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WITHDRAWAL SHEET

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4/26/2010

File Folder

CO071 (IRAN) (426707-442995)

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ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions	
90072	MEMO	RON SABLE TO JOHN POINDEXTER, R MEETING WITH SENATORS NUNN/WARNERNOVEMBER 24,1986		11/24/1986	B1	
		R 5/18/2023 NSC/DEPT.	OF STATE	WAIVER	5	
90073	MEMO	PETER WALLISON TO THE PRESIDENT RE: IRAN: STAFF REPORT OF THE SENATE SELECT COMMITTEE ON INTELLIGENCE	T, 5	1/3/1987	B1	

The above documents were not referred for declassification review at time of processing

Freedom of Information Act - [5 U.S.C. 552(b)]

B-1 National security classified information [(b)(1) of the FOIA]

B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]

B-3 Release would violate a Federal statute [(b)(3) of the FOIA]

B-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]

B-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA] B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]

B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]

B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

Stew Thoth from Justice Called this morning after

Talking with Milse. They

Think they have to stay out of unmenty

issue entirely until

independent coursel is

appointed - They don't

give advice.

NOTE BY DIR

Out 12/8/86

427433

FG017

fran - immunity

Sq

1D# 427444 COON

WHITE HOUSE CORRESPONDENCE TRACKING WORKSHEET

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Keep this worksheet attached to the original incoming letter.

Send all routing updates to Central Reference (Room 75, OEOB).

Always return completed correspondence record to Central Files.

Refer questions about the correspondence tracking system to Central Reference, ext. 2590.

RECORDS MANAGEMENT ONLY

CLASSIFICATION SECTION

	CLASSIFICATION	SECHUN	
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Prime Subject Code: CO 077	Secondary Subject Codes:	FO 003-02 _	
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CLn - First Lady's Correspond n - 0 - Unknown n - 1 - Nancy Reagan n - 2 - Nancy n - 3 - Mrs. Ronald Reagan		S - Sealed T - Telegram V - Telephone X - Miscellaneous Y - Study	
CBn - Presidential & First Lad n - 1 - Ronald Reagan - Na n - 2 - Ron - Nancy			

GEORGE J. MITCHELL, MAINE SAM NUNN, GEORGIA PAUL S. SARBANES, MARYLAND HOWELL T. HEFLIN, ALABAMA DAVID L. BOREN, OKLAHOMA JAMES A. McCLURE, IDAHO ORRIN G. HATCH, UTAH WILLIAM S. COHEN, MAINE PAUL S. TRIBLE, JR. VIRGINIA 427444

United States Senate

SELECT COMMITTEE ON SECRET MILITARY
ASSISTANCE TO IRAN AND THE NICARAGUAN OPPOSITION
WASHINGTON, DC 20510

March 30, 1987

The Honorable Howard Baker Chief of Staff The White House Washington, D.C. 20500

Dear Howard:

The Senate Select Committee on Secret Military Assistance to Iran and the Nicaraguan Opposition anticipates using in our public hearings and subsequent report selected documents and materials that have been classified by The White House. We would appreciate your assistance in establishing an early, orderly procedure for discussing declassification of such materials.

At your earliest convenience please furnish to the Committee's Executive Director, Mary Jane Checchi, the name, title, phone number and address of the designated official to be contacted in order to discuss declassification of certain material. The Committee staff will arrange a meeting with the official you designate and provide a list of documents which we would like to have reviewed.

Thank you for your prompt attention to this matter.

Sincerely,

Daniel K. Inouye

Chairman

/hgp

Popla

THE WHITE HOUSE

WASHINGTON

November 12, 1986

CO01/ NOTED BY DTR SL003-03

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR THE CHIEF OF STAFF

FROM:

E.O. 12582,

PAT BUCHANAN

SUBJECT:

IRANIAN/HOSTAGES ISSUE

This may be redundant, but you ought to know that we face a grave communications problem over this Iranian/Hostages Issue. The appearance of things is that we have negotiated with a terrorist regime more detested by the American people than the Soviet Union, that we have paid in spare parts and military equipment for our hostages, that we violated our policy and traduced our principles, that we are now stonewalling. Not since I came here has there appeared such an issue which could do such deep and permanent damage to the President's standing. I realize this is all being held extremely tight, for obviously good reasons, but we have already witnessed some jubilant assaults upon Ronald Reagan's reputation for principle -- from his enemies -- and some bitter assaults from some of his friends. (We got them on the weekend shows.) We are fortunate Congress is out.

However, the best response on this, I should think, would be earliest and fullest disclosure of what we did, what we attempted, why, etc. The story will not die, until some much fuller explanation -- giving our arguments -- is provided.

Prediction: If we wait three weeks, the President's approval will be down in the mid-fifties at best.

