold, Bush cashed in his stock for \$99,600 in profit, a gain of 1,900 percent on his original investment. That was the kind of return that George Bush liked, the kind that honest activities can so rarely produce. / Note #1

Chairman Mao Liedtke and his sidekick Baine Kerr constantly scanned their radar screens for an oil company to acquire. They studied Superior Oil, which was in play, but Superior Oil did too much of its business in Canada, where there had been no equivalent of George Bush's Task Force on Regulatory Relief, and where the oil companies were thus still subject to some restraints. Chairman Mao ruled that one out. Then there was Gulf Oil, where T. Boone Pickens was attempting a takeover, but Liedtke reluctantly decided that Gulf was beyond his means. Then, Chairman Mao began to hear reports of conflicts on the board of Getty Oil. Getty Oil, with 20,000

employees, was a \$12 billion corporation, about six times larger than Pennzoil. But Chairman Mao had already managed to gobble up United Gas when that company was about six times larger than his own Pennzoil. Getty Oil had about a billion barrels of oil in the ground. Now Chairman Mao was very interested.

In early 1984, Gordon Getty and his Sarah Getty Trust, plus the Getty Museum represented by the New York mergers and acquisitions lawyer Marty Lipton, combined to oblige the board of Getty Oil to give preliminary acceptance to a tender offer for Getty Oil stock at a price of about \$112.50 per share. Arthur Liman thought he had a deal that would enable Chairman Mao to seize control of Getty Oil and its billion barrel reserves, but no contract or any other document was ever signed, and key provisions of the transaction remained to be negotiated.

When the news of these negotiations began to leak out, major oil companies who also wanted Getty and its reserves began to move in: Chevron showed signs of making a move, but it was Texaco, represented by Bruce Wasserstein of First Boston and the notorious Skadden, Arps, Slate, Meagher & Flom law firm, that got the attention of the Getty Museum and Gordon Getty with a bid (of \$125 a share) that was sweeter than the tight-fisted Chairman Mao Liedtke had been willing to put forward. Gordon Getty and the Getty Museum accordingly signed a contract with Texaco. This was nominally the largest acquisition in human history up to that time, and the check received by Gordon Getty was for \$4,071,051,264, the second largest check ever written in the history of the United States, second only to one that had been used to roll over a part of the post-World War II national debt.

But Chairman Mao Liedtke thought he had been cheated. "They've made off with a million dollars of my oil!" he bellowed. "We're going to sue everybody in sight!"

But Chairman Mao Liedtke's attempts to stop the deal in court were fruitless; he then concentrated his attention on a civil suit for damages on a claim that Texaco had been guilty of "tortious interference" with Pennzoil's alleged oral contract with Getty Oil. The charge was that Texaco had known that there already had been a contract, and had set out deliberately to breach it. After extensive forum shopping, Chairman Mao concluded that Houston, Texas was the right venue for a suit of this type. Liedtke and Pennzoil demanded \$7 billion in actual damages and \$7 billion in punitive damages for a total of at least \$14 billion, a sum bigger than the entire public debt of the United States on December 7, 1941. Liedtke hired Houston lawyer Joe "King of Torts" Jamail, and backed up Jamail with

Baker & Botts.

Interestingly, the judge who presided over the trial until the final phase, when the die had already been cast, was none other than Anthony J.P. "Tough Tony" Farris. Back in February 1963, the newly elected Republican county chairman for Harris County, George H.W. Bush, had named Tough Tony Farris as his first assistant county chairman. / Note #2 During the Nixon administration, Farris became the U.S. Attorney in Houston. Given what we know of the relations between Nixon and George Bush, we must conclude that a patronage appointment of this type could hardly have been made without George Bush's involvement. Tough Tony Farris was decidedly an asset of the Bush networks.

Now Tough Tony Farris was a state district judge, whose remaining ambition in life was an appointment to the federal bench. Farris did not recuse himself because his patron, George Bush, was a former business partner and constant crony of J. Hugh Liedtke. Farris rather began issuing a string of rulings favorable to Pennzoil: He ruled that Pennzoil had a right to quick discovery from Texaco. Farris was an old friend of Pennzoil's lead trial lawyer, Joe Jamail, and Jamail had just given Tough Tony Farris a \$10,000 contribution for his next election campaign. Jamail, in fact, was a member of Tough Tony's campaign committee. Texaco attempted to recuse Farris, but they failed. Farris claimed that he would have recused himself if Texaco's lawyers had come to him privately, but that their public attempt to get him pitched out of the case made him decide to fight to stay on. Just at that point, the district courts of Harris County changed their rules in such a way as to allow Bush's man Tough Tony Farris, who had presided over the pretrial hearings, to actually try the case.

And try the case he did, for 15 weeks, during which the deck was stacked for Pennzoil's ultimate victory. With a few weeks left in the trial, Farris was diagnosed as suffering from terminal cancer, and he was forced to request a replacement district judge. The last-minute substitute was Judge Solomon Casseb, who finished up the case along the lines already clearly established by Farris. In late November 1985, the jury awarded Pennzoil damages of \$10.53 billion. Casseb not only upheld this monstrous result, but increased it to a total of \$11,120,976,110.83.

Before the trial, back in January 1985, Chairman Mao Liedtke had met with John K. McKinley, the chairman of Texaco, at the Hay-Adams Hotel across Lafayette Park from the White House in Washington, D.C. Liedtke told McKinley that he thought what Texaco had done was highly illegal, but McKinley responded that his lawyers had assured him that his legal position was "very sound." McKinley offered suggestions for an out-of-court

settlement, but these were rejected by Chairman Mao, who made his own counter-offer: He wanted three-sevenths of Getty Oil, and was now willing to hike his price to \$125 a share. According to one account of this meeting, Liedtke seemed to go out of his way to mention his friendship with George Bush, according to Bill Weitzel of Texaco. "Mr. Liedtke was quite outspoken with regard to the influence that he felt he had -- and would and could expect in Washington -- in connection with antitrust matters and legislative matters," McKinley would say in deposition. "The idea was that Pennzoil was not without political influence that could adversely affect the efforts of Texaco in completing its merger." / Note #3

Liedtke denied all this: "The political-influence thing isn't true. I don't have any and McKinley knows it!" Did Liedtke keep a straight face?

In any case, the Reagan-Bush regime made no secret of its support for Pennzoil. In the spring of 1987, after prolonged litigation, the U.S. Supreme Court required Texaco to post a bond of \$11 billion. On April 13, 1987, the press announced that Texaco had filed for Chapter 11 bankruptcy protection. The Justice Department created two committees to represent the interests of Texaco's unsecured creditors, and Pennzoil was made the chairman of one of these committees. Texaco operations were subjected to severe disruptions.

During the closing weeks of 1987, Texaco was haggling with Chairman Mao about the sum of money that the bankrupt firm would pay to Pennzoil. At this point, Bushman Lawrence Gibbs was the commissioner of the Internal Revenue Service. He slammed bankrupt and wounded Texaco with a demand for \$6.5 billion in back taxes. This move was in the works behind the scenes during the Texaco-Pennzoil talks, and it certainly made clear to Texaco which side the government was on. The implication was that Texaco had better settle with Chairman Mao in a hurry, or face the prospect of being broken up by the various Wall Street sharks, who had begun to circle the wounded company. In case Texaco had not gotten the message, the Department of Energy also launched an attack on Texaco, alleging that the bankrupt firm had overcharged its customers by \$1.25 billion during the time before 1981 when oil price controls had been in effect.

The entire affair represented a monstrous miscarriage of justice, a declaration that the entire U.S. legal system was bankrupt. At the heart of the matter was the pervasive influence of the Bush networks, which gave Liedtke the support he needed to fight all the way to the final settlement.

Kohlberg, Kravis, Roberts

But even the enormities of Chairman Mao Liedtke were destined to be eclipsed in the political and regulatory climate of savage greed created with the help of the Reagan-Bush administration and George Bush's Task Force on Regulatory Relief. Even Liedtke's colossal grasping was about to be out-topped by a small Wall Street firm, which, primarily during the second Reagan-Bush term, assembled a financial empire greater than that of J.P. Morgan at the height of Jupiter's power. This firm was Kohlberg, Kravis, Roberts (KKR) which had been founded in 1976 by a partner and some former employees of the Bear Stearns brokerage firm of lower Manhattan, and which by late 1990 had bought a total of 36 companies using some \$58 billion lent to KKR by insurance companies, commercial banks, state pension funds, and junk bond king Michael Milken. The dominant personality of KKR was Henry Kravis.

Henry Kravis's epic achievements in speculation and usury perhaps had something to do with the fact that he was a close family friend of George Bush. As we have seen, when Prescott Bush was arranging a job for young George Herbert Walker Bush in 1948, he contacted Ray Kravis of Tulsa, Oklahoma, whose business included helping Brown Brothers Harriman to evaluate the oil reserves of companies. Ray Kravis over the years had kept in close touch with Senator Prescott Bush and George Bush, and young Henry Kravis, his son, had been introduced to George and had hob-nobbed with him at various Republican Party fundraising events. Henry Kravis by the early 1980s was a member of the Republican Party's elite inner circle.

Bush and Henry Kravis became even more closely associated during the time that Bush, ever mindful of campaign financing, was preparing his bid for the presidency. Among political contributors, Henry Kravis was a very high roller. In 1987-88, Kravis gave over \$80,000 to various senators, congressmen, Republican political action committees, and the Republican National Committee. During 1988, Kravis gave \$100,000 to the GOP Team 100, which meant a "soft money" contribution to the Bush campaign. Kravis's partner, George Roberts, also anted up \$100,000 for the Republican Team 100. In 1989, the first year in which it was owned by KKR, RJR Nabisco also gave \$100,000 to Team 100. During that year, Kravis and Roberts gave \$25,000 each to the GOP. During the 1988 primary season, Kravis was the co-chair of a lavish Bush fundraiser at the Vista Hotel in lower Manhattan, at which Henry's fellow Wall Street dealmakers and financier fat cats coughed up a total of \$550,000 for Bush. Part of Kravis's symbolic recompense was the prestigious title of co-chairman of Bush's Inaugural Dinner in January 1989. One year later, in January 1990, Kravis was the national chairman of Bush's Inaugural Anniversary Dinner. / Note #4

According to Kravis, Bush "writes me handwritten notes all the time and he

calls me and stuff, and we talk." The talk concerned what the U.S. government should do in areas of immediate interest to Kravis: "We talked on corporate debt -- this was going back a few years -- and what that meant to the private sector," said Kravis.

Henry Kravis certainly knows all about debt. The 1980s witnessed the triumph of debt over equity, with a tenfold increase in total corporate debt during the decade, while production, productive capacity, and employment stagnated and declined. One of the principal ways in which this debt was loaded onto a shrinking productive base was through the technique of the hostile, junk bond-assisted leveraged buyout, of which Henry Kravis and his firm were the leading practitioners.

Small-scale leveraged buyouts were pioneered by KKR during the late 1970s. In its final form, the technique looked something like this: Corporate raiders looked around for companies that might be worth more than their current stock price if they were broken up and sold off. Using money borrowed from a number of sources, the raider would make a tender offer, or otherwise secure a majority of the shares. Often all outstanding shares in the company would be bought up, taking the company private, with ownership residing in a small group of financiers. The company would end up saddled with an immense amount of new debt, often in the form of high-yield, high-risk subordinated debt certificates called junk bonds. The risk on these was high, since, if the company were to go bankrupt and be auctioned off, the holders of the junk bonds would be the last to get any compensation.

Often, the first move of the raider after seizing control of the company and forcing out its existing management, would be to sell off the parts of the firm that produced the least cash flow, since enhanced cash flow was imperative to start paying the new debt. Proceeds from these sales could also be used to pay down some of the initial debt, but this process inevitably meant jobs destroyed and production diminished. These raiding operations were justified by a fascistoid-populist demagoguery that accused the existing management of incompetence, indolence, and greed. The LBO pirates professed to have the interests of the shareholders at heart, and made much of the fact that their operations increased the value of the stock and, in the case of tender offers, gave the stockholders a better price than they would have gotten otherwise. The litany of the corporate raider was built around his commitment to "maximize shareholder value"; workers, bondholders, the public, the firms themselves were all expendable in the short run.

An important enticement to transform stocks and equity into bonded and

other debt was provided by the insanity of the U.S. tax code, which taxed profits distributed to shareholders, but not the debt paid on junk bonds. The ascendancy of the leveraged buyout, therefore, was accompanied by the demolition of the U.S. corporate tax base, contributing in no small way to the growth of federal deficits.

Ultimately, the big profits were expected when the acquired companies, after having been downsized to "lean and mean" dimensions, had their stock sold back to the public. KKR reserved itself 20 percent of the profits on these final transactions. In the meantime, Kravis and his associates collected investment banking fees, retainer fees, directors' fees, management fees, monitoring fees, and a plethora of other charges for their services.

The leverage was accomplished by the smaller amount of equity left outstanding in comparison with the vastly increased debt. This meant that if, after deducting the debt service, profits went up, the return to the investors could become very high. Naturally, if losses began to appear, reverse leverage would come into play, producing astronomical amounts of red ink. Most fundamental was that companies were being loaded with debt during the years of what the Reagan-Bush regime insisted on calling a boom. It was evident to any sober observer that as the depression asserted its existence, many of the companies that had succumbed to leveraged buyouts and related usury would very rapidly become insolvent.

All in all, during the years between 1982 and 1988, more than 10,000 merger and acquisition deals were completed within the borders of the United States, for a total capitalization of \$1 trillion. There were, in addition, 3,500 international mergers and acquisitions for another \$500 billion. / Note #5 The enforcement of antitrust laws atrophied into nothing: As one observer said of the late 1980s, "such concentrations had not been allowed since the early days of antitrust at the beginning of the century."

George Bush's friend Henry Kravis raised money for his leveraged buyouts from a number of sources. Money came first of all from insurance companies such as the Metropolitan Life Insurance Company of New York, which cultivated a close relation with KKR over a number of years. Met was joined by Prudential, Aetna, and Northwestern Mutual. Then there were banks like Manufacturers Hanover Trust and Bankers Trust. All these institutions were attracted by astronomical rates of return on KKR investments, estimated at 32.2 percent in 1980, 41.8 percent in 1982, 28 percent in 1984, and 29.6 percent in 1986. By 1987, the KKR prospectus boasted that they had carried out the first large LBO of a publicly held company, the first billion-dollar LBO, the first large LBO of a public company via tender

offer, and the largest LBO in history until then, Beatrice Foods.

Then came the state pension funds, which were also anxious to share in these very large returns. The first to begin investing with KKR was Oregon, which shoveled money to KKR like there was no tomorrow. Other states that joined in were Washington, Utah, Minnesota, Michigan, New York, Wisconsin, Illinois, Iowa, Massachusetts and Montana.

KKR had one other very important source of capital for its deals: This was the now-defunct Wall Street investment firm of Drexel, Burnham, Lambert and its California-based junk bond king, Michael Milken. Drexel and Milken were the most important single customers KKR had. (Drexel had its own Harriman link: It had merged with Harriman Ripley & Co. of New York in 1966.) During the period of close working alliance between KKR and Drexel, Milken's junk-bond operation raised an estimated \$20 billion of funds for KKR.

The Beatrice Foods LBO illustrates how necessary Milken's role was to the overall strategy of Bush backer Kravis. With a price tag of \$8.2 billion, Beatrice was the biggest LBO up to the time it was completed in January-February 1986. As part of this deal, Kravis gave Milken warrants for 5 million shares of stock in the new Beatrice corporation. These warrants could be used in the future to buy Beatrice shares at a small fraction of the market price. One result of this would be a dilution of the equity of the other investors. Milken kept the warrants for his own account, rather than offer them to his junk bond buyers, in order to get a better price for the Beatrice junk bonds. Later in the same year, KKR bought out Safeway grocery stores for \$4.1 billion, of which a large part came from Milken.

After 1986, Henry Kravis and George Roberts were gripped by financial megalomania. Between 1987 and 1989, they acquired eight additional companies with an aggregate price tag of \$43.9 billion. These new victims included Owens-Illinois Glass, Duracell, Stop and Shop food markets, and, in the landmark transaction of the 1980s, RJR Nabisco. RJR Nabisco was the product of a number of earlier mergers: National Biscuit Company had merged with Standard Brands to form Nabisco Brands, and this in turn merged with R.J. Reynolds Tobacco to create RJR Nabisco. It is important to recall that R.J. Reynolds was the concern traditionally controlled by the family of Bush's personal White House lawyer, C. Boyden "Boy" Gray.

Control of RJR Nabisco was sought by opposing gangs: A first group included RJR Nabisco chairman Ross Johnson, Peter Cohen of Shearson Lehman Hutton and the notorious John Gutfreund of Salomon Brothers. KKR was a second contender, and a third offer for RJR came from First Boston. The Johnson

offer and the KKR were about the same, but a cover story in the Henry Luce-Skull and Bones "Time" magazine in early December 1988 targeted Johnson as the greedy party. The attraction of RJR Nabisco, one of the 20 largest U.S. corporations, was an immense cash flow supplied especially by its cigarette sales, where profit margins were enormous. The crucial phases of the fight corresponded with the presidential election of 1988: Bush won the White House, and Kravis won RJR with a bid of about \$109 per share compared to a stock price of about \$55 per share before the company was put into play, giving the pre-buyout shareholders a capital gain of more than \$13.3 billion.

The RJR Nabisco swindle generated senior bank debt of about \$15 billion. Then came \$5 billion of subordinated debt, with the largest offering of junk bonds ever made. Then came an echelon of even more junior debt with payment-in-kind securities: junk bonds that paid interest not in cash, but in other junk bonds. But even with all the wizardry of KKR, there could have been no deal without Milken and his junk bonds. The banks could not muster the cash required to complete the financing; KKR required bridge loans. Merrill Lynch and Drexel were in the running to provide an extra \$5 billion of bridge financing. Drexel got Milken's monsters and many others to buy short-term junk notes with an interest rate that would increase the longer the owner refrained from cashing in the note. Drexel's "increasing rate notes" easily brought in the entire \$5 billion required.

In November of 1986, Ivan Boesky pled guilty to one felony count of manipulating securities, and his testimony led to the indictment of Milken in March 1989, some months after the RJR Nabisco deal had been sewn up. In order to protect more important financial players, Milken was allowed to plead guilty in April 1990 to five counts of insider trading, for which he agreed to pay a fine of \$600 million. On February 13, 1990, Drexel Burnham Lambert had declared itself bankrupt and gone into liquidation, much to the distress of junk bond holders everywhere, who saw the firm as a junk bond buyer of last resort.

By this time, many of the great LBOs had begun to collapse. Robert Campeau's retail sales empire of Allied and Federated Stores blew up in the fall of 1989, bringing down almost \$10 billion of LBO debt. Revco, Fruehauf, Southland (Seven-Eleven stores), Resorts International, and many other LBOs went into Chapter 11 proceedings. As for KKR's deals, they also began to implode: SCI-TV, a spin-off of Storer Broadcasting, announced that it could not service its \$1.3 billion of debt, and forced the holders of \$500 million in junk bonds to settle for new stocks and bonds worth between 20 and 70 cents on the dollar. Hillsborough Holdings, a subsidiary of Jim Walker, went bankrupt, and Seamans Furniture put through a forced

restructuring of its debt.

It was clear at the time of the RJR Nabisco LBO that the totality of the company's large cash flow would be necessary to maintain payments of \$25 billion of debt. Within a short time after the LBO, RJR Nabisco proved unable to maintain payments. KKR was forced to inject several billion dollars of new equity, take out new bank loans, and dun its clients for an extra \$1.7 billion. RJR Nabisco by the early autumn of 1991 was a time bomb ticking away near the center of a ruined U.S. economy.

In September 1987, very late in the day, Senator William Proxmire submitted a bill which aimed at restricting takeovers. Two weeks later, Rep. Dan Rostenkowski of Illinois offered a bill to limit the tax deductibility of the interest on takeover debt. The LBO gang in Wall Street was horrified, even though it was clear that the Reagan-Bush team would oppose such legislation using every trick in the book. Later, LBO ideologues blamed the Congress for causing the crash of October 1987.

