

A CIA Hand in an American ‘Coup’?

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It has taken six decades for the CIA to formally acknowledge that it undertook a coup against Iran’s elected government in 1953, but the spy agency might never concede that some of its officers joined in a political strike against a sitting U.S. president in 1980, yet that is what the evidence now indicates.

As with the ouster of Iran’s Prime Minister Mohammad Mossadegh in 1953, the motive for sabotaging the reelection of President Jimmy Carter in 1980 appears to have flowed from fears about the direction of the Cold War, with American hardliners justifying their actions based on an assessment that Carter, like Mossadegh, was a dangerous idealist.

In 1953, the nationalistic Mossadegh was challenging America’s British allies over control of Iranian oil fields, prompting concerns that an armed confrontation between Great Britain and Iran might play to the Soviets’ advantage, according to [a secret CIA document](#) declassified last week. In 1980, Cold War hardliners, including disgruntled CIA officers, were warning that Carter’s decision to make human rights the centerpiece of U.S. foreign policy was dangerously naïve, inviting Soviet advances.

But a key difference between the two episodes was that the ouster of Mossadegh, an operation codenamed TPAJAX, was carried out in 1953 “as an act of U.S. foreign policy, conceived and approved at the highest levels of government,” the CIA report said, presumably meaning President Dwight Eisenhower himself.

The apparent 1980 plot to undermine Carter by sabotaging his negotiations with Iran over the fate of 52 American hostages would have been pulled off by rogue CIA officers collaborating with the Republican presidential campaign of Ronald Reagan (and his running mate George H.W. Bush), without the knowledge of Carter and CIA Director Stansfield Turner.

It would have been the work of what legendary CIA officer Miles Copeland described to me as “the CIA within the CIA,” the inner-most circle of powerful intelligence figures who felt they understood the strategic needs of the United States better than its elected leaders. These national security insiders believed Carter’s starry-eyed faith in American democratic ideals represented a grave threat to the nation.

“Carter really believed in all the principles that we talk about in the West,” Copeland told me in an interview in 1990, several months before his death. “As smart as Carter is, he did believe in Mom, apple pie and the corner drug store. And those things that are good in America are good everywhere else. ...

“Carter, I say, was not a stupid man.” But in Copeland’s view, Carter had an even worse

flaw: “He was a principled man.”

Copeland was one of the CIA officers who participated in the 1953 coup against Mossadegh, but he said he and other old CIA Iran hands were mostly on the outside looking in when Carter was targeted in 1980.

The Case Against Carter

The right-wing complaint against Carter, as enunciated by Ronald Reagan and other conservatives, was that the President had let the Shah of Iran fall, had allowed the Sandinistas to claim power in Nicaragua and had undermined anti-communist regimes in South America and elsewhere by criticizing their human rights records as they used “death squads” and torture to eliminate leftists.

Meanwhile, Israel’s Likud government of Menachem Begin was livid with Carter over the Camp David Accords in which Israel had been pressured to return the Sinai to Egypt. Begin and his inner circle were alarmed at the prospect of a reelected Carter pressuring Israel to give up the West Bank, too.

So, according to accounts from a variety of participants and witnesses, the 1980 “October Surprise” dirty trick against Carter represented a joint covert operation by senior Republicans (including former CIA Director George H.W. Bush, Reagan’s vice-presidential running mate), high-level CIA officers (though not its Carter-appointed leadership), politically well-connected private U.S. citizens and Israeli intelligence officers assigned by Prime Minister Begin.

The idea was that by persuading the Iranians to hold the 52 American hostages until after the U.S. presidential election, Carter would be made to look weak and inept, essentially dooming his hopes for a second term.

As with the 1953 overthrow of Mossadegh, there then were powerful motives to conceal the covert activity behind the ouster of Carter in 1980. Regarding the Mossadegh coup, any official U.S. disclosure would have undermined the legitimacy of the Shah, an important regional U.S. ally.

Similarly, any admission that the Reagan campaign collaborated with Iranian radicals in 1980 – aided by CIA personnel and the Israeli government – to sabotage a sitting U.S. president could have dangerous repercussions for the Republican Party, the CIA and Israeli relations with the United States.

