

WHO WILL UNWRAP THE OCTOBER SURPRISE?

BY JULIE COHEN

On April 15, former Carter administration staffer Gary Sick gave added weight to the "October Surprise" theory — the allegations that officials in the 1980 Reagan-Bush campaign cut a deal with Iranian revolutionaries to delay the release of the fifty-two hostages until after Reagan's inauguration — with a 2,000-word op-ed piece in *The New York Times*. For two and a half weeks, President Bush didn't respond to the charges and the White House press corps didn't ask him about them. The first official administration response came in the form of a Marlin Fitzwater one-liner: he called Sick "the Kitty Kelley of foreign policy."

Fitzwater's analogy was off the mark, and not just because the lanky, studious Mr. Sick — a Columbia University professor, former National Security Council member, and author of the definitive book on the hostage crisis — bears little resemblance to the diminutive, glitzy Kelley — a Washington socialite and author of "definitive" books on Jackie Onassis, Frank Sinatra, and now Nancy Reagan. Had Sick really been the Kitty Kelley of anything, we might have expected roughly equal media attention to Sick's allegations about the Reagan campaign and Kelley's allegations about the former first lady. That's hardly what we got.

When Kelley's book was released on April 8, all three network evening newscasts ran a reporter story. The local news shows and the tabloids went wild. Both *Time* and *Newsweek* ran Kitty Kelley cover stories. And *The New York Times* scooped everyone with a Sunday front-page article outlining Kelley's assertions about Nancy Reagan's fabri-

cated childhood, her private lunches with Frank Sinatra, and her penchant for showering her friends and family with second- or third-hand trinkets. There were follow-up stories and analysis-of-the-Kitty-Kelley-hype stories. Within days every marginally conscious American knew about Kelley and the essence of her charges. But even now — with Congress set to begin a formal investigation into the October Surprise — few know the name Gary Sick and even fewer understand the essence of his suspicions about the Republican campaign in 1980.

The day Sick's piece appeared in the *Times*, listing dates and participants in suspected meetings between campaign staffers and Iranian clerics, none of the network evening newscasts even mentioned the story (although ABC's *Nightline* explored the issue that night and has since aired two investigative reports, produced with the *Financial Times* of London). *The New York Times* ran a page 10 story the day of Sick's op-ed piece and then didn't return to the issue until two weeks later, with another page 10 piece. The first report in *The Washington Post*, a five-paragraph Reuters story, ran eleven days after Sick's op-ed piece. Over the next three months, *Time* and *Newsweek* dealt with the October Surprise one time each: *Newsweek* in a page 28 story in the April 29 issue, *Time* on pages 24 and 25 of the July 1 issue.

In the time between mid-April, when Sick's piece and a PBS *Frontline* documentary explored the October Surprise, and early August, when Speaker of the House Thomas Foley announced his decision to move ahead with a full-scale inquiry, there were a number of newsworthy developments. Jimmy Carter accused Donald Gregg, now the U.S. ambassador to South Korea, of leaking classified information from the Carter

administration to the Reagan campaign, and Carter staffers raised the alarming allegation that Reagan's campaign may have tipped off the Iranians about a planned second attempt to rescue the hostages; the State Department considered blocking a visa for former Iranian President Abolhassan Bani-Sadr, who came to the U.S. to promote his book *My Turn To Speak*, in which he asserts that the Reagan campaign cut a deal with the Iranians at the height of the hostage crisis; President Bush made his first public denials of the allegations; and eight of the former hostages voiced suspicions about the circumstances surrounding their release.

But many of these developments, which were reported by the wire services and picked up by alternative papers and even by the Phil Donahue show, were missed altogether by the major media. And a story that could make Deep Throat look shallow has yet to make the cover of *Time* or *Newsweek*.

When the story does appear, the key questions not only go unanswered, they go unasked. Questions like why did the Iranians suddenly break off negotiations with Carter in the fall of 1980, just when they appeared closer than ever to releasing the hostages? And when they eventually did strike a deal with the Carter administration (which promised the release of Iranian assets frozen in U.S. banks in exchange for the return of the hostages), why did the Iranians drop their demand for military spare parts, which had appeared so important to them a few months earlier? And why were planes loaded with American military equipment flying from Israel to Iran just after Reagan's inauguration in early 1981 — a time when no American hostages were being held in Iran or Lebanon? Is it possible that the Reagan administration was arming Iran in return

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for a perfectly timed release of the hostages — only minutes after Reagan's inauguration?

