

# Iran-contra scandal's untold story stays untold in congressional report

By Peter Kornbluh

WASHINGTON

"THE FULL STORY OF THE IRAN-contra affair is complicated and, for this nation, profoundly sad," begins the congressional report entitled the "Iran-Contra Affair." Yet within hours of its release, committee members and staff were conceding privately that their investigation had failed to uncover, or even address, key aspects of the scandal that has dominated American politics for the past year.

"We blew it," one committee lawyer admitted to a reporter. From day one the Iran-contra investigation was undermined by publicity-seeking senators and representatives who then rushed into televised hearings before a foundation of evidence had been laid. In the end they were willing to compromise the final report in the name of politics and national security.

Yet the report takes the scandal beyond the facile question that dominated last summer's hearings: Did Ronald Reagan know of the diversion of funds from the Iran arms operation into the contra coffers? The diversion is the subject of only one six-page chapter in the 690-page report that covers the contra operations, Iran, Oliver North's "Enterprise," the official cover-up and the legal and constitutional relations between the executive and legislative branches.

The issue of the president's knowledge is replaced by a long-awaited identification of his responsibility. "The ultimate responsibility for the events in the Iran-contra affair must rest with the president," the report states. "It was the president's policy—not an isolated decision by North or Poindexter—to sell arms secretly to Iran and to maintain the contras 'body and soul,' the Boland Amendment notwithstanding."

In contrast to the Tower Commission Report, which blamed all the president's men but not the president, the Iran-contra report exposes Reagan's moral, legal and constitutional corruption of the Oval Office. He repeatedly lied to the American public, regularly deceived his cabinet members and—to this day—stands loyally by those aides who violated congressional laws, committed perjury and destroyed evidence, among other criminal acts.

The truth hurts. Reagan, according to White House Chief of Staff Howard Baker, "really, really feels personally put upon" for being given credit where credit is due.

Of course, the president's allies on the committees desperately tried to exonerate him. The minority report, signed by the eight Republicans who went out of their way to turn the hearings into a political circus, offers these disingenuous conclusions: There was "no constitutional crisis, no systematic disrespect for 'the rule of law,' no grand conspiracy and no administration-wide dishonesty or cover-up." Yet even Sen. Warren Rudman, the committees' ranking Republican, labeled this drivel "pathetic." Compared to it, the majority report seems a reasoned call for good government, renewed respect for the law of the land and a system of checks and balances that will prevent such foreign policy goblins from haunting this country in the future.

**A Hollywood script:** The committees have provided the public with the first comprehensive, internally documented exposé of U.S. covert operations since 1975. At that time the Church Committee published its accounts on CIA assassination plots and the 1973 overthrow of Salvador Allende's government in Chile. For this reason alone, the "Iran-Contra Affair" should be on the Christmas reading list of those who want to know how America's covert warriors subvert foreign governments.

What does one covert operative say to another? How many meetings does it take for the National Security Council to draft a letter of lies to Congress? How much does it cost for the White House illicitly to generate "freedom fighter" propaganda aimed at the hearts and minds of the American people?

These questions, among many others, are answered in the report. Drawing on hundreds of highly classified documents—many of which were not released during the hearings and are not likely to be released along with the published exhibits and depositions—the chronological narrative on Central America and Iran makes a significant contribution to the historical record of both

the contra war and the arms-for-hostages initiative.

At times the Iran-contra report reads like the Hollywood script for the next James Bond movie:

• Scene: Rob Owen, code-named "The Courier," stands on Pennsylvania Avenue outside the White House in the pouring rain waiting to give a \$3,000 bribe to Miskito con-

## CAPITOL HILL

tra leader Brooklyn Rivera. "A car drove up and Owen passed cash to a Nicaraguan Indian leader sitting inside."

• Scene: Robert McFarlane puts a note inside Reagan's briefing book informing him that the Saudis have decided to pick up the tab for the contra operations. "He chose this method of informing the president of the contribution to reduce any chance that others at the president's daily briefing might become aware of the funding scheme."

• Scene: a London urinal, January 1986. Oliver North and Iranian middleman Manucher Ghorbanifar stand talking about the sale of missile parts to Iran. "Mr. Ghorbanifar took me into the bathroom," claimed North, and Ghorbanifar proposed that residuals

could flow to the contras.

