

Daggers Drawn in Reagan White House,

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The Reagan White House seethed with intrigue in the wake of disclosure of the Iran-contra affair, according to diaries and notes of top officials found late in independent counsel Lawrence E. Walsh's investigation and made public Tuesday in Walsh's final report.

George P. Shultz, then secretary of state, had told the House-Senate Iran-contra committees in the summer of 1987 that a "battle royal" was waged among top aides to get President Ronald Reagan to follow one course or another, but Walsh's final report disclosed who was trying to fire whom in late 1986 and what persons may have been trying to manipulate the record.

Shultz was attempting to persuade Reagan to fire John M. Poindexter, then national security adviser, for encouraging the whole arms-for-hostages project, while William J. Casey, then CIA director, was engaged in an effort to get rid of Shultz for disloyalty to the president. Further, George Bush, then vice president, tried to get rid of both Shultz and Donald T. Regan, then White House chief of staff, in a bid to contain the political damage resulting from the disclosure of the secret initiative.

Reagan's own diary entries, according to the Walsh report, showed the president had been told in 1985 of the plan to send arms to Iran in hopes of freeing U.S. hostages held in Lebanon. But when the shipments became public a year later, Reagan and his top aides attempted to cloud the issue of when the president knew of the deliveries and how much he was ever told.

Bush, according to entries from his diary disclosed by Walsh, played a much more active role in events than previously portrayed

by selective entries that Bush himself released one year ago.

On Nov. 15, 1986, Bush recorded in his diary that "Don Regan whispered to me that we're having real problems with Shultz. That Shultz was not on board at all." Bush said he would call Shultz the next day.

Two days earlier, Reagan had made his first public statement defending the Iran initiative while admitting that "small amounts of defensive weapons and spare parts" had been sent to the Tehran regime to forge a new relationship with that country. A side benefit, Reagan said, would be to gain release of American hostages. The president had emphasized no law was broken and that "we did not—repeat did not—trade weapons or anything else for hostages nor will we."

On Nov. 16, Bush recorded that he had talked to Shultz and reported to Regan that all Shultz wanted was for the State Department to regain control of policy toward Iran and assurances that no more arms shipments would occur. Bush told his diary: "Regan's point is that this makes the president look like he was 'wrong.'"

Later that same day, Shultz said on CBS's "Face the Nation" what he had told Bush privately. The next day, Nov. 17, the White House press office announced that control of Iran policy was in the hands of Shultz and arms sales to Iran had ended.

Behind the scenes, however,

that was not the case.

On Nov. 18, Bush recorded in his diary that "[former Tennessee senator] Howard Baker would be willing to be secretary of state, and that he wouldn't run from that post against me [in the 1988 presidential race]. We'd been told this once before a couple of years ago. I love Howard, but it does seem like the vultures are circling over George Shultz."

On Nov. 19, 1986, Bush noted in his diary that he and Reagan "talked about the need to get the Shultz resignation stories in shape. In fact, there was friction between State and the White house. Shultz feeling he was closed out. The White House feeling that Shultz was cutting and running . . . separating himself out."

The next day, Nov. 20, Bush again met with the president, who told him he "really had a shocker. Don Regan has just told me that George Shultz has told him that Poindexter has to go or he goes."

Bush noted in his diary, "It doesn't sound like George, this kind of ultimatum." The vice president went on to suggest a meeting the following Monday with all the key National Security Council members to "get them all to lay it on the table and to just simply say, 'We're going to hammer this thing out and what are you upset about, George? What are you upset about Poindexter?'"

Bush showed Reagan newspaper

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clippings indicating that "Poindexter, Don Regan and George are all out there with leaks and peddling their own line."

The next day, Nov. 21, Bush and Reagan met again. "I told the president, 'You simply cannot be held hostage,'" Bush wrote. "I love George Shultz. I want him to stay. It will hurt your short run. But no president can have a Cabinet [member] set the terms under which he will stay. It is impossible."

Someone else was also out to get Shultz. On Nov. 23, Casey wrote a letter to the president saying, "If we all stand together and speak out, I believe we can put this behind us quickly. . . . You need a

new pitcher [meaning secretary of state]! A leader instead of a bureaucrat." In that vein, he suggested Shultz be replaced with either Jeanne Kirkpatrick, then ambassador to the United Nations, or Paul Laxalt, former Republican senator from Nevada.

On Nov. 25, in another private session with the president, Bush told Reagan: "I really felt that Regan should go, Shultz should go, and that he ought to get this all behind him in the next couple of months."

As for what Reagan knew about the arms shipments and when he knew it, the president's diary, according to Walsh, shows for the first time that Reagan was aware

in midsummer 1985 of plans to deliver arms to Iran.

On July 17, 1985, Reagan wrote "strange sounds coming from some Iranians—[national security adviser] Bud M. [McFarlane] will be here tomorrow to talk about it—could be a breakthrough on 7 kidnap victims—evidently Iranian economy disintegrating fast under strains of war."

The next day, there was another cryptic entry: "2 members of the Iranian govt. want to establish talks with us. . . ."

On Aug. 6, Reagan wrote this fragmentary entry: "rumors of 5 to 7 hostages to be released no confirmation."

Walsh interprets an Aug. 23 di-

ary entry by Reagan as suggesting his approval for an Israeli shipment of anti-tank missiles to Iran, which began that day.

"Received 'secret phone' call from Bud McFarlane," Reagan wrote. "Seems a man high up in the Iranian govt. believes he can deliver all or part of the 7 kidnap victims—I had a few decisions to make about a few points—but they were easy to make—now we must wait."

On Sept. 15, Reagan noted "Release of Rev. [Benjamin] Weir [one of the hostages]; told by mystery man in Beirut others will follow."

In November 1985, at the exact time that Israel was secretly making another delivery of arms to

Iran to gain release of American hostages, Reagan recorded diary entries referring to "an undercover thing going by way of an Iranian which could get them [American hostages] sprung momentarily."

A year later, when the operation was made public and Reagan aides were concerned the 1985 shipments may have violated U.S. arms export laws, Reagan and Regan told investigators they could not recall knowing about the August arms shipment or one that followed in September. Regan even told members of Congress and reporters that Reagan had been surprised when he learned that arms shipments had led to Weir's release.