Dagree, and have so advocated for a week we are going to do something on Thins (times). Finally Its thing on This (times). Finally Its late, but I hope not too late. Will check with you This of M.

11/12/86

THE WHITE HOUSE

WASHINGTON

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ADMINISTRATIVE IN BUILDING
E.O. 12868, SAME TO SOME A SOME
BY NARA AND DATE HILL

November 10, 1986

We have already witnessed

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR THE CHIEF OF STAFF

FROM:

PAT BUCHANAN

SUBJECT:

IRANIAN/HOSTAGES ISSUE

This may be redundant, but you ought to know that we face a grave communications problem over this Iranian/Hostages Issue. The appearance of things is that we have negotiated with a terrorist regime more detested by the American people than the Soviet Union, that we have paid in spare parts and military equipment for our hostages, that we violated our policy and traduced our principles, that we are now stonewalling. Not since I came here has there appeared such an issue which could do such deep and permanent damage to the President's standing. I realize this is all being held extremely tight, for obviously good reasons, but this weekend and early next week, we are going to see some jubilant assaults upon Ronald Reagan's reputation for principle -- from his enemies -- and some bitter assaults even from some of his friends. (We got them on the weekend shows.) We are fortunate Congress is out.

However, the best response on this, I should think, would be earliest and fullest disclosure of what we did, what we attempted, why, etc. The story will not die, until some much fuller explanation -- giving our arguments -- is provided.

Prediction: If we wait three weeks, the President's approval will be down in the mid-fifties at best.

THE WHITE HOUSE

WASHINGTON

Novmeber 7, 1986

DRAFT

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR THE CHIEF OF STAFF

FROM:

PAT BUCHANAN

SUBJECT:

IRANIAN/HOSTAGES ISSUE

This may be redundant, but you ought to know that we face a terribly grave communications problem over this Iranian/Hostages

Issue. The appearance of things and the know the facts is that we have negotiated with a terrorist regime more detested by the American people than even the Soviet Union, that we paid in spare parts and military equipment for our hostages, that we violated our policy and traduced our principles, that we are now Not since I came here has there appeared such an issue which could do such deep and permanent damage to the President's standing. I realize this is all being held extremely tight, for obviously good reasons, but this weekend and early next week, we are going to see some jubilant assaults upon Ronald Reagan's reputation for principle — from his enemies — and some bitter assaults even from some of his friends. We are fortunate Congress is out.

However, the best response on this, I should think, would be an addy, early and full disclosure of what we did, what we attempted, etc.

The story will not die, until some much fuller explanation -giving our arguments -- provided. Prediction: If he hait Three week, The Provident's apparent will be down in The nid-life.

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MEMORANDUM TO THE CHIEF OF STAFF
From pat Buchanan
Re; Iranian/Hostages Issue

This may be redundant, but you ought to know that we face a terribly grave communications problem over this Iran/Hostages issue. The appearance of things --- and I don't know the facts --- is that we have negotiated with a terrorist regime detected by the American people even morethan the Soviet Union, that we have paid in spare parts and military equipment for our hostages, that violated our policy and traduced our principles, were traduced our principles, KERKKXXXXX Not since I came here I has there appeared such an issue which could such deep and permanent damage to the President's standing with his I realize this is all being held extremely tight, for obviously good reasons, but this weekend and early next week, we are going to see some jubilant assaults upon Ronald Reagan's reputation for principle from his enemies and some bitter assaults from some of his friends. something to do with this. We are fortunate Congress is out.

However, the best response on this, I should think, would be an early and full disclosure of what we did, what we attempted, etc. The story will not die, until some explanation--- giving our arguments---is provided.



NATIONAL SECURITY COUNCIL WASHINGTON, D.C. 20506

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CONFIDENTIAL

INFORMATION

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BY ON NARA DATE 5/18/2013

November 24, 1986

1

MEMORANDUM FOR JOHN M. POINDEXTER

FROM:

RON SABLE

SUBJECT:

Meeting with Senators Nunn/Warner, 4:00 p.m., Monday, November 24, 1986

At your request, Senators Nunn and Warner will meet with you (your office) to discuss Iran.

Nunn, of course, has been speaking out "because of inconsistencies in administrative statements and a breakdown in the national security process."

I might add that he also has changed his answer (to questions about his 88 Presidential aspirations) from "not considering any such action" to "I may consider it in the future."

Hopefully, the entire period of the visit will not be taken up with Iran. In the event there is time, it may be appropriate to raise the Defense budget (Nunn says a supplemental will go nowhere, and has been critical of Cap sticking to requests for funding which will not be approved:

- the pending strategic modernization decision options and our desire to consult with Nunn/Warner and others prior to the President's decision (now scheduled for December 19)
 - -- in final stages of decision process.
 - -- foresee no need for decision or production until 1988/89.