Bush's 'Free Enterprise'

During the 1988 campaign, Bush presented his views on hostile takeovers, using the forum provided by his old friend T. Boone Pickens' "U.S.A. Advocate", a monthly newsletter published by the United Shareholders Association, which Pickens runs. In the October 1988 issue of this publication, Bush made clear that he was not worried about leveraged buyouts. Rather, what concerned Bush was the need to prevent corporations from adopting defenses to deter such attempted hostile takeovers. Bush also railed against "golden parachutes," which provide lucrative settlements for top executives who are ousted as the result of a takeover. / Note #6

Bush was clearly hostile to any federal restrictions on hostile takeovers. If anything, he was closer to those who demanded that the federal government stop the states from passing laws that interfere with LBO activity. For that notorious corporate raider and disciple of Chairman Mao Liedtke, T. Boone Pickens, the message was clear: "I know that Vice President Bush is a free enterpriser." / Note #7

The expectations of Pickens and his ilk were not disappointed by the Bush cabinet that took office in January 1989. The new secretary of the treasury, Bush crony Nicholas Brady, was not only a supporter of leveraged buyouts; he had been one of the leading practitioners of the mergers and acquisitions game during his days in Wall Street as partner of the Harriman-allied investment bank of Dillon Read.

The family of Nicholas Brady has been allied for most of this century with the Bush-Walker clan. During his Wall Street career at Dillon Read, Brady, like Bush, cultivated the self-image of the patrician banker, becoming a member of the New York Jockey Club and racing his own thoroughbred horses at the New York tracks once presided over by George Herbert Walker and Prescott Bush. Brady, like Bush, is a member of the Bohemian Club of San Francisco and attends the Bohemian Grove every summer. Inside the Bohemian Grove oligarchic pantheon, Brady enjoys the special distinction of presiding over the prestigious Mandalay Camp (or cabin complex), the one to which Henry Kissinger habitually retires, and sometimes frequented by Gerald Ford.

Nick Brady got the job he presently occupies by heading up a study of the October 1987 stock market crash, the results of which Brady announced on a cold Friday afternoon in January 1988, just after the New York stock market had taken another 150-point dive.

The study of the October 1987 "market break" was produced by a group of Wall Street and Treasury insiders billed as the "Presidential Task Force on Market Mechanisms." At the center of the report's attention was the relation between the New York Stock Exchange, American Stock Exchange, and NASDAM over-the-counter stock trading, on the one hand, and the future, options, and index trading carried on at the Chicago Board of Trade, Chicago Board Options Exchange, and Chicago Mercantile Exchange. The Brady group examined the impact of program trading, index arbitrage, and portfolio insurance strategies on the behavior of the markets that led to the crash. The Brady report recommended the centralization of all market oversight in a single federal agency, the unification of clearing systems, consistent margins, and the installation of circuit-breaker mechanisms. That, at least, was the public content of the report.

The real purpose of the Brady report was to create a series of drugged and manipulated markets. The Brady group realized that if the Chicago futures price of a stock or stock index could be artificially inflated, this would be of great assistance in propping up the value of the underlying stock in New York.

The Brady group focused on the Major Market Index of 20 stock futures traded on the Chicago Board of Trade, which roughly corresponded to the principal stocks of the Dow Jones Industrial Average. As long as the MMI was trading at a higher price than the DJIA, the program traders and index arbitrageurs would tend to sell the MMI and buy the underlying stock in New York in order to lock in their parasitical profits. The great advantage of this system was first of all that some tens of millions of dollars in

Chicago, where turnover was less intense than in New York, could generate hundreds of millions of dollars of demand in New York. In addition, the margin requirements for borrowing money to buy futures in Chicago were much less stringent than the requirements for margin-buying of stocks in New York. Liquidity for this operation could be drawn from banks and other institutions loyal to the Bush-Baker-Brady power cartel, with full backup and assistance from the district banks of the Federal Reserve.

The Brady "drugged market" mechanisms, with the refinements they have acquired since 1988, are a key factor behind the Dow Jones Industrial's seeming defiance of the law of gravity in attaining a new all-time high, well above the 3,000 mark during 1991.

In 1988, Bush boasted of his achievements in the field of deregulation. One important case study of the impact of Bush's Task Force on Regulatory Relief is the meatpacking industry. In February 1981, when Reagan gave Bush "line" authority for deregulation, he promulgated Executive Order 12291, which established the principle that federal regulations "be based upon adequate evidence that their potential benefits to society are greater than their potential costs to society." In practice, that meant that Bush threw health and safety standards out the window in order to ingratiate himself with gouging entrepreneurs. In March 1981, Bush wrote to businessmen and invited them to enumerate the ten areas they wanted to see deregulated, with specific recommendations on what they wanted done. By the end of the year, Bush's office issued a self-congratulatory report boasting of a "significant reduction in the cost of federal regulation."

In the meatpacking industry, this translated into production line speedup as jobs were eliminated, with a cavalier attitude toward safety precautions. At the same time, the Occupational Safety and Health Administration sharply reduced inspections, often arriving only after disabling or lethal accidents had already occurred. In 1980, there were 280 OSHA inspections in meatpacking plants, but in 1988 there were only 176. This is in an industry in which the rate of personal injury is 173 persons per working day, three times the average of all remaining U.S. industry. / Note #8

Bush used his Task Force on Regulatory Relief as a way to curry favor with various business groups whose support he wanted for his future plans to assume the presidency in his own right. According to one study made midway through the Reagan years, Bush converted his own office "into a convenient back door for corporate lobbyists" and "a hidden court of last resort for special interest groups that have lost their arguments in Congress, in the federal courts, or in the regulatory process.... Case by case, the vice

president's office got involved in some mean and petty issues that directly affect people's health and lives, from the dumping of toxic pollutants to government warnings concerning potentially harmful drugs." / Note #9

There were also reports of serious abuses by Bush, especially in the area of conflicts of interest. In one case, Bush intervened in March 1981 in favor of Eli Lilly & Co., of which he had been a director in 1977-79. Bush had owned \$145,000 of stock in Eli Lilly until January 1981, after which it was placed in a blind trust, meaning that Bush ostensibly had no way of knowing whether his trust still owned shares in the firm or not. The Treasury Department had wanted to make the terms of a tax break for U.S. pharmaceutical firms operating in Puerto Rico more stringent, but Vice President Bush had contacted the Treasury to urge that "technical" changes be made in the planned restriction of the tax break. By April 14, Bush was feeling some heat, and he wrote a second letter to Treasury Secretary Don Regan asking that his first request be withdrawn, because Bush was now "uncomfortable about the appearance of my active personal involvement in the details of a tax matter directly affecting a company with which I once had a close association." / Note #1 / Note #0

Bush's continuing interest in Eli Lilly is underlined by the fact that the Pulliam family of Indiana, the family clan of Bush's 1988 running mate, Dan Quayle, owned a large portion of the Eli Lilly shares. Bush's choice of Quayle was but a reaffirmation of a pre-existing financial and political alliance with the Pulliam interests, which also include a newspaper chain.

Ripping Up the Airline Industry

Bush's ideal of labor-management practices and corporate leadership in general appears to have been embodied by Frank Lorenzo, the most celebrated and hated "banquerotteur" of U.S. air transport. Before his downfall in early 1990, Lorenzo combined Texas Air, Continental Airlines, New York Air, People's Express and Eastern Airlines into one holding, and then presided over its bankruptcy. Now Eastern has been liquidated, and the other components are likely to follow suit. Along the way to this debacle, Lorenzo won the sympathy of the Reagan-Bush crowd through his union-busting tactics: He had thrown Continental Airlines into bankruptcy court and used the bankruptcy statutes to break all union contracts, and to break the unions themselves.

George Bush has been on record as a dedicated union-buster going back to 1963-64, and he has always been very friendly with Lorenzo. When Bush became President, this went beyond the personal sphere and became a revolving door between the Texas Air group and the Bush administration.

During 1989, the Airline Pilots Association issued a list of some 30 cases in which Texas Air officials had transferred to jobs in the Bush regime and vice versa. By the end of 1989, Bush's top congressional lobbyist was Frederick D. McClure, who had been a vice president and chief lobbyist for Texas Air. McClure had traded jobs with Rebecca Range, who had worked as a public liaison for Reagan until she moved over to the post of lead congressional lobbyist for Texas Air. John Robson, Bush's deputy secretary of the Treasury, was a former member of the Continental Airlines board of directors. Elliott Seiden, a top antitrust lawyer for the Justice Department, switched to being an attorney for Texas Air.

When questioned by columnist Jack Anderson, McClure and Robson claimed that they recused themselves from any matters involving Texas Air. But McClure signed a letter to Congress announcing Bush's opposition to any government investigation of the circumstances surrounding the Eastern Airlines strike in early 1989. This was a move in support of Lorenzo. Bush himself has always stonewalled in favor of Lorenzo. During the early months of that same Eastern Airlines strike, in which pilots, flight attendants and machinists all walked out to block Lorenzo's plan to asset strip the airline and bust the unions, the Congress attempted to set up a panel to investigate the dispute, but Bush was adamant in favor of Lorenzo and vetoed any government probes. / Note #1 / Note #1

Lorenzo's activities were decisive in the wrecking of U.S. airline transportation during the Reagan-Bush era. When Carl Icahn was in the process of taking over TWA, he was able to argue that the need to compete in many of the same markets in which Lorenzo's airlines were active made it mandatory that the TWA workforce accept similar sacrifices and wage cuts. The cost-cutting criteria pioneered with such ruthless aggressivity by Lorenzo have had the long-term effect of reducing safety margins and increasing the risk the traveling public must confront in any decision to board an airliner operating under U.S. jurisdiction. Eastern, Midway, and Pan Am have disappeared, and Continental has been joined in bankruptcy by America West and TWA. Northwest, having been taken through the wringer of an LBO by Albert Cecchi, is now busy extorting subsidies from the state of Minnesota and other sources as a way to stay afloat.

It is widely believed that when the dust settles, only Delta, American, and perhaps United will remain among the large nationwide carriers.

And how, the reader may ask, was George Bush doing financially while surrounded by so many billions in junk bonds? Bush had always pontificated that he had led the fight for full public disclosure of personal financial interests by elected officials. He never tired of repeating that "in 1967,

as a freshman member of the House of Representatives, I led the fight for full financial disclosure." But after he was elected to the vice presidency, Bush stopped disclosing his investments in detail. He stated his net worth, which had risen to \$2.1 million by the time of the 1984 election, representing an increase of some \$300,000 over the previous five years. Bush justified his refusal to disclose his investments in detail by saying that he didn't know himself just what securities he held, since his portfolio was now in the blind trust mentioned above. The blind trust was administered by W.S. Farish & Co. of Houston, owned by Bush's close crony William Stamps Farish III of Beeville, Texas, the grandson and heir of the Standard Oil executive who had backed Heinrich Himmler and the Waffen SS. / Note #1 / Note #2

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3. Thomas Petzinger, "Oil and Honor" (New York: Putnam, 1987), pp. 244-45.
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"XXI: The Phony War on Drugs"

An indispensable component of the mythical media profile which George Bush has built up over the years to buttress his electoral aspirations has been his role as an antidrug fighter. His first formally scheduled prime time presidential television address to the nation, in September 1989, was devoted to announcing his plans for measures to combat the illegal narcotics that continued to inundate the streets of the United States. During his 1988 election campaign, Bush had pointed with astounding complacency to his record as President Reagan's designated point man in the administration's war on drugs.

In his acceptance speech to the Republican National Convention in 1988, Bush stated: "I want a drug-free America. Tonight, I challenge the young people of our country to shut down the drug dealers around the world.... My administration will be telling the dealers, 'Whatever we have to do, we'll do, but your day is over. You're history.'"

Indeed, Bush has an impressive resume of bureaucratic titles to back up his claim to be America's top antidrug fighter. On January 28, 1982, Reagan created the South Florida Task Force under Bush's high-profile leadership, to coordinate the efforts of the various federal agencies to stem the tide of narcotics into Bush's old family bailiwick. On March 23, 1983, Bush was placed in charge of the National Narcotics Border Interdiction System, which was supposed to staunch the drug flow over all U.S. borders. In August 1986, U.S. officials presented to their Mexican counterparts a scheme called Operation Alliance, a new border enforcement initiative that was allegedly to do for the U.S.-Mexican border area what the South Florida Task Force had allegedly already done for the southeastern states. George Bush was appointed chief of Operation Alliance, which involved 20 federal agencies, 500 additional federal officers, and a budget of \$266 million.

The drug plague is an area in which the national interest requires results. Illegal narcotics are one of the most important causes of the dissolution of American society at the present time. To interdict the drug flows and to prosecute the drug money launderers at the top of the banking community would have represented a real public service. But Bush had no intention of seriously pursuing such goals. For him, the war on drugs was, and is, a cruel hoax, a cynical exercise in demagogic self-promotion, designed in large part to camouflage activities by himself and his networks that promoted drug trafficking. A further shocking episode that has come to light in this regard involves Bush's 14-year friendship with a member of

Meyer Lansky's Miami circles who sold Bush his prized trophy, the Cigarette boat "Fidelity".

Bush's war on drugs was a rhetorical and public relations success for a time. On February 16, 1982, in a speech on his own turf in Miami, Florida, Bush promised to use sophisticated military aircraft to track the airplanes used by smugglers. Several days later, Bush ordered the U.S. Navy to send in its E-2C surveillance aircraft for this purpose. If these were not available in sufficient numbers, said Bush, he was determined to bring in the larger and more sophisticated AWACS early warning aircraft to do the job. But Bush's skills as an interagency expeditor left something to be desired: By May, two of the four E-2C aircraft that originally had been in Florida were transferred out of the state. By June, airborne surveillance time was running a mere 40 hours per month, not the 360 hours promised by Bush, prompting Rep. Glenn English (D-Ok.) to call hearings on this topic. By October 1982, the General Accounting Office issued an opinion in which it found "it is doubtful whether the [south Florida] task force can have any substantial long-term impact on drug availability." But the headlines were grabbed by Bush, who stated in 1984 that the efforts of his task force had eliminated the marijuana trade in south Florida. That was an absurd claim, but it sounded very good. When Francis Mullen, Jr., the administrator of the Drug Enforcement Administration (DEA), criticized Bush for making this wildly inaccurate statement, he was soon ousted from his post at the DEA.

In 1988, Democratic Congressman Glenn English concluded that Bush's "war on drugs" had been fought with "little more than lip service and press releases." English wrote: "There has been very little substance behind the rhetoric, and some of the major interdiction problems have yet to be resolved. The President assigned ... Bush to coordinate and direct federal antidrug-abuse programs among the various law enforcement agencies. However, eight years later it is apparent that the task has not been accomplished." / Note #1

Bush and Organized Crime

But the whole truth is much uglier. We have indicated how the Iran-Contra drug-running and gun-running operations run out of Bush's own office played their role in increasing the cocaine and marijuana brought into this country. We have reviewed Bush's relations with his close supporters in the Wall Street LBO gang, much of whose liquidity is derived from narcotics payments which the banking system is eager to recycle and launder. We recall Bush's 1990 meeting with Syrian President Hafez al Assad, who is personally one of the most prolific drug pushers on the planet, and whom

Bush embraced as an ally during the Gulf war.

But there is an even more flagrant aspect of Bush's conduct which can be said to demolish once and for all the myth of the "war on drugs" and replace it with a reality so sinister that it goes beyond the imagination of most citizens.

Those who follow Bush's frenetic sports activities on television are doubtless familiar with Bush's speedboat, in which he is accustomed to cavort in the waters off his estate at Walker's Point in Kennebunkport, Maine. / Note #2 The craft in question is the "Fidelity," a powerboat capable of operating on the high seas. "Fidelity" is a class of boat marketed under the brand name of "Cigarette," a high-priced speedboat dubbed "the Ferrari of the high seas." This detail should awaken our interest, since Bush's profile as an Anglo-Saxon aristocrat would normally include a genteel predilection for sailing, rather than a preference for a vulgar hot-rod like "Fidelity," which evokes the ethos of rum-runners and smugglers.

The Cigarette boat "Fidelity" was purchased by George Bush from a certain Don Aronow. Bush reportedly met Aronow at a boat show in 1974, and decided to buy one of the Cigarette boats Aronow manufactured. Aronow was one of the most celebrated and successful powerboat racers of the 1960s, and had then turned his hand to designing and building these boats. But, according to at least one published account, there is compelling evidence to conclude that Aronow was a drug smuggler and suspected drug-money launderer, linked to the Genovese family of New York and New Jersey within the more general framework of the Meyer Lansky organized crime syndicate. Aronow's role in marijuana smuggling was reportedly confirmed by Bill Norris, head of the Major Narcotics Unit at the Miami U.S. Attorney's office, and thus the top federal drug prosecution official in south Florida. / Note #3

Aronow numbered among his friends and acquaintances not just Bush, but many international public figures and celebrities, many of whom had purchased the boats he built. In May of 1986, Aronow received a letter from Nicolas Iliopoulos, the royal boat captain to King Hussein of Jordan, expressing on behalf of the King the latter's satisfaction with a powerboat purchased from Aronow, and conveying the compliments of King Juan Carlos of Spain and President Hosni Mubarak of Egypt, who had recently been the Jordanian sovereign's guests on board. Aronow sent a copy of this letter to Bush, from whom he received a reply dated June 6, 1986, in which Bush thanked him "with warm regards" for forwarding the royal note and added: "I can repeat that my old Cigarette, the 'Fidelity' is running well too. I've had her out a couple of weekends and the engines have been humming. I hope our paths

cross soon, my friend." / Note #4

Aronow was reportedly a close friend of George Bush. Over the years, Bush had apparently consulted with Aronow concerning the servicing and upkeep of his Cigarette boat. During 1983, Bush began to seek out Aronow's company for fishing trips. The original engines on Bush's Cigarette boat needed replacement, and this was the ostensible occasion for renewing contact with Aronow. Aronow told Bush of a new model of boat that he had designed, supposedly a high-performance catamaran. Bush planned to come to Florida during the New Year's holiday for a short vacation during which he would go bonefishing with his crony Nick Brady. During this time he would also arrange to deliver an antidrug pep-talk.

On January 4, 1984, George Bush rendezvoused with Don Aronow at Islamorada in the Florida Keys. Earlier in the day, Bush had delivered one of his "war on drugs" speeches at the Omni International Hotel in Miami. Bush and Brady then proceeded by motorcade to Islamorada, where Aronow was waiting with his catamaran. Accompanied by a flotilla of Secret Service and Customs agents in Cigarette boats that had been seized from drug smugglers, Bush, Brady, Aronow and one of the latter's retainers proceeded aboard the catamaran through moderate swells to Miami, with White House photographers eternalizing the photo opportunity at every moment. Bush, who had donned designer racing goggles for the occasion, was allowed to take the wheel of the catamaran and seemed very thrilled and very happy. Nick Brady, sporting his own wraparound shades, found the seas too rough for his taste.

After the trip was over, Bush personally typed the following letter to Don Aronow on his vice-presidential stationery, which he sent accompanied by some photographs of Bush, Aronow, Brady, and the others on board the catamaran: "January 14, 1984

"Dear Don,

"... Again Don this day was one of the greatest of my life. I love boats, always have. But ever since knowing you that private side of my life has become ever more exciting and fulfilling. Incidentally, I didn't get to tell you but my reliable 28 footer Cigarette that is still doing just fine ... no trouble at all and the new last year engines.

"All the best to you and all your exciting ventures. May all your boats bee [sic] number one and may the hosres [sic] be not far behind."

At the end of this message, before his signature, Bush wrote in by hand, "My typing stinks." / Note #5

As a result of this outing, Bush is said to have used his influence to see to it that Aronow received a lucrative contract to build the "Blue Thunder" catamarans at \$150,000 apiece for the U.S. Customs Service. This contract was announced with great fanfare in Miami on February 4, 1985, and was celebrated a week later in a public ceremony in which Florida Senator Paula Hawkins and U.S. Customs Commissioner William von Raab mugged for photographers together with Aronow. The government purchase was hyped as the first time that Customs would receive boats especially designed and built to intercept drug-runners on the high seas, a big step forward in the war on drugs.

This was the same George Bush who in March 1988 had stated: "I will never bargain with drug dealers on U.S. or foreign soil."

As one local resident recalled of that time, "everyone in Miami knew that if you needed a favor from Bush, you spoke to Aronow." / Note #6 It was proverbial among Florida pols and powerbrokers that Aronow had the vice president's ear.

The Customs Service soon found that the Blue Thunder catamarans were highly unseaworthy and highly unsuitable for the task of chasing down other speedboats, including, above all, Aronow's earlier model Cigarette boats, which were now produced by a company not controlled by Aronow. Blue Thunder was a relatively slow class, capable of a top speed of only 56 miles per hour, despite the presence of twin 440-horsepower marine engines. The design of the catamaran hulls lacked any hydrodynamic advantages, and the boats were too heavy to attain sufficient lift. The stern drives were too weak for the powerful engines, leading to the problem of "grenading." This meant that the boats had to be kept well below their maximum speed. Most Blue Thunders spent more time undergoing repairs than chasing drug-runners in the coastal waters of Florida.