**The real cover-up:** Despite the inclusion of these scenes, the report's picture of clandestine warfare is not only incomplete but misleading. The committees focused their attention on the pristine world of white-collar covert operations—how Washington's national security managers organize their missions abroad and orchestrate their lies at home. The seamy side of the Iran-contra scandal—the administration's collusion with terrorists, mercenaries and dope peddlers—is conspicuously omitted. In so doing, the committees swept the administration's "dirty wars" under the proverbial rug.

The most striking omission is that the contras have been left out of the "Iran-Contra Affair." Having turned the hearings into a nationally televised advertisement for the them, the committees conveniently excluded from the report the extraordinary documents that expose the contras as brutal, corrupt, made-in-the-USA puppets.

The Iran-contra report cites the administration's "pervasive dishonesty" in the scandal. The excluded documents show that the systematic deception extends to Reagan's glowing rhetoric about the contras. Nicaraguan democrats? "These are not the people to rebuild a new Nicaragua," Rob Owen, one of the contras' strongest supporters, wrote in a March 17, 1986, memo to his boss, "BG"—Blood and Guts—Oliver North. Freedom Fighters? "Unfortunately, they are not first-rate people; in fact, they are liars and greed and power motivated," Owen wrote.

Even North appeared to share Owen's as-



assessment that there "are few of the so-called leaders of the movement who really care about the boys in the field. *This war has become a business to many of them*" (emphasis in original). This was why North opted in July 1985 to remove control of contra monies from FDN (Nicaraguan Democratic Force) chieftain Adolfo Calero and put it in the hands of Richard Secord and Albert Hakim. North, as Secord testified, was "critical of the contras because he had been receiving reports that the limited funds they had might be getting wasted, squandered, or even worse, some people might be lining their pockets." From then on contra monies were deposited in the Lake Resources bank account in Geneva.

Rather than the nationalist force that Reagan depicts, the contras are wholly controlled by their handlers in Washington, these documents suggest. Various memoranda record North telling them when to deploy and when to retreat on the Nicaraguan battlefield, and when to come to Washington to wage a propaganda war on the congressional front. Owen reported in early 1986 that "the Nicaraguan [exile] community at large see UNO [United Nicaraguan Opposition], as well as the FDN, as entities organized and bought and paid for by the USG [United States Government]." Owen agreed, writing of Adolfo Calero, the man who the administration would install as the next president of Nicaragua: "He is a creation of the USG and so he is the horse we chose to ride."

Why did the committees exclude this information, particularly when a new Reagan

request for \$30 million in contra aid is currently pending in Congress? The nature of the contras "was not in our purview," said one committee staffer. The rumor in Washington is that the White House pressured the committees to exclude derogatory information about the contras because of Reagan's plans to request more assistance.

**Terrorists, assassins and druggies:** The Iran-contra report also leaves out the other terrorists that North and company engaged in the supposed fight against terrorism. Luis Posada Carriles, the anti-Castro Cuban who served as a principal commandant of the contra resupply operation, had escaped from a Venezuelan jail where he had been held for eight years for masterminding the bombing of a Cuban jetliner in 1976. Seventy-three men, women and children were killed in the attack. Yet the "Iran-Contra Affair" refers to Posada only once, by his code-name, Ramon Medina, and identifies him not as a mass murderer but as the man who "oversaw the local fuel account."

### The report's most significant deficiency is Congress' failure to assume any responsibility for the Iran-contra scandal.

Similarly, the report fails to identify Manzer al-Kassar, the shadowy Syrian arms trafficker who received \$1.5 million from the Lake Resources bank account for contra arms. According to *Reader's Digest*, al-Kassar has been an arms and explosives supplier "for terrorist operations in France, Spain and Holland" and has also provided assassination equipment to Libya, Iran, South Yemen and Lebanon. Ironically, al-Kassar was the arms supplier to the terrorist who Ollie North vowed to meet "face-to-face"—the infamous Abu Nidal.

The "Iran-Contra Affair" does contain new information about North's efforts to gain Justice Department clemency for Jose Bueso Rosa, a pro-contra Honduran general who in 1984 was involved in a conspiracy to assassinate Honduran President Roberto Suazo Cordoba. But the report overlooks the fact that the man North was trying to get off the hook planned to finance the assassination by smuggling \$10 million worth of cocaine into the U.S.

