

Ronald Reagan Presidential Library
Digital Library Collections

This is a PDF of a folder from our textual
collections.

Collection: Baker, Howard H. Jr: Files
Folder Title: Iran-Contra Hearings-June [May 1987-
November 1987] (7)
Box: 3

To see more digitized collections visit:
<https://reaganlibrary.gov/archives/digital-library>

To see all Ronald Reagan Presidential Library
inventories visit:
<https://reaganlibrary.gov/document-collection>

Contact a reference archivist at:
reagan.library@nara.gov

Citation Guidelines: <https://reaganlibrary.gov/citing>

WITHDRAWAL SHEET

Ronald Reagan Library

Collection: Baker, Howard H. Jr.: Files
 OA/Box: Box 3
 File Folder: Iran-Contra Hearings – June [May-November 1987]
 (7)

Archivist: kdb
 FOIA ID: F1997-066/6, D. Cohen
 Date: 08/19/2004

DOCUMENT NO. & TYPE	SUBJECT/TITLE	DATE	RESTRICTION
1. memo	William Lytton to Arthur Culvahouse re expected testimony of Felix Rodriguez, 4p	5/27/87	B1
2. memo	Lytton to Culvahouse re anticipated subject matter of testimony of Adolfo Calero, 5p R 10/28/10 F97-066/6 #64	5/18/87	B1
3. memo	Lytton to Culvahouse re 5/14/87 testimony of Robert McFarlane, Gaston Sigur, and Robert Owen, 3p R 5/24/11 F97-066/6 #65	5/14/87	B1
4. memo	Lytton to Culvahouse re testimony of McFarlane, 5/14/87 morning session, 2p R " " " #66	5/14/87	B1

RESTRICTIONS

- B-1 National security classified information [(b)(1) of the FOIA].
- B-2 Release could disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA].
- B-3 Release would violate a Federal statute [(b)(3) of the FOIA].
- B-4 Release would disclose trade secrets or confidential commercial or financial information [(b)(4) of the FOIA].
- B-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA].
- B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA].
- B-7a Release could reasonably be expected to interfere with enforcement proceedings [(b)(7)(A) of the FOIA].
- B-7b Release would deprive an individual of the right to a fair trial or impartial adjudication [(b)(7)(B) of the FOIA].
- B-7c Release could reasonably be expected to cause unwarranted invasion or privacy [(b)(7)(C) of the FOIA].
- B-7d Release could reasonably be expected to disclose the identity of a confidential source [(b)(7)(D) of the FOIA].
- B-7e Release would disclose techniques or procedures for law enforcement investigations or prosecutions or would disclose guidelines which could reasonably be expected to risk circumvention of the law [(b)(7)(E) of the FOIA].
- B-7f Release could reasonably be expected to endanger the life or physical safety of any individual [(b)(7)(F) of the FOIA].
- 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.

UNCLASSIFIED WITH SECRET ATTACHMENT

THE WHITE HOUSE

WASHINGTON

May 27, 1987

MEMORANDUM FOR HOWARD H. BAKER, JR.
RHETT B. DAWSON
KENNETH M. DUBERSTEIN
M. MARLIN FITZWATER
THOMAS C. GRISCOM

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

SUBJECT: Testimony of Felix Rodriguez

Attached is a summary prepared by Counsel's office of the anticipated testimony of Felix Rodriguez who began testifying at the end of today's session of the Iran/Contra hearings.

Attachment

UNCLASSIFIED WITH SECRET ATTACHMENT

RONALD W. REAGAN LIBRARY

THIS FORM MARKS THE FILE LOCATION OF ITEM NUMBER 1 LISTED ON THE
WITHDRAWAL SHEET AT THE FRONT OF THIS FOLDER.