Even today – more than three decades later – acceptance of the October Surprise case as true could badly damage the legacy of Reagan, whose iconic image remains central to the identity of America’s conservative movement.

Removing Mossadegh

Regarding the 1953 coup, the newly declassified CIA report emphasized that Operation TPAJAX was not casually undertaken, but rather was “a last resort” after less extreme measures had failed to deter Mossadegh from pressing Iran’s demands for control of its oil.

Mossadegh, the CIA report said, “had become so committed to the ideals of nationalism that he did things that could not have conceivably helped his people,” such as resisting

economic pressure from the United States and Great Britain to relent on his standoff over the oil.

The Eisenhower administration, which was still engaged in a war with Soviet allies in Korea, believed that a possible British military assault on Iran could draw in the Soviet Union and end with the West losing access to Iranian oil and the Soviets gaining control of a warm-water port on the Persian Gulf.

“It was the potential of those risks to leave Iran open to Soviet aggression – at a time when the Cold War was at its height ... that compelled the United States ... [still redacted] in planning and executing TPAJAX,” the report said.

The CIA-organized coup against Mossadegh put the Shah of Iran into power for the next quarter century. However, his repressive rule eventually gave rise to a broad popular movement seeking his ouster.

Ill from cancer, the Shah fled Iran in early 1979. Over the next several months, the Shah’s American friends, including banker David Rockefeller and former Secretary of State Henry Kissinger, successfully lobbied Carter to admit the Shah to the United States for treatment.

The Shah’s arrival touched off a political crisis inside Iran where student radicals seized the U.S. Embassy and captured scores of American diplomats, eventually holding 52 of them during the 1980 U.S. presidential campaign. Carter’s failure to gain their freedom doomed his reelection hopes. The hostages were only released on Jan. 20, 1981, as Ronald Reagan was being sworn in as president.

Despite immediate suspicions about the curious timing, the fuller story has only gradually come into focus, kept blurry by what became a bipartisan consensus that the ugly October Surprise evidence should best be left unexamined or suppressed.

Angry denials by Republicans and timid acquiescence by Democrats allowed the cover-up to prevail in the early 1990s, only unraveling in recent years amid new revelations that [key evidence was hidden](#) from investigators of a congressional task force and that [internal doubts were suppressed](#).

Still, Official Washington has been reluctant to confront the troubling impression that remains: that disgruntled elements of the CIA and Israel’s Likudniks teamed up with Ronald Reagan, George H.W. Bush and other powerful Republicans to help remove a Democratic president from office.

‘CIA Within the CIA’

Perhaps the closest the public can expect of a CIA admission came from Miles Copeland in that 1990 interview with me and in his memoir, *The Game Player*, with his references to the “CIA within the CIA.”

Copeland told me that “the way we saw Washington at that time was that the struggle was really not between the Left and the Right, the liberals and the conservatives, as between the Utopians and the realists, the pragmatists.

“Carter was a Utopian. He believed, honestly, that you must do the right thing and take your chance on the consequences. He told me that. He literally believed that.” Copeland’s deep

Southern accent spit out the words with a mixture of amazement and disgust.

Copeland's contacts regarding the Iran crisis included CIA veteran (and another Iran hand) Archibald Roosevelt and Kissinger - both of whom were close to David Rockefeller whose Chase Manhattan Bank had handled billions of dollars in the Shah of Iran's accounts, a fortune that the Iranian mullahs who ousted the Shah in 1979 wanted to lay their hands on.

"There were many of us - myself along with Henry Kissinger, David Rockefeller, Archie Roosevelt in the CIA at the time - we believed very strongly that we were showing a kind of weakness, which people in Iran and elsewhere in the world hold in great contempt," Copeland said.

As Copeland and his friends contemplated what to do regarding the Iran hostage crisis, he reached out to other of his old CIA buddies. According to *The Game Player*, Copeland turned to ex-CIA counter-intelligence chief James Angleton.