The report considers "drug" a four-letter word. Despite Owen's April 1, 1985, memorandum to North citing the involvement of two contra leaders in drug smuggling, and widespread evidence that mercenaries and State Department contractors aiding the contras were involved in the illegal activity, the committees censored the issue, just as they did during the hearings.

**Congress and accountability:** The report's most significant deficiency is not its lack of evidence but the authors' failure to assume any responsibility for the scandal.

"What Congress has not done is admitted its own responsibility," Sen. William Cohen (R-ME) told the *Washington Post* just before the report was published. Another committee member suggested, "It does not face the real issue of where Congress was deceived and where they were deceived willingly."

Indeed, a close reading of the report leads to this inescapable conclusion: The Reagan administration's commitment to break the law was second only to Congress' commit-

ment to turn a blind eye as the law was broken. Among the many examples, one typifies how intelligence oversight came to mean overlook: North's closed testimony before the House Intelligence Committee on Aug. 6, 1986—more than three months before the scandal broke.

By that time, numerous articles had appeared in the press linking North to illegal contra supply operations. The committee had asked NSC adviser John Poindexter to allow North to testify in closed session. North lied in response to every question. (Poindexter later wrote to him, "Well done.") Yet at the hearing's conclusion, according to the report, "Rep. [Lee] Hamilton [D-IN] 'expressed his appreciation for the good faith effort that Adm. Poindexter had shown in arranging a meeting and indicated his satisfaction in the responses received.' On Aug. 12 [1986], Hamilton wrote Rep. Coleman that the House Intelligence Committee would not move forward.... 'Based on our discussions and review of the evidence provided, it is my belief that the published press allegations cannot be proven.'"

**Recommendations for next scandal:** Both the scandal and the report offer conclusive proof of Congress' self-induced inability to make covert operations compatible with American democracy, and the unfailing dedication of America's national security managers to keep things that way. Moreover, the report documents the extraordinary threat to the American way of life that these operations portend. Buried on page 390 is the report's most significant observation: The type of operations being run by Reagan and his men represented "the path to dictatorship" for the U.S.

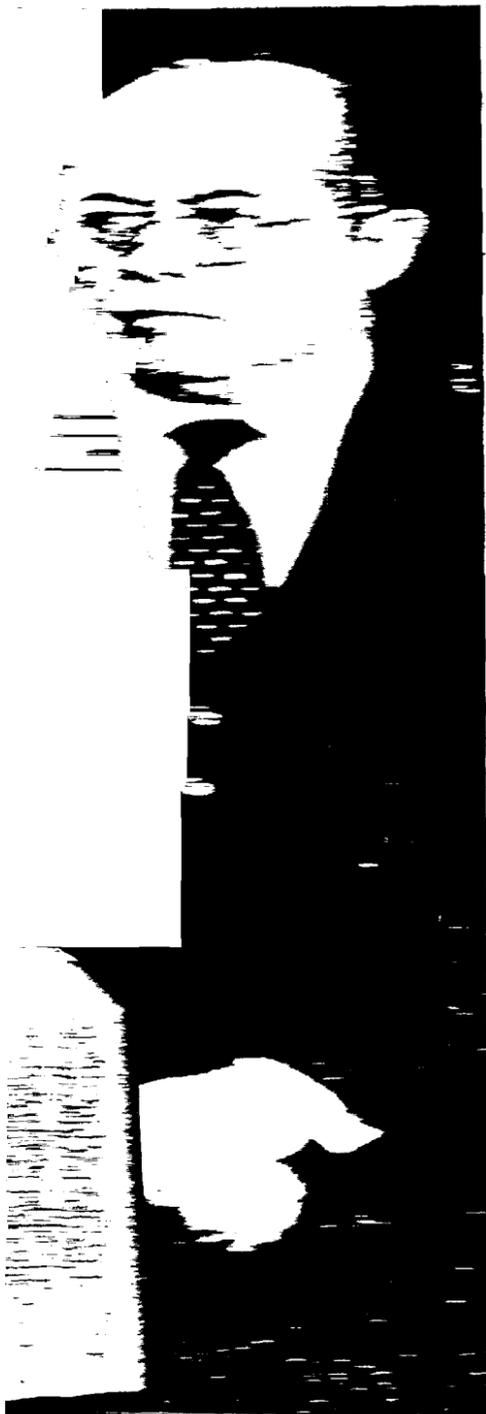
Yet instead of calling for a national debate

