

Where George Was

What North's Diaries Tell Us About Bush's Iran-Contra Role

(Post 6/10/90)

By Tom Blanton

THE MOST enduring puzzle from the Iran-contra affair remains, "Where was George?" Then-Vice President George Bush had served as ambassador to China, director of the CIA and head of the Reagan administration's task force on combating terrorism—altogether as much foreign policy experience as anyone in the Reagan Cabinet and, indeed, more than most. From 1983 to 1986, the Reagan administration's inner circle had debated two high-stakes issues at the heart of the scandal—keeping the Nicaraguan contras supplied after Congress cut off aid, and selling arms to Iran in exchange for hostages. None of the official investigations of Iran-contra implicated Bush in any wrongdoings, but neither did they come to any firm conclusion regarding his precise role in the affair, leaving the field to Bush's claim that he felt he had been "out of the loop"—which he defined as having "no operational role."

But new material from Oliver North's diaries—released last month as the result of a Freedom of Information Act lawsuit by the National Security Archive and Public Citizen—combines with previous evidence to paint a different picture of Bush's role. North's detailed and often cryptic notations—names, meetings, phone calls, action lists—fill in many gaps in the official record and provide added context to thousands of pages of previously declassified documents.

The diaries provide additional evidence that Bush played a major role in Iran-contra from the beginning: He passed up repeated opportunities to cut the transactions short or at least make President Reagan think twice. National security advisers Robert McFarlane and John Poindexter and their busy aide Oliver North went to Bush over and over, and every time, Bush—ever the passive vice president—watched the deal go forward without objection. While the secretaries of state and defense were both cut out of the arms-for-hostages deals after objecting to it, Bush attended al-

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RICHARD THOMPSON FOR THE WASHINGTON POST

most every key meeting. And in the summer of 1986, at a time when the arms-for-hostages deals were collapsing of their own failures, a Bush meeting with a key Israeli official in Jerusalem seems to have provided the official blessing Oliver North needed to keep dealing. On the day he returned from Israel, Bush met with North—a meeting never acknowledged until the diaries were released last month.

And there may be more in store, especially on Bush's relationship to the administration's "off-the-books" effort to supply the contras. Poindexter is to be sentenced tomorrow on five Iran-contra felony counts, and a grand jury reportedly is investigating statements

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BUSH, From C1

made under oath by other high officials, including Donald P. Gregg, Bush's national security aide at the time of Iran-contra and now ambassador to South Korea.

Bush's story has been that he supported Reagan's 1985 initiative to open a channel to Iranian moderates by selling them arms, that he knew of administration efforts to free American hostages, but that he did not know they were connected until December 1986—after the scandal broke publicly:

■ "I wish with clairvoyant hindsight that I had known that we were trading arms for hostages," Bush told CBS News in March 1987. "I would have weighed in more heavily with the president."

■ "If I had known that and asked the president to call a meeting of the NSC, he might have seen the project in a different light, as a gamble doomed to fail," he wrote in his 1987 autobiography.

■ "I sensed that we were sending arms. And I sensed that we were trying to get hostages out. But not arms for hostages," he told a 1988 news conference.

■ "It never became clear to me, the whole arms for hostages thing, until it was fully debriefed, investigated and debriefed by [the Senate Intelligence Committee on Dec. 20, 1986]," he told ABC's Ted Koppel in 1988.

In recent months, all questions about Bush's role in the arms-for-hostages deals, the diversion of arms profits to the contras and solicitations of additional contra aid from other countries have been met with a stock response from presidential spokesman Marlin Fitzwater: "The vice president's role in the Iran-contra affair was completely examined in the congressional inquiry, and we have nothing to add."

None of the various official investigations—the Tower Commission appointed by Reagan, the congressional Iran-contra committees, the independent counsel—focused on George Bush, apparently because he rarely spoke up in policy debates.

The Tower report placed Bush at more than a dozen key meetings or briefings on the arms-for-hostages deals but noted only one position ever taken by Bush—his concern that "the interests of the United States were in the grip

of the Israelis." In the end, the Tower interpretation reserved all its slings and arrows for former White House chief of staff Donald Regan, along with McFarlane, Poindexter and North.

The congressional Iran-contra committees asked only whether Reagan knew; and when Poindexter said "the buck stopped with me," the investigation stopped with him too. Sen. Daniel Inouye (D-Hawaii) explained to a Boston audience in 1988 that the committees cared only about Reagan's knowledge of the diversion. If Reagan knew, the committees would have moved quickly to an impeachment resolution; if Reagan didn't know, Inouye said, they would cut the investigation short so as not to weaken the presidency.