These pieces of circumstantial evidence — the strange shifts in Iran's bargaining positions and, later, the spare-part shipments to Iran — don't prove Gary Sick's allegations, but they are certainly at the heart of his case. And yet they are rarely mentioned in the major media. The reader or viewer is left to assume that the bulk of the support for a theory that most of us would rather not believe anyway comes from unconfirmable allegations made by untrustworthy sources. *The Washington Post's* only front-page story on the October Surprise acknowledged that the "tale" is being promoted by some credible people, but the reader was left with the impression that most of the information comes from what reporter Thomas Lippman called "assorted felons, malcontents, arms dealers, self-proclaimed intelligence agents, and denizens of an international twilight zone." Case dismissed.

But what of the meeting in Washington that three Reagan campaign officials have said they had with a man claiming to be a representative of

the Iranian government? According to a 1988 report in *The Miami Herald*, the officials said the Iranian offered to release the hostages not to Carter but to the 1980 Reagan-Bush campaign in exchange for favors from a future President Reagan. Although they said they had forgotten the Iranian's name and had lost the minutes of the meeting, the officials all insisted they had summarily rejected the offer. But if the campaign was putting the safety of the hostages above electoral politics, why didn't they inform the Carter administration about the offer, as officials from John Anderson's presidential campaign did when the Iranians approached them?

And what about Reagan's unusual reaction to the "53rd hostage," a reporter named Cynthia Dwyer who was captured later than the others (and not released until a month after Reagan's inauguration)? Reagan's national security adviser, Richard Allen, told this story on *The MacNeill/Lehrer NewsHour* in 1986: the day after Reagan's first inauguration, when Allen told Reagan about this other hostage, the president responded, "Get the word out that the deal is off." But the only official deal to get the hostages out of Iran had been

completed by the Carter administration and the Iranians before Reagan's inauguration. And the U.S. government had already fulfilled its part of that bargain — Iranian assets frozen in U.S. banks had already been released — so what deal was Reagan referring to?

These are the kinds of questions that have been raised by *The Nation*, *The Village Voice*, and *In These Times*, which have been reporting on this story since 1987, when the allegations were made in a book by Barbara Honegger, a former low-level Reagan staffer. While editors and reporters in the left-wing press were unconvinced that Honegger was a credible source, they decided that the substance of her charges was too great to be ignored. "This may be the most important story of this half of the century," wrote Joel Bleifuss, who has done much of the reporting and writing for the three cover stories and many columns on the subject published in *In These Times*. *The Village Voice* has also done several October Surprise cover stories, including an interview with Jimmy Carter in which the former president outlined the rapidly changing signals from Iran in the days just before the 1980 election. "The Iranian parliament was meeting and we had every information from Bani-Sadr and others that they were going to vote overwhelmingly to let the hostages go," the *Voice* quotes Carter as saying. "And at the last minute on Sunday [two days before the election] for some reason they had adjourned without voting.... The votes were there but the ayatollah or somebody commanded them to adjourn."

Another *Voice* cover story profiled arms dealer Richard Brenneke, who was put on trial by the federal government in 1990 on charges that he committed perjury when he told the October Surprise story under oath. Brenneke was acquitted. The *Voice* article concedes that Brenneke, who claims to have been a CIA operative, is not the most credible source in the world. As reporter Curtis Lang wrote: "It can be difficult for major news media to pick up a story relying on covert privateers who seem to feel they have a license to operate above the law but can't produce their paperwork." Yet if any news organizations



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Gary Sick, former National Security Council member in the Carter administration, and former hostage Barry Rosen at a news conference in June

are equipped to track down documents and check up on stories from dubious sources it is the major publications and networks. And of those, only ABC's *Nightline* — a program which owes its start to the Iranian hostage crisis — has presented any major independent reporting on the October Surprise.