John Douglass concurs.

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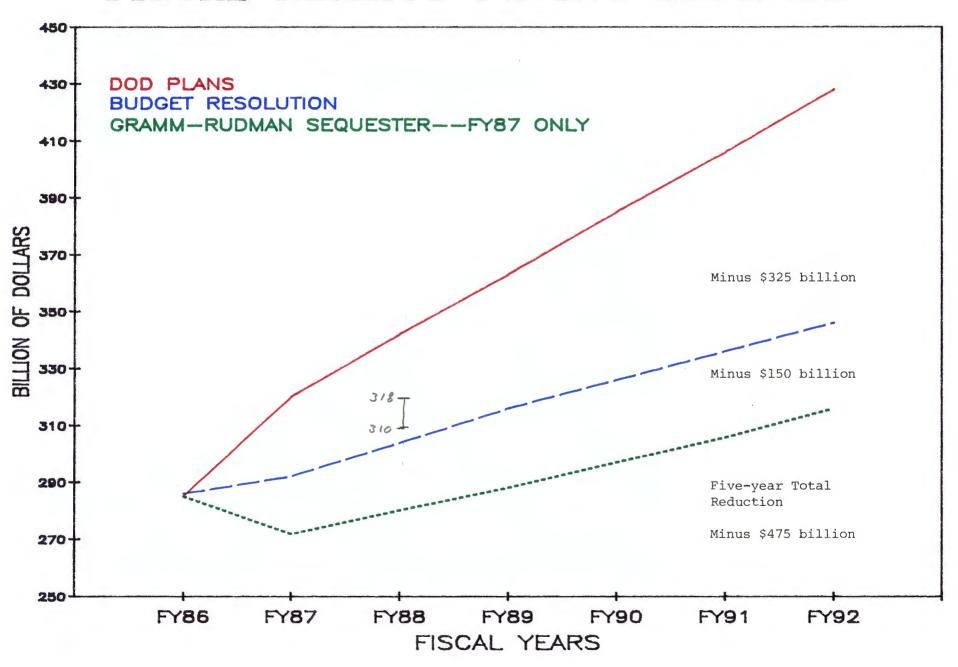
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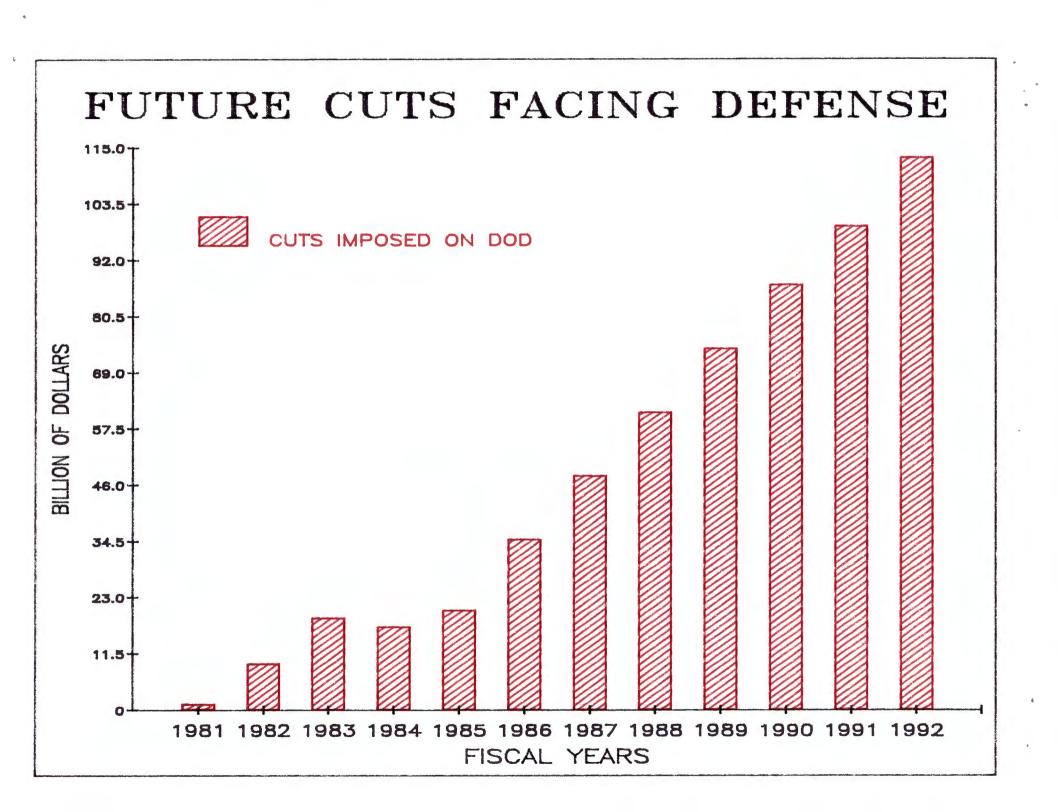
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NUNN, SAM