It wasn't until a month after issuing their final report that the congressional committees released "the first evidence (albeit hearsay) the committees have found concerning the vice president's position on the Iran initiative." This evidence consisted of a February 1986 electronic mail note from Poindexter to his predecessor, McFarlane, about the arms-for-hostages trade, saying "... most importantly, President and VP are solid in taking the position that we have to try." Congress asked no further questions.

But the Poindexter note is no longer an isolated piece of evidence that Bush was a consistent backer of the arms-for-hostages deals. The new North notebooks, trial and congressional records and other declassified documents now make it clear that Bush participated in the deliberations over the arms-for-hostage deals from the very beginning.

The first key meeting occurred on Aug. 6, 1985. According to White House logs, Reagan, Bush, Secretary of State George Shultz, Secretary of Defense Caspar Weinberger and White House Chief of Staff Donald Regan heard McFarlane present the first deal—an Israeli-brokered swap of 100 TOW anti-tank missiles to Iran in return for the release of four American hostages in Lebanon. Weinberger and Shultz objected, and Shultz called the deal a "very bad idea . . . just falling into the arms-for-hostages business . . ." Although the ultimate decision was never documented on paper, Reagan apparently authorized the deal several days later in a phone conversation with McFarlane. The 96 Israeli TOWs went to Iran later in August but no hostages came out. Then 408 more

TOWs went in September, and one hostage, the Rev. Benjamin Weir, was released.

Neither the Tower Commission nor the congressional committees elicited from any of the participants in the Aug. 6 meeting any memory of Bush's position on the issue. Bush's staff has said he was not present, citing their own records in conflict with the White House logs. Bush, as noted, insists that he did not learn of the arms-for-hostages deal until December 1986, or 16 months later after that meeting. And he has gone largely unchallenged.

But Bush seemed to tell a different tale to families of the remaining American hostages in Lebanon the following Sept. 20. According to authors Jane Mayer and Doyle McManus, the families were irate that Reagan would not meet with them and that Benjamin Weir came out alone. Bush, delegated to calm them down, finally pointed at Weir and responded, "We are responsible for getting him out, I don't care what you think."

Bush knew enough to claim credit for Weir's release because of the president's daily 9:30 a.m. national security briefing by McFarlane—a briefing also attended by Don Regan and, when he was in town, Bush. Working from notes of these briefings (most likely made by Regan), Bob Woodward and Walter Pincus of *The Washington Post* concluded in a Jan. 7, 1988, story that Bush had been briefed as many as three dozen times on the arms-for-hostages deals, twice during the September 1985 period of Weir's release. At Thanksgiving that year, Bush sent North one of his ubiquitous thank-you notes, expressing appreciation for "your dedication and tireless work with the hostage thing and with Central America . . . Get some turkey."

The next turning point came early in 1986—11 months before Bush says he knew of the arms-for-hostages deals. The Weir deal had set the pattern: An original understanding of four hostages for 100 TOW missiles turned into one hostage for more than 500 missiles. A November 1985 shipment of Hawk anti-aircraft missiles went even further off course when the Iranians rejected the missiles as obsolete and labeled with Israeli markings. After McFarlane was succeeded by Poindexter in late 1985, Shultz and Weinberger renewed their attack on the arms deals. But instead of canceling the Iran initiative, Reagan—with Bush at his side in three critical meetings—just couldn't say no. The Israeli brokers would be replaced by an American, Richard Secord, but the deals would go on.

The key events took place in January 1986. Oliver North recorded in his notebook a series

of meetings and phone calls on Jan. 6 and 7 with Israeli operative Amiram Nir, working out the new, more direct arrangements. On Jan. 6, according to the Tower report, Poindexter briefed Reagan and Bush on a draft "finding" that would authorize direct U.S. arms sales to Iran. Reagan signed the document into official policy apparently without noticing it was only a draft—and neither Bush nor Poindexter nor Regan corrected him.

Jan. 7 began with a National Security Council meeting to debate the Iran initiative. The congressional committee report concluded that while others present did not object, Weinberger and Shultz continued to object to the arms-for-hostage trade. Bush has said he doesn't remember any such opposition, and an aide suggested to one reporter that perhaps Bush was out of the room at the time. Later that morning, according to North's diaries, Bush presented his task force report on combatting terrorism to an NSC sub-group. Bush's introduction to the report, in the published version, stated, "We will make no concessions to terrorists." That had been, and remains, official U.S. policy.