UNCLASSIFIED WITH TOP SECRET ATTACHMENT

THE WHITE HOUSE

WASHINGTON

May 19, 1987

MEMORANDUM FOR HOWARD H. BAKER, JR.
RHETT B. DAWSON
KENNETH M. DUBERSTEIN
M. MARLIN FITZWATER
THOMAS C. GRISCOM

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

SUBJECT: ADOLFO CALERO--
Potential Testimony Subject Areas

Attached is a classified memorandum prepared under Bill Lytton's direction which summarizes the anticipated lines of inquiry which may be explored during Adolfo Calero's testimony at the Iran/Contra hearings. This analysis is based upon the documents available to The White House, prior testimony and publicly available information. There could well be other relevant documents (from other agencies and/or from private individuals) and other relevant information not available to us.

Robert Owen will continue his testimony today. Calero is expected to follow him. The likely following witnesses are General John Singlaub, some of the donors to the Channel groups, and Messrs. Gadd, Dutton and Rodriguez.

Note that the "diary" referred to in the attached summary is the official record of the President's schedule and is not the President's personal diary.

Attachment

cc: William B. Lytton, III

UNCLASSIFIED WITH TOP SECRET ATTACHMENT

~~TOP SECRET~~

THE WHITE HOUSE

WASHINGTON

May 18, 1987

MEMORANDUM FOR ARTHUR B. CULVAHOUSE, JR.

FROM: WILLIAM B. LYTTON III *W*

SUBJECT: ANTICIPATED SUBJECT MATTER OF TESTIMONY
OF ADOLFO CALERO

I. Introduction

Mr. Adolfo Calero, 55 years of age, has for years been the most conservative and influential voice among the several leaders of the Nicaraguan Resistance. He heads the Nicaraguan Democratic Force ("FDN"), a wing of the Resistance with strong links to the security forces of the Somoza Regime.¹ Mr. Calero has also served as a member of the ruling triumvirate of the United Nicaraguan Opposition ("UNO"), an umbrella organization with offices in Miami, created in June 1985 at U.S. urging to make the Contra movement more broadbased and democratic.² On February 16, 1987, he resigned from this position following a "power struggle" with the two other leaders of the alliance, Arturo Cruz and Alfonso Robelo, who are regarded as more politically liberal. Most recently, Calero was elected as one of six directors of the newly reorganized Nicaraguan Resistance (its fourth reorganization in as many years). Mr. Calero continues as head of the main Contra army.³ (U)

II. Calero's Meetings with the President

Calero stated on November 26, 1986, that North had arranged for three White House meetings between the President and himself. These meetings appear to have occurred on April 4, 1985 (see attached photograph from the Washington Post), and March 3 and 21, 1986, and included other Contra leaders. The latter two meetings are confirmed by Ellen Jones, the Presidential Diarist.

¹New York Times (Feb. 14 and May 9 and 15, 1987). (U)

²New York Times (Feb. 14, 1987). (U)

³New York Times (Feb. 17 and May 15, 1987). (U)

DECLASSIFIED

NLRR F97-06666 #64

BY RW NARA DATE 10/28/10

~~TOP SECRET~~

Classified by DSC
Declassify on OADR
Derived from Multiple
87-TF-0017
Copy No. 1

The Diary can neither confirm nor deny the earlier meeting alleged to have occurred in April 1985.⁴ (U)

III. Anticipated Areas of Examination

Calero's testimony is expected to touch on a number of topics including: (1) support of the Contras by the NSC (especially North) in several areas (tactical and logistical advice, provision of CIA intelligence products and fundraising); (2) Contra financing and possible profiteering; and (3) Contra leaders' contacts with the President. (U)

A. Aid to the Contras in 1983

During 1983, the Boland Amendment banned spending of CIA and DoD funds to overthrow the Sandinista regime or provoke a conflict between it and Honduras. The President went on record on April 14, 1983, stating: "We are not doing anything to...overthrow the Nicaraguan Government."⁵ The Administration's position was that it was only trying to interdict Sandinista supply lines into El Salvador. (U)