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WARNER, JOHN W

UBJECT: POINDEXTER MTG W/ NUNN & WARNER 24 NOV

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LEE H. HAMILTON, INDIANA, CHAIRMAN

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BOB STUMP, ARIZONA ANDY IRELAND, FLORIDA HENRY J. HYDE. ILLINOIS DICK CHENEY, WYOMING BOB LIVINGSTON, LOUISIANA BOB McEWEN, OHIO

THOMAS K. LATIMER, STAFF DIRECTOR MICHAEL J. O'NEIL, CHIEF COUNSEL STEVEN K. BERRY, ASSOCIATE COUNSEL U.S. HOUSE OF REPRESENTATIVES

PERMANENT SELECT COMMITTEE ON INTELLIGENCE

WASHINGTON, DC 20515

ROOM H-405, U.S. CAPITOL

(202) 225-4121

November 10, 1986

Vice Admiral John M. Poindexter Assistant to the President for National Security Affairs The White House Washington, D.C. 20500

Dear Admiral Poindexter:

Recent press accounts of arrangements between the United States and Iran involving the release of U.S. persons being held hostage in Lebanon in exchange for the provision of military equipment to Iran, raise a number of questions about our policy on negotiating with hostage takers and about the role of the CIA, if any, in the secret trip by Mr. McFarlane to Iran.

I invite you to brief the Members of the House Permanent Select Committee on Intelligence on these matters at 10:00 a.m., Friday, November 21, 1986 in the Committee Hearing Room, H-405, the Capitol.

I am also inviting the Secretary of State, the Secretary of Defense and the Director of Central Intelligence to brief the Committee on the same subject at that time.

With best wishes, I am

Lee H. Hamilton

Chairman

NGC#8608/81

RECEIVED 13 NOV 86 11

TO

POINDEXTER

FROM HAMILTON, LEE H DOCDATE 10 NOV 86

KEYWORDS: IRAN

INTELLIGENCE

MCFARLANE, ROBERT

LEBANON

NORTH, OLLIE

SUBJECT: LTR TO JMP FM REP HAMILTON RE SECRET MISSIONS TO IRAN RE RELEASE

US HOSTAGES LEBANON

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LEE H. HAMILTON, INDIA GUS YATRON, PENNSYLV, VIA STEPHEN J. SOLARZ, NEW YORK DON BONKER WASHINGTON GERRY E. STUDDS. MASSACHUSETTS DAN MICA. FLORIDA MICHAEL D. BARNES, MARYLAND HOWARD WOLPE, MICHIGAN
GEO. W. CROCKETT, JR., MICHIGAN
SAM GEJDENSON, CONNECTICUT MERVYN M. DYMALLY, CALIFORNIA TOM LANTOS, CALIFORNIA
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WILLIAM S. BROOMFIELD MICHIGAN WILLIAM S. BROUMFIELD, MICHIGAN BENJAMIN A. GILMAN, NEW YORK ROBERT J. ŁAGOMARSINO, CALIFORNIA JIM LEACH, IOWA TOBY ROTH, WISCONSIN OLYMPIA J. SNOWE, MAINE HENRY J. HYDE, ILLINOIS GERALD B.H. SOLOMON, NEW YORK DOUG BEREUTER, NEBRASKA MARK D. SILJANDER, MICHIGAN FD ZSCHAU CALIFORNIA EU 25CHAU, CALIFORNIA ROBERT K. DORNAN, CALIFORNIA CHRISTOPHER H. SMITH, NEW JERSEY CONNIE MACK. FLORIDA MICHAEL DEWINE, OHIO DAN BURTON, INDIANA JOHN McCAIN, ARIZONA

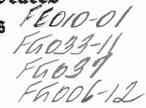


Congress of the United States

Committee on Foreign Affairs FE010-01

House of Representatives Washington, DC 20515

November 26, 1986



JOHN J. BRADY, JR.

The President The White House Washington, D.C. 20500

. Dear Mr. President:

I would like to take this opportunity to commend you for appointing a Special Review Board with such distinguished members who will be tasked to review the organization and operation of the National Security Council.