Jan. 17 clinched the concessions. By this time, the opponents of the arms deals were no longer consulted about the matter. The 9:30 a.m. national security briefing that day included only the president, Bush, Regan, Poindexter and NSC staffer Don Fortier. Poindexter secured Reagan's signature on a new finding, almost identical to the one he had signed by mistake on Jan. 6. The briefing memo, drafted by North, noted explicitly that "The Secretaries [of State and Defense] do not recommend you proceed with this plan," and that "If all the hostages are not released after the first shipment of 1000 weapons, further transfers would cease."

All the hostages were never released, but the deals kept coming. The next American hope for a breakthrough centered on an expedition to Tehran by McFarlane (now a private citizen), North and Nir in May 1986. Before the trip, Bush's only reservation apparently concerned timing—he didn't want his own visit to Saudi Arabia to overlap with McFarlane's to Iran. Afterward, on May 29, McFarlane reported total failure to the people who had approved his trip. According to North's notebooks, McFarlane's audience included Reagan, Bush, Regan and Poindexter. Frustrated and depressed by the fruitless talks in Tehran, McFarlane signaled what could have been the end of the arms deals, according to North's notebooks: "Catastrophic removal of leadership [in Iran] . . . No further meetings until hostages come out." Even McFarlane had given up on the initiative, but not

North and Poindexter, or more importantly, as it would turn out, Reagan and Bush.

Initially, the May 29 group agreed with McFarlane's all-or-nothing recommendation—that there should be no more deals unless all the hostages were freed. But North and Poindexter, urged on by the Israeli operative Nir, soon concluded the Iranians would never agree to release all the hostages—it would remove all their leverage. The only alternatives were to get out of the arms-for-hostages business altogether, or to deal in a sequence: First some weapons, then a hostage, followed by more weapons, then another hostage, etc.

The July release of the Rev. Lawrence Jenco gave Poindexter and North their opportunity to change administration policy from all or nothing to "sequencing." On July 1, 1986, North's diary noted an hour-long meeting with Bush and Rep. Bob Dornan (R-Calif.), just returned from Syria. North wrote that Syrian President "Assad said to tell press that 'there wd be good news soon.'" The next day, the Israeli operative Nir called North at 10:15 a.m. with the news that a hostage was to be released imminently; North's "Alert" list included "VP," along with "Shultz," "Weinberger," "Casey" and "Cong Dornan."

Later that month, as North and Nir waited in Europe for Jenco to arrive, they decided to alert Bush again. At the end of a long list of problems with the Iran deals, North's diary notes "VP trip to Israel" just above the entry, "The longer this goes on—the worse things will be." Political rivalries among the Iranians, the overcharging for weapons in order to use the profits to fund the contras, the constant logistical difficulties, the paranoia and secrecy

were hard enough. If Poindexter & Co. were to succeed in changing the official U.S. policy from all or nothing to sequencing, they needed as much official blessing as they could get.

Bush was in Israel, so North called his chief of staff, Craig Fuller, told him a little about the Iran initiative and asked for Bush to see Nir. (Fuller later told congressional investigators that Bush was "surprised" that North had told Fuller anything about such a highly classified program.) After personally calling North, Bush agreed to the briefing, held at 8:05 a.m. on July 29 in Bush's suite at the King David Hotel in Jerusalem. Fuller took detailed notes of Nir's presentation to Bush: Nir reviewed the history of the Iran initiative and said the arms deals were direct U.S. transfers to "the most radical elements" in Iran, with Israel providing logistical cover, in order to get the hostages released. Nir ended with the statement that "we have no real choice but to proceed" with the sequencing.

Bush raised no objection. He asked only two

questions during the briefing: whether Nir had attended the Tehran meetings in May and whether Nir had already briefed his boss, Prime Minister Shimon Peres, on the Jenco release (he had done both). Fuller wrote, "The VP made no commitments nor did he give any direction to Nir. The VP expressed his appreciation for the briefing and thanked Nir for having pursued this effort despite doubts and reservations throughout the process." This was five months before Bush says he learned that arms were traded for hostages.

Reagan seems to have had no more reservations about sequencing than Bush. After a July 30 presentation scripted by North and delivered by Poindexter, the NSC adviser noted simply, "President approved." Sequencing arms for hostages had now been blessed by its two indispensable patrons, the president and vice president. Neither expressed concern, then or later, about the slippery slope they now were on.