Documents found by Thomas Burdick in the Dade County land records office show that U.S.A. Racing, the company operated by Aronow which built the Blue Thunder catamarans for the Customs Service, was not owned by Aronow, but rather by a one Jack J. Kramer in his capacity as president of Super Chief South Corporation. Jack Kramer had married a niece of Meyer Lansky. Jack Kramer's son, Ben Kramer, was thus the great-nephew and one of the putative heirs of the top boss of the U.S. crime syndicate, Meyer Lansky. Ben Kramer was also a notorious organized crime figure in his own right. On March 28, 1990 Jack Kramer and Ben Kramer were found guilty of 23 and 28 counts (respectively) of federal money laundering charges. In the previous year, Ben Kramer had also been sentenced to life imprisonment without

parole for having imported half a million pounds of marijuana. Bush had thus given a prime contract in waging the war on drugs to one of the leading drug-smuggling and money-laundering crime families in the U.S.

Aronow Is Murdered

Don Aronow was murdered by Mafia-style professional killers on February 3, 1987. During the last days of his life, Aronow is reported to have made numerous personal telephone calls to Bush. Aronow had been aware that his life was in danger, and he had left a list of instructions to tell his wife what to do if anything should happen to him. The first point on the list was "#1. CALL GEORGE BUSH." / Note #7 Lillian Aronow did call Bush, who reportedly responded by placing a personal call to the Metro-Dade Police Department homicide division to express his concern and to request an expeditious handling of the case. Bush did not attend Aronow's funeral, but a month later he sent a letter to Aronow's son Gavin in which he called the late Don Aronow "a hero."

When Lillian Aronow suspected that her telephone was being tapped, she called Bush, who urged her to be calm and promised to order an investigation of the matter. Shortly after that, the suspicious noises in Mrs. Aronow's telephone ceased. When Lillian Aronow received reports that her husband might have been murdered by rogue CIA operatives or other wayward federal agents, and that she herself and her children were still in danger, she shared her fears in a telephone call to Bush. Bush reportedly later called Mrs. Aronow and, as she recalled, "He said to me, 'Lillian, you're fine.' He said that 'ex-CIA people are really off.' That's the truth." / Note #8

In the summer of 1987, Bush snubbed Mrs. Aronow by pointedly avoiding her at a Miami dinner party. But during this same period, Bush frequently went fishing with former Aronow employee Willie Meyers. According to Thomas Burdick's sources, Willie Meyers was also a friend of Secretary of State George Shultz, and often expressed concern about damaging publicity for Bush and Shultz that might derive from the Aronow case.

According to Thomas Burdick, Meyers says that Bush talked to him about how the vice president's staff was monitoring the Aronow story. Bush lamented that he did not have grounds to get federal agencies involved. "I just wish," said Bush to Meyers, "that there was some federal aspect to the murder. If the killers crossed state lines, then I could get the FBI involved." / Note #9 The form of the argument is reminiscent of the views expressed by Bush and Tony Lapham during the Orlando Letelier case.

In May or June of 1987, several months after Aronow had been killed, Mike Brittain, who owned a company called Aluminum Marine Products, located on "Thunderboat Alley" in the northern part of Miami (the same street where Aronow had worked), was approached by two FBI special agents, Joseph Usher and John Donovan, both of the Miami FBI field office. They were accompanied by a third FBI man, whom they presented as a member of George Bush's staff at the National Drug Task Force in Washington, D.C. The third agent, reportedly named William Temple, had, according to the other two, come to Miami on a special mission ordered by the vice president of the United States.

As Brittain told his story to Burdick, Special Agent Temple "didn't ask about the murder or anything like that. All he wanted to know about was the merger." / Note #1 / Note #0 The merger in question was the assumption of control over Aronow's company, U.S.A. Racing, by the Kramers' Super Chief South, which meant that a key contract in the Bush "war on drugs" had been awarded to a company controlled by persons who would later be convicted for marijuana smuggling and money laundering. Many of the FBI questions focused on this connection between Aronow and Kramer. Later, after Bush's victory in the 1988 presidential election, the FBI again questioned Brittain, and again the central issue was the Aronow-Kramer connection, plus additional questions of whether Brittain had divulged any of his knowledge of these matters to other persons. A possible conclusion was that a damage control operation in favor of Bush was in progress.

Tommy Teagle, an ex-convict interviewed by Burdick, said he feared that George Bush would have him killed because information in his possession would implicate Jeb Bush in cocaine smuggling. Teagle's story was that Aronow and Jeb Bush had been partners in cocaine trafficking and were \$2.5 million in debt to their Colombian suppliers. Dr. Robert Magoon, a friend of Aronow, is quoted in the same location as having heard a similar report. But Teagle rapidly changed his story. / Note #1 / Note #1 Ultimately, an imprisoned convict was indicted for the murder of Aronow.

But the circumstances of the murder remain highly suspect. Starting in 1985, and with special intensity during 1987-88, more than two dozen persons involved in various aspects of the Iran-Contra gun-running and drug-running operation met their deaths. Above and beyond the details of each particular case, the overall pattern of these deaths strongly suggests that they are coherent with a damage control operation by the networks involved, that has concentrated on liquidating those individuals whose testimony might prove to be most damning to the leading personalities of these networks. The death of Don Aronow occurred within the time frame of this general process of amputation and cauterization of the Iran-Contra and

related networks. Many aspects of Aronow's life suggest that his assassination may have been a product of the same "damage control" logic.

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On the morning of June 29, 1989, pandemonium erupted in the corridors of power in the nation's capital. "Homosexual Prostitution Probe Ensnares Official of Bush, Reagan," screamed the front-page headline of the "Washington Times" with the kicker "Call Boys Took Midnight Tour of White House."

The "Times" reported, "A homosexual prostitution ring is under investigation by federal and District authorities and includes among its clients key officials of the Reagan and Bush administrations, military officers, congressional aides and U.S. and foreign businessmen with close ties to Washington's political elite."

The expose centered on the role of one Craig Spence, a Republican powerbroker known for his lavish "power cocktail" parties. Spence was well connected. He celebrated Independence Day 1988 by conducting a midnight tour of the White House in the company of two teenage male prostitutes among others in his party.

Rumors circulated that a list existed of some 200 Washington prominents who had used the call boy service. The Number Two in charge of personnel affairs at the White House, who was responsible for filling all the top civil service posts in the federal bureaucracy, and Secretary of Labor Elizabeth Dole's chief of staff, were two individuals publicly identified as patrons of the call boy ring.

Two of the ring's call boys were allegedly KGB operatives, according to a retired general from the Defense Intelligence Agency interviewed by the press. But the evidence seemed to point to a CIA sexual blackmail operation, instead. Spence's entire mansion was covered with hidden microphones, two-way mirrors and video cameras, ever ready to capture the indiscretions of Washington's high, mighty and perverse. The political criteria for proper sexual comportment had long been established in Washington: Any kinkiness goes, so long as you don't get caught. The popular proverb was that the only way a politician could hurt his career was if he were "caught with a dead woman or a live boy" in his bed.

Months after the scandal had died down, and a few weeks before he allegedly committed suicide, Spence was asked who had given him the "key" to the White House. The "Washington Times" reported that "Mr. Spence hinted the

tours were arranged by 'top level' persons, including Donald Gregg, national security advisor to Vice President Bush" / Note #1 and later U.S. ambassador to South Korea.

We have already had occasion to examine Don Gregg's role in Iran-Contra, and have observed his curious performance when testifying under oath before congressional committees. Gregg indignantly denied any connection to Spence, yet it is public record that Spence had sponsored a dinner in Gregg's honor in the spring of 1989 at Washington's posh Four Seasons Hotel in Georgetown.

George Bush was less than pleased with the media coverage of the prostitution charges and kept abreast of the scandal as it mushroomed. The "Washington Times" reported in an article titled "White House Mute on Call Boy Scandal," that "White House sources confirmed that President Bush has followed the story of the late night visit and Mr. Spence's links to a homosexual prostitution ring under investigation by federal authorities since they were disclosed June 29 in the "Washington Times". But top officials will not discuss the story's substance, reportedly even among themselves.

"Press officers have rebuffed repeated requests to obtain Mr. Bush's reaction and decline to discuss investigations or fall out from the disclosures." / Note #2 By midsummer, the scandal had been buried. The President had managed to avoid giving a single press conference where he would surely have been asked to comment.

Scandal in Nebraska

As the call boy ring affair dominated the cocktail gossip circuit in Washington, another scandal, halfway across the country in the state of Nebraska, peaked. Again this scandal knocked on the President's door.

A black Republican who had been a leader in organizing minority support for the President's 1988 campaign and who proudly displayed a photo of himself and the President, arm in arm, in his Omaha home, was at the center of a sex and money scandal that continues to rock the Cornhusker state.

The scandal originated with the collapse of the minority-oriented Franklin Community Credit Union in Omaha, directed by Lawrence E. King, Jr., a nationally influential black Republican who sang the national anthem at both the 1984 and 1988 Republican conventions. King became the subject of the Nebraska Senate's investigation conducted by the specially created "Franklin Committee" to probe charges of embezzlement. In November 1988,

King's offices were raided by the FBI and \$40 million was discovered missing. Within weeks, the Nebraska Senate, which initially opened the inquiry to find out where the money had gone, instead found itself questioning young adults and teenagers who said that they had been child prostitutes. Social workers and state child-care administrators accused King of running a child prostitution ring. The charges grew, with the former police chief of Omaha, the publisher of the state's largest daily newspaper, and several other political associates of King, finding themselves accused of patronizing the child prostitution ring.

King is now serving a 15-year federal prison sentence for defrauding the Omaha-based credit union. But the magazines "Avvenimenti" of Italy and "Pronto" of Spain, among others, have charged that King's crimes were more serious: that he ran a national child prostitution ring that serviced the political and business elite of both Republican and Democratic parties. Child victims of King's operations charged him with participation in at least one satanic ritual murder of a child several years ago. The "Washington Post", "New York Times", "Village Voice" and "National Law Journal" covered the full range of accusations after the story broke in November of 1988. King's money machinations were also linked to the Iran-Contra affair, and some say that King provided the CIA with information garnered from his alleged activities as a "pimp" for the high and mighty.

"Pronto", the Barcelona-based, largest circulation weekly in Spain with 4.5 million readers, reported that the Lawrence E. King child prostitution scandal "appears to directly implicate politicians of the state of Nebraska and Washington, D.C. who are very close to the White House and George Bush himself."

The weekly stated that Roy Stephens, a private investigator who has worked on the case and heads the Missing Youth Foundation, "says there is reason to believe that the CIA is directly implicated," and that the "FBI refuses to help in the investigation and has sabotaged any efforts" to get to the bottom of the story. Stephens says that "Paul Bonacci directly accused President Bush of being implicated" in the affair when he testified before the Franklin Committee. / Note #3 Bonacci, who had been one of the child prostitutes, is identified by leading child-abuse experts as a well-informed, credible witness.

Lawrence King was no stranger to President Bush. And Lawrence King was no stranger to Craig Spence. Several of the Omaha child prostitutes testified that they had traveled to Washington, D.C. with King in private planes to attend political events which were followed by sex parties. King and

Spence had much in common. Not only were they both Republican Party activists but they had gone into business together procuring prostitutes for Washington's elite.

Bush's name had repeatedly surfaced in the Nebraska scandal. But his name was first put into print in July 1989, a little less than a month after the Washington call boy affair had first made headlines. Omaha's leading daily newspaper reported, "One child, who has been under psychiatric care, is said to believe she saw George Bush at one of King's parties." / Note #4

A full three years after the scandal had first made headlines, Bush's name again appeared in print. "Gentleman's Quarterly (GQ)" carried a lengthy article, viewed by many political observers in Nebraska as an attempt to refute the charges, which would not die, despite the termination of all official inquiries. The "GQ" piece disputed the allegations as a conspiracy theory that went out of control and resonated because of some mystical sociological phenomena allegedly unique to Nebraskan rural folk who will believe anything and burn "with the mistrust of city life that once inflamed the prairie with populist passion." Numerous polls over the last few years have recorded over 90% saying they believe there has been a "cover up" of the truth.

"GQ" reported that yes, there was theft, corruption and homosexuality in this story, "but no children were ever involved in this case." In fact, "the only child even mentioned was a 9-year-old boy, whom the least reliable of [Senate Committee investigator Gary] Caradori's witnesses claimed to have seen in the company of George Bush at one of Larry King's Washington parties."

Gary Caradori was a retired state police investigator who had been hired by the Nebraska Senate to investigate the case, and who had died mysteriously during the course of his investigations. / Note #5

Sound crazy? Not to Steve Bowman, an Omaha businessman who is compiling a book about the Franklin money and sex scandal. "We do have some credible witnesses who say that 'Yes, George Bush does have a problem.'... Child abuse has become one of the epidemics of the 1990s," Bowman told "GQ". Allegedly, one of Bowman's sources is a retired psychiatrist who worked for the CIA. He added that cocaine trafficking and political corruption were the other principal themes of his book. / Note #6

It didn't sound crazy to Peter Sawyer either. An Australian conservative activist who publishes a controversial newsletter, "Inside News", with a circulation of 200,000, dedicated his November 1991 issue entirely to the

Nebraska scandal, focusing on President Bush's links to the affair. In a section captioned, "The Original Allegations: Bush First Named in 1985," Sawyer writes, "Stories about child sex and pornography first became public knowledge in 1989, following the collapse of the Franklin Credit Union. That is not when the allegations started, however. Indeed, given the political flavor of the subsequent investigations, it would be easy to dismiss claims that George Bush had been involved. He was by then a very public figure....

"If the first allegations about a massive child exploitation ring, centered around Larry King and leading all the way to the White House, had been made in 1989, and had all come from the same source, some shenanigans and mischievous collusion could be suspected. However, the allegations arising out of the Franklin Credit Union collapse were not the first.

"Way back in 1985, a young girl, Eulice (Lisa) Washington, was the center of an investigation by Andrea L. Carener, of the Nebraska Department of Social Services. The investigation was instigated because Lisa and her sister Tracey continually ran away from their foster parents, Jarrett and Barbara Webb. Initially reluctant to disclose information for fear of being further punished, the two girls eventually recounted a remarkable story, later backed up by other children who had been fostered out to the Webb's [sic].

"These debriefings were conducted by Mrs. Julie Walters, another welfare officer, who worked for Boys Town at the time, and who had been called in because of the constant reference by the Webb children and others, to that institution.

"Lisa, supported by her sister, detailed a massive child sex, homosexual, and pornography industry, run in Nebraska by Larry King. She described how she was regularly taken to Washington by plane, with other youths, to attend parties hosted by King and involving many prominent people, including businessmen and politicians. Lisa specifically named George Bush as being in attendance on at least two separate occasions.

"Remember, this was in 1985," emphasized the Australian newsletter.

The newsletter reproduces several documents on Lisa's case, including a Nebraska State Police report, a State of Nebraska Foster Care Review Board letter to the Attorney General, an investigative report prepared for the Franklin Committee of the Nebraska Senate, and a portion of the handwritten debriefing by Mrs. Julie Walters. Peter Sawyer says that he obtained the documents from sympathetic Australian law enforcement officers who had

helped Australian Channel Ten produce an expose of a national child prostitution ring, Down Under. The Australian cops seem to have been in communication with American law enforcement officers who apparently agreed that there had been a coverup on the Nebraska scandal. Subsequent investigations by the authors established that all four documents were authentic.

Mrs. Julie Walters, now a housewife in the Midwest, confirmed that in 1986 she had interviewed the alleged child prostitute, Lisa, who told her about Mr. Bush. Lisa and her sister Tracey were temporarily living at the time in the home of Kathleen Sorenson, another foster parent. Mrs. Walters explained that at first she was very surprised. But Lisa, who came from a very underprivileged background with no knowledge of political affairs, gave minute details of her attendance at political meetings around the country.

>From Julie Walters' 50-page handwritten report: "3/25/86. Met with Kathleen [Sorenson] and Lisa for about 2 hours in Blair [Neb.] questioning Lisa for more details about sexual abuse.... Lisa admitted to being used as a prostitute by Larry King when she was on trips with his family. She started going on trips when she was in 10th grade. Besides herself and Larry there was also Mrs. King, their son, Prince, and 2-3 other couples. They traveled in Larry's private plane, Lisa said that at these trip parties, which Larry hosted, she sat naked 'looking pretty and innocent' and guests could engage in any sexual activity they wanted (but penetration was not allowed) with her.... Lisa said she first met V.P. George Bush at the Republican Convention (that Larry King sang the national anthem at) and saw him again at a Washington, D.C. party that Larry hosted. At that party, Lisa saw no women ('make-up was perfect -- you had to check their legs to make sure they weren't a woman').

"The polygraph test which Lisa took only centered around sexual abuse committed by Jarrett Webb. At that time, she had said only general things about Larry's trips (i.e. where they went, etc.). She only began talking about her involvement in prostitution during those trips on 3/25/86....

"Lisa also accompanied Mr. and Mrs. King and Prince on trips to Chicago, N.Y. and Washington, D.C. beginning when she was 15 years old. She missed twenty-two days of school almost totally due to these trips. Lisa was taken along on the pretense of being Prince's babysitter. Last year she met V.P. George Bush and saw him again at one of the parties Larry gave while on a Washington, D.C. trip. At some of the parties there are just men (as was the case at the party George Bush attended) -- older men and younger men in their early twenties. Lisa said she has seen sodomy committed at those

parties....

"At these parties, Lisa said every guest had a bodyguard and she saw some of the men wearing guns. All guests had to produce a card which was run through a machine to verify who the guest was, in fact, who they said they were. And then each guest was frisked down before entering the party." / Note #7

The details of the accusations against Mr. Bush are known to be in the hands of the FBI. A Franklin Committee report stated: "Apparently she [Lisa] was contacted on December 19 [1988] and voluntarily came to the FBI offices on December 30, 1988. She was interviewed by Brady, Tucker and Phillips.

"She indicates that in September or October 1984, when [Lisa] Washington was fourteen or fifteen years of age, she went on a trip to Chicago with Larry King and fifteen to twenty boys from Omaha. She flew to Chicago on a private plane.

"The plane was large and had rows of two seats apiece on either side of the interior middle aisle.

"She indicates that King got the boys from Boys Town and the boys worked for him. She stated that Rod Evans and two other boys with the last name of Evans were on the plane. Could not recall the names of the other boys.

"The boys who flew to Chicago with Washington and King were between the ages of fifteen and eighteen. Most of the boys were black but some were white. She was shown a color photograph of a boy and identified that boy as being one of the boys on the plane. She could not recall his name.

"She indicates that she was coerced to going on the trip by Barbara Webb.

"She indicates that she attended a party in Chicago with King and the male youths. She indicated George Bush was present.

"She indicates that she set [sic] at a table at the party while wearing nothing but a negligee. She stated that George Bush saw her on the table. She stated she saw George Bush pay King money, and that Bush left the party with a nineteen year old black boy named Brent."

Lisa said the party George Bush attended was in Chicago in September or October 1984. According to the "Chicago Tribune" of October 31, 1984, Bush was in Illinois campaigning for congressional candidates at the end of

October.

Lisa added more details on the Chicago trip, and told why she was sure it was George Bush she had seen. According to a May 8, 1989 report by investigator Jerry Lowe, "Eulice [Lisa] indicated that she recognized George Bush as coming to the party and that Bush had two large white males with him. Eulice indicated Bush came to the party approximately 45 minutes after it started and that he was greeted by Larry King. Eulice indicated that she knew George Bush due to the fact that he had been in political campaigns and also she had observed a picture of Bush with Larry King at Larry King's house in Omaha."

There is no question that Lisa and Tracey Webb were abused in the way they claimed. But, in keeping with the alleged pattern of coverup, a Washington County, Nebraska judge in December 1990 dismissed all charges against their abusers, Jarrett and Barbara Webb. The judge ignored presented testimony of the 1986 report by Boys Town official Julie Walters. The report stated: "Lisa was given four polygraph tests administered by a state trooper at the State Patrol office on Center Street in Omaha. The state trooper, after Lisa's testing was completed, told [another foster parent] he tried to 'break Lisa down,' but he was convinced she was telling the truth." / Note #8

Furthermore, numbers of foster care officials and youth workers debriefed the sisters. All of them fully believed not only their general story of abuse, but specifically their account of Bush's involvement. The March 1986 report on Bush was incorporated into the Foster Care Review Board's official report presented to the Senate Franklin Committee and to law enforcement. As Kathleen Sorenson wrote in a report dated May 1, 1989, "This was long before he [Bush] was President. It seems like there were more exciting people to 'lie' about if that's what they were doing." / Note #9

Notes for Chapter XXI

1. For Bush's "war on drugs," see Jack Anderson and Dale Van Atta, "How Bush Commanded the War on Drugs," "Washington Post," June 20, 1988; Lawrence Lifschultz, "Bush, Drugs and Pakistan: Inside the Kingdom of Heroin," "The Nation," Nov. 14, 1988; "Drug Czars We Have Known," "The Nation," Feb. 27, 1989; and Robert A. Pastor and Jorge Castaneda, "Limits to Friendship: The United States and Mexico" (New York: Knopf, dist. by Random House), p. 271. 14, 1988.

