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WITHDRAWAL SHEET

Ronald Reagan Library

Collection Name CULVAHOUSE, ARTHUR B.:FILES

Withdrawer

DLB 2/18/2014

File Folder IRAN/ARMS TRANSACTION: MICHAEL LEDEEN -
TOWER COMMISSION INTERVIEW

FOIA

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Box Number CFOA 1129

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ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
164211	TRANSCRIPT	PRESIDENT'S SPECIAL REVIEW BOARD INTERVIEW OF MICHAEL A. LEDEEN	2	1/9/1987	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]
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- 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.

THE WHITE HOUSE

WASHINGTON

June 2, 1988

MEMORANDUM FOR ROBERT H. TUTTLE
ASSISTANT TO THE PRESIDENT
FOR PRESIDENTIAL PERSONNEL

FROM: ARTHUR B. CULVAHOUSE, JR. 
COUNSEL TO THE PRESIDENT

SUBJECT: Michael Ledeen

When you return from Paris, I am prepared to discuss Michael Ledeen with you. Pursuant to our earlier discussion, I had a summary prepared of matters relating to Ledeen which appear in our Iran/Contra files.

THE WHITE HOUSE

WASHINGTON

June 2, 1988

MEMORANDUM FOR ARTHUR B. CULVAHOUSE, JR.

FROM: PAULA E. BOGGS *PEB*

SUBJECT: Michael Ledeen

You have asked that I review Task Force information pertaining to Michael Ledeen and report my findings. As you know, Mr. Ledeen is closely associated with the early stages of the Iran initiative. In fact, as concluded by both the Tower Commission and the Congressional Select Committees, Mr. Ledeen was an important catalyst for the Iran initiative throughout 1985. Most Task Force documents concerning Mr. Ledeen relate to the 1985 period and his role in encouraging Robert McFarlane for whom he worked as an NSC consultant from November 1984 through December 1985, to seek close ties with Iran through Israel more actively.

The most controversial aspects of Mr. Ledeen's role in the Iran initiative are his close relationship with Manucher Ghorbanifar, Oliver North's voiced suspicion that Mr. Ledeen may have profited from the November 1985 HAWK shipment along with Messrs. Ghorbanifar, Nimrodi and Schwimmer and that Mr. Ledeen had access to one Swiss bank account number perhaps associated with Mr. North's "off-the-shelf" operations.

Messrs. Ledeen and Ghorbanifar were closely linked from the beginning stages of the Iran initiative. The two first met in Tel Aviv, in April 1985 while Mr. Ledeen was there to meet with Prime Minister Peres, and met again several times throughout 1985. In fact, Task Force documents reflect that Mr. Ledeen was still in contact with Mr. Ghorbanifar as late as May 22, 1986. During 1985, Mr. Ledeen was one of Mr. Ghorbanifar's most vociferous supporters while others, most notably CIA personnel, doubted his veracity and his claimed access to high-ranking Iranian officials. Indeed, it was Mr. Ledeen who informed Mr. Ghorbanifar he must submit to a CIA-administered polygraph. Mr. Ledeen also requested that the CIA inform him of the polygraph results. In his body of testimony before the Tower Commission and Congressional Committees, Mr. Ledeen has spoken consistently of Mr. Ghorbanifar with approval.

As for whether Mr. Ledeen ever profited financially from the Iran initiative, Mr. Ledeen himself "flatly" denies recovering any commissions in connection with arms transfer to Iran. Moreover, neither the Tower Commission nor the Congressional Select Committees found any evidence of profit on the part of Mr. Ledeen. However, there is a series of PROFS notes from Oliver

North to John Poindexter, dated January 14 through January 24, 1986, in which Mr. North suggests that Mr. Ledeen, along with Messrs. Ghorbanifar, Schwimmer and Nimrodi, may have profited from the November 1985 shipment of HAWKS to Iran.

Mr. Ledeen told the Tower Commission that he had access to one Swiss bank account number. According to Mr. Ledeen, after an October 1985 meeting with a "high Iranian official", he advised Mr. Schwimmer that in order to maintain contact with this official or "persons like him", an expense account should be established. Mr. Ledeen stated that Mr. Schwimmer agreed and shortly thereafter an account at Credit Suisse was opened. Mr. Ledeen maintains he "had no privileges on it" nor could he sign for it. However, Mr. Ledeen had the account number and shared it with Mr. North. Mr. Ledeen told the Tower Commission that he knew of no money ever going into this account. Nevertheless, after the Iran initiative became public, including newspaper reports that Mr. North had inherited a structure of bank accounts through which money could flow, Mr. Ledeen said he recalled the creation of this particular account.

Apart from the Iran initiative, though we do not have related evidence in our files, author Peter Maas alleged in his book Manhunt that in late 1982, Mr. Ledeen visited Assistant U.S. Attorney Lawrence Barcella, who prosecuted Edwin P. Wilson, to argue that Theodore Shackley should not be prosecuted for connections with Egyptian American Transport and Service Corporation [EATSCO] (a company set up by Thomas Clines to collect shipping commissions from the post-Camp David sales to Egypt and also closely associated with Messrs. Shackley, Wilson and Secord). According to Mr. Maas, Mr. Ledeen told Mr. Barcella that any questionable billing practices of EATSCO might have involved a covert operation.

From the transcript of Mr. Ledeen's interview before the Tower Commission, we know that Mr. Ledeen worked for Secretary of State Alexander Haig during this time frame. Mr. Ledeen served as a special advisor to Secretary Haig from Spring 1981 until early Fall, 1987 and told the Tower Commission that one of his basic assignments for Secretary Haig was to deal with "Socialist International". In particular, Mr. Ledeen says he met and interacted with leaders of western Socialist parties who were out of power. In this capacity, he visited and came to know Maurice Soares and Shimon Peres before he became the Prime Minister of Portugal and Israel respectively.