On Aug. 6, the day he returned from Israel, Bush met with North to give him Fuller's notes—a meeting never made public until the forced release of the North notebooks last month. The disclosure of that meeting in the newly public North notebooks created headlines because Aug. 6, 1986, was the same day that North lied to the House Intelligence Committee about his contra activities. White House sources told reporters that the Bush-North meeting wasn't about the contras but about the Iran arms deal—yet no reporter asked why Bush would be meeting with North on a matter in which Bush says he had no operational role. The Aug. 6 meeting was not acknowledged until the diaries were released, and Bush has never replied to a list of 36 questions about his meetings with North and others submitted by The Washington Post during the 1988 presidential campaign.

Perhaps the low point of the arms for hostages saga came on Oct. 3, 1986, when at North's behest and with Bush in attendance, Reagan autographed a Bible to be sent to the Iranian intermediaries. More weapons shipments had gone to Tehran, but the two ransomed Americans—Weir and Jenco—were simply replaced with new hostages, Joseph Cicippio and Frank Reed. Sequencing arms for hostages looked more and more like a perpetual-motion machine. While Reagan had been known to sign just about anything put in front of him, one wonders what George Bush was thinking as the president scrawled his name and a verse from Galatians to prove his "good faith" to the Iranians.

Accident and spiteful foreigners, as opposed to good sense and principled policymaking by Americans, finally intervened to break open the Iran-contra scandal. Only two days after the Bible signing, Sandinista troops in the southern jungles of Nicaragua shot a lumber-

ing supply plane out of the sky and captured an American named Eugene Hasenfus. A month later, a Lebanese newspaper printed news of the McFarlane trip in May, leaked by one of the dissatisfied factions in Tehran or perhaps by one of the disgruntled would-be middlemen. A Sandinista rocket and some loose Iranian lips had to come to the defense of the U.S. Constitution, because Ronald Reagan didn't know how to say no and George Bush didn't bother.

The Third-Country Conundrum

GORGE BUSH was one of many high officials who condoned or engaged in third-country fund-raising and "quid pro quo" arrangements designed to circumvent congressional restrictions on aid to the contras.

Ironically, Oliver North was the first to cut through Bush's bobbing and weaving on that question. North got busy pointing fingers as soon as jail time loomed. The core of his defense in his spring 1989 trial was that his off-the-books actions were authorized because all his higher-ups—including George Bush—were going off-the-books too. (The jury agreed and acquitted North on nine of the 12 charges, convicting him only of personal corruption, obstruction of justice and lying to Congress.)

During the North trial, documents that Congress hadn't seen, hadn't noticed or deliberately ignored now surfaced, providing new details of the off-the-books third-country arrangements which culminated in the arms-for-hostages, cash-to-the-contras deal. The notes of a key June 1984 meeting of top officials show Bush speaking up only once in 14 single-spaced pages, as the president, the CIA director, the secretaries of state and defense, the U.N. ambassador and the chairman of the Joint Chiefs, among oth-

From the Start, Bush Understood the Problem

ers, debate the propriety of asking third countries to help the contras once Congress cut off aid.

The word "impeachment" is bandied about, as officials refer to the constitutional restriction that only Congress is allowed to raise and spend funds. Bush's comment is: "The only problem that might come up is if the United States were to promise to give these third parties something in return so that some people might interpret this as some kind of an exchange."

Bush was absolutely right. The day after this meeting, Attorney General William French Smith told CIA Director William Casey that third-country solicitation was fine—as long as no U.S. dollars were involved, no quid pro quo (or "something in return," as Bush put it) was offered and Congress was informed. But none of these conditions were met, and no one at the meeting bothered to make sure they were.

Bush already knew—and Congress did not—that the Saudis had agreed at Robert McFarlane's request to donate to the con-

tras what ultimately totaled more than \$30 million. The North trial documents told the further story: Among other quid pro quos, the Reagan administration expedited aid to the Honduran generals, increased aid to Guatemala and established covert operations in support of the Costa Rican government—all in exchange for contra support and all without informing Congress.

The North trial documents showed that George Bush had personally announced one installment of the expedited aid to Honduras in a March 1985 trip to the region. That assertion elicited Bush's only substantive comment on Iran-contra since before the 1988 presidential election: "The word of the president of the United States is, there was no quid pro quo." Soon after this statement, however, researchers found further North trial exhibits that documented explicit quid pro quo memoranda on the Honduras trip, one initiated by President Reagan. In addition, a subsequent McFarlane memo apparently briefing Reagan for a visit by the Honduran president noted that "our security commitment" was regarded by the Hondurans "as the main quid pro quo for cooperating with the FDN" [the contras]. The Bush White House has had no further comment.

—Tom Blanton