The famed spy hunter "brought to lunch a Mossad chap who confided that his service had identified at least half of the [Iranian] 'students,' even to the extent of having their home addresses in Tehran," Copeland wrote. "He gave me a rundown on what sort of kids they were. Most of them, he said, were just that, kids."

One of the young Israeli intelligence agents assigned to the task of figuring out who was who in the new Iranian power structure was Ari Ben-Menashe, who was born in Iran but emigrated to Israel as a teen-ager. Not only did he speak fluent Farsi, but he had school friends who were rising within the new revolutionary bureaucracy in Tehran.

In his 1992 memoir, *Profits of War*, Ben-Menashe offered his own depiction of Copeland's initiative. Though Copeland was generally regarded as a CIA "Arabist" who had opposed Israeli interests in the past, he was admired for his analytical skills, Ben-Menashe wrote.

"A meeting between Miles Copeland and Israeli intelligence officers was held at a Georgetown house in Washington, D.C.," Ben-Menashe wrote. "The Israelis were happy to deal with any initiative but Carter's. David Kimche, chief of Tevel, the foreign relations unit of Mossad, was the senior Israeli at the meeting."

Despising Carter

In his 1991 book, *The Last Option*, Kimche explained Begin's motive for dreading Carter's reelection. Kimche said Israeli officials had gotten wind of "collusion" between Carter and Egyptian President Anwar Sadat "to force Israel to abandon her refusal to withdraw from territories occupied in 1967, including Jerusalem, and to agree to the establishment of a Palestinian state."

Kimche continued, "This plan - prepared behind Israel's back and without her knowledge - must rank as a unique attempt in United States's diplomatic history of short-changing a friend and ally by deceit and manipulation."

However, Begin recognized that the scheme required Carter winning a second term in 1980 when, Kimche wrote, "he would be free to compel Israel to accept a settlement of the Palestinian problem on his and Egyptian terms, without having to fear the backlash of the American Jewish lobby."

In *Profits of War*, Ben-Menashe also noted that Begin and other Likud leaders held Carter in contempt.

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

So, in order to buy time for Israel to “change the facts on the ground” by moving Jewish settlers into the West Bank, Begin felt Carter’s reelection had to be prevented. A different president also presumably would give Israel a freer hand to deal with problems on its northern border with Lebanon.

Ben-Menashe has been among the October Surprise witnesses who has offered sworn testimony describing meetings between Republicans and Iranians in 1980 that were designed – with the help of CIA personnel and Israeli intelligence – to delay release of the 52 hostages until after Carter’s defeat. [For details on the case, see Robert Parry’s [America’s Stolen Narrative](#) and [Secrecy & Privilege](#).]

Crumbling Cover-up

The “October Surprise” mystery represented what could be called the opening chapter of the Iran-Contra scandal and like that national security scandal, which erupted in 1986 and tainted President Reagan’s second term, the 1980 case was met with a fierce Republican cover-up when it came under examination in 1991-92.

Though the twin cover-ups of October Surprise and Iran-Contra mostly succeeded in shielding President George H.W. Bush from severe political damage during Campaign 1992, he nonetheless lost to Bill Clinton. Only recently have new historical disclosures eroded the barriers that had protected the legacies of Bush and Reagan from the scandals.

For instance, former Rep. Lee Hamilton, D-Indiana, who headed a congressional task force that absolved Reagan and Bush of the October Surprise allegations in 1993, conceded last June that the probe might have reached a different conclusion if the Bush-41 administration had not withheld State Department evidence that Reagan’s campaign chief William Casey had traveled to Madrid in 1980, as some October Surprise witnesses had alleged.

Casey’s trip to Madrid in 1980 was at the center of Hamilton’s inquiry into whether Reagan’s campaign went behind Carter’s back to frustrate his attempts to free 52 American hostages before the 1980 election. Hamilton’s task force dismissed those allegations after concluding that Casey had not traveled to Madrid.

“We found no evidence to confirm Casey’s trip to Madrid,” Hamilton told me in an interview last June. “We couldn’t show that. ... The [Bush-41] White House did not notify us that he did make the trip. Should they have passed that on to us? They should have because they knew we were interested in that.”

