

Iran-Contra Grand Jury Holds Last Meeting

Walsh's Probe Still Unfinished; Weinberger Said to Remain a Subject

5/15/92
By George Lardner Jr.
Washington Post Staff Writer

The federal grand jury that has been sifting Iran-contra evidence for the past two years held its last meeting yesterday, but independent counsel Lawrence E. Walsh said his investigation is not yet over.

Walsh declined to elaborate, but sources said that former secretary of defense Caspar W. Weinberger remains a principal subject of the counsel's inquiry into the shipment of U.S. arms to Iran in the mid-1980s and the diversion to anti-communist rebels in Nicaragua of some profits from those sales.

Weinberger and former secretary of state George P. Shultz have been questioned at length in recent

months regarding their earlier testimony about the scandal. Handwritten notes and other records that have surfaced indicate the former Cabinet members had more knowledge of some aspects of the affair than they acknowledged at the time.

Lawyers for Weinberger spoke with Walsh's staff Wednesday and were reportedly urged to be more cooperative to help wind up the 5½-year inquiry, especially in connection with secret shipments of U.S.-made weapons to Iran by Israel in the late summer and fall of 1985. Walsh had been expected to make a decision about Weinberger's status before the grand jury went out of business yesterday, but as one source put it, he "decided not to decide," at least partly as a result of Wednesday's discussions.

Shultz has said he was notified early this year that he had become a subject of Walsh's investigation, and inquiries are still being posed to him through his lawyers. In addition, former top State Department aides to Shultz have been called before the grand jury. But sources said the prosecutor's interest in Shultz is not as intense as it is in Weinberger.

The 1985 arms shipments to Iran were especially sensitive subjects for the Reagan administration because the president had not formally authorized them. When first questioned about them by a con-

gressional committee, Shultz said he had found out about them informally and had been told that one was "rejected" by the Iranians. Weinberger testified that he had opposed the arms shipments when he heard them being discussed and that he was never told they had taken place.

Walsh's investigators subsequently discovered contemporaneous notes of various meetings compiled for Shultz by two top aides and other notes written by Weinberger. The records, sources said, raised questions about whether the two former secretaries knew more than their testimony suggested and whether the notes should have been produced earlier in response to subpoenas.

Walsh spent about 30 minutes with the grand jury at the U.S. courthouse here yesterday morning to thank them for their work. Spotted by reporters as he was leaving, he said it did not mean the investigation was over and added that, if the need arises, he can always take matters before a regular grand jury or seek appointment of a new special grand jury.

Asked about the status of his final report, he declined to predict when it would be ready. "It gets to be pretty frustrating," he said, explaining that his office keeps coming across records or pieces of information "that we should have had five years ago."