2. See the cover of "Newsweek," Oct. 19, 1987, "Fighting the 'Wimp

Factor,|" which portrays Bush at the controls of "Fidelity." A similar photo appears facing p. 223 in George Bush and Victor Gold, "Looking Forward" (New York: Doubleday, 1987).

3. See Thomas Burdick and Charlene Mitchell, "Blue Thunder" (New York: Simon and Schuster, 1990), p. 229. The following account of the relations between Bush and Aronow relies upon this remarkable study.

4. "Ibid.," p. 182.

5. "Ibid.," p. 18.

6. "Ibid.," p. 34.

7. "Ibid.," p. 71.

8. "Ibid.," p. 95.

9. "Ibid.," p. 103.

10. "Ibid.," pp. 326-27.

11. "Ibid.," pp. 351, 357.

Notes for Chapter XXII

1. "Washington Times," Aug. 9, 1989.

2. "Washington Times," July 7, 1989.

3. "Pronto" (Barcelona, Spain), Aug. 3, 1991 and Aug. 10, 1991.

4. "Omaha World-Herald," July 23, 1989.

5. On July 11, 1990, during the course of his investigations, Gary Caradori, 41, died in the crash of his small plane, together with his 8-year-old son, after a mid-air explosion whose cause has not yet been discovered. A skilled and cautious pilot, Caradori told friends repeatedly in the weeks before his death that he feared his plane would be sabotaged.

6. "Gentleman's Quarterly," December 1991.

7. Report, written on March 25, 1986 by Julie Walters and authenticated by her in an interview in 1990.

8. Report, early 1989, compiled by Jerry Lowe, the first investigator for the Franklin Committee of the Nebraska State Senate.

9. A book recently published on the Nebraska affair by a former Republican state senator and decorated Vietnam veteran, John W. De Camp, "The Franklin Cover-Up: Child Abuse, Satanism and Murder in Nebraska" (Lincoln, Nebraska: AWT, Inc., 1992) tells the whole story.

"XXIII: Bush Takes the Presidency"

George Bush's quest for the summit of American political power was so sustained and so unrelenting that it is impossible to assign the beginning of his campaign for President to any specific date. It is more accurate to report that his entire tenure as Vice President was consumed by the renovation and expansion of his personal and family network for the purpose of seizing the presidency at some point in the future. During this phase, Bush was far more concerned with organizational and machine-building matters than with ideology or public relations. For most of the 1980s, it was convenient for Bush to cultivate the public profile of a faithful and even obsequious deputy to Reagan, while using the office of the vice president to build a national and international overt/covert power cartel.

Bush had no regional constituency in any of the half-dozen places he tried to call home; his "favorite son" appeal was diluted all over the map. He had no base among labor, blacks, or in the cities, like the Kennedy apparatus. Blue-blooded financiers gravitated instinctively to Bush; and his lifeline to the post-Meyer Lansky mob was robust indeed; and these were important factors, although not enough by themselves to win an election. Bush's networks could always tilt the media in his favor, but the Reagan experience had provided a painful lesson of how inadequate this could be against a clever populist rival. Otherwise, Bush's base was in the government, where eight years of patient work had packed the executive branch, the Congress and its staffs, and the judiciary with Bushmen.

Nor was it only that Bush lacked a loyal base of support. He also had very high negatives, meaning that there were a lot of people who disliked him intensely. Such animosity was especially strong among the ideological Reaganite conservatives, whom Bush had been purging from the Reagan administration from early on.

There would prove to be very little that Bush could do to lower his negative response rate, so the only answer would be to raise the negatives of all rival candidates on both sides of the partisan divide. This brutal i

imperative for the Bush machine has contributed significantly to the last half decade's increase in derogation and vilification in American life. Bush's discrediting campaigns would be subsumed within the "anything goes" approach advocated by the late Lee Atwater, the organizer of Reagan's 1984 campaign, who had signed on with Bush well in advance of 1988.

The "Washington Post" went after Bush as "the Cliff Barnes of American politics," a reference to a character in the TV soap opera "Dallas," whom the "Post" found "blustering, opportunistic, craven, and hopelessly ineffective all at once." Others, foreshadowing the thyroid revelations of 1991, talked about Bush's "hyperkinesis." Even the unsavory George Will commented that "the optimistic statement 'George Bush is not as silly as he frequently seems' now seems comparable to Mark Twain's statement that Wagner's music is better than it sounds." / Note #1

More than anything, Bush wanted an early endorsement from Reagan, in order to suppress or at least undercut challenges to his presumptive front-runner status from GOP rivals in the primaries; it was already clear that Senator Bob Dole might be the most formidable of these. Bush feared Dole's challenge, and desperately wanted to be anointed as Reagan's heir-apparent as soon as possible before 1988. But Reagan had apparently not gotten over the antipathy to Bush he had conceived during the "Nashua Telegraph" debate of 1980. According to a high-level Reagan administration source speaking in the summer of 1986, "more than once the President [told Bush], 'Obviously, I'm going to stay neutral until after the convention, and then I'm going to work for whichever candidate comes out on top.'" / Note #2 Despite Bush's "slavish devotion," Reagan wanted to keep the door open to his good friend, Senator Paul Laxalt of Nevada, whom Reagan apparently thought was getting ready to run for President. One can imagine Bush's rage and chagrin.

Reagan stubbornly refused to come out for Bush until the endorsement could no longer help him in the Republican primaries. Reagan chose to wait until Super Tuesday was over and the rest of the Republican field had been mathematically eliminated. Reagan actually waited until Bob Dole, the last of Bush's rivals, had dropped out. Then Reagan ignored the demands of Bush's media handlers and perception-mongers and gave his endorsement in the evening, too late for the main network news programs. The scene was a partisan event, a very large GOP congressional fundraising dinner. Reagan waited to the end of the speech, explained that he was now breaking his silence on the presidential contest, and in a perfunctory way said he would support Bush. "I'm going to work as hard as I can to make Vice President George Bush the next President of the United States," said old Ron. There were no accolades for Bush's real or imagined achievements, no stirring kudos. Seasoned observers found Reagan's statement "halfhearted ... almost

grudging." / Note #3

The Wimp Factor

Reagan's endless reticence meant that Bush had to work especially hard to pander to the right wing, to those people whom he despised but nevertheless needed to use. Here Bush stooped to boundless public degradation. In December 1985, Bush went to Canossa by accepting an invitation to a dinner in Manchester, New Hampshire held in honor of the late William Loeb, the former publisher of the Manchester "Union Leader". We have already documented that old man Loeb hated Bush and worked doggedly for his defeat in 1980. Still, Bush was the "soul of humility," and he was willing to do anything to be able to take power in his own name. Bush gave a speech full of what the "Washington Post" chose to call "self-deprecating humor," but what others might have seen as groveling. Bush regaled 500 Republicans and rightists with a fairy tale about having tried in 1980 to woo Loeb by offering rewards of colored watchbands, LaCoste shirts, and Topsider shoes to anyone who could win over Bill Loeb. The items named were preppy paraphernalia which Loeb and many others found repugnant.

Some of the assembled right-wingers repeated the line from the Doonesbury comic strip according to which Bush "had placed his manhood in a blind trust." Loeb's widow, Nackey Scripps Loeb, was noncommittal. "We have decided on a candidate for 1988 -- whoever best fights for the Reagan agenda," she announced. "Whether that person is here tonight remains to be seen," she added. / Note #4

Lawfully, Bush had earned only the contempt of these New Hampshire conservatives. In October 1987, when the New Hampshire primary season was again at hand, Mrs. Loeb rewarded Bush for his groveling with a blistering attack that featured reprints of Bill Loeb's 1980 barbs: "a preppy wimp, part of the self-appointed elite," and so forth. Mrs. Loeb wrote, "George Bush has been Bush for 63 years. He has been Ronald Reagan's errand boy for just the last seven. Without Ronald Reagan he will surely revert to the original George Bush." Mrs. Loeb repeated her late husband's 1980 advice: "Republicans should flee the presidential candidacy of George Bush as if it were the black plague itself." / Note #5

All of this culminated in the devastating "Newsweek" cover story of October 19, 1987, "Fighting the 'Wimp Factor.'" The article was more analytical than hostile, but did describe the "crippling handicap" of being seen as a "wimp." Bush had been a "vassal to Kissinger" at the United Nations and in Beijing, the article found, and now even Bush's second-term chief of staff said of Bush, "He's emasculated by the office of vice president." To avoid

appearing as a television wimp, Bush had "tried for the past 10 years to master the medium, studying it as if it were a foreign language. He has consulted voice and television coaches. He tried changing his glasses and even wearing contact lenses.... Bush's tight, twangy voice is a common problem. Under stress, experts explain, the vocal cords tighten and the voice is higher than normal and lacks power." According to "Newsweek", 51 percent of Americans found that "wimp" was a "serious problem" for Bush.

The "Newsweek" "wimp" cover soon had Bush chewing the carpet at the Naval Observatory. Bush's knuckle-dragging son, George W. Bush, called the story "a cheap shot" and added menacingly: "... I'd like to take the guy who wrote that headline out on that boat," i.e., the Aronow-built "Fidelity" in which Bush was depicted on the "Newsweek" cover -- which sounded very much like a threat. George W. Bush also called "Newsweek" Washington bureau chief Evan Thomas to inform him that the Bush campaign had officially cut off all contact with "Newsweek" and its reporters. The decision to put "Newsweek" out of business was made by candidate Bush personally, and aborted a plan by "Newsweek" to publish a book on the 1988 campaign. The press got the message: Portray Bush in a favorable light or face vindictive and discriminatory countermeasures.

Big Bucks for Bush

Bush campaigns have always advanced on a cushion of money, and the 1988 effort was to push this characteristic to unheard-of extremes. In keeping with a tradition that had stretched over almost three decades, the Bush campaign finance chairman was Robert Mosbacher, whose Mosbacher Energy Corporation is one of the largest privately held independent oil companies in Texas. Mosbacher's net personal worth is estimated at \$200 million. During the 1988 campaign, Mosbacher raised \$60 million for the Bush campaign and \$25 million for the Republican National Committee.

Bush's big money campaigning was especially dependent upon Texas oilmen, whose largesse he required to stoke his political machine. Bush was running a political action committee called the Fund for America's Future, which raised \$3.9 million in off-year 1985, a hefty sum. Of that take, about a fifth was raised from 505 Texas donors, with Texans giving more than the residents of any other state. Some \$135,095 of Bush's money harvest came from persons who could be clearly identified as oil industry figures, and the rakeoff here was probably much greater.

The Primary Campaign

James Baker was the titular head of the Bush campaign, but the person

responsible for the overall concepts and specific tactics of the Bush campaign was Lee Atwater, a political protege of Senator Strom Thurmond of South Carolina. Thurmond had been a Democrat, then a Dixiecrat in 1948, then a Democrat again, and finally a Republican. The exigencies of getting elected in South Carolina on the GOP ticket had taught Thurmond to reach deeply into that demagogue's bag of tricks called the wedge issues. Under Thurmond's tutelage, Atwater had become well versed in the essentials of the Southern Strategy, the key to that emergent Republican majority in presidential elections which Kevin Phillips had written about in 1968. Atwater had also imbibed political doctrine from the first practitioner of the Southern Strategy, the dark-jowled Richard M. Nixon himself.

In January 1983, for example, Lee Atwater, at that time deputy director of the White House office of political affairs (and a creature of the Bush-Baker connection), met with Nixon for three and a half hours in Columbia, South Carolina. Nixon held forth on three points: the decisive political importance of the Sun Belt, the numerical relations within the Electoral College, and the vast benefits of having no primary competition when seeking reelection.

In 1988 as well, Nixon was brought in to be the "spiritus rector" of the Bush campaign. During March of 1988, when it was clear that Bush was going to win the nomination, Nixon "slipped into town" to join George Bush, Bar, and Lee Atwater for dinner at the Naval Observatory. This time it was Bush who received a one-hour lecture from Nixon on the need to cater to the Republican right wing, the imperative of a tough line on crime in the streets, and the Soviets (again to propitiate the rightists), to construct an independent identity only after the convention, and to urge Reagan to campaign actively. And of course, where Nixon shows up, Kissinger cannot be far away. / Note #6

1988 saw another large-scale mobilization of the intelligence community in support of Bush's presidential ambitions. The late Miles Copeland, a high-level former CIA official who operated out of London during the 1980s, contributed a piece frankly titled "Old Spooks for Bush" to the March 18, 1988 issue of "National Review".

Bush and Atwater feared all their competition. They feared former Governor Pierre DuPont of Delaware because of his appeal to liberal and blue-blooded Republicans who might otherwise automatically gravitate to Bush. They feared New York Congressman Jack Kemp because of his appeal to the GOP right wing and to blue-collar Reagan Democrats, and because of what they viewed as his disturbing habit of talking about the Strategic Defense Initiative and similar issues. They feared that Senator Bob Dole of Kansas, with his "root

canal economics" and right-wing populism, and his solid backing from the international grain cartel, might appear more credible to the Wall Street bankers than Bush as an enforcer of austerity and sacrifices.

But at the same time, they knew that Bush had more money to spend and incomparably more state-by-state organization than any of his GOP rivals, to say nothing of the fabled Brown Brothers Harriman media edge. Bush also ruled the Republican National Committee with Stalin-like ferocity, denying these assets to all of his rivals. This allowed Bush to wheel toward the right in 1986-87 to placate some of his critics there, and then move back toward the center by the time of the primaries.

But all the money and the organization could not mask the fact that Bush was fundamentally a weak candidate. This began to become obvious to Atwater and his team of perception mongers as the Iowa caucuses began to shape up. These were the caucuses that Bush had so niftily won in 1980. By 1988, Bush's Iowa effort had become complicated by reality, in the form of a farm crisis that was driving thousands of farmers into bankruptcy every week. Farm voters were now enraged against the avuncular thespian Ronald Reagan and were looking for a way to send a message to the pointy-headed set in Washington, D.C. Bush's Iowa campaign was dripping with lucre, but this now brought forth resentment among the grim and grey-faced rural voters.

In mid-October 1987, five of the six declared Republican candidates attended a traditional Iowa GOP rally in Ames, just north of Des Moines, on the campus of Iowa State University. Televangelist Pat Robertson surprised all the others by mobilizing 1,300 enthusiastic supporters for the Saturday event. The culmination of this rally was a presidential straw poll, which Robertson won with 1,293 votes to 958 for Dole. Bush trailed badly with 864. This was the occasion for Bush's incredible explanation of what had happened: "A lot of people that support me, they were off at the air show, they were at their daughters' coming out parties, or teeing up at the golf course for that all-important last round." / Note #7 Many Iowans, including Republicans, had to ask what a debutante cotillion was, and began to meditate on the fact that they were not socially acceptable. But most concluded that George Bush was the imperial candidate from another planet, bereft of the foggiest notion of their lives and their everyday problems.

During the buildup to the Iowa caucus, Bush continued to dodge questions on Iran-Contra. The famous "tension city" encounter with Dan Rather took place during this time. Lee Atwater considered that performance Bush's defining event for the campaign, a display which made him look like John Wayne, Clint Eastwood, and Gary Cooper, especially in the South, where people like a pol who "can kick somebody's ass" and where that would make a big

difference on Super Tuesday.

But Bush's handlers were nevertheless shocked when Dole won the Iowa caucuses with 37 percent of the vote, followed by Pat Robertson with 25 percent. Bush managed only a poor show, with 19 percent, a massive collapse in comparison with 1980, when he had been far less known to the public.

Bush had known that defeat was looming in Iowa, and he had scuttled out of the state and gone to New Hampshire before the results were known. Bush was nevertheless stunned by his ignominious third-place finish, and he consulted with Nick Brady, Lee Atwater, chief of staff Craig Fuller, and pollster Bob Teeter. Atwater had boasted that he had built a "fire wall" in the southern Super Tuesday states that would prevent any rival from seizing the nomination out of Bush's grasp, but the Bush image-mongers were well aware that a loss in New Hampshire might well prove a fatal blow to their entire effort, the advantages of money, networks, and organization notwithstanding.

Atwater accordingly ordered a huge media buy of 1,800 gross rating points, enough to ensure that the theoretical New Hampshire television viewer would be exposed to a Bush attack ad 18 times over the final three days before the election. The ad singled out Bob Dole, judged by the Bushmen as their most daunting New Hampshire challenger, and savaged him for "straddling" the question of whether or not new taxes ought to be imposed. The ad proclaimed that Bush "won't raise taxes," period. It was during this desperate week in New Hampshire that Bush became indissolubly wedded to his lying and demagogic "no new taxes" pledge, which he repudiated with considerable fanfare during the spring of 1990.

When Bush had arrived in Manchester the night of the disastrous Iowa result, New Hampshire Governor John Sununu, his principal supporter in the state, had promised a nine-point victory for Bush in his state. Oddly enough, that turned out to be exactly right. The final result was 38 percent for Bush, 29 percent for Dole, 13 percent for Kemp, 10 percent for DuPont, and 9 percent for Robertson.

In the South Carolina primary, the Bushmen were concerned about a possible threat from television evangelist Pat Robertson, who had mounted his major effort in the Palmetto state. Robertson was widely known through his appearances on his Christian Broadcasting Network. Shortly before the South Carolina vote, a scandal became public which involved another television evangelist, Jimmy Swaggart, a close friend of Robertson and an active supporter of Robertson's presidential campaign. Swaggart admitted to consorting with a prostitute, and this caused a severe crisis in his

ministry. Jim Bakker of the PTL television ministry had already been tainted by a sex scandal.

Pat Robertson accused the Bush campaign of orchestrating the Swaggart revelations at a time that would be especially advantageous to their man. Talking to reporters, Robertson pointed to "the evidence that two weeks before the primary ... it suddenly comes to light." Robertson added that the Bush campaign was prone to "sleazy" tricks, and suggested that his own last-place finish in New Hampshire was "quite possibly" the result of "dirty tricks" by the Bush campaign. Bush responded by dismissing Robertson's charges as "crazy" and "absurd." Robertson had been linking Bush to the "international banking community" in his South Carolina campaigning. / Note #8

True to his Southern Strategy, Atwater had "front-loaded" Bush's effort in the southern states with money, political operatives, and television, straining the legal limit of what could be spent during the primary season as a whole. A few days before Super Tuesday came the South Carolina primary. The state's governor, Carroll Campbell, was a former customer of Lee Atwater. Strom Thurmond was for Dole, but his endorsement proved to be valueless. Here Bush got all the state's 37 delegates by scoring 48 percent of the vote to 21 percent for Dole, 19 percent for Robertson, and 11 percent for Kemp.

Then, in the March 8 Super Tuesday polling, Bush scored an across-the-board triumph, winning in Florida, Texas, Alabama, Arkansas, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Oklahoma, Tennessee, Virginia, Missouri, and Maryland, plus Massachusetts and Rhode Island outside of the region. With this, Bush took 600 of 803 delegates at stake that day. Four and a half million Republicans had voted, the best turnout ever in southern GOP primaries. When Bush beat Dole by a three-to-two margin in Illinois, supposedly a part of Dole's base, it was all over. Bush prepared for the convention and the choice of a vice president.

The Wedge Issues Campaign

The Bush campaign of 1988 had no issues, but only demagogic themes. These were basically all on the table by June, well before the Republican convention. The first was the pledge of no new taxes, later embroidered with the Clint Eastwood tough-guy overtones of "Read My Lips -- No New Taxes." The other themes reflected Atwater's studies of how to drive up the negatives of Bush's Democratic opponent, who would be Massachusetts Governor Michael Dukakis. Very early on, Bush began to harp on Dukakis's veto of a bill requiring teachers to lead their class each day in the

pledge of allegiance. Speaking in Orange County, California on June 7, Bush said: "I'll never understand, when it came to his desk, why he vetoed a bill that called for the pledge of allegiance to be said in the schools of Massachusetts. I'll never understand it. We are one nation under God. Our kids should say the pledge of allegiance." / Note #9

This theme lent itself very well to a highly cathexized visual portrayal, with flags and bunting. Atwater was assisted in these matters by Roger Ailes, a television professional who had been the executive producer of the Mike Douglas Show by the time he was 27 years old. That was in 1967, when he was hired by Richard Nixon and Leonard Garment. Between them, Atwater and Ailes would produce the modern American television equivalent of a 1930s Nuremburg party rally.