Asked if knowledge that Casey indeed had traveled to Madrid might have changed the task force’s dismissive October Surprise conclusion, Hamilton said yes, because the question of the Madrid trip was central to the task force’s investigation.

“If the White House knew that Casey was there, they certainly should have shared it with us,” Hamilton said, adding that “you have to rely on people” in authority to comply with

information requests.

The document revealing White House knowledge of Casey's Madrid trip was among records released to me by the archivists at the George H.W. Bush library in College Station, Texas.

The U.S. Embassy's confirmation of Casey's trip was passed along by State Department legal adviser Edwin D. Williamson to Associate White House Counsel Chester Paul Beach Jr. in early November 1991, just as the congressional October Surprise inquiry was taking shape.

Williamson said that among the State Department "material potentially relevant to the October Surprise allegations [was] a cable from the Madrid embassy indicating that Bill Casey was in town, for purposes unknown," Beach noted in a "[memorandum for record](#)" dated Nov. 4, 1991. [See Consortiumnews.com's "[Second Thoughts on October Surprise.](#)"]

The 'Lost' Russian Report

Hamilton also told me that he was unaware of another confirmation of Casey's Madrid trip that was contained in a report from Russian intelligence that was sent to Hamilton in early 1993.

In that report, which was apparently never delivered to Hamilton, the Russians corroborated another key October Surprise claim: that Casey (who later became Reagan's CIA director), former CIA Director George H.W. Bush and senior CIA officer Robert Gates were among a group of Americans meeting with Iranians in Paris in October 1980. [See Consortiumnews.com's "[Key October Surprise Evidence Hidden.](#)"]

Even Lawrence Barcella, the chief counsel of Hamilton's October Surprise investigation who authored the exonerating report, conceded in a series of e-mails to me before his death in 2010 that so much incriminating evidence against the Republicans arrived at the House task force in late 1992 that he asked Hamilton for a three-month extension so the material could be examined.

However, Hamilton realized that any extension would mean a bitter fight with Republicans that could poison congressional relations at the start of a new Democratic administration, so he simply ordered the investigation brought to a conclusion with a finding of Republican innocence - a decision that he now concedes was premature.

Other material declassified by the Bush presidential library reveals how aggressively his White House battled against full disclosure regarding the October Surprise inquiry in 1991-92. A big part of the Bush-41 cover-up was to run out the clock on Hamilton's investigation by slow-rolling requests for key documents, especially from the CIA, as well as testimony from a key CIA witness.

For instance, on May 14, 1992, a CIA official [ran proposed language past](#) associate White House counsel Janet Rehnquist from then-CIA Director Robert Gates regarding the agency's level of cooperation with Congress. By that point, the CIA, under Gates, was already months into a pattern of foot-dragging on congressional document requests.

Bush had put Gates, who was himself implicated in the October Surprise case, at the CIA's helm in fall 1991, meaning that Gates was well-positioned to stymie congressional requests for sensitive information about secret initiatives involving Bush, Gates and Donald Gregg,

another CIA veteran who was linked to the scandal.

The records at the Bush library revealed that Gates and Gregg, indeed, were targets of the congressional October Surprise probe. On May 26, 1992, Rep. Hamilton wrote to the CIA asking for records regarding the whereabouts of Gregg and Gates from Jan. 1, 1980, through Jan. 31, 1981, including travel plans and leaves of absence.

The CIA's persistent document-production delays finally drew [a complaint](#) from Barcella who wrote to the CIA on June 9, 1992, that the agency had not been responsive to three requests on Sept. 20, 1991; April 20, 1992; and May 26, 1992.

A History of Lies

Gregg and Gates also were implicated in the broader the Iran-Contra scandal. Both were suspected of lying about their knowledge of secret sales of military hardware to Iran in 1985-86 and clandestine delivery of weapons to Contra rebels in Nicaragua.

A ex-CIA director himself, Bush also had been caught lying in the Iran-Contra scandal when he insisted that a plane shot down over Nicaragua in 1986 while dropping weapons to the Contras had no connection to the U.S. government (when the weapons delivery had been organized by operatives close to Bush's vice presidential office where Gregg served as national security adviser).