Mr. Ledeen also had extensive contact with the Italian government and with former Italian Prime Minister Craxi. In Fall of 1980, before working for Secretary Haig, Mr. Ledeen performed consulting work for the Italian Government in counterterrorism and risk assessment. While working for Secretary Haig, Mr. Ledeen had contact with Mr. Craxi as leader of the then-opposition Socialist Party in Italy.

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without authority of the Counsel to the President

Based on this relationship, Mr. Ledeen was able to play a critical role in the Achille Lauro rescue operation. According to Mr. Ledeen, Mr. North called him at home on the evening of October 9, 1985, seeking assistance in obtaining Prime Minister Craxi's approval in allowing U.S. Military forces to force the aircraft transporting the Achille Lauro terrorists to land at the U.S. airbase in Sigonella, Italy. Upon procuring the Prime Minister's approval, Mr. Ledeen proceeded to the White House Situation Room where he served as a translator between Attorney General Meese and Italy's Justice Minister and between President Reagan and Prime Minister Craxi.

Mr. Ledeen appeared before the Tower Commission twice and was deposed by the Congressional Select Committees on three occasions. He will most likely be called as a witness in U.S. v. Poindexter.

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NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

December 1, 1987

MEMORANDUM FOR THE FILES

FROM: NICHOLAS ROSTOW *N.R.*
DEAN McGRATH *Waxh.*

SUBJECT: Meeting with Michael Ledeen, November 27, 1987

Michael Ledeen came by about 11:00 a.m. on Friday, November 27, to discuss the Tower Board Report. In a telephone conversation prior to the meeting, Ledeen told Rostow that he wanted to discuss the Tower Board.

Mr. Ledeen began by asking what security clearances were held by the staff of the Tower Board, and how long it took for the staff to be cleared. He remarked that members of Judge Walsh's staff were cleared extremely quickly, while some members of the congressional staffs were cleared more slowly. He said that one of his interests was the different rates at which people received security clearances. Rostow told him that he had had current security clearances from the State Department, and that security clearances were a consideration in staffing decisions. Rostow would not comment further on the subject except to note that all staff had appropriate clearances and were denied access to information until security clearances were at the appropriate level.

Ledeen asked whether Rostow had accompanied the Board on its trip to Paris to interview Ghorbanifar. Rostow said that he had not accompanied the Board. Ledeen said he understood that the Board's evaluation of Ghorbanifar had changed between the Board's meeting in Paris and the writing of the Report. Ledeen asked whether Rostow could explain the change in the Board's view. Rostow declined to comment. Ledeen said that Ghorbanifar's financial documents, copies of which Ledeen had, did not correspond to the financial account in the Report. Ledeen specifically wanted to know the basis for the Board's conclusions and why certain information was included. Rostow responded that he had drafted Appendix B and that the Report merely set forth conflicting evidence and allowed the reader to decide what to believe.

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Ledeen then asked about information that had been excluded from the Tower Report. We responded that the Report had gone through a declassification review process, whereby representatives from interested agencies had removed classified information. Ledeen then asked about the qualifications of the agency representatives. He was concerned that too much sensitive information had been disclosed, particularly the names of people with whom he had dealt. He was specifically concerned about the qualifications, experience, and positions of CIA personnel involved. He said that the names of persons he had introduced to the CIA had been disclosed in the report and that these persons had disappeared. We declined to provide him with names of the CIA personnel involved. We explained that each agency was responsible for providing a member of the declassification group, and that it was not the Tower Board's responsibility to review qualifications of members of that group. Rostow suggested that Ledeen speak directly to the CIA.

Ledeen asked why unsubstantiated "gossip" about him was included in the Report. Rostow responded that the Board had set forth the evidence, such as it was, that had been provided to it. This information included data provided by North for which there was no independent confirmation. Ledeen said much of that information was inaccurate. Ledeen asked whether anyone had suggested deleting from the Report information about himself for which there was no independent confirmation, and whether similar "gossip" about other people was deleted. Rostow noted that the Board had indicated with respect to certain information about Ledeen that it had received no independent confirmation, that the Board had said so in the Report, and that the answer to Ledeen's question was no. Ledeen contrasted his experience with the Board with his interview with Walsh's staff. Ledeen stated that he had refused to provide Walsh with information about his Iranian contacts. He lamented his experience with congressional contacts where information he provided was not protected.

Finally, Ledeen asked McGrath whether a claim of executive privilege had been discussed. McGrath declined to discuss whether this matter had been discussed. Ledeen also asked whether sensitive information had been withheld. McGrath responded that certain information had been withheld and referred Ledeen to the congressional Report. Ledeen asked whether information had been withheld since the beginning of the investigations. McGrath responded that certain information had been protected from the outset. Ledeen said a few weeks after the investigation began and he had been subpoenaed by

SENSITIVE

3

Intelligence Committee, he had asked Peter Wallison whether there were questions to which he should not respond. Wallison told him that his instructions were that everyone should cooperate fully with the investigations. McGrath interjected that it had been the President's position from the outset that everyone should cooperate fully.

Ledeed indicated he was writing a book on the whole matter, including the investigations, and asked if we had suggestions for others he could talk to. He indicated he would talk to Rhett Dawson, John Tower, and Brent Scowcroft. Rostow suggested that he speak to Edmund S. Muskie and Clark McFadden. Rostow suggested that he might wish to speak to General Odom. Ledeen said that he had already spoken to him.

cc: Paul Schott Stevens
Arthur B. Culvahouse, Jr.
Rhett Dawson

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