B. Contra Finances

Calero first met North in Honduras in late spring 1984. Calero states that North assured him that the President would not desert the Contras even if disclosures of Nicaraguan harbors being mined prompted Congress to ban all aid.⁶ Shortly thereafter, North introduced Calero to General Secord, who managed four deliveries of arms to the Contras, the first occurring in November 1984. (U)

Calero disclosed financial records on March 5, 1987, indicating that from July 1984 through March 1985, \$32 million flowed into an offshore Contra bank account from one or more non-American sources whose identities were unknown to Contra

⁴New York Times (Nov. 27, 1986). A memorandum dated June 18, 1986, authored by NSC staffer Rodney McDaniel, indicates a scheduled Presidential meeting at 9:45 a.m. on that date with Calero, Cruz, and Robelo. The Diary neither confirms nor denies this meeting's occurrence. The President sent at least one (form) letter to Calero, as well as Cruz and Robelo, dated on or about October 7, 1986, giving them assurances before his meeting with Gorbachev in Reykjavik. (U)

⁵Weekly Comp. of Presidential Papers at 540-541 (1983). (U)

⁶Washington Post (May 4, 1987). (U)

leaders.⁷ The majority of these funds is reported to have come from the Saudi royal family.⁸ (U)

Calero has stated that about \$18 million of the payments was spent on arms in 1984 and 1985, with the rest going to food, clothing, travel, units on the Southern (Costa Rican) Front, etc. These funds ran out, he has stated, in the fall of 1985. From May 1985 to November 1986 (when official U.S. financing resumed), the Contras, according to Calero, received something over \$1 million in aid from independent sources, that is, in addition to the \$27 million in humanitarian aid provided by Congress.⁹ Calero has stated that the \$27 million was not spent on weapons. (U)

Calero has stated that the Contra leadership knew "absolutely nothing" about the diverted money. He further stated that the leadership has "[no] access to any Swiss bank accounts."¹⁰ There is some documentary evidence raising the question of whether Calero was personally profiting from the difference between the legal and black market exchange rates charged in transferring humanitarian funds to the Contras. A CIA memorandum dated March 17, 1986, reported that Calero had "admitted splitting this [difference] 50-50" with some associate but was applying his share "to the war effort." This same memorandum also reported, but merely as an unverified rumor, that Calero did indeed have a Swiss account at the Lloyds Bank International. Calero may also be questioned about a meeting he is reported to have attended including Robert Owen, among others, at which the establishment of a southern front against the Sandinistas was discussed. One witness gave an account, apparently disputed by a second witness, that the killing of Eden Pastora was discussed. The U.S. Attorney's Office in Miami is conducting an investigation of this matter. (S)

⁷New York Times (Mar. 6, 1987). Calero said he never asked the identity of his benefactors. (U)

⁸A "diplomatic source familiar with the Saudi version of events" claims that only \$23 million of this \$32 million came from the Saudis: \$8 million between mid-1984 and early 1985, then two separate \$7.5 million contributions on March 15 and 25, 1985, shortly after the Fahd visit. Washington Post (May 14, 1987). (U)

⁹New York Times (Mar. 6, 1987); New York Times (Feb. 5, 1987). (U)

¹⁰New York Times (Nov. 27, 1986). (U)

C. North's Operational and Tactical Support of the Contras

A September 2, 1984, memorandum from North to McFarlane recounts how North, along with a CIA officer, had the day before urged Calero to postpone an air attack into Nicaragua by the FDN.¹¹ The plan was nonetheless executed and resulted in the loss of the only operating FDN helicopter on the Northern Front. North accordingly proposed to McFarlane "ask[ing] a private donor to donate a helicopter to the FDN for use in any upcoming operation against an arms delivery."¹² (S)