As you may know, the Committee is reviewing the activities of the United States Government and its personnel relating to the Iran initiative; the policies of the United States towards the Middle East, Central America, and terrorism; and the effectiveness of the organization of the United States Government for carrying out all aspects of its relations with other nations. Therefore, the Committee respectfully requests that you provide it with the following information and documents:

- (1) the text of your finding of January 17, 1986 under section 662 of the Foreign Assistance Act of 1961 relating to the Iran initiative, including the transfer of arms to Iran;
- (2) any papers which accompanied such finding and describe the authorized scope of activities under the finding; .

(3) any other documents, directives or instructions by you to any officer or employee of the White House acting or purporting to act on your behalf, relating to the Iran initiative;

(4) any documents, directives or instructions to the Milliam Chromfula officer or employee of the Government instructing such officer or employee not to inform Congress of any matter relating to the Iran initiative; and

> (5) any and all documents, directives or instructions relating to the financial transactions under the Iran initiative, including the transfer of arms to NGC#8608496

an Initiative

Dante Fascell

The President November 26, 1986

Page Two

This request is made pursuant to the Committee's jurisdiction under Rule X of the Rules of the House of Representatives, which includes its special oversight jurisdiction of intelligence activities relating to foreign policy.

If there are any questions regarding this request, please have your staff contact Dr. John J. Brady, Jr., Chief of Staff of the Committee.

With best wishes, .

Sincerely yours,

Dante B. Fascell

Chairman

DBF: RKB; baf

LOUIS STOKES, CHIO.

DAVE MÉCURDY. OKLAHOMA
ANTHONY C. BEILENSON. CAHIFORNIA
ROBERT W. KASTENMEIER, WISCONSIN
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U.S. HOUSE OF REPRESENTATIVES

PERMANENT SELECT COMMITTEE ON INTELLIGENCE WASHINGTON, DC 20515

November 26, 1986

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

The House Permanent Select Committee on Intelligence is continuing its investigation into the Iranian/contra arms matter.

I was pleased to see in your press conference on November 19, 1986 that you stated that you had directed that "all information relating to our initiative be provided to the appropriate members of Congress." Committee Members met with Vice Admiral Poindexter at his invitation on November 21, 1986 but were unable to ask him questions due to a lack of time. He volunteered to make himself available for questions at another date.

With that in mind, I request that Lieutenant Colonel North be made available at 2:30 p.m. on December 9, Mr. McFarlane at 1:30 p.m. on December 10 and Vice Admiral Poindexter at 3:30 p.m. on December 10 to meet with the Committee.

I further request that those three gentlemen be instructed to cooperate with Committee staff in preparation for that hearing so that the time of both members and witnesses will be spent productively.

With best wishes, I am

Sincerely yours

Lee H. Hamilton Chairman

NATIONAL SECURITY COUNCIL

November 28, 1986

NOTE FOR BOB PEARSON

FROM: RON SABLE

FYI. The attached letters arrived today.

National Security Council The White House

			(Date/Time)	
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LEE H. HAMILTON, INDIANA GUS YATRON, PENNSYLVANIA STEPHEN J. SOLARZ, NEW YORK DON BONKER, WASHINGTON
GERRY E. STUDDS, MASSACHUSETTS DAN MICA, FLORIDA MICHAEL D. BARNES, MARYLAND HOWARD WOLPE, MICHIGAN GEO. W. CROCKETT, Jr., MICHIGAN SAM GEJDENSON, CONNECTICUT MERVYN M. DYMALLY, CALIFORNIA TOM LANTOS, CALIFORNIA PETER H. KOSTMAYER, PENNSYLVANIA ROBERT G. TORRICELLI, NEW JERSEY LAWRENCE J. SMITH, FLORIDA HOWARD L. BERMAN, CALIFORNIA HARRY REID, NEVADA MEL LEVINE, CALIFORNIA EDWARD F. FEIGHAN, OHIO TED WEISS, NEW YORK GARY L. ACKERMAN, NEW YORK BUDDY MACKAY, FLORIDA MORRIS K. UDALL ARIZONA ROBERT GARCIA, NEW YORK

WILLIAM S. BROOMFIELD, MICHIGAN BENJAMIN A. GILMAN, NEW YORK ROBERT J. LAGOMARSINO, CALIFORNIA JIM LEACH, IOWA TOBY ROTH, WISCONSIN OLYMPIA J. SNOWE, MAINE HENRY J. HYDE, ILLINOIS GERALD B.H. SOLOMON, NEW YORK DOUG BEREUTER, NEBRASKA MARK D. SILJANDER MICHIGAN MARK D. SILJANDER, MICHIGAR ED ZSCHAU, CALIFORNIA ROBERT K. DORNAN, CALIFORNIA CHRISTOPHER H. SMITH, NEW JERSEY CONNIE MACK FLORIDA MICHAEL DEWINE, OH JOHN McCAIN, ARIZONA

Congress of the United States

Committee on Foreign Affairs

House of Representatives Washington, DC 20515

November 26, 1986

JOHN J. BRADY, JR. CHIEF OF STAFF

The President The Wnite House Washington, D.C. 20500

Dear Mr. President:

As you know, the Committee has scheduled a series of hearings for the week of December 8, 1986, to review the activities of the United States Covernment and its personnel relating to the Iran initiative; the policies of the U.S. towards the Middle East, Central America, and terrorism; and various related foreign policy issues.