At about this time, the Bush network we have seen in operation at the "Reader's Digest" since the 1964 campaign conveniently printed an article about a certain Willie Horton, a black convicted murderer who was released from a Massachusetts jail on a furlough, and then absconded to Maryland, where he raped a white woman and stabbed her fiancé. The Massachusetts furlough program had been started by Republican Governor Frank Sargent, but this meant nothing. Bush was to use Willie Horton in the same way that Hitler and the Nazis exploited the grisly crimes of one Harmann, a serial killer in Germany of the early 1930s, in their calls for law and order. In Illinois in mid-June, Bush began to talk about how Dukakis let "murderers out on vacation to terrorize innocent people."

As packaged by Bush's handlers, it was thoroughly racist without being nominally so, like Nixon's "crime in the streets" shorthand for racist backlash during the 1968 campaign. Later, Bush would embroider this theme with his demand for the death penalty, his own Final Solution to the problem of criminals like Willie Horton.

To crown this demagoguery, George H.W. Bush of Skull and Bones portrayed Dukakis as an elitist insider: "Governor Dukakis, his foreign-policy views born in Harvard Yard's boutique, would cut the muscle of our defense." Bush's frequent litany of "liberal Massachusetts governor" was shameless in its main purpose of suggesting that Bush himself was "not" a liberal.

When Bush arrived in New Orleans for the Republican National Convention, he was accompanied by Baker, Teeter, Fuller, Atwater, Ailes, and James Baker's Girl Friday, Margaret Tutwiler. Up to this point, Bush's staff had expected him to generate a little suspense around the convention by withholding the name of his vice presidential choice until the morning of the last day of the convention, when Bush could share his momentous secret with the Texas

caucus and then tell it to the world.

Bush's vetting of vice presidents was carried out between Bush and Robert Kimmitt, the Washington lawyer and Baker crony who later joined Baker's ruling clique at the State Department, before being put up for ambassador to Germany when Vernon Walters quit in the spring of 1991. Bush and Kimmitt reviewed the obvious choices: Kemp was out because he lectured Bush on the SDI and was too concerned about issues. Dole was out because he kept sniping at Bush with his patented sardonic zingers. Elizabeth Dole was a choice to be deemed imprudent. John Danforth, Pete Domenici, Al Simpson, and some others were eliminated. Many were the possible choices who had to be ruled out not because of lack of stature, but because they might seem to have more stature than Bush himself.

Quayle had shown up on lists prepared by Fuller and Ailes. Ed Rollins, attuned to the Reagan Democrats, could not believe that Quayle was being seriously considered. But now, at Belle Chase Naval Air Station north of New Orleans, Bush told his staff that he had chosen Dan Quayle. Not only was it Quayle, but Bush's thyroid was now in overdrive: He wanted to announce his selection within hours. Quayle was contacted by telephone and instructed to meet Bush at the dock in New Orleans when the paddle-wheel steamer "Natchez" brought Bush down the Mississippi to that city's Spanish Plaza.

Why J. Danforth Quayle?

Quayle turned up at the dock in a state of inebriated euphoria, grabbing Bush's arm, prancing and capering around Bush. As soon as the dossiers on Quayle came out, a few questions were posed. Had his Senate office been a staging point for Contra resupply efforts? One of the Iran-Contra figures, Rob Owen, had indeed worked for Quayle, but Quayle denied everything. Had Quayle, now a hawk, been in Vietnam? Tom Brokaw asked Quayle if he had gotten help in joining the National Guard as a way of ducking the draft. Quayle stammered that it had been 20 years earlier, but maybe "phone calls were made." Then Dan Rather asked Quayle what his worst fear was. "Paula Parkinson," was the reply. This was the woman lobbyist and "Playboy" nude model who had been present with Quayle at a wild weekend at a Florida country club back in 1980.

The Bush image-mongers hurriedly convened damage control sessions, and Quayle was given two professional handlers, Stuart Spencer and Joe Canzeri. After a couple of Bush-Quayle joint appearances before groups of war veterans to attempt to dissipate Quayle's National Guard issue, Quayle was then shunted into the secondary media markets under the iron control of

his new handlers.

Although Bush's impulsive proclamation of his choice of Quayle does indeed raise the question of the hyperthyroid snap decision, the choice of Quayle was not impulsive, but rather perfectly coherent with Bush's profile and pedigree. Bush told James Baker that Quayle had been "my first and only choice." / Note #1 / Note #0 Bush's selection of political appointees is very often the product of Bush-Walker family alliances over more than a generation -- as in the case of Baker, Brady, Boy Gray, and Henry Kravis -- or at least of a long and often lucrative business collaboration, as in the case of Mosbacher. The choice of Quayle lies somewhere in between, and was strengthened by a deep ideological affinity in the area of racism.

J. Danforth Quayle's grandfather was Eugene C. Pulliam, who built an important press empire starting with his purchase of the Atchison (Kansas) "Champion" in 1912. The bulk of these papers were in Indiana, the home state of the Pulliam clan, and in Arizona. "Gene" Pulliam had died in 1975, but his newspaper chain was worth an estimated \$1.4 billion by the time Dan Quayle became a household word.

Old Gene was a firm opponent of racial integration. When Martin Luther King, Jr. was assassinated in 1968, Gene Pulliam sent a note to the editors of his papers in Indianapolis, Indiana ordering them not to give the King tragedy "much exposure" because he considered the civil rights leader a "rabble rouser." He instructed that the news of King's death be summarized in as few words as possible and relegated to the bottom of the front page.

The Bush-Quayle alliance thus reposed first of all on a shared premise of racism.

Quayle is known to the vast majority of the American public as a virtual cretin. Quayle is the first representative of the post-war Baby Boom to advance to national elective office. Unfortunately, he seems to exhibit some of the mental impairment that is known to overtake long-term, habitual marijuana users.

Quayle was admitted by the University of Indiana Law School in violation of that school's usual policy of rejecting all applicants with an academic average of less than 2.6. He wanted to be a lawyer because he had heard that "lawyers make lots of money and do little," as he told his fraternity brothers at De Pauw. As it turned out, the dean of admissions at the University of Indiana Law School was one G. Kent Frandsen, who was a Republican city judge in Lebanon, Indiana, a town where the Pulliam family controls the local newspaper. He had always been endorsed by the Pulliam

interests. Two years later, Frandsen would officiate at the marriage of J. Danforth Quayle to Marilyn Tucker. Still later, Frandsen would serve as Quayle's campaign manager in Boone County during the 1986 Senate race. It was thus no surprise that Frandsen was willing to admit Dan Quayle to law school as part of a program for disadvantaged students, primarily those from the black community.

After all this, it may appear as a miracle that Dan Quayle was ever able to obtain a law degree. J. Danforth's receipt of that degree appears to have been mightily facilitated by the plutocratic Quayle family, who made large donations to the law school each year during Dan's time as a law student.

What were Quayle's pastimes during his law school years? According to one account, they included recreational drugs. During the summer of 1988, a Mr. Brett Kimberlin told Dennis Bernstein and a radio audience of WBAI in New York that he had first met J. Danforth during this period at a fraternity party at which marijuana was indeed being consumed. "He found out that I had marijuana available at the time," said Kimberlin. "It was good quality, and he asked if I had any for sale.... I thought it was kind of strange. He looked kind of straight. I thought he might be a narc [DEA agent] at first. But we talked and I felt a little more comfortable, and finally I gave him my phone number and said, 'Hey, well, give me a call.' He called me a couple weeks later, and said, 'Hey, this is DQ. Can we get together?' and I said 'Yes, meet me at the Burger Chef restaurant.' We struck up a relationship that lasted for 18 months. I sold him small quantities of marijuana for his personal use about once a month during that period. He was a good customer. He was a friend of mine. We had a pretty good relationship. He always paid cash.... When him and Marilyn got married in 1972, I gave him a wedding present of some Afghanistan hashish and some Acapulco gold." / Note #1 / Note #1

Kimberlin repeated these charges in a pre-election interview on NBC News on November 4, 1988. Kimberlin was a federal prisoner serving time in Tennessee after conviction on charges of drug smuggling and explosives. Later that same day, Kimberlin was scheduled to address a news conference by telephone conference call. But before Kimberlin could speak to the press, he was placed in solitary confinement, and was moved in and out of solitary confinement until well after the November 8 presidential election. A second attempted press conference by telephone hookup on the eve of the election did not take place, because Kimberlin was still being held incommunicado. On August 6, 1991, U.S. District Judge Harold H. Greene ruled that the allegations made by Kimberlin against U.S. Bureau of Prisons Director J. Michael Quinlan were "tangible and detailed" enough to justify a trial. Kimberlin had accused Quinlan of ordering solitary confinement for

him when it became clear that his ability to further inform the media about Quayle's drug use would damage the Bush-Quayle effort. The trial is still pending as of our publication date.

In March 1977, Congressman Dan Quayle contributed an article to the Fort Wayne, Indiana "News-Sentinel" in which he recommended that Congress take a "serious" look at marijuana decriminalization. In April 1978, Quayle repeated this proposal, specifying he supported decriminalization for first-time users. / Note #1 / Note #2

The Last Lap

The final stages of the campaign were played out amid great public indifference. Some interest was generated in the final weeks by a matter of prurient, rather than policy interest: Rumors were flying of a Bush sex scandal. This talk, fed by the old Jennifer Fitzgerald story, had surfaced during 1987 in the wake of the successful covert operation against Gary Hart. The gossip became intense enough that George W. Bush asked his father if he had been guilty of philandering. The young Bush reported back to the press that "the answer to the Big A [adultery] question is N-O." Lee Atwater accused David Keene of the Dole campaign of helping to circulate the rumor, and Keene, speaking on a television talk show, responded that Atwater was "a liar." Shortly thereafter, a "sex summit" was convened between the Bush and Dole camps for the purpose of maintaining correct GOP decorum even amidst the acrimony of the campaign. / Note #1 / Note #3

Evans and Novak opined that "Atwater and the rest of the Bush high command, convinced that the rumors would soon be published, reacted in a way that spelled panic to friend and foe alike." On June 17, 1987, Michael Sneed of the "Chicago Sun-Times" had written that "several major newspapers are sifting ... reported dalliances of Mr. Boring." / Note #1 / Note #4 But during that summer of 1987, the Brown Brothers Harriman/Skull and Bones networks were powerful enough to suppress the story and spare Bush any embarrassment.

In the end, the greatest trump card of Bush's 1988 campaign was Bush's opponent Michael Dukakis. There is every reason to believe that Dukakis was chosen by Bush Democrat power brokers and the Eastern Establishment bankers primarily because he was so manifestly unwilling and unable seriously to oppose Bush. Many are the indications that the Massachusetts governor had been selected to take a dive. The gravest suspicions are in order as to whether there ever was a Dukakis campaign at all. Well before Dukakis received the nomination, supporters of Lyndon LaRouche in the National Democratic Policy Committee called attention to the indications of per

sonal and mental instability in Dukakis's personal history, but the Democratic Convention in Atlanta chose to ignore these highly relevant issues.

As the NDPC leaflet pointed out, "There is strong evidence that Michael Dukakis suffers from a deep-seated mental instability that could paralyze him, and decapitate our government, in the event of a severe economic or strategic crisis. This is a tendency for psychological breakdown in a situation of adversity and perceived personal rejection." / Note #1 / Note #5 The best proof of the validity of this assessment is the pitiful election campaign that Dukakis then conducted. The NDPC leaflet had warned that the GOP would exploit this obvious issue, and Reagan soon made his celebrated quip, "I'm not going to pick on an invalid," focusing intense public attention on Dukakis's refusal to release his medical records.

The colored maps used by the television networks on the night of November 8 presented a Bush victory which, although less convincing than Reagan's two landslides, nevertheless seemed impressive. A closer examination of the actual vote totals reveals a much different lesson: Even in competition with the bumbling and craven Dukakis campaign, Bush remained a pitifully weak candidate who, despite overwhelming advantages of incumbency, money, organization, years of enemies-list operations, a free ride from the controlled media, and a pathetic opponent, just managed to eke out a hair's breadth margin.

Bush had won 53 percent of the popular vote, but if just 535,000 voters in 11 states (or 600,000 voters in nine states) had switched to Dukakis, the latter would have been the winner. The GOP had ruled the terrain west of the Mississippi for many moons, but Bush had managed to lose three Pacific states: Oregon, Washington, and Hawaii. Bush won megastates like Illinois and Pennsylvania by paper-thin margins of 51 percent, and the all-important California vote, which went to Bush by just 52 percent, had been too close for George's comfort. Missouri had also been a 52 percent close call for George. In the farm states, the devastation wrought by eight years of GOP free enterprise caused both Iowa and Wisconsin to join Minnesota in the Democratic column. Chronically depressed West Virginia was having none of George. In the oil patch, the Democrats posted percentage gains even though Bush carried these states: In Texas, Oklahoma, and Louisiana the Democratic presidential vote was up between 7 and 11 percent compared to the Mondale disaster of 1984. In the Midwest, Dukakis managed to carry four dozen counties that had not gone for a Democratic presidential contender since 1964. All in all, half of Bush's electoral votes came from states in which he got less than 55.5 percent of the two-party vote, showing that there was no runaway Bush landslide.

The voter turnout hit a new postwar low, with just 49.1 percent of eligible voters showing up at the polls, significantly worse than the Harry Truman-Thomas Dewey matchup of 1948, when just 51 percent had deemed it worthwhile to vote. This means that Bush expected to govern the country with the votes of just 26.8 percent of the eligible voters in his pocket. Bush had won a number of southern states by lop-sided margins of about 20 percent, but this was correlated in many cases with very low overall voter turnout, which dipped below 40 percent in Georgia and South Carolina. A big plus factor for George was the very low black voter turnout in the South, where a significant black vote had helped the Democrats retake control of the Senate in 1986.

Among those Republicans who had succeeded in winning the White House in two-way races (excluding years like 1948 or 1968, when the totals were impacted by Henry Wallace and Strom Thurmond's Dixiecrats, or by George Wallace), Bush's result was the weakest since fellow Skull and Bones alumnus William Howard Taft in 1908. / Note #1 / Note #6

Notes for Chapter XXIII

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3. Jack W. Germond and Jules Witcover, "Whose Broad Stripes and Bright Stars: The Trivial Pursuit of the Presidency, 1988" (New York: Warner Books, 1989), p. 156.
4. "Bush Proves Successful in Ticklish Appearance," "Washington Post," Dec. 12, 1985.
5. "New Hampshire Chill," "Washington Post," Oct. 11, 1987.
6. For Bush in the 1988 campaign, see "Whose Broad Stripes and Bright Stars."
7. "Washington Post," Oct. 16, 1987.
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12. "Ibid."

13. "Washington Post," July 1, 1987.

14. "Washington Post," June 26, 1987.

15. See "Is Dukakis the New Senator Eagleton?" in "Dukakis's Mental Health: An Objective Assessment," "Executive Intelligence Review Reprint," Aug. 15, 1988, p. 8.

16. See Kevin Phillips, "The Politics of Rich and Poor" (New York: Random House, 1990), p. 215; "Facts on File," Nov. 11, 1988; and Paul R. Abramson, John H. Aldrich and David W. Rohde, "Change and Continuity in the 1988 Elections" (Washington: Congressional Quarterly, 1991).

"XXIV: The End of History"

""If the Emperor Tiberius -- George Bush -- is elected, this country will become a fascist state in the first year he is in office, I guarantee it."

-- Lyndon H. LaRouche, Jr., April 15, 1988

campaign speech in Buffalo, N.Y."

George Bush's inaugural address of January 21, 1989, was on the whole an eminently colorless and forgettable oration. The speech was for the most part a rehash of the tired demagoguery of Bush's election campaign, with the ritual references to "a thousand points of light" and the hollow pledge that when it came to the drug inundation which Bush had supposedly been fighting for most of the decade, "This scourge will stop." Bush talked of "stewardship" being passed on from one generation to another. There was almost nothing about the state of the U.S. economy. Bush was preoccupied with the "divisiveness" left over from the Vietnam era, and this he pledged to end in favor of a return to bipartisan consensus between the President and the Congress, since "the statute of limitations has been reached. This is a fact: The final lesson of Vietnam is that no great nation can long afford to be sundered by a memory." There is good reason to believe that

Bush was already contemplating the new round of foreign military adventures which were not long in coming.

The characteristic note of Bush's remarks came at the outset, in the passages in which he celebrated the triumph of the American variant of the bureaucratic-authoritarian police state, based on usury, which chooses to characterize itself as "freedom": "We know what works: Freedom works. We know what's right: Freedom is right. We know how to secure a more just and prosperous life for man on Earth -- through free markets, free speech, free elections, and the exercise of free will unhampered by the state. / Note #1

After the inauguration ceremonies at the Capitol were completed, George and Barbara Bush descended Pennsylvania Avenue toward the White House in a triumphant progress, getting out of their limousine every block or two to walk among the crowds and savor the ovations. George Bush, imperial administrator and bureaucrat, had now reached the apex of his career, the last station of the "cursus honorum": the chief magistracy. Bush now assumed leadership of a Washington bureaucracy that was increasingly focused on itself and its own aspirations, convinced of its own omnipotence and infallibility, of its own manifest destiny to dominate the world. It was a heady moment, full of the stuff of megalomaniac delusion.

Imperial Washington was now aware of the increasing symptoms of collapse in the Soviet Empire. The feared adversary of four decades of cold war was collapsing. Germany and Japan were formidable economic powers, but they were led by a generation of politicians which had been well schooled in the necessity of following Anglo-Saxon orders. France had abandoned her traditional Gaullist policy of independence and sovereignty, and had returned to the "suivisme" of the old Fourth Republic under Bush's freemasonic brother Francois Mitterrand. Opposition to Washington's imperial designs might still come from leading states of the developing sector, from India, Brazil, Iraq and Malaysia, but the imperial administrators, puffed up with their xenophobic contempt for the former colonials, were confident that these states could be easily defeated, and that the Third World would meekly succumb to the installation of Anglo-American puppet regimes in the way that the Philippines and so many Latin American countries had during the 1980s.

Bush assembled a team of his fellow Malthusian bureaucrats and administrators from among those officials who had staffed Republican administrations going back to 1969, the year that Nixon chose Kissinger for the National Security Council. Persons like Scowcroft, James Baker, Carla Hills, and Bush himself had, with few exceptions, been in or around the federal government and especially the executive branch for most of two

decades.

All the great issues of policy had been solved under Nixon, Ford and Reagan; the geopolitical situation was being brought under control; all that remained was to consolidate and perfect the total administration of the world according to the policies and procedures already established, while delivering mass consensus through the same methods that had just proven unbeatable in the presidential campaign. The Bush team was convinced of its own inherent superiority to the Mandarin Chinese, the Roman and Byzantine, the Ottoman, the Austrian, the Prussian, the Soviet, and to all other bureaucratic-authoritarian regimes that had ever existed on the planet.

Pride goeth ever before a fall.

The imperial functionaries of the Bush team had chosen to ignore certain gross facts, most importantly the demonstrable bankruptcy and insolvency of their own leading institutions of finance, credit and government. Their ability to command production and otherwise to act upon the material world was in sharp decline. How long would the American population remain in its state of stupefied passivity in the face of deteriorating standards of living that were now falling more rapidly than at any time in the last 20 years? And now, the speculative orgy of the 1980s would have to be paid for. Even their advantage over the crumbling Soviet empire was ultimately only a marginal, relative, and temporary one, due primarily to a faster rate of collapse on the Soviet side; but the day of reckoning for the Anglo-Americans was coming, too.

This was the triumphalism that pervaded the opening weeks of the Bush administration. Bush gave more press conferences during the transition period than Reagan had given during most of his second term; he reveled in the accoutrements of his new office, and gave the White House press corps all the photo opportunities and interviews they wanted, to butter them up and get them in his pocket.