On November 7, 1984, approximately one month after passage of the broad "Boland" Amendment banning CIA support to Contra paramilitary activities, North advised McFarlane of his having provided, and seemed to ask McFarlane to approve continued provision of, a CIA intelligence product to Calero regarding the location of Hind-D helicopters that had been shipped to El Bluff, Nicaragua.¹³ In a February 6, 1985, memorandum to McFarlane, North asked permission to pass on to Calero information about a ship named the MONIMBO suspected of carrying arms via North Korea bound for Nicaragua and to encourage Calero's organization to seize or sink it. McFarlane apparently denied permission for this. Also on February 6, 1985, North advised McFarlane that General Singlaub had convinced two Asian countries--Taiwan and South Korea--to offer funds for the Contras. Singlaub reportedly put Calero in direct touch with these contributors.¹⁴ (TS)

Robert Owen has testified that in the spring of 1985, Adolfo Calero had supplied North with traveler's checks which North kept in a safe in his offices in the OEOB. Owen was asked by North to cash these traveler's checks and disburse them to Contra leaders. One of the recipients of personal funds was Arturo Cruz. Secord has testified that for a period, Calero himself received a monthly stipend (of \$10,000).¹⁵ (U)

¹¹Tower Board Report C-3. (U)

¹²Tower Board Report C-3. (U)

¹³Tower Board Report C-3. (U)

¹⁴A letter dated in February 1985 addressed only to "My friend," (Calero) and signed by "Steelhammer" (North) discussed operational details of the Contra-Sandinista fighting. It passed intelligence on recent Sandinista movements and informed the recipient of \$20 million "to be deposited in the usual account." (U)

¹⁵North's relationship with Calero extended beyond facilitation of fundraising and transportation of supplies. On April 1, 1985, he informed McFarlane of how Calero had acceded to his request to postpone a Contra attack. (S)

Calero will probably be asked about the incident in early July 1985, when North confronted Calero in Miami with rumors about Contra money being "wasted, squandered and even worse, some people might be lining their pockets."¹⁶ (U)

Other matters which may be inquired into are:

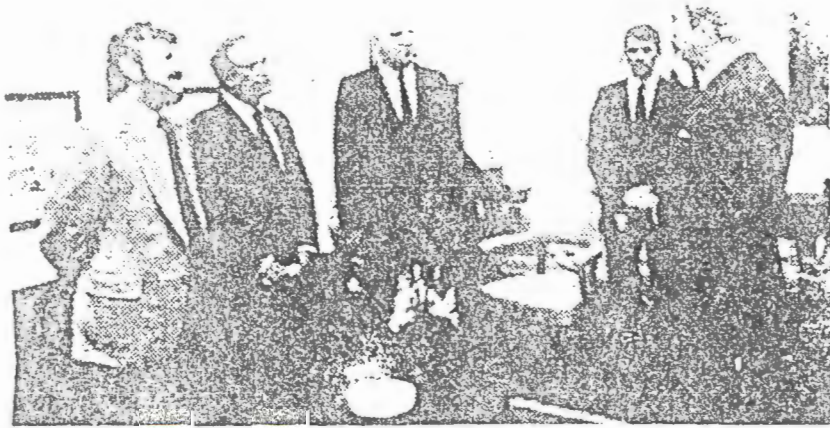
- o North's late 1984-early 1985 communications with Calero advising him of BLOWPIPE launchers and missiles available in Chile for the Contras (prompting a trip by Calero to Chile).
- o The project undertaken by General Secord to build the Santa Elena emergency landing strip in northern Costa Rica, and the participation of Ambassador Louis Tams and Joe Fernandez, the CIA Station Chief, in that project. (TS)
- o Calero's knowledge of official U.S. participation in the aerial resupply operations into Nicaragua conducted from the Ilopango airbase in El Salvador (Calero has stated: "I know nothing about the Ilopango operation or the Hasenfus operation").¹⁷ (U)
- o North's reported success in persuading military officials in the People's Republic of China ("PRC") to sell Soviet-made SAM-7 anti-aircraft missiles to the Contras.¹⁸ (S)
- o North's reported involvement in the shipment to the Contras of Soviet-made arms said to have been stolen from warehouses in Poland by members of the labor union Solidarity. (S)
- o Allegations of atrocities by the Contras which previously surfaced during the 1984 Congressional investigation into the CIA's manual on guerrilla warfare. (U)

Attachment

¹⁶Washington Post (May 6, 1987). (U)

¹⁷New York Times (Nov. 27, 1986). (U)

¹⁸New York Times (May 2, 1987). North stated in a December 4, 1984, memorandum to McFarlane that he had mentioned, in discussions with the PRC's defense attache in Washington, that Calero was willing to recognize the PRC once his forces prevailed. (TS)



WHITE HOUSE PHOTO

Anti-Sandinista leaders Alfonso Robelo, Arturo Cruz and Adolfo Calero meet with Lt. Col. Oliver North and President Reagan at the White House.