on the compatibility of covert operations with a constitutional democracy, the report endorses paramilitary wars such as the ongoing one in Nicaragua. And it does not go beyond the Tower Commission's conclusion that "the problem was people, not the process." Ignoring the overwhelming evidence of institutional criminality, the committees conclude: "The Iran-contra affair resulted from the failure of individuals to observe the law, not from deficiencies in existing law or in our system of governance."

In the end, the "Iran-Contra Affair" represents little more than a well-glossed whitewash of the very system that made the scandal possible. The committees' pathetic recommendations call for minor tinkering with the requirements of oversight reporting, and for a "renewed commitment" by the executive branch to obey the laws it has so systematically violated. Ignoring their obligation to find a remedy for the plague of rampaging covert operations, the committees have offered the nation a virtual prescription for future scandals.

Thus, Congress has forfeited a major opportunity to foster public debate on the structures, operations and objectives of the national security state—a debate that is necessary to ensure that such criminal enterprises do not return to rob the U.S. of its constitutional integrity. That is the real tragedy of Iran-contra. And that is a far bigger scandal than the egregious activities of North and company in Iran and Central America. □

Peter Kornbluh is an analyst at the National Security Archive in Washington, D.C. His new book, *Nicaragua: The Price of Intervention* has just been published by the Institute for Policy Studies.



## GUESS WHO'S COMING TO DINNER.



**C**ancer-causing pesticides in your salad. Industrial solvents in a glass of water. Toxic emissions in your air. You need information on these unwanted guests. You'll find it in *Environmental Action*.

Keep me informed. Enclosed is my check for \$20 for a full year—six issues—of *Environmental Action*.

Name \_\_\_\_\_  
Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Mail to: Environmental Action, 1525 New Hampshire Ave NW, Washington, DC 20036

By Dennis Sadowski

CLEVELAND

**T**HE PEACE MOVEMENT, SEEKING TO RECLAIM the public's interest and imagination, may be getting the push it needs from the merger of the Committee for a SANE Nuclear Policy and the Nuclear Weapons Freeze Campaign. The merger, resulting in SANE/Freeze, the largest peace organization in the nation with 300,000 members, brings together two very different organizations with the same goals.

With the media currently focusing on the Intermediate Nuclear Forces (INF) accord (see stories on pages 12 and 16), most recent

## PEACE MOVEMENT

peace activities have received scant attention. By joining forces, the new SANE/Freeze is expected to be a more powerful organization with a strong Washington, D.C., base supported by hundreds of affiliates nationwide.

The merger signifies the peace movement's "coming of age," according to David Cortright, former SANE director who now co-directs the new organization with the Freeze's Carolyn Cottom. "We are...building a permanent, large-scale movement," he said.

The selection of Rev. William Sloane Coffin as president gives SANE/Freeze a high profile figure to capture the public's eye. Long active in peace and civil rights work, Coffin is expected to garner publicity and further legitimize the organization's goals.

Coffin, 63, will resign from his ministerial post at Riverside Church in New York City on December 31. He plans to travel widely across the U.S., talking with local peace activists and the media. "You really have to be together to have some kind of effect," Coffin noted. "I think a merged organization shows we really are serious about what we're doing."

Such views were echoed throughout the three-day SANE/Freeze founding congress held in Cleveland in late November, which drew more than 1,000 peace organizers. Although questions remain on the relationship of local groups to the national office based in Washington, D.C., delegates were excited about the prospect of higher visibility and, they hope, greater influence in U.S. disarmament and foreign policy decisions.

**Top down or bottom up?** There are, however, significant differences between the two organizations (see *In These Times*, June 24). The plan is to capitalize on these differences in creating an effective political operation.

SANE, which celebrated its 30th anniversary in October, is built from the top down, with a strong national lobbying office and an agenda that goes beyond arms control. Its large membership has been built primarily through a door-to-door canvass in targeted areas of the country. But members remain largely passive when it comes to political action.

