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*Jim Hoagland*

## Blowing Smoke

Deflect, obfuscate and attack: This is the order of the day for the Bush administration as the noose tightens around the policy makers whose actions and words encouraged Saddam Hussein to think he was an indispensable ally whom the United States would not fight.

George Bush's White House and Jim Baker's State Department brush away criticism with this defense: "Hindsight." But the shameful record of the administration's prewar conduct on Iraq that emerges in congressional hearings and elsewhere shows that explanation is a willful, dangerous distortion.

The record shows that the administration overrode repeated strong objections to its pro-Saddam policy made within and outside the bureaucracy at the time. Washington consciously ignored warnings that it was courting disaster by not recognizing the special nature of the Iraq case.

The administration trashed the warnings when they were offered. Now it pretends the warnings did not exist. But records show otherwise.

Take one incident, recorded in a previously undisclosed secret memorandum, that goes to the heart of the hindsight defense. It happened in the spring of 1990, when the administration was still saying that Saddam was interested in economic reconstruction, not in carrying out his threats of violence against his neighbors.

That was not the view of Reuven Merhav, then director general of the Israeli Foreign Ministry. On a visit to Washington, he asked

key Baker aides Robert Kinnnett, John H. Kelly and other officials why they supposed that Saddam was not demobilizing any troops from his million-man army two years after the end of the Iran-Iraq war.

He and other Israeli visitors in the first half of 1990 accurately described Saddam's grow

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### *The administration trashed warnings about Saddam and Milosevic.*

ing belligerency. Bush-Baker knew better.

Prudent U.S. policy toward potential adversaries would have been based not on intentions (which were unknowable) but on capabilities. For two years after the war with Iran, Saddam expanded his war-making capabilities in such plain view that it was recorded on several occasions in this column. Yet the Bush administration continued to feed Saddam agricultural credits, secret intelligence and diplomatic support.

What inadvertently emerges from the testimony given before the House Banking Committee headed by Rep. Henry B. Gonzalez (D-Texas) on May 21 by Deputy Treasury Secretary John E. Robson and Lawrence S. Eagleburger, Baker's

5/26/94

deputy, is a decision to help Iraq come hell, high water or advice to the contrary from anybody.

Take the dramatically understated description the Federal Reserve witness gave at the Gonzalez hearing of the Fed's assessment in 1989, when Robson, Eagleburger and Baker said Iraq had to be granted \$1 billion in agricultural credits in 1990:

"The growing external indebtedness of Iraq and questions about Iraq's ability and willingness to service this debt led to a growing Federal Reserve uneasiness in approving large new . . . export credit sales guarantees for that country. The Federal Reserve also noted Iraq's spotty debt servicing record with other bilateral official creditors. . . . Finally, the Federal Reserve questioned the appropriateness of allocating one-fifth of the [Commodity Credit Corp.'s] fiscal year 1990 budget to one country."

But Eagleburger maintains that it was "prudent" policy to extend new credits to Iraq then, a decision that contributed to the \$2 billion taxpayers will have to cough up to make good Iraq's debts under the agricultural credit program. If that is Eagleburger's definition of "prudent," it is easy to understand why he left a business career to return to the State Department. In business, you pay for your mistakes.

The pretense that Saddam's Iraq was just another country having a few financial problems shines through Robson's wistful rejoinder to Gonzalez, "Had not the war intervened, who knows? They might still be current" in paying off debts.

The administration witnesses and their supporters on the committee sought to turn the hearing into an attack on Gonzalez for releasing classified material. Gonzalez, unintimidated, promises more investigation.

This is not simply a matter of historical record or of election-year politics, as the administration maintains in its obfuscation campaign. What matters is that this administration refuses to learn from its mistakes.

The headlines about the Gonzalez hearings on Iraq have had to compete with headlines about the worsening situation in the former Yugoslavia. Suddenly, the newspaper accounts say, Baker and Eagleburger have discovered that Serbian dictator Slobodan Milosevic is a ruthless man who observes no rules. They are angry at him and may now even consider organizing a multinational force that would commit the U.S. military and risk American lives to stop this new Hitler, the newspaper accounts say.

Sound familiar? Surprised by Saddam, they are now surprised by Milosevic—even though Eagleburger has known and dealt with Milosevic for years. Even though the Central Intelligence Agency accurately described in 1990 how the Yugoslav tragedy would unfold. Even though Eagleburger and Baker resisted and then ignored that analysis, too.

But that is how it is with hindsight—especially when it is offered before the fact.