In order for the Committee to discharge its responsibilities effectively, it is essential that the Committee receive testimony from Admiral John M. Poindexter and Lt. Colonel Oliver North. The following date and time for this hearing has been discussed with the White House staff: Tuesday, December 9, 1986 at 10:00 a.m.

Thank you for your cooperation in this matter.

With best wishes, we are

Sincerely yours,

Broomf (eld

Ranking Minority Member

DBF: WSB: RKB; baf

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KEYWORDS: IRAN

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THE WHITE HOUSE

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November 24, 1986

MEMORANDUM FOR ANNE HIGGINS

FROM:

PAT BUCHANAN

Your idea of drafting brief, personal, individualized responses to editorials and columns supporting the President's Iran initiative is an excellent one. Can you get your folks to do up some, and then send them by me for review?

Thanks.

cc: Sue Richard

MEMORANDUM TO ANNE HIGGINS

From Pat Buchanan

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THE WHITE HOUSE

WASHINGTON

No <u>CO011</u> FE010-01

December 1, 1986 F6006-20

F6006-12

MEMORANDUM FOR PETER J. WALLISON

Counsel to the President

FROM:

PAUL B. THOMPSON

SUBJECT:

IOB Request for Documents

Back to

The President's Intelligence Oversight Board has requested certain documents currently located in Room 302 OEOB, as part of the DOJ investigation.

Pursuant to our rules of procedure, your consent is requested to allow access to the material in Room 302 in order to make and remove copies of the following documents:

Chronology of Iranian events, dated 11/20/86

DCI testimony of 11/21/86

Counsel to the President

Concur/Nonconcur

FBI Representative

Concur/Nonconcur

Attachment

IOB Request of Nov 26, 1986

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THE WHITE HOUSE

PRESIDENT'S INTELLIGENCE OVERSIGHT BOARD

26 November 1986

FOR:

COMMANDER PAUL THOMPSON

GENERAL COUNSEL

NATIONAL SECURITY COUNCIL

FROM:

BRETTON G. SCIARONI 865

COUNSEL

SUBJECT:

Inquiry Regarding U.S. Intelligence Activities

in Iran and Related Matters

As you know, Executive Order 12334 empowers the President's Intelligence Oversight Board to investigate intelligence activities that the Board believes may be in violation of the Constitution or laws of the United States, Executive Orders or Presidential Directives. Currently, there are numerous allegations regarding illegalities and improprieties with regard to covert U.S. intelligence activities involving the shipment of U.S. arms to Iran. Accordingly, pursuant to our mandate, the Board has asked me to initiate an investigation into the above referenced matters. The purpose of this letter is to inform you of this decision. I would appreciate your full cooperation in this endeavor.

As an initial step in this investigation, it would be useful to examine the testimony offered last week by Admiral Poindexter to the Congressional committees. In addition, I understand that there is a detailed 12 page chronology of events. I would like to have these documents made available to me at the earliest possible time.

Copies to:

The Honorable Edwin Meese, The Attorney General

Alton Keel, Acting National Security Adviser

Dr. W. Glenn Campbell, Chairman, President's Intelligence

Oversight Board

Charles Tyroler, II, Member, President's Intelligence

Oversight Board

Charles J. Meyers, Esq., Member, President's Intelligence

Oversight Board

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SUBJECT: PRES INTEL ADVISORY BOARD / PIOB / REQUEST FOR DOCUMENTS RE IRAN

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During the past week, at the President's direction.

Administration officials from several agencies with national coolsecurity and foreign policy responsibilities worked with the staff of the Senate Select Committee on Intelligence to make possible the release of a full declassified staff report of the Committee's findings on the Iran arms sales matter.

A declassified version of the staff report—over 150 pages long—was developed in this process, and we believe it is ready for release to the public.

Even though the Comittee's report is preliminary—and had to be prepared without the benefit of testimony by Vice Admiral Poindexter and Lt. Col. North—it is the most complete account thus far of how the President's policy concerning Iran was carried out, and the most complete compilation of the available facts concerning the alleged diversion of funds to the anti-Sandinista forces in Nicaragua.

The Committee will consider whether to release the staff report at a meeting late this afternoon, and the President once again urges the Committee to make the full declassified report public immediately. The Administration cooperated fully with the Committee during its three week investigation, fulfilling the President's desire that all the facts concerning this matter be made available to the American people as promptly as possible, and the Committee's staff report is a long step in this direction.