The Freeze, on the other hand, was built from the bottom up with grass-roots organizers lobbying Congress and setting policy through local, state or regional offices. As a result, a strong national identity never evolved for the seven-year-old movement—though periodic highly publicized events such as marches, caravans and congressional lobbying days gained plenty of attention. Funds raised locally remained with local Freeze groups. And although a few of the 1,800 affiliates have budgets of more than

10 IN THESE TIMES, DEC. 9-15, 1987

# FOUNDING National Congress SANE/FREEZE



Rev. William Sloane Coffin, the new SANE/Freeze president.

## The SANE/Freeze merger: nuclear safety in numbers?

\$100,000 annually, the national Freeze office is poorly funded.

Both organizations appear to benefit from the merger. SANE gets a much-needed local grass-roots base, while the Freeze gets much more visibility in the nation's capital.

The differences have been discussed during more than two years of talks between both organizations' board members. After tentative approval for the merger was given at the 1986 Freeze national congress, a transition team hammered out a formal agreement as staffs merged. The agreement was overwhelmingly approved 201-1 (five abstentions) by official chapter delegates to the congress.

**Merger questions:** But many delegates saw the merger as a "blind leap of faith" in

the hope that concerns over local funding of the national office and local autonomy on issues would be resolved. SANE/Freeze leaders, apparently hearing those concerns throughout merger discussions, scheduled for the congress two workshops and a panel presentation on the merger. During those sessions, local organizers expressed concern that their funding base would be eroded by the need to keep a large national office functioning.

No one from the transition team nor Cottom and Cortright could answer those questions definitively. The breakdown of national/local funding won't be known until local chapters begin affiliating, the delegates kept hearing.

Yet the lack of specifics has not deterred

Officials vote on the SANE/Freeze merger. The move passed 201-1.



many local groups from merging and affiliating quickly. Chapters in Illinois, New York City, central New Jersey and Southern California had merged and affiliated before the congress, giving SANE/Freeze an early base of support. And groups not tied to either organization sent representatives to learn what an affiliation could mean for them.

Given that 1988 is a crucial election year and plenty of support must be gained for the INF treaty pending Senate ratification, other local chapters are expected to affiliate

## The new group's top priorities are INF treaty ratification in the Senate and a bilateral nuclear test ban. Halting Star Wars is another important goal.

quickly, especially in areas where one group predominates.

Chapters will continue to set their own priorities on issues, Cottom acknowledged. "I don't see how national will take away peoples' autonomy," she said. "We will discuss strategy but we won't be dictating the issues or local policy decisions."

**Priorities and strategies:** In keeping with the aim of grass-roots decision making, delegates at the congress participated in small-group discussions on legislative strategies and organizational priorities for 1988. They then voted on issues pertaining to the arms race, economic conversion and U.S. intervention abroad, as well as priorities for the 1988 elections.

Gaining top priority were INF treaty ratification in the Senate and a bilateral nuclear test ban. Secondary work will focus on blocking the Trident submarine and its array of 240 D-5 warheads; eliminating funding of Star Wars research and development; working in coalition against U.S. foreign intervention, especially in Central America; and cutting the military budget. Other priorities are forming a Peace Caucus in Congress, reducing strategic nuclear warhead stockpiles, improving lobbying at the local level, and halting the testing, production and deployment of nuclear weapons.

SANE/Freeze has set high goals—and given itself a short period of time to reach them—in order to regain the high ground from the Reagan administration. Strategists have mapped plans for a "Decade of International Peacemaking" to start after the 1988 presidential election. The undertaking calls for the formation of a Commission on the Year 2000 to direct efforts to reduce the world's nuclear arsenals, lessen the risk of regional conflicts, promote common security and develop models for cooperative conflict resolution through citizen peacemaking alternatives. An International Conference on Common Security and General Disarmament would inaugurate the decade.

The organization projects membership to triple by 1992 to 1 million as each current member recruits two others. As Randall Forberg, director of the Institute for Defense and Disarmament Studies and the "mother" of the Freeze, explained, "The movement is in the process of being institutionalized. I think people are out there who want to participate."

Dennis Sadowski is a freelance journalist based in Cleveland.