8/24/04 KOB

~~TOP SECRET~~

Document No. _____

WHITE HOUSE STAFFING MEMORANDUM

DATE: 5/15/87 ACTION/CONCURRENCE/COMMENT DUE BY: --

SUBJECT: SUMMARY OF IRAN/CONTRA HEARINGS FOR MAY 14, 1987

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	GRISCOM	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BAKER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HENKEL	<input type="checkbox"/>	<input type="checkbox"/>
DUBERSTEIN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HOBBS	<input type="checkbox"/>	<input type="checkbox"/>
MILLER - OMB	<input type="checkbox"/>	<input type="checkbox"/>	KING	<input type="checkbox"/>	<input type="checkbox"/>
BALL	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MASENG	<input type="checkbox"/>	<input type="checkbox"/>
BAUER	<input type="checkbox"/>	<input type="checkbox"/>	MILLER - ADMIN.	<input type="checkbox"/>	<input type="checkbox"/>
CARLUCCI	<input type="checkbox"/>	<input type="checkbox"/>	RISQUE	<input type="checkbox"/>	<input type="checkbox"/>
CRIBB	<input type="checkbox"/>	<input type="checkbox"/>	RYAN	<input type="checkbox"/>	<input type="checkbox"/>
CULVAHOUSE	<input type="checkbox"/>	<input type="checkbox"/>	SPRINKEL	<input type="checkbox"/>	<input type="checkbox"/>
DAWSON	<input type="checkbox"/> P	<input checked="" type="checkbox"/> SS	TUTTLE	<input type="checkbox"/>	<input type="checkbox"/>
DONATELLI	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS: The attached has been forwarded to the President.

DO NOT COPY

RESPONSE:

~~TOP SECRET~~


Rhett Dawson
Ext. 2702

UNCLASSIFIED WITH TOP SECRET ATTACHMENT


THE WHITE HOUSE
WASHINGTON

May 15, 1987

MEMORANDUM FOR THE PRESIDENT

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

SUBJECT: Summary of Iran/Contra Hearings
for May 14, 1987



Attached is a three-page summary prepared by Counsel's staff of testimony by Robert C. McFarlane, Gaston Sigur and Robert Owen during yesterday's hearings. Robert Owen will continue to testify when the hearings resume on Tuesday; and the next witness scheduled is Adolfo Calero, who should begin on Tuesday afternoon or Wednesday morning.

Attachment

UNCLASSIFIED WITH TOP SECRET ATTACHMENT

~~TOP SECRET~~

THE WHITE HOUSE

WASHINGTON

May 14, 1987

MEMORANDUM FOR ARTHUR B. CULVAHOUSE, JR.

FROM: WILLIAM B. LYTTON III *W*

SUBJECT: TESTIMONY OF ROBERT C. McFARLANE,
GASTON SIGUR, AND ROBERT OWEN
MAY 14, 1987

Overview

Mr. McFarlane concluded his testimony during the morning session. Chairman Hamilton summarized Mr. McFarlane's testimony stating that McFarlane spoke for the President and responsibility rests with the President. Mr. Sigur, a former NSC staff officer and currently Assistant Secretary of State (Asian Affairs), began and concluded his testimony during the afternoon session. Mr. Owen, who was a close associate of Oliver North and worked for Adolfo Calero, testified for the remainder of the afternoon. (U)