No

Iran / Contra matter

UNCLASSIFIED WITH TOP SECRET ATTACHMENT

HE WHITE HOUSE

WASHINGTON

January 3, 1987

MEMORANDUM FOR THE PRESIDENT

FROM:

PETER J. WALLISON

COUNSEL TO THE PRE

SUBJECT:

Attached Materials on Iran/Contra Matter

Attached are (i) a memorandum on the report that the Senate Select Committee on Intelligence is preparing for possible public release next week (Tab A) and (ii) a proposed statement for your consideration, responding to release of the report (Tab B).

UNCLASSIFIED WITH TOP SECRET ATTACHMENT

Jan 3 89 Memo for the President

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PETER WALLISON TO THE PRESIDENT, RE: IRAN: STAFF REPORT OF THE SENATE SELECT COMMITTEE ON INTELLIGENCE

The above documents were not referred for declassification review at time of processing Freedom of Information Act - [5 U.S.C. 552(b)]

B-1 National security classified information [(b)(1) of the FOIA]

B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]

B-3 Release would violate a Federal statute [(b)(3) of the FOIA]

B-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]

B-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]

B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]

B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]

B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

STATEMENT BY THE PRESIDENT

I am pleased that the Senate Select Committee on Intelligence has released a staff report of its findings thus far on the Iran arms sales matter and the alleged transfer of funds to the Anti-Sandanista forces in Nicaragua.

The importance of the Committee's report is that it meets my principal objective since our Iran initiative was disclosed -- making available to the American people the most comprehensive statement of the facts concerning this matter that can be compiled. For that reason, members of my Administration worked with the Committee's staff last week to assure that a full and complete report of the Committee's findings could be released in declassified form.

Although the report criticizes the implementation of the overall policy I approved with respect to Iran, a full detailing of the facts, however, will not be known until the publication of reports by investigative bodies that will have had the benefit of testimony by Vice Admiral John Poindexter and Lt. Col. Oliver North, the principal participants in the implementation of the policy with respect to Iran.

I have not yet had an opportunity to review the report in detail; when I have done so, I and the members of my Administration will try to provide additional facts to fill out those areas where the Committee was unable to draw conclusions. As I have said on numerous occasions, I will continue to do everything possible to get to the bottom of this matter so the American people can have all of the facts.

THE WHITE HOUSE

WASHINGTON

January 17, 1986

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ACTION

MEMORANDUM FOR THE PRESIDENT

FROM:

JOHN M. POINDEXTER

SUBJECT:

Covert Action Finding Regarding Iran

Prime Minister Peres of Israel secretly dispatched his special advisor on terrorism with instructions to propose a plan by which Israel, with limited assistance from the U.S., can create conditions to help bring about a more moderate government in Iran. The Israelis are very concerned that Iran's deteriorating position in the war with Iraq, the potential for further radicalization in Iran, and the possibility of enhanced Soviet influence in the Gulf all pose significant threats to the security of Israel. They believe it is essential that they act to at least preserve a balance of power in the region.

The Israeli plan is premised on the assumption that moderate elements in Iran can come to power if these factions demonstrate their credibility in defending Iran against Iraq and in deterring Soviet intervention. To achieve the strategic goal of a more moderate Iranian government, the Israelis are prepared to unilaterally commence selling military materiel to Western-oriented Iranian factions. It is their belief that by so doing they can achieve a heretofore unobtainable penetration of the Iranian governing hierarchy. The Israelis are convinced that the Iranians are so desperate for military material, expertise and intelligence that the provision of these resources will result in favorable long-term changes in personnel and attitudes within the Iranian government. Further, once the exchange relationship has commenced, a dependency would be established on those who are providing the requisite resources, thus allowing the provider(s) to coercively influence near-term events. Such an outcome is consistent with our policy objectives and would present significant advantages for U.S. national interests. As described by the Prime Minister's emissary, the only requirement the Israelis have is an assurance that they will be allowed to purchase U.S. replenishments for the stocks that they sell to Iran. We have researched the legal problems of Israel's selling U.S. manufactured arms to Iran. Because of the requirement in U.S. law for recipients of U.S. arms to notify the U.S. government of transfers to third countries, I do not recommend that you agree with the specific details of the Israeli plan. However, there is another possibility. Some time ago Attorney

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General William French Smith determined that under an appropriate finding you could authorize the CIA to sell arms to countries outside of the provisions of the laws and reporting requirements for foreign military sales. The objectives of the Israeli plan could be met if the CIA, using an authorized agent as necessary, purchased arms from the Department of Defense under the Economy Act and then transferred them to Iran directly after receiving appropriate payment from Iran.