And, Bush falsely claimed that he was out of the "loop" on Iran-Contra decisions when later evidence showed that he was a major participant in the discussions.

From the Bush library documents, it was apparent that the October Surprise cover-up was essentially an extension of the broader effort to contain the Iran-Contra scandal, with Bush personally involved in orchestrating both efforts to frustrate the investigations.

For instance, Iran-Contra special prosecutor Lawrence Walsh discovered in December 1992 that Bush's White House counsel's office had delayed production of Bush's personal notes about the Iran-Contra arms shipments. Though the counsel's office insisted that the delay was unintentional, Walsh didn't buy it.

Beyond dragging its heels on producing documents, the Bush administration maneuvered to keep key witnesses out of timely reach of the investigators. For instance, Gregg used his stationing as U.S. Ambassador to South Korea in 1992 to evade a congressional subpoena.

Like Gates and Bush, Gregg had been linked to secret meetings with Iranians during the 1980 campaign. When asked about those allegations by FBI polygraph operators working for Iran-Contra prosecutor Walsh, Gregg was judged to be deceptive in his denials. [See Final Report of the Independent Counsel for Iran/Contra Matters, Vol. I, p. 501]

Dodging a Subpoena

And, when it came to answering questions from Congress about the October Surprise matter, Gregg found excuses not to accept service of a subpoena.

In [a June 18, 1992, cable](#) from the U.S. Embassy in Seoul to the State Department in Washington, Gregg wrote that he had learned that Senate investigators had "attempted to subpoena me to appear on 24 June in connection with their so-called 'October Surprise'

investigation. The subpoena was sent to my lawyer, Judah Best, who returned it to the committee since he had no authority to accept service of a subpoena. ...

“If the October Surprise investigation contacts the [State] Department, I request that you tell them of my intention to cooperate fully when I return to the States, probably in September. Any other inquiries should be referred to my lawyer, Judah Best. Mr. Best asks that I specifically request you not to accept service of a subpoena if the committee attempts to deliver one to you.”

That way Gregg ensured that he was not legally compelled to testify while running out the clock on a separate Senate inquiry and leaving little time for the House task force. His strategy of delay was endorsed by deputy White House counsel Janet Rehnquist (daughter of then-Supreme Court Chief Justice William Rehnquist) after a meeting with Gregg’s attorney Best and a State Department lawyer.

In [a June 24, 1992, letter](#) to White House counsel Boyden Gray, Rehnquist wrote that “at your direction, I have looked into whether Don Gregg should return to Washington to testify before the Senate Subcommittee hearings next week. ... I believe we should NOT request that Gregg testify next week.”

The failure to effect service of the subpoena gave the Bush team an advantage, Rehnquist noted, because the Senate investigators then relented and merely “submitted written questions to Gregg, through counsel, in lieu of an appearance. This development provides us an opportunity to manage Gregg’s participation in October Surprise long distance.”

Rehnquist added hopefully that by the end of September 1992 “the issue may, by that time, even be dead for all practical purposes.”

Asked about this strategy of delay, Hamilton told me that “running out the clock is a very familiar tactic in any congressional investigation” since the Bush-41 administration would have known that the House task force’s authorization expired at the end of the session in early January 1993.

The deadline came into play when the floodgates on evidence of Republican guilt belatedly opened in December 1992. But there was no time left to pursue those leads.

However, in recent months, the collapse of the October Surprise cover-up and the emergence of new corroborating evidence have left a chasm between what Official Washington wants to believe about the controversy – that it never happened – and the evidentiary record – that the sabotage of Carter’s hostage talks represents a dark but genuine chapter of American political history.

*Investigative reporter **Robert Parry** broke many of the Iran-Contra stories for The Associated Press and Newsweek in the 1980s. You can buy his new book, *America’s Stolen Narrative*, either in [print here](#) or as an e-book (from [Amazon](#) and [barnesandnoble.com](#)). For a limited time, you also can order Robert Parry’s trilogy on the Bush Family and its connections to various right-wing operatives for only \$34. The trilogy includes *America’s Stolen Narrative*. For details on this offer, [click here](#).*

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