McFarlane stated he could not remember any meeting with Prince Bandar and King Fahd in 1985 as described by today's Washington Post and again denied that he solicited funds for the Contras. In response to Senator Boren's questions, he discussed two recent phone calls from President Reagan. According to McFarlane, one was a "gracious gesture" by the President that McFarlane should not feel responsible for errors in the Iran-Contra Affair. Two nights ago the President called to say that McFarlane's testimony had shed more light on the Iran-Contra affair than all other efforts combined. (S)

Sigur discussed his efforts, at North's request, to seek humanitarian assistance from [Taiwan] for the Contras. Sigur believed North had authority from McFarlane to seek the assistance. Sigur also was knowledgeable of, or assisted in, efforts to seek assistance from [the PRC, South Korea, and Brunei]. (TS)

Owen, who has received a grant of limited immunity, testified that he provided "liason" services between North and Contra leaders. These services included cashing between \$6,000 and \$7,000 in traveler's checks which North gave him and providing maps and photographs, also from North, to Contras for use in military attacks. Owen revealed that Johnathan Miller [Deputy Assistant to the President for Administration] assisted Owen at least once in cashing about \$3,000 worth of traveler's checks. [Johnathan Miller resigned immediately after this testimony.]

DECLASSIFIED

NLRR F97-0666 #65

BY RW

NARA DATE 5/24/11

~~TOP SECRET~~

Classified by DSC
Declassify on OADR
Derived from Multiple
87-TF-0015

Copy No. 1 of 7

~~TOP SECRET~~

North claimed to Owen that Adolfo Calero gave the travelers checks to North. Owen gave the cash proceeds to Contra leaders. Owen did not mention the President in any way in describing his work with North. (U)

The President's Involvement

1. Diversion

In McFarlane's opinion, if the diversion had been brought to Admiral Poindexter's attention, Poindexter would have reported that to the President. (U)

2. Boland Amendment

Senator Heflin said that it was unclear whether the Administration's role in obtaining [Saudi] aid for the Contras and the President's contact with a Central American country [Honduras] in facilitating a shipment of arms to the Contras were violations of Boland. Moreover, even if Boland did prohibit these actions, he is uncertain whether it is constitutional to do so. (S)

3. Iran Operations

Nothing to report.

4. Third Country Aid to Contras

Representative Jenkins stated that he was offended to realize that while a controversial textile import bill was being debated in October 1985 which would have adversely effected [Taiwan] the Administration was soliciting funds from [Taiwan] which ultimately contributed \$2M to the Contras. The President vetoed the bill. (S)

5. Private Support to Contras

Robert Owen testified in detail on the arrangements with Colonel North to provide funds and arms to Contra leaders. Owen also testified that Colonel North obtained maps and other intelligence information for the Contras to use in attacking Nicaragua military targets. (U)

6. November 1986 Chronologies

Nothing to report.

Continuation of Hearing

Owen will continue his testimony on Tuesday. He is expected to provide detailed testimony about Oliver North's extensive activities to support the Contras. After counsel finishes his

87-TF-0015

~~TOP SECRET~~

~~TOP SECRET~~

examination, Owen will be questioned by Senators Boren and Hatch, and Representatives Hyde and Foley. The next witness is scheduled to be Adolfo Calero, who may not begin until Wednesday. (U)

87-TF-0015

~~TOP SECRET~~

UNCLASSIFIED WITH SECRET ATTACHMENT

C L O S E H O L D

THE WHITE HOUSE

WASHINGTON

May 14, 1987

MEMORANDUM FOR HOWARD H. BAKER, JR.
RHETT B. DAWSON
KENNETH M. DUBERSTEIN
M. MARLIN FITZWATER
THOMAS C. GRISCOM

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

SUBJECT: Testimony of Robert C. McFarlane

Attached is a summary of Robert McFarlane's testimony for this morning's session of the Iran/Contra hearings.

Attachment

C L O S E H O L D

UNCLASSIFIED WITH SECRET ATTACHMENT

~~SECRET~~

THE WHITE HOUSE

WASHINGTON

May 14, 1987

MEMORANDUM FOR ARTHUR B. CULVAHOUSE, JR.

