

GAO

Testimony

Before the Committee on Rules  
House of Representatives

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Preliminary Inquiry Into Alleged  
1980 Negotiations to Delay Release of  
Iranian Hostages Until After  
November Election

Statement of  
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General Counsel



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Mr. Chairman and Members of the Committee:

We are pleased to be here to discuss our preliminary inquiry undertaken last year into the facts surrounding allegations made by Richard Brenneke for which he was tried in his May 1990 trial on charges of making a false declaration before a federal court. Mr. Brenneke alleged that he and high-ranking officials of the Reagan-Bush campaign staff had met with Iranian officials in Paris, France, in October 1980, to negotiate delaying the release of the Iranian-held American hostages until after the November election. This preliminary inquiry was requested on July 5, 1990, by the Chairman, Subcommittee on Legislation and National Security, House Committee on Government Operations.

In summary, during our preliminary inquiry we were unable to develop evidence to corroborate Mr. Brenneke's allegations.

#### THE REQUEST

After several meetings with the Subcommittee staff and a staff representative of the House Committee on Foreign Affairs, we and the staff agreed that the sensitivity of the subject demanded that we periodically keep the Subcommittee staff apprised of developments and that we limit the scope of the inquiry to specific issues identified by the staff. The Subcommittee staff also asked that the Subcommittee not be identified as having requested the inquiry. At the time of the request, GAO's long-standing written policy, which had evolved over time in response to congressional needs, allowed requesters of GAO reviews and investigations to request anonymity during the course of the investigation itself. This policy has since been changed. It is now GAO's policy to identify the requester of any review or investigation when asked for that information.

#### THE INQUIRY

As the Subcommittee staff requested, the initial focus of our inquiry was the statements made and evidence introduced at the Brenneke trial. We first reviewed the trial transcript and extensive evidence obtained by the defense attorneys through discovery, including the results of numerous Federal Bureau of Investigation interviews related to the subject. We also interviewed Brenneke, his two attorneys, and the prosecuting attorney. Brenneke and his lawyers reiterated Brenneke's statements that he had participated in and arranged a meeting in France in October 1980 attended by William Casey, then the Republican presidential campaign manager; Donald Gregg, then national security council staff; representatives of the Iranian government; and individuals working for the French, British, and Israeli governments. However, they provided no documentary evidence in support of these statements. Information furnished by Brenneke and his attorneys in support of his allegations was

extraneous or unsupported, or would have required extensive investigative activity beyond the scope of our inquiry. The prosecuting attorney declined to provide any comment outside the official record of the government's case and findings relative to the investigation it undertook to prepare for trial.

Brenneke was charged with making a false declaration at the sentencing of an associate, Heinrich Rupp, who had been tried for bank fraud. One of the statements attributed to Brenneke was that he saw then candidate George Bush in Paris in October 1980. Brenneke's attorneys referred us to a transcript of Brenneke's trial testimony and a letter he had sent to the trial's presiding judge in which he stated both that his information was provided by Heinrich Rupp and that his prior statements at Rupp's trial needed clarification. In Brenneke's clarified testimony and in our interview of Brenneke, he claimed no first-hand knowledge of Bush's presence in Paris in October 1980. He stated that his information came from Rupp, who allegedly piloted one of the planes carrying officials to the meeting.

Through his attorneys, Rupp declined several requests for an interview. In lieu of an interview, his attorneys provided a videotaped interview of Rupp by a television reporter in which Rupp reiterated his statement that he had seen someone who he was fairly confident was Bush in Paris in October 1980. The attorneys provided copies of airline identification cards and an envelope from a Paris hotel, none of which were supportive of the allegations.

To further clarify the facts surrounding Rupp's alleged flight to Paris, we contacted the Federal Aviation Administration and charter aircraft companies allegedly involved and obtained flight logs for one of the planes allegedly involved. We also checked what we had been told was Rupp's description of the weather on the day of the flight against meteorological records at two alleged refueling locations. We found no evidence to support the allegations about the flight to Paris. Additionally, an interview of another charter airline pilot alleged to have participated in or arranged the flight failed to yield any corroboration. Contact with an official of a second charter aircraft company allegedly involved also yielded no witnesses with information of assistance to us.

We were asked to review relevant Secret Service documentation and conduct interviews as to George Bush's whereabouts on the dates in question. A review of relevant press articles and Secret Service records placed then candidate Bush in the United States the weekend of October 17 - 19, 1980, the weekend he was alleged to be in Paris. During interviews of supervisory Secret Service agents assigned to candidate Bush, one agent recalled accompanying Bush to the Chevy Chase Country Club for a luncheon engagement with Supreme Court Justice Potter

Stewart on October 19, 1980. Although a review of Justice Stewart's appointment calendars retrieved from the Yale University library revealed no entries for appointments on October 19, 1980, Secret Service logs reflect a motorcade to the country club on this date. Interviews of personnel at the country club yielded no documentation of this event, as records for such activities are not maintained.

As requested by the Subcommittee staff, we periodically supplemented these inquiries with interviews of other individuals identified as having pertinent information, specifically Casey's former secretary and a number of journalists. These interviews did not corroborate the allegations.

Supplementary inquiries to the Customs Service in an attempt to identify records of reentry into the country by the parties allegedly involved were unsuccessful because such records were no longer maintained.

We regularly briefed the Subcommittee staff throughout the course of this inquiry. During February 1991 discussions with the staff, we agreed to terminate our inquiry and, given the limited nature of the inquiry, to issue no written report. Since terminating the inquiry, we have briefed the majority and minority staff of several House Committees, as well as that of the Speaker of the House and the House Majority and Minority Leaders.

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Mr. Chairman, this concludes our statement. At this time, we would be pleased to answer any questions you may have.

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