These fatuous delusions of grandeur were duly projected upon the plane of the philosophy of history by an official of the Bush administration, Francis Fukuyama, the deputy director of the State Department Policy Planning Staff, the old haunt of Harrimanites like Paul Nitze and George Kennan. In the winter of 1989, during Bush's first hundred days in office, Fukuyama delivered a lecture to the Olin Foundation which was later published in "The National Interest" quarterly under the title of "The End of History?" / Note #2 Imperial administrator Fukuyama had studied under the reactionary elitist Allan Bloom, and was conversant with the French

neo-Enlightenment semiotic (or semi-idiotic) school of Derrida, Foucault and Roland Barthes, whose "zero degree of writing" Fukuyama may have been striving to attain. Above all, Fukuyama was a follower of Hegel in the interpretation of the French postwar neo-Hegelian Alexandre Kojève.

Fukuyama qualifies as the official ideologue of the Bush regime. His starting point is the "unabashed victory of economic and social liberalism," meaning by that the economic and political system reaching its maturity under Bush -- what the State Department usually calls "democracy." "The triumph of the West, of the Western idea, is evident first of all in the total exhaustion of viable systematic alternatives to Western liberalism.... The triumph of the Western political idea is complete. Its rivals have been routed.... Political theory, at least the part concerned with defining the good polity, is finished. The Western idea of governance has prevailed.... What we may be witnessing is not just the end of the Cold War, or the passing of a particular period of postwar history, but the end of history as such: that is, the end point of mankind's ideological evolution and the universalization of Western liberal democracy as the final form of human government."

According to Fukuyama, communism as an alternative system had been thoroughly discredited in the U.S.S.R., China, and the other communist countries. Since there are no other visible models contending for the right to shape the future, he concludes that the modern American state is the "final, rational form of society and state."

There are of course large areas of the world where governments and forms of society prevail which diverge radically from Fukuyama's Western model, but he answers this objection by explaining that backward, still historic parts of the world exist and will continue to exist for some time. It is just that they will never be able to present their forms of society as a credible model or alternative to "liberalism." Since Fukuyama presumably knew something of what was in the Bush administration pipeline, he carefully kept the door open for new wars and military conflicts, especially among historical states, or between historical and post-historical powers. Both Panama and Iraq would, according to Fukuyama's typology, fall into the latter category.

Thus, in the view of the early Bush administration, the planet would come to be dominated more and more by the "universal homogenous state," a mixture of "liberal democracy in the political sphere combined with easy access to VCRs and stereos in the economic." The arid banality of that definition is matched by Fukuyama's dazzling tribute to "the spectacular abundance of advanced liberal economies and the infinitely diverse consumer

culture." Fukuyama, it turns out, is a resident of the privileged enclave for imperial functionaries that is northeast Virginia, and so has little understanding of the scope of U.S. domestic poverty and immiseration: For Fukuyama, writing at a moment when American class divisions were more pronounced than at any time in human memory, "the egalitarianism of modern America represents the essential achievement of the classless society envisaged by Marx." As a purveyor of official doctrine for the Bush regime, Fukuyama is bound to ignore 20 years of increasing poverty and declining standards of living for all Americans which have caused an even greater retrogression for the minority population.

It is not far from the End of History to Bush's later slogans of the New World Order and the imperial Pax Universalis. It is ironic but lawful that Bush should have chosen a neo-Hegelian as apologist for his regime. Hegel was the arch-obscurantist, philosophical dictator, and saboteur of the natural sciences; he was the ideologue of Metternich's Holy Alliance system of police states in the post-1815 oligarchic restoration in Europe imposed by the Congress of Vienna. When we mention Metternich, we have at once brought Bush's old patron Kissinger into play, since Metternich is well known as his ego ideal. Hegel deified the bureaucratic-authoritarian state machinery of which he was a part as the final embodiment of rationality in human affairs, beyond which it was impossible to go. Hegel told intellectuals to be reconciled with the world they found around them, and pronounced philosophy incapable of producing ideas for the reform of the world.

The Bush regime thus took shape as a bureaucratic-authoritarian stewardship of the financial interests of Wall Street and the City of London. Many saw in the Bush team the patrician financiers of the Nelson Rockefeller administration that never was. The groups in society which were to be served were so narrowly restricted that the Bush administration often looked like a government that had totally separated itself from the underlying society and had constituted itself to govern in the interests of the bureaucracy itself. Since Bush was irrevocably committed to carrying forward the policies that had been consolidated and institutionalized during the previous eight years, the regime became more and more rigid and inflexible. Active opposition, or even the dislocations occasioned by administration policies were therefore dealt with by the repressive means of the police state. The Bush regime could not govern, but it could indict, and the Discrediting Committee was always ready to vilify. Some observers spoke of a new form of Bonapartism "sui generis," but the most accurate description for the Bush combination was the "administrative fascism" coined by political prisoner Lyndon LaRouche, who was thrown in jail just seven days after the Bush inauguration.

The Bush Cabinet

Bush's cabinet reflected several sets of optimizing criteria:

The best way to attain a top cabinet post was to belong to a family that had been allied with the Bush-Walker clan over a period of at least half a century, and to have served as a functionary or fundraiser for the Bush campaign. This applied to Secretary of State James Baker III, Treasury Secretary Nicholas Brady, Commerce Secretary Robert Mosbacher, and Bush's White House counsel and top political adviser, C. Boyden Gray.

A second royal road to high office was to have been an officer of Kissinger Associates, the international consulting firm set up by Bush's lifelong patron, Henry Kissinger. In this category we find Gen. Brent Scowcroft, the former chief of the Kiss. Ass. Washington office, and Lawrence Eagleburger, the dissipated wreck who was named to the number two post in the State Department, Undersecretary of State. Eagleburger had been the president of Kissinger Associates. The ambassadorial (or proconsul) list was also rife with Kissingerian pedigrees: a prominent one was John Negroponte, Bush's ambassador to Mexico.

Overlapping with this last group were the veterans of the 1974-77 Ford administration. National Security Council Director Brent Scowcroft, for example, was simply returning to the job that he had held under Ford as Kissinger's alter ego inside the White House. Dick Cheney, who eventually became secretary of defense, had been Ford's White House chief of staff. Cheney had been executive assistant to the director of Nixon's Office of Economic Opportunity way back in 1969. In 1971, he had joined Nixon's White House staff as Don Rumsfeld's deputy. >From 1971 to 1973, Cheney was at the Cost of Living Council, working as an enforcer for the infamous Phase II wage freeze in Nixon's "Economic Stabilization Program." The charming Carla Hills, who became Bush's trade representative, had been Ford's Secretary of Housing and Urban Development. William Seidman and James Baker (and Federal

Reserve Board Chairman Alan Greenspan, a Reagan holdover who was the chairman of Ford's Council of Economic Advisers) had also been in the picture under Gerry Ford.

Bush also extended largesse to those who had assisted him in the election campaign just concluded. At the top of this list was Governor John Sununu of New Hampshire, who would have qualified as the modern Nostradamus for his exact prediction of Bush's 9 percent margin of victory over Dole in the New Hampshire primary -- unless he had helped to arrange it with vote

fraud.

Another way to carry off a top plum in the Bush regime was to have participated in the coverup of the Iran-Contra scandal. The leading role in that coverup had been assumed by Reagan's own blue ribbon commission of notables, the Tower Commission, which carried out the White House's own in-house review of what had allegedly gone wrong, and had scapegoated Don Regan for a series of misdeeds that actually belonged at the doorstep of George Bush. The members of that board were former GOP Senator John Tower of Texas, Gen. Brent Scowcroft, and former Sen. Edmund Muskie, who had been secretary of state for Carter after the resignation of Cyrus Vance. Scowcroft, who shows up under many headings, was ensconced at the NSC. Bush's original candidate for secretary of defense was John Tower, who had been the point man of the 1986-87 coverup of Iran-Contra during the months before the congressional investigating committees formally got into the act. Tower's nomination was rejected by the Senate after he was accused of being drunken and promiscuous by Paul Weyrich, a Buckleyite activist, and others. Some observers thought that the Tower nomination had been deliberately torpedoed by Bush's own discrediting committee so as to avoid the presence of a top cabinet officer with the ability to blackmail Bush. Perhaps Tower had overplayed his hand. In any case, Dick Cheney, a Wyoming congressman with strong intelligence community connections, was speedily nominated and confirmed after Tower had been shot down.

Another Iran-Contra veteran in line to get a reward was Bush's former national security adviser, Don Gregg, who had served Bush since at least the time of the 1976 Koreagate scandal. Gregg, as we have seen, was more than willing to commit the most maladroitness and blatant perjury in order to save his boss from the wolves (see Chapter 17). Later, when William Webster retired as director of the CIA, there were persistent rumors that the hyperthyroid Bush had originally demanded that Don Gregg be nominated to take his place. According to these reports, it required all the energy of Bush's handlers to convince the President that Gregg was too dirty to pass confirmation; Bush relented, but then announced to his dismayed and exhausted staff that his second and non-negotiable choice for Langley was Robert Gates, the former CIA Deputy Director who had been working as Scowcroft's number two at the National Security Council. As it turned out, the Bush Democrats in the Senate proved more than willing to approve Gates.

The Dismal Hundred Days

Bush's first 100 days in office fulfilled Fukuyama's prophecy that the End of History would be "a very sad time." If "post-history" meant that very little was accomplished, Bush filled the bill. Three weeks after his

inauguration, Bush addressed a joint session of the Congress on certain changes that he had proposed in Reagan's last budget. The litany was hollow and predictable: Bush wanted to be the Education President, but was willing to spend less than a billion dollars of new money in order to do it. He froze the U.S. military budget, and announced a review of the previous policy toward the Soviet Union. This last point meant that Bush wanted to wait to see how fast the Soviets would in fact collapse before he would even discuss trade normalization, which had been the perspective held out to Moscow by Reagan and others. Bush said he wanted to join with Drug Czar William Bennett in "leading the charge" in the war on drugs.

Bush also wanted to be the Environmental President. This was a far more serious aspiration. Shortly after the election, Bush had attended the gala centennial awards dinner of the very oligarchical National Geographic Society, for many years a personal fiefdom of the feudal-minded Grosvenor family. Bush promised the audience that night that there was "one issue my administration is going to address, and I'm talking about the environment." Bush confided that he had been coordinating his plans with British Prime Minister Margaret Thatcher, and that he had agreed with her on the necessity for "international cooperation" on green issues. "We will support you," intoned Gilbert Grosvenor, a fellow Yale alumnus, "... Planet Earth is at risk." / Note #6

In order to be the Environmental President, Bush was willing to propose a disastrous Clean Air Act that would drain the economy of hundreds of billions of dollars over time in the name of fighting acid rain. Bush's first hundred days coincided with the notable phenomenon of the "greening" of Margaret Thatcher, who had previously denounced environmentalists as "the enemy within," and fellow travelers of the British Labour Party and the loonie left. Thatcher's resident ideologue, Nicholas Ridley, had referred to the green movement in Britain as "pseudo-Marxists." But in the early months of 1989, allegedly under the guidance of Sir Crispin Tickell, the British ambassador to the United Nations, Thatcher embraced the orthodoxy that the erosion of the ozone layer, the greenhouse effect and acid rain -- every one of them a pseudo-scientific hoax -- were indeed at the top of the list of the urgent problems of the human species. Thatcher's acceptance of the green orthodoxy permitted the swift establishment of a total environmentalist-Malthusian consensus in the European Community, the Group of 7 and other key international forums.

Characteristically, Bush followed Thatcher's lead, as he would on so many other issues. During the first 100 days, Bush called for the elimination of all chlorofluorocarbons (CFCs) by the end of the century, thus accepting the position assumed by the European Community as a result of Mrs.

Thatcher's turning green. Bush told the National Academy of Sciences that new "scientific advancements" had permitted the identification of a serious threat to the ozone layer; Bush stressed the need to "reduce CFCs that deplete our precious upper atmospheric resources." A treaty had been signed in Montreal in 1987 that called for cutting the production of CFCs by one half within a ten-year period. "But recent studies indicate that this 50 percent reduction may not be enough," Bush now opined. Senator Albert Gore, Jr. of Tennessee was calling for complete elimination of CFCs within five years. Here a pattern emerged that was to be repeated frequently during the Bush years: Bush would make sweeping concessions to the environmentalist Luddites, but would then be denounced by them for measures that were insufficiently radical. This would be the case when Bush's Clean Air Bill was going through the Congress during the summer of 1990.

After Bush's appearance before the Congress with his revised budget, the new regime exploited the honeymoon to seal a sweetheart contract with the rubber-stamp congressional Democrats, who under no circumstances could be confused with an opposition. The de facto one-party state was alive and well, personified by milquetoast Senator George Mitchell of Maine, the Democrats' majority leader. The collusion between Bush and the Democratic leadership involved new sleight of hand in order to meet the deficit-reduction targets stipulated by the Gramm-Rudman-Hollings law. This involved mobilizing more than \$100 billion from surpluses in the Social Security, highway and other special trust funds which had not previously been counted. The Democrats also went along with a \$28 billion package of asset sales, financing tricks, and unspecified new revenues. They also bought Bush's rosy economic forecast of higher economic growth and lower interest rates. Senate Majority Leader Mitchell, accepting his pathetic rubber-stamp role, commented only that "much sterner measures will be required in the future." Since the Democrats were incapable of proposing an economic recovery program in order to deal with the depression, they were condemned to give Bush what he wanted. This particular swindle would come back to haunt all concerned, but not before the spectacular budget debacle of October 1990.

In the spring of 1990, according to an estimate by Sid Taylor of the National Taxpayers' Union, the total potential liabilities of the federal government exceeded \$14 trillion. At that point, the official national debt totaled \$2.8 trillion, but this estimate included the commitments of the Federal Savings and Loan Insurance Corporation, the Federal Deposit Insurance Corporation, the Pension Benefit Guarantee Corporation, and other agencies.

Bush's inability to pull his regime together for a serious round of

domestic austerity was not appreciated by the crowd at the Bank for International Settlements in Geneva. Evelyn Rothschild's London "Economist" summed up the international banking view of George's temporizing on this score with its headline, "Bush Bumbles."

A few weeks into the new administration, it was the collapse of the FSLIC, studiously ignored by the waning Reagan administration, that reached critical mass. On February 6, 1989, Bush announced measures that his image-mongers billed as the most sweeping and significant piece of financial legislation since the creation of the Federal Reserve Board on the eve of World War I. This was the savings and loan bailout, a new orgy in the monetization of debt and a giant step toward the consolidation of a neo-fascist corporate state.

At the heart of Bush's policy was his refusal to acknowledge the existence of an economic crisis of colossal proportions, which had among its symptoms the gathering collapse of the real estate market after the stock market crash of October 1987. The sequence of a stock market panic, followed by a real estate and banking crisis, closely followed the sequence of the Great Depression of the 1930s. But Bush violently rejected the existence of such a crisis, and was grimly determined to push on with more of the same. This meant that the federal government would simply take control of the savings banks, the majority of which were bankrupt or imminently bankrupt. The depositors might get their money, but the result would be the debasement of the currency and a deepening depression all around. In the process, the U.S. government would become one of the main owners of real estate, buildings, and the worthless junk bonds that had been spewed out by Bush's friend Henry Kravis and his partner Michael Milken during the heady days of the boom.

The federal government would create a new world of bonded debt to pay for the savings banks that would be seized. When Bush announced his bailout that February, he stated that \$40 billion had already been poured into the S&L sinkhole, and that he proposed to issue an additional \$50 billion in new bonds through a financing corporation, a subsidiary of the new Resolution Trust Corporation.

By August 1989, when Bush's legislation had been passed, the estimated cost of the S&L bailout had increased to \$164 billion over a period of ten years, with \$20 billion of that scheduled to be spent by the end of September 1989.

Within a few months, Bush was forced to increase his estimates once again. "It's a whale of a mess, and we'll see where we go," Bush told a group of

newspaper editorial writers at the White House in mid-December. "We've had this one refinancing. I am told that that might not be enough." By this time, academic experts were suggesting that the bailout might exceed the administration's \$164 billion by as much as \$100 billion more. Every new estimate was swiftly overtaken by the ghastly spectacle of a real estate market in free fall, with no bottom in sight. The growing public awareness of this situation, compounded by the ongoing bankruptcy of the commercial banking system as well, would lead in July 1990 to a very ugly public relations crisis for the Bush regime around the role of the President's son Neil Bush, in the insolvency of the Silverado Savings and Loan of Denver, Colorado. One of the obvious reasons for Bush's enthusiastic choice of war in the Persian Gulf was the need to get Neil Bush off the front page. But even the Gulf war bought no respite in the collapse of the real estate markets and the chain-reaction bankruptcies of the savings banks: By the summer of 1991, federal regulators were seizing S&Ls at the rate of just under one every business day, and the estimates of the total price tag of the bailout had ballooned to over \$500 billion, with every certainty that this figure would also be surpassed. / Note #7

The carnage among the S&Ls did not prevent Bush from seeking an increase in the U.S. contribution to the International Monetary Fund, the main agency of a world austerity that claims upwards of 50 million human lives each year as the needless victims of its Malthusian conditionalities. The members of the IMF had been debating an increase in the funds each member must pay into the IMF (which has been bankrupt for years as a matter of reality), with Managing Director Michel Camdessus proposing a 100 percent increase, and Britain and Saudi Arabia arguing for a much smaller 25 percent hike. Bush attempted to mediate and resolve the dispute with a proposal for a 35 percent increase, equal to an \$8 billion additional payment by the U.S. This sum was equal to more than three times the yearly expenditure for the highly successful Women, Infants and Children (WIC) program of the U.S. Department of Agriculture, savagely cut during Bush's first year, which attempted to provide a high-protein and balanced food supplement to mothers and their offspring. / Note #8

As the depression deepened, Bush had only one idea: to reduce the capital gains tax rate from 28 percent to 15 percent. This was a proposal for a direct public subsidy to the vulture legions of Kravis, Liedtke, Pickens, Milken, Brady, Mosbacher, and the rest of Bush's apostles of greed. The Bushmen estimated that a capital gains tax reduction in this magnitude would cost the Treasury some \$25 billion in lost receipts over six years, a crass underestimate. These funds, argued the Bushmen, would then be invested in high-tech plant and equipment, creating new jobs and new production. In reality, the funds would have flowed into bigger and better

leveraged buyouts, which were still being attempted after the crash of the junk bond market with the failure of the United Airlines buyout in October 1989. But Bush had no serious interest in, or even awareness of, commodity production. His policies had now brought the country to the brink of a financial panic in which 75 percent of the current prices of all stocks, bonds, debentures, mortgages, and other financial paper would be wiped out.

If there was a constant note in Bush's first year in office, it was a callously flaunted contempt for the misery of the American people. During the spring of 1989, the Congress passed a bill that would have raised the minimum wage in interstate commerce from \$3.55 per hour to \$4.55 per hour by a series of increments over three years. This legislation would even have permitted a subminimum wage that could be paid to certain newly hired workers over a 60-day training period. Bush vetoed this measure because the \$4.55 minimum wage was 30 cents an hour higher than he wanted, and because he demanded a subminimum wage for all new employees for the first six months on the job, regardless of their previous experience or training. On June 14, 1989, the House of Representatives failed to override this veto, by a margin of 37 votes. (Later, Bush signed legislation to raise the minimum wage to \$4.25 per hour over two years, with a subminimum training wage applicable only to teenagers and only during the first 90 days of the teenagers' employment, with the possibility of a second 90-day training wage stint if they moved on to a different employer.) / Note #9

This was the same George Bush who had proposed \$164 billion for bankrupt S&Ls, and \$8 billion for the International Monetary Fund, all without batting an eye.

This is also the George Bush who, customarily during holiday periods, joins his millionaire crony William Stamps ("Auschwitz") Farish III at his Lazy F Ranch near Beeville, Texas, for the two men's traditional holiday quail hunt. This is the same William Stamps Farish III whose grandfather, the president of Standard Oil of New Jersey, had financed Heinrich Himmler. William Stamps Farish III's investment bank in Houston, W.S. Farish & Co., had at one time managed the blind trust into which Bush had placed his personal investment portfolio. Farish was rich enough to vaunt five addresses: Beeville, Texas; Lane's End Farm in the Versailles, Kentucky bluegrass; Florida, and two others. Farish's hobby for the past several decades has been the creation of his own top-flight farm for the raising of thoroughbred horses, the 3,000-acre Lazy F Ranch, with its ten horse barns and four sumptuous residences. Over the years, Farish has saddled winners in the 1972 Preakness and the 1987 Belmont Stakes, and bred 80 stakes winners over the past decade. Farish, who is married to Sarah Sharp, the daughter of a Du Pont heiress, had worked with Bush as an aide during the

1964 Senate campaign.

Farish III is rich enough to extend his largesse even to Queen Elizabeth II of the United Kingdom, probably the richest individual in the world. The queen regularly visits Farish's horse farm, traveling by Royal Air Force jetliner to the Blue Grass Airport in Lexington, Kentucky, accompanied by mares which Her Majesty wishes to breed with Farish's million-dollar prize stallions. Farish magnanimously waives the usual stud fees for the queen, resulting in an estimated savings to Her Majesty of some \$800,000.