FROM: WILLIAM B. LYTTON, III *w*

SUBJECT: Testimony of Robert C. McFarlane
Morning Session, May 14, 1987

Overview

This morning's session completes Mr. McFarlane's testimony before the Joint Committee. Most Members focused their questioning on [Saudi] aid to the Contras and the Boland Amendment. McFarlane responded to today's Washington Post article by stating he did not remember any meeting with [Prince Bandar] in McLean, Virginia in 1985 and also reiterated his prior testimony that he had not solicited aid for the Contras. Senator Heflin raised questions as to whether Boland would apply to the President's activity given its "limiting" language.

In response to direct questions from Senator Boren, McFarlane revealed he had received recent telephone calls from the President. According to McFarlane, one was a "gracious gesture" in which the President stated he didn't think McFarlane should feel responsible for errors in the Iran-Contra Affair. McFarlane said two nights ago, the President called again and stated he [the President] thought McFarlane's testimony had shed more light on the Iran-Contra affair than all other efforts combined. Representative Hamilton closed the session by declaring that McFarlane could not alone shoulder the blame for the Iran-Contra affair and that responsibility had to rest with the President.

President's Involvement

1. Diversion. In McFarlane's opinion, if, diversion was brought to Admiral Poindexter's attention, Poindexter would report this to the President.
2. Boland. Senator Heflin *said* that it was unclear whether the Administration's role in obtaining [Saudi] aid for the Contras and the President's contact with a Central America country [Honduras] in facilitating a shipment of arms to

DECLASSIFIED

NLRR E97-0666/10 #666

BY RW NARA DATE 5/24/11

~~SECRET~~

Classified by DSC
Declassify on OADR
DRVD From Multiple
87-TF-0011
Copy No. 1

~~SECRET~~

-2-

the Contras were violations of Boland. Moreover, even if Boland did prohibit such actions, he is uncertain whether it is constitutional to prohibit such activity.

In response to a question raised by Rep. Stokes, McFarlane testified that to his knowledge, South Africa was never asked to provide funds to the Contras.

3. Iran Operation. McFarlane does not think the President intended any excess funds from the Iran arms sales to be used by private individuals as they saw fit.

4. Third Country Aid to Contras. Rep. Jenkins stated that he was offended to realize that while a controversial textile bill was being debated in October 1985, which would have imposed quotas on imports from certain countries (the President eventually vetoed the bill), the Administration was "soliciting" funds from a country [Taiwan], which in turn contributed \$2 million and which greatly benefited from the bill's defeat.

87-11F-0011

~~SECRET~~

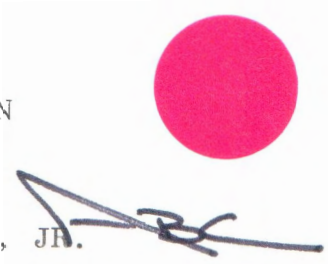
C L O S E H C L D

THE WHITE HOUSE

WASHINGTON

May 13, 1987

MEMORANDUM FOR HOWARD H. BAKER, JR.
WILLIAM L. BALL, III
RHETT B. DAWSON
KENNETH M. DUBERSTEIN
THOMAS C. CRISCOM
M. MARLIN FITZWATER



FROM: ARTHUR R. CULVAHOUSE, JR.

SUBJECT: Revised Boland Amendment Matrix

Attached is a new and improved matrix of the various Boland Amendments. The attached matrix corrects the previous matrix in terms of the coverage of the "Pell Amendment".