For example, *Nightline* reporters looked up the registration records of a hotel in Madrid where an Iranian arms dealer claims to have met with Reagan campaign staffers in July 1980. *Nightline* found that the arms dealer and his brother had checked in, as had a man named Robert Gray — that's the name of the man who was soon to become the top assistant to Reagan campaign manager William Casey. While Casey's secretary claims that Casey did not leave the country in July, *Nightline* dug out a July 30 *New York Times* article in which a campaign-spokesperson said Casey would be available to the press "when he returns today from a trip abroad."

Nightline producers say they are putting more resources into the October Surprise story. Editors and producers I spoke with at *The New York Times*, *Time* magazine, CBS News, and NBC News say they too are devoting plenty of resources to the story. All agreed that the story is gaining momentum and that it will get bigger when Congress begins its formal investigation this fall.

Several of the newspeople I talked to pointed out that reporting on the October Surprise is especially tough because the alleged incidents happened more than a decade ago; because William Casey, who is at the center of many of the allegations, has been dead for four years; and because the major sources are shady characters, each with his own complex set of vested interests. "You have information coming from all directions," said Joelle Attinger, deputy chief of correspondents at *Time*. "There's a lot of reporting that needs to be done to nail this down."

But even without major investigative work, the media could be doing a better job on this story. A prime example is the coverage of both Bush's and Reagan's denials. When Bush first discussed the subject at a May 3 news conference, he addressed only the specific

charge that he had gone to Paris himself in 1980 to meet with Iranians about delaying the hostages' release, an allegation that even most of those doing the alleging about misconduct in the campaign don't believe. Reports on the evening news and in the next day's papers described "an angry President Bush" calling on the press to "stop repeating rumors over and over again" — rumors he hadn't yet publicly denied. And throughout the life of this story, the only question reporters have consistently asked about President Bush has been, Was he in Paris on October



PAR FOR THE COURSE:
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20, 1988? rather than the classic political scandal question, What did he know and when did he know it? (In a May 9 letter to a former hostage, Bush finally issued a full denial of the entire story.)

In mid-June, reporters caught up with Ronald Reagan on a California golf course and asked him about the allegations. In a bizarrely worded denial, Reagan seemed to say that his campaign *did* have some previously unreported dealings with the Iranians. "This whole thing that I was worried about [the hostages' release] as a campaign thing is absolute fiction. I did some things to try the other way ... from the very beginning that they were ever held there, every effort on my part was made to get them home." Then he clearly denied having any personal contact with the Iranians; however, when asked if his campaign made such contact, he said he couldn't "get into details." The

Financial Times ran the story under the headline REAGAN RENEWS IRAN HOSTAGE CONTROVERSY. *The Washington Post* took a different angle. Its headline was REAGAN CALLS HOSTAGE PLOT FICTION — EFFORT TO DELAY RELEASE DENIED. The *Post* printed Reagan's quote that he couldn't talk about his campaign's activities because "some of those things are still classified," without explaining that documents about talks between a foreign government and a presidential campaign couldn't possibly be classified. *The New York Times* didn't run the story at all.

Nor did the *Times* send a reporter to cover what readers would probably find the most interesting angle of the story — the reaction of the former hostages themselves. At a June 13 news conference on Capitol Hill, two of the hostages made their plea for a formal investigation. Moorhead Kennedy, a deputy district leader for the Republican party in New York City, spoke on behalf of six other hostages who had signed a letter to Congress saying they deserved to know whether anyone "conspired to prolong a kidnapping."

Both the *Times* and *The Washington Post* ran short wire service stories. Although all three networks taped the news conference, none used any soundbite on their newscasts that night, and only CBS mentioned it at all — in a one-sentence reader. Editors at CBS and the *Times* told me they feel they gave the story appropriate treatment. *Times*-Washington editor Philip Taubman said he anticipates many more news conferences, adding that "we're not going to staff every announcement by people that have an interest in this issue," be it the Bush administration, the Democratic party, or the hostages. That seems like a surprising lack of interest in a group of people who for 444 days were the biggest news story in America.

A decade later, most of the hostages are not eager to be on the nightly news again. When Moorhead Kennedy began contacting others who had been in captivity with him, many said that although they thought Congress should investigate, they couldn't sign the letter. They told him the hostage ordeal was so painful they felt they had to put it behind them. And they have a right to that decision. The news media do not. ♦