Smear, Scandal and Sanctions

For George Bush, the exercise of power has always been inseparable from the use of smear, scandal, and the final sanctions of police-state methods against political rivals and other branches of government. A classic example was the Koreagate scandal of 1976, unleashed with the help of Bush's long-time retainer, Don Gregg. It will be recalled that Koreagate included the toppling of Democratic Speaker of the House Carl Albert of Oklahoma, who quietly retired from the House at the end of 1976. That was in the year when Bush had returned from Beijing to Langley. Was it merely coincidence that, in the first year of Bush's tenure in the White House, not just the Democratic Speaker of the House, but also the House Majority Whip, were driven from office?

The campaign against Speaker of the House Jim Wright was spearheaded by Georgia Republican Congressman Newt Gingrich, a typical "wedge issue" ideologue of the GOP's Southern Strategy. Gingrich's campaign against Wright could never have succeeded without systematic support from the news media, who regularly trumpeted his charges and lent him a wholly undeserved importance. Gingrich's pretext was a story about the financing of a small book in which Wright had collected some of his old speeches, which Gingrich claimed had been sold to lobbyists in such a way as to constitute an unreported gift in violation of the House rules. One of Gingrich's first steps when he launched the assault on Wright during 1988 was to send letters to Bush and to Assistant Attorney General William Weld, whose family investment bank, White Weld, had purchased Uncle Herbie Walker's G.H. Walker & Co. brokerage when Bush's favorite uncle was ready to retire. Newt Gingrich wrote: "May I suggest, the next time the news media asks about corruption in the White House, you ask them about corruption in the Speaker's office?" A similar letter went out from the "Conservative Campaign Fund" to all GOP House candidates with the message: "We write to encourage you to make ... House Speaker Jim Wright a major issue in your campaign." / Note #1 / Note #1 Bush placed himself in the vanguard of this campaign.

When Bush, in the midst of his presidential campaign, was asked by reporters about the investigation of Reagan Attorney General Edwin Meese (no friend of Bush) concerning his dealings with the Wedtech Corporation, he replied: "You talk about Ed Meese. How about talking about what Common Cause raised against the Speaker the other day? Are they going to go for an independent counsel so the nation will have this full investigation? Why don't people call out for that? I will right now. I think they ought to." / Note #1 / Note #2 Reagan followed Bush's lead in calling for Wright to be investigated.

In January-February 1989, the House took under consideration a pay increase for members. Both Reagan and Bush had endorsed such a pay increase, but Lee Atwater, now installed at the Republican National Committee, launched a series of mailings and public statements to make the pay increase into a new wedge issue. It was a brilliant success, with the help of a few old Prescott Bush strings pulled on key talk show hosts across the country. Bush accomplished the coup of thoroughly destabilizing the Congress at the outset of his tenure. Jim Wright was hounded out of office and into retirement a few months later, followed by Tony Coelho, the Democratic Whip. What remained was the meek Tom Foley, a pliable rubber stamp, and Richard Gephardt, who briefly got in trouble with Bush during 1989, but who found his way to a deal with Bush that allowed him to rubber-stamp Bush's "fast track" formula for the free trade zone with Mexico, which effectively killed any hope of resistance to that measure. The fall of Jim Wright was a decisive step in the domestication of the Congress by the Bush regime.

Bush was also able to rely on an extensive swamp of "Bush Democrats" who would support his proposals under virtually all circumstances. The basis of this phenomenon was the obvious fact that the national leadership of the Democratic Party had long been a gang of Harrimanites. The Brown Brothers Harriman grip on the Democratic Party had been represented by W. Averell Harriman until his death, and after that was carried on by his widow, Pamela Churchill Harriman, the former wife of Sir Winston Churchill's alcoholic son, Randolph. The very extensive Meyer Lansky/Anti-Defamation League networks among the Democrats were oriented toward cooperation with Bush, sometimes directly, and sometimes through the orchestration of gang vs. countergang charades for the manipulation of public opinion. A special source of Bush strength among southern Democrats is the cooperation between Skull and Bones and southern jurisdiction freemasons in the tradition of the infamous Albert Pike. These southern jurisdiction freemasonic networks have been most obviously decisive in the Senate, where a group of southern Democratic senators has routinely joined with Bush to block overrides of Bush's many vetoes, or to provide a pro-Bush majority on key votes like the

Gulf war resolution.

Bush's style in the Oval Office was described during this period as "extremely secretive." Many members of Bush's staff felt that the President had his own long-term plans, but refused to discuss them with his own top White House personnel. During Bush's first year, the White House was described as "a tomb," without the usual dense barrage of leaks, counter-leaks, trial balloons, and signals which government insiders customarily employ to influence public debate on policy matters. Bush is said to employ a "need to know" approach even with his closest White House collaborators, keeping each one of them in the dark about what the others are doing. Aides have complained of their inability to keep up with Bush's phone calls when he goes into his famous "speed-dialing mode," in which he can contact dozens of politicians, bankers or world leaders within a couple of hours. Unauthorized passages of information from one office to another inside the White House constitute leaks in Bush's opinion, and he has been at pains to suppress them. When information was given to the press about a planned meeting with Gorbachov, Bush threatened his top-level advisers: "If we cannot maintain proper secrecy with this group, we will cut the circle down."

Bush routinely humiliates and mortifies his subordinates. This recalls his style in dealing with the numerous hapless servants and domestics who populated his patrician youth; it may also have been reinforced by the characteristic style of Henry Kissinger. If advisers or staff dare to manifest disagreement, the typical Bush retort is a whining "If you're so damned smart, why are you doing what you're doing and I'm the President of the United States?" / Note #1 / Note #3

In one sense, Bush's style reflects his desire to seem "absolute and autocratic" in the tradition of the Romanov czars and other Byzantine rulers. He refuses to be advised or dissuaded on many issues, relying on his enraged, hyperthyroid intuitions. More profoundly, Bush's "absolute and autocratic" act is a cover for the fact that many of his initiatives, ideas and policies came from outside of the U.S. government, since they originated in the rarefied ether of those international finance circles where names like Harriman, Kravis, and Gammell are the coin of the realm. Indeed, many of Bush's policies come from outside of the United States altogether, deriving from the oligarchical financial circles of the City of London. The classic case is the Gulf crisis of 1990-91. When the documents on the Bush administration are finally thrown open to the public, it is a safe bet that some top British financiers and Foreign Office types will be found to have combined remarkable access and power with a non-existent public profile.

Notes for Chapter XXIV

1. "Washington Post," Jan. 21, 1991.
2. For Fukuyama's "End of History," see "The National Interest," Summer 1989, and Henry Allen, "The End. Or Is It?" "Washington Post," Sept. 27, 1989.
6. "Bush's Earthly Pursuits," "Washington Post," Nov. 18, 1988.
7. See the transcript of Bush's statement and news conference, "Washington Post," Feb. 7, 1989; "With Signs and Ceremony, S&L Bailout Begins," "Washington Post," Aug. 10, 1989; and "Bush: S&Ls May Need More Help," "Washington Post," Dec. 12, 1989.
8. "Bush Backs Increase in IMF Funds," "Washington Post," Nov. 23, 1989.
9. See House Democratic Study Group, Special Report No. 101-45, "Legislation Vetoed by the President," p. 83.
11. John M. Barry, "The Ambition and the Power" (New York: Viking Press, 1989) pp. 621-22.
12. "Ibid."
13. "Bush: The Secret Presidency," "Newsweek," Jan. 1, 1990.

"XXIV: The End of History"

One of the defining moments in the first year of the Bush presidency was his reaction to the Tiananmen massacre of June 4, 1989. No one can forget the magnificent movement of the antitotalitarian Chinese students, who used the occasion of the funeral of Hu Yaobang in the spring of 1989 to launch a movement of protest and reform against the monstrous dictatorship of Deng Xiaoping, Yang Shankun, and Prime Minister Li Peng. As the portrait of the old butcher Mao Zedong looked down from the former imperial palace, the students erected a statue of liberty and filled the square with the Ode to Joy from Beethoven's Ninth Symphony. By the end of May, it was clear that the Deng regime was attempting to pull itself together to attempt a convulsive massacre of its political opposition. At this point, it is likely that a pointed and unequivocal public warning from the U.S. government might have avoided the looming bloody crackdown against the students. Even a warning through secret diplomatic channels might have

sufficed. Bush undertook neither, and he must bear responsibility for this blatant omission.

The nonviolent protest of the students was then crushed by the martial law troops of the hated and discredited Communist regime. Untold thousands of students were killed outright, and thousands more died in the merciless death hunt against political dissidents which followed. Mankind was horrified. For Bush, however, the main considerations were that Deng Xiaoping was part of his own personal network, with whom Bush had maintained close contact since at least 1975. Bush's devotion to the immoral British doctrine of "geopolitics" further dictated that, unless and until the U.S.S.R. had totally collapsed as a military power, the U.S. alliance with China as the second-strongest land power must be maintained at all costs. Additionally, Bush was acutely sensitive to the views on China policy held by his mentor, Henry Kissinger, whose paw-prints were still to be found all over U.S. relations with Deng.

In the pre-1911 imperial court of China, the etiquette of the Forbidden City required that a person approaching the throne of the "Son of Heaven" must prostrate himself before that living deity, touching both hands and the forehead to the floor three times. This is the celebrated "kow-tow." And it was "kow-tow" which sprang to the lips and pens of commentators all over the world as they observed Bush's elaborate propitiation of the Deng regime. Even cynics were astounded that Bush could be so deferential to a regime that was obviously so hated by its own population that it had to be considered as being on its last legs.

In a press conference held on June 9, in the immediate wake of the massacre, Bush astounded even the meretricious White House press corps by his mild and obsequious tone toward Deng and his cohorts. Bush limited his retaliation to a momentary cutoff of some military sales. That would be all: "I'm one who lived in China; I understand the importance of the relationship with the Chinese people and with the government. It is in the interest of the United States to have good relations...." / Note #1 / Note #4

This was the wimp with a vengeance, groveling and scraping like Neville Chamberlain before the dictators, but there was more to come. As part of his meek and pathetic response, Bush had pledged to terminate all "high-level exchanges" with the Deng crowd. With this public promise, Bush had cynically lied to the American people. Shortly before Bush's invasion of Panama in December, it became known that Bush had dispatched the two most prominent Kissinger clones in his retinue, NSC Chairman Brent Scowcroft and Undersecretary of State Lawrence Eagleburger, on a secret

mission to Beijing over the July 4th weekend, less than a month after the massacre in Tiananmen. The story about Scowcroft and Eagleburger, both veterans of Kissinger Associates, spending the glorious Fourth toasting the butchers of Beijing was itself leaked in the wake of a high-profile public mission to China involving the same Kissingerian duo that started December 7, 1989. Bush's cover story for the second trip was that he wanted to get a briefing to Deng on the results of the Bush-Gorbachov Malta summit, which had just concluded. The second trip was supposed to lead to the quick release of Chinese physicist and dissident Fang Lizhi, who had taken refuge in the U.S. embassy in Beijing during the massacre; this did not occur until some time later.

The news of Bush's secret diplomacy in favor of Deng caused a widespread wave of sincere and healthy public disgust with Bush, but this was shortly overwhelmed by the jingoist hysteria that accompanied Bush's invasion of Panama.

Bush's handling of the issue of the immigration status of the Chinese students who had enrolled at U.S. universities also illuminated Bush's character in the wake of Tiananmen. In Bush's pronouncements in the immediate wake of the massacre, he absurdly asserted that there were no Chinese students who wanted political asylum here, but also promised that the visas of these (non-existent) students would be extended so that they would not be forced to return to political persecution and possible death in mainland China. It later turned out that Bush had neglected to promulgate the executive orders that would have been necessary. In response to Bush's prevarication about the lives and well-being of the Chinese students, the Congress subsequently passed legislation that would have waived the requirement that holders of J-visas, the type commonly obtained by Chinese students, be required to return to their home country for two years before being able to apply for permanent residence in the U.S. Bush, in an act of loathsome cynicism, vetoed this bill. The House voted to override by a majority of 390 to 25, but Bush Democrats in the Senate allowed Bush's veto to be sustained by a vote of 62 to 37. Bush, squirming under the broad public obloquy brought on by his despicable behavior, finally issued regulations that would temporarily waive the requirement of returning home for most of the students.

Noriega and the Thornburgh Doctrine

George Bush's involvement with Panama goes back to operations conducted in Central America and the Caribbean by Senator Prescott Bush's Jupiter Island Harrimanite cabal. For the Bush clan, the cathexis of Panama is very deep, since it is bound up with the exploits of Theodore Roosevelt, the founder

of twentieth-century U.S. imperialism, which the Bush family is determined to defend to the farthest corners of the planet. For it was Theodore Roosevelt who had used the U.S.S. "Nashville" and other U.S. naval forces to prevent the Colombian military from repressing the U.S.-fomented revolt of Panamanian soldiers in November 1903, thus setting the stage for the creation of an independent Panama and for the signing of the Hay-Bunau-Varilla Treaty, which created a Panama Canal Zone under U.S. control. Roosevelt's "cowboy diplomacy" had been excoriated in the U.S. press of those days as "piracy."

Theodore Roosevelt had in December 1904 expounded his so-called "Roosevelt Corollary" to the Monroe Doctrine, in reality a complete repudiation and perversion of the anticolonial essence of John Quincy Adams's original warning to the British and other imperialists. The self-righteous Teddy Roosevelt had stated, "Chronic wrongdoing ... may in America, as elsewhere, ultimately require intervention by some civilized nation, and in the Western Hemisphere the adherence of the United States to the Monroe Doctrine may force the United States, however reluctantly, in flagrant cases of such wrongdoing or impotence, to the exercise of an international police power." / Note #1 / Note #8

The old imperialist idea of Theodore Roosevelt was quickly revived by the Bush administration during 1989. Through a series of actions by Attorney General Richard Thornburgh, the U.S. Supreme Court, and CIA Director William Webster, the Bush regime arrogated to itself a sweeping carte blanche for extraterritorial interference in the internal affairs of sovereign states, all in open defiance of the norms of international law. These illegal innovations can be summarized under the heading of the "Thornburgh Doctrine." The Federal Bureau of Investigation arrogated to itself the "right" to search premises outside of U.S. territory and to arrest and kidnap foreign citizens outside of U.S. jurisdiction, all without the concurrence of the judicial process of the other countries whose territory was thus subject to violation. U.S. armed forces were endowed with the "right" to take police measures against civilians. The CIA demanded that an Executive Order prohibiting the participation of U.S. government officials and military personnel in the assassination of foreign political leaders, which had been issued by President Ford in October 1976, be rescinded. There is every indication that this presidential ban on assassinations of foreign officials and politicians, which had been promulgated in response to the Church and Pike Committees' investigations of CIA abuses, has indeed been abrogated. To round out this lawless package, an opinion of the U.S. Supreme Court issued on February 28, 1990 permitted U.S. officials abroad to arrest (or kidnap) and search foreign citizens without regard to the laws or policy of the foreign nation subject

to this interference. Through these actions, the Bush regime effectively staked its claim to universal extraterritorial jurisdiction, the classic posture of an empire seeking to assert universal police power. The Bush regime aspired to the status of a world power "legibus solutus," a superpower exempted from all legal restrictions. / Note #1 / Note #9

The hostility of the U.S. government against General Noriega was occasioned first of all by Noriega's refusal to be subservient to the U.S. policy of waging war against the Sandinista regime. This was explained by Noriega in an interview with CBS journalist Mike Wallace on February 4, 1988, in which General Noriega described the U.S. campaign against him as a "political conspiracy of the Department of Justice." General Noriega described a visit to Panama on December 17, 1985 by Admiral John Poindexter, then the chief of the U.S. National Security Council, who demanded that General Noriega join in acts of war against Nicaragua, and then threatened Panama with economic warfare and political destabilization when Noriega refused to go along with Poindexter's plans: "Noriega: Poindexter said he came in the name of President Reagan. He said that Panama and Mexico were acting against U.S. policy in Central America because we were saying that the Nicaragua conflict must be settled peacefully. And that wasn't good enough for the plans of the Reagan administration. The single thing that will protect us from being economically and politically attacked by the United States is that we allow the Contras to be trained in Panama for the fight against Nicaragua.

"Wallace: He told you that you would be economically attacked if you didn't do that?

"Noriega: It was stated, Panama must expect economic consequences. Your interest was that we should aid the Contras, and we said 'no' to that."

Poindexter outlined plans for a U.S. invasion of Nicaragua that would require the fig leaf of participation of troops from other countries in the region:

"Noriega: Yes, they wanted to attack Nicaragua and the only reason it hadn't already happened was that Panama was in the way, and all they wanted was that Panama would open the way and make it possible for them to continue their plans."

According to Noriega's adviser, Panamanian Defense Forces Captain Cortiso, "[the U.S.] wanted that Panamanian forces attack first. Then we would receive support from U.S. troops." / Note #3 / Note #7

It was in this same December 1985 period that Bush and Don Gregg met with Ambassador Briggs to discuss Noriega's refusal to follow dictation from Washington. According to Gregg in his deposition in the Christic Institute lawsuit, "I think we [i.e., Bush and Gregg] came away from the meeting with Ambassador Briggs with the sense that Noriega was a growing problem, politically, militarily, and possibly in the drug area." When pressed to comment about Noriega's alleged relations to drug trafficking, Gregg could only add: "It would have been part of the general picture of Noriega as a political problem, corruption, and a general policy problem.... I don't recall any specific discussion of Noriega's involvement in drugs," Gregg testified. / Note #2 / Note #2

In this case it is quite possible that Don Gregg is for once providing accurate testimony: The U.S. government decision to begin interference in Panama's internal affairs for the overthrow of Noriega had nothing to do with questions of drug trafficking. It was predicated on Noriega's rejection of Poindexter's ultimatum demanding support for the Nicaraguan Contras, themselves a notorious gang of drug-pushers enjoying the full support of Bush and the U.S. government.

In addition to the question of Contra aid, another rationale for official U.S. rage against Noriega had emerged during 1985. Panamanian President Nicky Barletta, a darling of the State Department and a former vice president of the genocidal World Bank, attempted to impose a package of conditionalities and economic adjustment measures dictated by the International Monetary Fund. This was a package of brutal austerity, and riots soon erupted in protest against Barletta. Noriega refused to comply with Barletta's request to use the Panamanian military forces to put down these anti-austerity riots, and the IMF austerity package was thus compromised. Barletta was shortly forced out as President.

During 1986-87, Noriega cooperated with U.S. law enforcement officials in a number of highly effective antidrug operations. This successful joint effort was documented by letters of commendation sent to Noriega by John C. Lawn, at that time head of the U.S. Drug Enforcement Administration. On February 13, 1987, Lawn wrote to Noriega: "Your longstanding support of the Drug Enforcement Administration is greatly appreciated. International police cooperation and vigorous pursuit of drug traffickers are our common goal." Later in the same year, Lawn wrote to Noriega to commend the latter's contributions to Operation Pisces, a joint U.S.-Panamanian effort against drug-smuggling and drug money laundering. Panamanian participation was facilitated by a tough new law, called Law 23, which contained tough new provisions against drug money laundering. Lawn's letter to Noriega of May 27, 1987 includes the following:

"As you know, the recently concluded Operation Pisces was enormously successful: many millions of dollars and many thousands of pounds of drugs have been taken from the drug traffickers and international money launderers....

"Again, the DEA and officials of Panama have together dealt an effective blow against drug dealers and international money launderers. Your personal commitment to Operation Pisces and the competent, professional, and tireless efforts of other officials in the Republic of Panama were essential to the final positive outcome of this investigation. Drug dealers throughout the world now know that the profits of their illegal operations are not welcome in Panama. The operation of May 6 led to the freezing of millions of dollars in the bank accounts of drug dealers. Simultaneously, bank papers were confiscated that gave officials important insights into the drug trade and the laundering operations of the drug trade. The DEA has always valued close cooperation, and we are prepared to proceed together against international drug dealers whenever the opportunity presents itself." / Note #2 / Note #4

By a striking coincidence, it was in June 1987, just one month after this glowing tribute had been written, that the U.S. government declared war against Panama, initiating a campaign to destabilize Noriega on the pretexts of lack of democracy and corruption. On June 30, 1987, the U.S. State Department demanded the ouster of General Noriega. Elliott Abrams, the assistant secretary of state for Latin American affairs, later indicted for perjury in 1991 for his role in the Iran-Contra scandal and coverup, to which he pled guilty, made the announcement. Abrams took note of a resolution passed on June 23 by the Senate Foreign Relations Committee demanding the creation of a "democratic government" in Panama, and officially concurred, thus making the toppling of Noriega the official U.S. policy. Abrams also demanded that the Panamanian military be freed of "political corruption."