Attachment

C L O S E H C L D

"BOLAND AMENDMENTS"

I	II	III	IV	V	VI
<p>Dec. 21, 1982 - Dec. 7, 1983 <u>Ban Against Overthrow</u></p>	<p>Dec. 8, 1983 - Oct 3, 1984 <u>\$24m Limit</u></p>	<p>Oct. 3, 1984 - Dec. 19, 1985 <u>No Funds</u></p>	<p>Aug. 15, 1985 - Mar 31, 1986 <u>(overlap w/III & V)</u> Humanitarian Assistance</p>	<p>Dec. 19, 1985 - Oct. 16, 1986 <u>Communications & Intelligence</u></p>	<p>Oct. 18, 1986 - Sep. 30, 1987 <u>\$100m</u></p>
<p>No funds appropriated under <u>DOD</u> appropriations act used by CIA or DOD to furnish military support to overthrow Nicaraguan Government or to provoke war between Nicaragua and Honduras</p>	<p>Not more than \$24m of funds available to CIA, DOD or any other agency or entity of U.S. involved in intelligence activities may be expended to support, <u>directly or indirectly</u>, military or para-military operations in Nicaragua</p>	<p>No funds available to CIA, DOD or any other agency or entity of U.S. involved in intelligence activities may be expended to support, <u>directly or indirectly</u>, military or para-military operations in Nicaragua</p> <p>No funds available under <u>DOD</u> appropriations act shall be used, directly or indirectly, to influence Congressional action</p>	<p>Part III restriction ends and Part V starts December 19, 1985</p> <p>\$27m in "humanitarian" assistance to Nicaraguan democratic resistance; DOD and CIA barred from administering funds. Prohibition as of 10/1/85 on conditioning foreign aid to third country on assistance by that country to Contras [Pell Amendment]</p> <p>Express recognition that USG was authorized to exchange information with EDN #8066</p>	<p>Funds available to CIA, DOD or any other agency or entity of U.S. involved in intelligence activities may be expended to support military or para-military operations in Nicaragua only as authorized for communications equipment and training, and intelligence advice and information</p> <p>Prohibition on conditioning foreign aid to third country on assistance by that country to Contras [Pell Amendment]</p> <p>"Nothing precludes" State Department solicitation of humanitarian assistance for Contras</p>	<p>\$100m in assistance appropriated, \$30m humanitarian assistance and \$70m for other purposes.</p> <p>Prohibition on conditioning foreign aid to third country on assistance by that country to Contras [Pell Amendment]</p>
EVENTS:	EVENTS:	EVENTS:	EVENTS:	EVENTS:	EVENTS:
	<p>May 84 Saudia Arabia Meetings</p>	<p>Feb 85 Saudi Arabia Meetings</p> <p>April 85 Honduras Call</p> <p>Nov 85 Newington Photo Op</p>	<p>Nov 85 Newington Photo Op</p>	<p>Feb, May, Aug 86 U.S. Arms Shipments to Iran/Excess Funds to Lake Resources</p> <p>Jan-Mar 86 Various Private Donor Photo Ops & Briefings</p> <p>Spring 86 Brunei Contribution</p>	
COMMENTS:*	COMMENTS:*	COMMENTS:*	COMMENTS:*	COMMENTS:*	COMMENTS:*
<p>Restriction limited to CIA and DOD funds appropriated in this act</p> <p>Restriction on expenditure of "funds"--not on conduct</p>	<p>Limited to CIA, DOD & "other" intelligence agencies. Strong argument that restriction not applicable to NSC.</p> <p>Restriction on expenditure of "funds"--not on conduct</p>	<p>Limited to CIA, DOD and "other" intelligence agencies. Strong argument that restriction not applicable to NSC.</p> <p>Restriction on expenditure of "funds"--not on conduct</p>	<p>III or V restraints applicable throughout</p>	<p>Limited to CIA, DOD and "other" intelligence agencies. Strong argument that restriction not applicable to NSC.</p> <p>"Direct or indirect" language removed.</p> <p>Solicitation of humanitarian aid by State Department expressly <u>recognized</u>, but statute contains no prohibition on other solicitations by other agencies</p> <p>Restriction on expenditure of "funds"--not on conduct</p>	
<p>* Statute does not, by its terms, limit the President's conduct; such an attempt would force strong constitutional challenge.</p>					