The Covert Action Finding attached at Tab A provides the latitude for the transactions indicated above to proceed. The Iranians have indicated an immediate requirement for 4,000 basic TOW weapons for use in the launchers they already hold.

The Israeli's are also sensitive to a strong U.S. desire to free our Beirut hostages and have insisted that the Iranians demonstrate both influence and good intent by an early release of the five Americans. Both sides have agreed that the hostages will be immediately released upon commencement of this action. Prime Minister Peres had his emissary pointedly note that they well understand our position on not making concessions to terrorists. They also point out, however, that terrorist groups, movements, and organizations are significantly easier to influence through governments than they are by direct approach. In that we have been unable to exercise any suasion over Hizballah during the course of nearly two years of kidnappings, this approach through the government of Iran may well be our only way to achieve the release of the Americans held in Beirut. It must again be noted that since this dialogue with the Iranians began in September, Reverend Weir has been released and there have been no Shia terrorist attacks against American or Israeli persons, property, or interests.

Therefore it is proposed that Israel make the necessary arrangements for the sale of 4000 TOW weapons to Iran. Sufficient funds to cover the sale would be transferred to an agent of the CIA. The CIA would then purchase the weapons from the Department of Defense and deliver the weapons to Iran through the agent. If all of the hostages are not released after the first shipment of 1000 weapons, further transfers would cease.

On the other hand, since hostage release is in some respects a byproduct of a larger effort to develop ties to potentially moderate forces in Iran, you may wish to redirect such transfers to other groups within the government at a later time.

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The Israelis have asked for our urgent response to this proposal so that they can plan accordingly. They note that conditions inside both Iran and Lebanon are highly volatile. The Israelis are cognizant that this entire operation will be terminated if the Iranians abandon their goal of moderating their government or allow further acts of terrorism. You have discussed the general outlines of the Israeli plan with Secretaries Shultz and Weinberger, Attorney General Meese and Director Casey. The Secretaries do not recommend you proceed with this plan. Attorney General Meese and Director Casey believe the short-term and long-term objectives of the plan warrant the policy risks involved and recommend you approve the attached Finding. Because of the extreme sensitivity of this project, it is recommended that you exercise your statutory prerogative to withhold notification of the Finding to the Congressional oversight committees until such time that you deem it to be appropriate.

Recommendation

K NO

That you sign the attached Finding.

Prepared by: Oliver L. North

Attachment
Tab A - Covert Action Finding

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Finding Pursuant to Section 662 of
The Foreign Assistance Act of 1961
As Amended, Concerning Operations
Undertaken by the Central Intelligence
Agency in Foreign Countries, Other Than
Those Intended Solely for the Purpose
of Intelligence Collection

I hereby find that the following operation in a foreign country (including all support necessary to such operation) is important to the national security of the United States, and due to its extreme sensitivity and security risks, I determine it is essential to limit prior notice, and direct the Director of Central Intelligence to refrain from reporting this Finding to the Congress as provided in Section 501 of the National Security Act of 1947, as amended, until I otherwise direct.

SCOPE

DESCRIPTION

Iran

Assist selected friendly foreign liaison services, third countries and third parties which have established relationships with Iranian elements, groups, and individuals sympathetic to U.S. Government interests and which do not conduct or support terrorist actions directed against U.S. persons, property or interests, for the purpose of: (1) establishing a more moderate government in Iran, (2) obtaining from them significant intelligence not otherwise obtainable, to determine the current Iranian Government's intentions with respect to its neighbors and with respect to terrorist acts, and (3) furthering the release of the American hostages held in Beirut and preventing additional terrorist acts by these groups. Provide funds, intelligence, counter-intelligence, training, guidance and communications and other necessary assistance to these elements, groups, individuals, liaison services and third countries in support of these activities.

The USG will act to facilitate efforts by third parties and third countries to establish contact with moderate elements within and outside the Government of Iran by providing these elements with arms, equipment and related materiel in order to enhance the credibility of these elements in their effort to achieve a more pro-U.S. government in Iran by demonstrating their ability to obtain requisite resources to defend their country against Iraq and intervention by the Soviet Union. This support will be discontinued if the U.S. Government learns that these elements have abandoned their goals of moderating their government and appropriated the materiel for purposes other than that provided by this Finding.

House

1, D.C.

The White House Washington, D.C. Date January 17, 1986 THE WHITE HOUSE

WASHINGTON

January 17, 1986

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ACTION

MEMORANDUM FOR THE PRESIDENT

FROM:

JOHN M. POINDEXTER

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Recommendation

OK NO

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Prepared by: Oliver L. North

Attachment
Tab A - Covert Action Finding

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The White House Washington, D.C. Date January 17, 1986