These were precisely the destabilization measures which Poindexter had threatened 18 months earlier. The actual timing of the U.S. demand for the ouster of Noriega appears to have been dictated by resentment in the U.S. financial community over Noriega's apparent violation of certain taboos in his measures against drug money laundering. As the "New York Times" commented on August 10, 1987: "The political crisis follows closely what bankers here saw as a serious breach of bank secrecy regulations. Earlier this year, as part of an American campaign against the laundering of drug money, the Panamanian government froze a few suspect accounts here in a manner

that bankers and lawyers regarded as arbitrary." These were precisely the actions lauded by the DEA's John Lawn.

On August 12, 1987, Noriega responded to the opposition campaigns fomented by the U.S. inside Panama by declaring that the aim of Washington and its Panamanian minions was "to smash Panama as a free and independent nation. It is a repetition of what Teddy Roosevelt did when he militarily attacked following the separation of Panama from Colombia."

On August 13, 1987, the "Los Angeles Times" reported that U.S. Assistant Attorney General Stephen Trott, who had headed up the Department of Justice "Get Noriega" Task Force for more than a year, had sent out orders to "pull together everything that we have on him [Noriega] in order to see if he is prosecutable." This classic enemies-list operation was clearly aimed at fabricating drug charges against Noriega, since that was the political spin which the U.S. regime wished to impart to its attack on Panama. In February 1988, Noriega was indicted on U.S. drug charges, despite a lack of evidence and an even more compelling lack of jurisdiction. This indictment was quickly followed by economic sanctions, an embargo on trade and other economic warfare measures that were invoked by Washington on March 2, 1988. All of these measures were timed to coincide with the "Super Tuesday" presidential preference primaries in the southern states.

During the spring of 1988, the Reagan administration conducted a negotiation with Noriega with the declared aim of convincing him to relinquish power in exchange for having the drug charges against him dropped. In May, Michael G. Kozak, the deputy assistant secretary of state for inter-American affairs, had been sent to Panama to meet with Noriega. Bush had come under attack from other presidential candidates, especially Dukakis, for being soft on Noriega and seeking a plea bargain with the Panamanian leader. Bush first took the floor during the course of an administration policy-making meeting to advocate an end of the bargaining with Noriega. According to press reports, this proposal was "hotly contested." Then, in a speech in Los Angeles, Bush made one of his exceedingly rare departures from the Reagan line, by announcing with a straight face that a Bush administration would not "bargain with drug dealers" at home or abroad. / Note #2 / Note #5

Bush's interest in Noriega continued after he had assumed the presidency. On April 6, 1989, Bush formally declared that the government of Panama represented an "unusual and extraordinary threat" to U.S. national security and foreign policy. He invoked the National Emergencies Act and the International Emergency Act to declare a state of "national emergency" in this country to meet the menace allegedly posed by the nationalists of

little Panama. The May 1, 1989 issue of "U.S. News and World Report" revealed that Bush had authorized the expenditure of \$10 million in CIA funds for operations against the Panamanian government. These funds were obviously to be employed to influence the Panamanian elections, which were scheduled for early May. The money was delivered to Panama by CIA bagman Carlos Eleta Almaran, who had just been arrested in Georgia on charges of drug trafficking. On May 2, with one eye on those elections, Bush attempted to refurbish his wimp image with a blustering tirade delivered to the David Rockefeller-controlled Council of the Americas in which he stated: "Let me say one thing clearly. The U.S.A. will not accept the results of fraudulent elections that serve to keep the supreme commander of the Panamanian armed forces in power." This made clear that Bush intended to declare the elections undemocratic if the pro-Noriega candidates were not defeated.

The CIA's \$10 million and other monies were used to finance an extensive covert operation which aimed at stealing the elections on May 7. The U.S.-supported Civic Democratic Alliance, whose candidate was Guillermo Endara, purchased votes, bribed the election officials, and finally physically absconded with the official vote tallies. Because of the massive pattern of fraud and irregularities, the Panamanian government annulled the election. Somewhere along the line, the usual U.S.-staged "people power" upsurge had failed to materialize. The inability of Bush to force through a victory by the anti-Noriega opposition was a first moment of humiliation for the would-be Rough Rider.

Speaking at the commencement ceremonies of Mississippi State University in Starkville, Mississippi, Bush issued a formal call to the citizens and soldiers of Panama to overthrow Noriega, asserting that "they ought to do everything they can to get Mr. Noriega out of there." Asked whether this was a call for a military coup against Noriega, Bush replied: "I would love to see them get him out of there. Not just the PDF -- the will of the people of Panama." Bush elaborated that his was a call for "a revolution...."

During this period, Admiral William Crowe, the chairman of the U.S. Joint Chiefs of Staff, attempted to convince the U.S. commander in Panama, Gen. Frederick F. Woerner, to accept a brigade-sized reinforcement of 3,000 troops in addition to the 12,000 men already stationed in Panama. Woerner declined the additional men, which the Pentagon had intended to dispatch with great fanfare in an attempt to intimidate Noriega and his triumphant supporters.

Operation Blue Spoon

At this point, the Pentagon activated preparations for Operation Blue Spoon, which included a contingency plan to kidnap Noriega with the help of a Delta Force unit. There were discussions about whether an attempt could be made to abduct Noriega with any likelihood of success; it was concluded that Noriega was very wily and exceedingly difficult to track. It was in the course of these deliberations that Defense Secretary Cheney is reported to have told Crowe, "You know, the President has got a long history of vindictive political actions. Cross Bush and you pay," he said, supplying the names of a few victims and adding: "Bush remembers and you have to be careful." / Note #2 / Note #6 Thus intimidated by Bush, the military commanders concurred in Bush's announcement of a brigade-sized reinforcement for Woerner, plus the secret dispatch of Delta Forces and Navy Seals. On July 17, Bush approved a plan to "assert U.S. treaty rights" by undertaking demonstrative military provocations in violation of the treaty. Woerner was soon replaced by Gen. Maxwell Reid "Mad Max" Thurman, who would bring no qualms to his assignment of aggression. Thurman took over at the Southern Command on September 30.

In the wake of this tirade, the U.S. forces in Panama began a systematic campaign of military provocations. In July, the U.S. forces began practicing how to seize control of important Panamanian military installations and civilian objectives, all in flagrant violation of the Panama Canal Treaty. On July 1, for example, the town of Gamboa was seized and held for 24 hours by U.S. troops, tanks, and helicopters. The mayor of the town and 30 other persons were illegally detained during this "maneuver." In Chilibre, the U.S. forces occupied the key water purification plant serving Panama City and Colon. On August 15, Bush escalated the rhetoric still further by proclaiming that he had the obligation "to kidnap Noriega." Then, during the first days of October, there came an abortive U.S.-sponsored coup attempt, followed by the public humiliation of George Bush, who had failed to measure up to the standards of efficacy set by Theodore Roosevelt.

The provocations continued all the way up to the December 20 invasion.

In his speech delivered at 7:20 a.m. on December 21, 1989 announcing the U.S. invasion, Bush said: "Many attempts have been made to resolve this crisis through diplomacy and negotiations. All were rejected by the dictator of Panama, Gen. Manuel Noriega, an indicted drug trafficker.

"Last Friday, Noriega declared his military dictatorship to be in a state of war with the United States and publicly threatened the lives of Americans in Panama. The very next day forces under his command shot and killed an unarmed American serviceman, wounded another, arrested and

brutally beat a third American serviceman and then brutally interrogated his wife, threatening her with sexual abuse. That was enough." / Note #2 / Note #7

Bush Orders Holocaust

The U.S. military operations, which got under way just after midnight on Tuesday, were conducted with unusual ferocity. Mad Max Thurman sent in the new Stealth and A-7 fighter-bombers, and AC-13 gunships. The neighborhood around Noriega's Comandancia, called El Chorillo, was bombarded with a vengeance and virtually razed, as was the working-class district of San Miguelito, and large parts of the city of Colon.

U.S. commanders had been instructed that Bush wished to avoid U.S. casualties at all costs, and that any hostile fire was to be answered by overwhelming U.S. firepower, without regard to the number of civilian casualties that this might produce among the Panamanians. Many of the Panamanian civilian dead were secretly buried in unmarked mass graves during the dead of night by the U.S. forces; many other bodies were consumed in the holocaust of fires that leveled El Chorillo. The Institute of Seismology counted 417 bomb bursts in Panama City alone during the first 14 hours of the U.S. invasion. For many days there were no U.S. estimates of the civilian dead (or "collateral damage"), and eventually the Bush regime set the death toll for Panamanian noncombatants at slightly over 200. In reality, as "Executive Intelligence Review" and former U.S. Attorney General Ramsey Clark pointed out, there had been approximately 5,000 innocent civilian victims, including large numbers of women and children.

U.S. forces rounded up 10,000 suspected political opponents of "democracy" and incarcerated them in concentration camps, calling many of them prisoners of war. Many political prisoners were held for months after the invasion without being charged with any specific offense, a clear violation of the norms of "habeas corpus." The combined economic devastation caused by 30 months of U.S. sanctions and economic warfare, plus the results of bombardments, firefights and torchings, had taken an estimated \$7 billion out of the Panamanian economy, in which severe poverty was the lot of most of the population, apart from the "rabiblanco" bankers who were the main support for Bush's intervention. The bombing left 15,000 homeless. The Endara government purged several thousand government officials and civil servants under the pretext that they had been tainted by their association with Noriega.

Perhaps not by accident, the new U.S. puppet regime could only be described

as a congeries of drug pushers and drug money launderers. The most succinct summary was provided by the "International Herald Tribune" on February 7, 1990, which reported: "The nation's new President Guillermo Endara has for years been a director of one of the Panamanian banks used by Colombia's drug traffickers. Guillermo Ford, the Second Vice President and chairman of the banking commission, is a part owner of the Dadeland Bank of Florida, which was named in a court case two years ago as a central financial institution for one of the biggest Medellin money launderers, Gonzalo Mora. Rogelio Cruz, the new Attorney General, has been a director of the First Interamericas Bank, owned by Rodriguez Orejuela, one of the bosses of the Cali Cartel gang in Colombia."

The portly Guillermo Endara was also the business partner and corporate attorney of Carlos Eleta Almaran, the CIA bagman already mentioned. Eleta Almaran, the owner of the Panamanian branch of Philip Morris Tobacco was arraigned in Bibb County, Georgia in April 1989 by DEA officials, who accused him of conspiracy to import 600 kilos of cocaine per month into the U.S., and to set up dummy corporations to launder the estimated \$300 million in profits this project was expected to produce. Eleta was first freed on \$8 million bail; after the "successful" U.S. invasion of Panama, all charges against him were ordered dropped by Bush and Thornburgh.

As for Endara's first vice president, Ricardo Arias Calderon, his brother, Jaime Arias Calderon, was president of the First Interamericas Bank when that bank was controlled by the Cali Cartel. Jaime Arias Calderon was also the co-owner of the Banco Continental, which laundered \$40 million in drug money, part of which was used to finance the activities of the anti-Noriega opposition. Thus, all of Bush's most important newly installed puppets were implicated in drug-dealing.

The invasion presented some very difficult moments for Bush. From the beginning of the operation late on December 20, until Christmas Eve, the imposing U.S. martial apparatus had proven incapable of locating and capturing Noriega. The U.S. Southern Command was terrorized when a few Noriega loyalists launched a surprise attack on U.S. headquarters with mortars, scattering the media personnel who had been grinding out their propaganda.

There was great fear through the U.S. command that Noriega had successfully implemented a plan for the PDF to melt away to arms caches and secret bases in the Panamanian jungle for a prolonged guerrilla warfare effort. As it turned out, Noriega had failed to give the order to disperse.

At War With the Vatican

Then, on the evening of December 24, it was reported that Noriega, armed with an Uzi machine gun, had made his way unchallenged and undetected to the Papal Nunciature in Panama City where he had asked for and obtained political asylum.

The standoff that then developed encapsulated the hereditary war of the Bush family with the Holy See and the Roman Catholic Church. For eight days, U.S. troops surrounded the Nunciature, which they proceeded to bombard with deafening decibels of explicitly satanic heavy metal and other hard rock music, which, according to some reports, had been personally chosen by Mad Max Thurman in order to "unnerve Noriega and the Nuncio," Monsignor LaBoa.

At the same time, Bush ordered the State Department to carry out real acts of thuggery in making threatening representations to the Holy See. It became clear that Roman Catholic priests, nuns, monks and prelates would soon be in danger in many countries of Ibero-America. Nevertheless, the Vatican declined to expel Noriega from the Nunciature in accordance with U.S. demands. Bush's forces in Panama had shown they were ready to play fast and loose with diplomatic immunity. A number of foreign embassies were broken into by U.S. troops while they were frantically searching for Noriega, and the Cuban and Nicaraguan embassies were ringed with tanks and troops in a ham-handed gesture of intimidation. It is clear that in this context, Bush contemplated the storming of the Nunciature by U.S. forces.

In Panama City, the Endara-Ford-Arias Calderon forces mobilized their BMW base and hired hundreds of those who had nothing to eat for militant demonstrations outside of the Nunciature. These were liberally seeded with U.S. special forces and other commandos in civilian clothes. As the demonstrations grew more menacing, and the U.S. troops and tanks made no move to restrain them, it was clear that the U.S. forces were preparing to stage a violent but "spontaneous" assault by the masses on the Nunciature that would include the assassination of Noriega and the small group of his co-workers who had accompanied him into that building. At about this time, Monsignor LaBoa warned Noriega, "you could be lynched like Mussolini." Noriega appears to have concluded that remaining in the Nunciature meant certain death for himself and his subordinates at the hands of the U.S. commandos operating under the cover of the mob. LaBoa and the others on the staff of the Nunciature would also be in grave danger. On January 3, 1990, after thanking LaBoa and giving him a letter to the Pope, Noriega, dressed in his general's uniform, left the Nunciature and surrendered to General Cisneros.

A Crime and a Failure

In Bush's speech of December 20 he had offered the following justification for his act of war, Operation Just Cause: "The goals of the United States have been to safeguard the lives of Americans, to defend democracy in Panama, to combat drug trafficking, and to protect the integrity of the Panama Canal Treaty."

If these were the goals, then Bush's invasion of Panama must be counted not only a crime, but also a failure.

On April 5, 1991, newspapers all over Ibero-America carried details of a new report by the U.S. Drug Enforcement Administration confirming that the U.S.-installed puppet President of Panama, Guillermo Endara, had been an officer of at least six companies which had been demonstrably implicated in laundering drug money. These were the Banco General, the Banco de Colombia, the Union Bank of Switzerland, the Banco Aleman, the Primer Banco de Ahorros, Sudameris, Banaico and the Banco del Istmo. The money laundered came from a drug-smuggling ring headed up by Augusto Falcon and Salvador Magluta of Colombia, who are reported to have smuggled an average of one ton of cocaine per month into Florida during the decade 1977-87, including many of the years during which Bush's much-touted South Florida Task Force and related operations were in operation.

With the puppet President so heavily implicated in the activity of the international drug mafia, it can be no surprise that the plague of illegal drugs has markedly worsened in the wake of Bush's invasion. According to the London "Independent" of March 5, 1991, "statistics now indicate that since General Noriega's departure, cocaine trafficking has, in fact, prospered" in the country. On March 1, the State Department had conceded that the turnover of drug money laundered in Panama had at least regained the levels attained before the 1989 invasion. According to the "Los Angeles Times" of April 28, 1991, current levels of drug-trafficking in Panama "in some cases exceed" what existed before the December 20 invasion, and U.S. officials "say the trend is sharply upward and includes serious movements by the Colombian cartels into areas largely ignored under Noriega."

Bush's invasion of Panama has done nothing to fight the scourge of illegal narcotics. Rather, the fact that so many of Bush's hand-picked puppets can be shown to be top figures in the drug mafia suggests that drug-trafficking through Panama toward the United States has increased after the ouster of Noriega. If drug shipments to the United States have increased, this exposes Bush's pledge to "protect the lives of Americans" as a lie.

As far as the promise of democracy is concerned, it must be stressed that Panama has remained under direct U.S. military dictatorship and virtual martial law until this writing in the late autumn of 1991, two years after Bush's adventure was launched. The congressional and local elections that were conducted during early 1991 were thoroughly orchestrated by the U.S. occupation forces. Army intelligence units interrogated potential voters, and medical battalions handed out vaccines and medicines to urban and rural populations to encourage them to vote. Every important official in the Panamanian government from Endara on down has U.S. military "liaison officers" assigned on a permanent basis. These officers are from the Defense Department's Civic Action-Country Area Team (or CA-CAT), a counterinsurgency apparatus that parallels the "civic action" teams unleashed during the Vietnam War. CA-CAT officers supervise all government ministries and even supervise police precincts in Panama City. The Panamanian Defense Forces have been dissolved, and the CA-CAT officers are busily creating a new constabulary, the Fuerza Publica.

Radio station and newspaper editors who spoke out against the U.S. invasion or criticized the puppet regime were jailed or intimidated, as in the case of the publisher Escolastico Calvo, who was held in concentration camps and jails for some months after the invasion without an arrestwarrant and without specific charges.

Trade union rights are non-existent: After a demonstration by 100,000 persons in December 1990 had protested growing unemployment and Endara's plans to "privatize" the state sector by selling it off for a song to the "rabiblanco" bankers, all of the labor leaders who had organized the march were fired from their jobs, and arrest warrants were issued against 100 union officials by the government.

In the wake of Bush's invasion, the economy of Panama has not been rebuilt, but has rather collapsed further into misery. The Bush administration has set as the first imperative for the puppet regime the maintenance of debt service on Panama's \$6 billion in international debt. Debt service payments take precedence over spending on public works, public health, and all other categories. Bush had promised Panama \$2 billion for post-invasion reconstruction, but he later reduced this to \$1 billion. What was finally forthcoming was just \$460 million, most of which was simply transferred to the Wall Street banks in order to defray the debt service owed by Panama. The figure of \$460 million scarcely exceeds the \$400 million in Panamanian holdings that were supposedly frozen by the United States during the period of economic warfare against Noriega, but which were then given to the New York banks, also for debt service payments.

As far as the integrity of the Panama Canal Treaty signed by Torrijos and Carter, and ratified by the U.S. Senate, is concerned, on February 7, 1989, Rep. Philip Crane (R-Il.) introduced a House Joint Resolution, with 26 co-sponsors, to express "the sense of the Congress that the President or the Congress should abrogate the Panama Canal Treaties of 1977 and the Neutrality Treaty." Then on March 21, 1991, Senator Larry Craig (R-Id.), together with Rep. Philip Crane on the House side, introduced a concurrent resolution, calling on George Bush to renegotiate the Canal Treaties "to permit the United States Armed Forces to remain in Panama beyond Dec. 31, 1999, and to permit the U.S. to act independently to continue to protect the Panama Canal" -- i.e., for the United States to keep a military presence in Panama indefinitely. These resolutions are still pending before the Congress.

Thus, on every point enumerated by Bush as basic to his policy -- the lives of Americans, Panamanian democracy, anti-drug operations, and the integrity of the treaty -- Bush has obtained a fiasco. Bush's invasion of Panama will stand as a chapter of shame and infamy in the recent history of the United States.

Notes for Chapter XXIV

14. Transcript of President Bush's press conference, "Washington Post," June 9, 1989.

18. "Congressional Record," 58th Congress, 3rd session, p. 19.

19. See "Police State and Global Gendarme: The United States under the Thornburgh Doctrine," "American Leviathan: Administrative Fascism under the Bush Regime," (Wiesbaden: EIR News Service, 1990), pp. 61-102.

21. "Panama: Atrocities of the 'Big Stick,'" in "American Leviathan", pp. 39-40.

22. For Gregg's testimony on Bush-Noriega relations, see "Testimony on Bush Meeting With Panama Ambassador," "New York Times," May 21, 1988.

24. "American Leviathan," pp. 41-42.

25. "Bush Presses to Cut Off Talks with Noriega," "Washington Post," May 20, 1988.

26. Bob Woodward, "The Commanders" (New York: Simon and Schuster, 1991), p. 89.

27. Text of President Bush's Address, "Washington Post," Dec. 21, 1989.

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