

In Iran-Contra Inquiry, New Interest in Reagan Aides'

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WASHINGTON, July 11 — After five years of inquiry, prosecutors in the Iran-contra case have come full circle, returning to a central question of the scandal: did Ronald Reagan's top aides conspire to cover up the President's role?

Specifically, the prosecutors have re-examined the actions of Mr. Reagan's principal advisers, among them Edwin Meese 3d, Donald T. Regan and George P. Shultz. None of the three have been accused of any wrongdoing, and each has denied that he tried to conceal any aspect of the affair.

The final thrust of the inquiry by Lawrence E. Walsh, the Iran-contra independent prosecutor, concentrating on the activities of these and other senior officials, has emerged in sharper focus since the criminal indictment of Caspar W. Weinberger, Mr. Reagan's Defense Secretary, on June 16.

In the indictment, Mr. Weinberger was accused of perjury and improperly concealing notes that showed he misled Congress in his testimony at the 1987 Iran-contra hearings.

Three Crucial Meetings

Mr. Weinberger's notes, as described in the indictment, shed new light on the activities of other high-level Administration officials, including Mr. Meese, the Attorney General, Mr. Regan, Mr. Reagan's chief of staff, and Mr. Shultz, the Secretary of State, at three crucial White House meetings in November 1986.

At those meetings, which took place as the details of the arms for hostages scandal were spilling into public view, Administration officials frantically tried to plan a strategy to cope with the most severe crisis of the Reagan Presidency.

The indictment did not charge Mr. Weinberger with conspiracy. But lawyers who have long followed the case said that the usually detailed indictment suggests that prosecutors believe that Mr. Weinberger's activities were part of a broader pattern of concealment. Reagan aides appeared to have a possible motive in 1986 to cover up the President's role in the 1985 arms sales to Iran because of fears that the shipments were illegal.

Mr. Meese, Mr. Regan and Mr. Shultz were not the only senior officials to attend the 1986 meetings with Mr. Weinberger, but their roles were im-

**Prosecutors ask:
Was there a
cover-up?**

portant, both at the time and later.

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Actions

when their accounts of their activities at the Iran-contra hearings helped construct the still murky record of the 1985 arms sales.

Heroic, Protective, Brusque

Mr. Shultz emerged from the Congressional hearings as a kind of hero, who like Mr. Weinberger had opposed the arms sales from the start. Still, he was criticized by some lawmakers who said he had tried to distance himself from the affair.

Mr. Meese seemed to play a familiar role as Mr. Reagan's political protector, brought in soon after the events of the past year and a half were disclosed, to get a quick fix on the severity of the damage — or, as he described it during the hearings, "to resolve the conflicts and to get a coherent story on the Iranian initiative."

Mr. Regan came out of the affair as a brusque if sometimes out-of-touch chief of staff, who was nevertheless at Mr. Reagan's side for much of the affair.

Mr. Weinberger, the first of the high-ranking officials who attended the November 1986 meetings to be subjected to intensive scrutiny, faces a five-count felony indictment. It was brought after futile negotiations in which prosecutors offered to allow him to plead guilty to misdemeanor charges if he agreed to cooperate in the broader conspiracy inquiry.

Other participants in the meetings, like John M. Poindexter, Mr. Reagan's national security adviser, have already been tried on charges of misleading Congress. Mr. Poindexter was convicted in 1990, but the verdicts were overturned last year by an appeals court that ruled that his testimony at the Congressional hearings which had been given under a grant of immunity had been improperly used against him in the trial. Still others, like Oliver L. North, Mr. Poindexter's subordinate, did not take part in the meetings.

The President himself attended each session, but his public recollection of events has seemed faulty. Mr. Reagan provided three different accounts to the Presidential panel that reviewed the operation in early 1987. He initially said he approved the the 1985 shipments, then said he had not and finally said he could not remember. Mr. Reagan also provided a videotaped deposition for the Poindexter trial in which he appeared to be unable to recall many of the details of the affair, but said he had repeatedly told his subordinates never

to violate the law.

The role of George Bush, who as Vice President also attended the 1986 meetings, has remained obscure. He was interviewed by prosecutors but has never provided a full public account of his actions. His activities remain only dimly understood, and as a sitting President it is unlikely that his actions will be examined much further unless the prosecutor can demonstrate an overwhelming need for such scrutiny.

New Interviews

In recent months, prosecutors have re-interviewed dozens of witnesses, summoning some to testify to a grand jury. They have examined tens of thousands of documents and sifted through transcripts of thousands of hours of testimony over the years.

And lawyers who have closely followed the case say that prosecutors have pieced together a mosaic of circumstantial evidence that seems to indicate that senior Reagan Adminis-

tration officials may have improperly tried to conceal the President's actions for worry that the deals posed huge political and legal problems for him.

As Mr. Walsh, the independent counsel, put it when he submitted an interim report to Congress a week after the Weinberger indictment: "We are attempting to determine whether officials at the highest level of the government, acting individually or in concert, sought to obstruct official inquiries into the Iran initiative."

Mr. Walsh has spent years pursuing the cover-up, at the White House and elsewhere in the Government, notably the Central Intelligence Agency. Last

year, he seemed to be moving up the chain of command at the C.I.A., and prosecutors were hopeful that the inquiry at the intelligence agency would lead them back to the White House. But that line of investigation appeared stymied after prosecutors brought charges against two senior intelligence officials. Jury selection in the trial of one of them, Clair E. George, begins in Federal court in Washington on Monday.

In recent days Mr. Walsh appears to be weighing with caution the possibility of further prosecutions based on the current evidence, which still appears to lack what prosecutors have long

sought: a witness to pull together the myriad strands of suggestive, but still fragmentary, evidence into a clear picture of a cover-up.

Time is running out. Most of the top officials of the Administration, including Mr. Shultz, Mr. Regan and Mr. Meese, testified at the Congressional hearings at the end of July and early August of 1987. That means the five-year statute of limitations on any crimes arising from that testimony expires at the end of this month.

Former Reagan Administration officials and lawyers with clients under scrutiny deny that a conspiracy occurred. They suggest that Mr. Walsh is

trying to force the facts to fit an unsupported conspiracy theory in an effort to salvage an inquiry set back by the collapse of his two biggest cases, those against Mr. North and Mr. Poindexter.

Mr. Shultz and Mr. Meese declined to be interviewed for this article. A lawyer for Mr. Regan said he has no reason to believe that his client was of special interest to the prosecutors.

Much is already known about the events in question from previous investigations. These inquiries have concluded that Mr. Reagan, anxious about American hostages held in Lebanon by groups thought to be allies of Teheran, as aware of and did nothing to block his aides' plan in 1985 to send missiles to Iran through Israel in an attempt to win the hostages' release.

The secret arms transfers were at

odds with Mr. Reagan's policy of not dealing with Iran and an apparent violation of the arms embargo against Teheran. Moreover, lawyers at several agencies had concluded such sales also violated arms export control laws and were conducted without the necessary signed Presidential orders required for covert operations.

The arms shipments went directly to Iran after Mr. Reagan signed an order in January 1986 approving the secret operation involving the Pentagon and Central Intelligence Agency.

That November, when the affair began to unravel, officials like Mr. Meese were concerned about the legality of the 1985 arms sales. Sorting out who had known of the deals and who had approved them was the Administration's central preoccupation.