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Wright Says Iran Paid $12 Million for Arms

Hill Criticism of White House Intensifies

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The first shipment of arms to Iran from the U.S. government was in February 1986, and the regime of Ayatollah Ruhollah Khomeini later paid more than $12 million into a Swiss bank account for American weapons, congressional sources said yesterday after briefings by administration officials.

After five hours of closed-door testimony from CIA Director William J. Casey and President Reagan's national security adviser, Vice Adm. John M. Poindexter, many House and Senate members intensified their criticism of the White House-directed operation. Some claimed that the administration broke the law by failing to notify Congress of the operation for 10 months.

House Majority Leader James C. Wright Jr. (D-Tex.), who attended Casey's briefing of the House Permanent Select Committee on Intelligence, said the Iranians paid at least $12 million for some, if not all, of the weapons shipped to Tehran. He said the arms included 2,008 TOW antitank weapons, 1,000 of which had been assembled in San Antonio.

He also said U.S. officials knew that other countries, besides Israel, had shipped weapons to Iran, "but not at our behest." Wright said, "We knew of it, but I don't know if we condoned it."

Wright said he wanted to distinguish the other third countries from the Israelis, who "believed they were carrying out our wishes." U.S. and Israeli sources have said that Israel shipped arms to Tehran in 1985 on Washington's behalf; Reagan subsequently authorized direct U.S. involvement in the shipments in a secret order dated Jan. 17, 1986.

A congressional source said the members were told that the first U.S. arms shipment to Iran came a month after Reagan signed the secret order, called a "finding."

Before yesterday the first known arms shipment under the White House-run program was on May 28, in a Boeing 707 that carried former national security adviser Robert C. McFarlane to Tehran as part of what the administration has said was a secret initiative to cultivate relations with Iran and free American hostages held by pro-Iranian terrorists in Lebanon.

Wright and other legislators claimed Reagan violated the law by ordering Casey last winter not to tell Congress about the secret Iran operation, contrary to laws requiring the reporting of covert operations to congressional intelligence committees in "timely fashion."

"We have got to have assurances the law is obeyed, and the president has to be told he cannot selectively comply," said Wright, who is expected to be elected speaker of the House in January.

Reagan, as part of his secret order, directed Casey not to inform Congress of the operation despite the legal requirements and a written agreement between the CIA director and the Senate Select Committee on Intelligence that covert activities would be reported within 48 hours.

Senate intelligence committee Chairman David F. Durenberger (R-Minn.) and Vice Chairman Patrick J. Leahy (D-Vt.) wrote Reagan after their briefings yesterday that they did not know how the arms transfers, "and especially the U.S. role in shipment of arms, fit within applicable law and executive orders."

Durenberger said he thought that the administration "had no intention of informing the committee until [the operation] became public."

He charged that the White House was "willing to trust the lives of hostages to radicals in Iran," but not to Congress. He and Leahy told Reagan that the committee "cannot accept such logic."

CIA Director William J. Casey, who took part in five hours of closed-door testimony, walks to the Senate after briefing the House intelligence committee.

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In an interview on the MacNeil-Lehrer news broadcast last night, Durenberger added, "How are we going to discourage this president from avoiding exposing this kind of activity to a somewhat larger circle of realistic, knowledgeable people who can be helpful to him in assessing its merits in advance? The law requires that. And in this particular case they took great pains to avoid the law."

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Sen. Daniel Patrick Moynihan (D-N.Y.) said after the Senate briefing, "I can't believe what I heard, and I don't. It's hard to believe that such things could be planned and undertaken."

Moynihan added that the damage done in failing to report the operation will fall on the intelligence community, which has been working to establish credibility with Congress.

Casey, however, could not be held responsible for his failure to abide by an agreement to keep the committee informed since the he was ordered by the president to

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bypass congressional overseers, Moynihan added.

Senate Democratic leader Robert C. Byrd (W.Va.) said after the session with Casey that "this whole operation . . . was incredibly clumsy and amateurish."

"I think more than ever," Byrd said, "that the president needs to say this thing is a mistake."

Neither Casey nor Poindexter provided the Senate panel with details of the arms shipments to Iran in 1985, before the president's secret order was signed, sources said. At that time, McFarlane, then the president's national security adviser, permitted two Israeli arms shipments to be sent to Iran in September as a signal of American "good faith," and on Sept. 14, the Rev. Benjamin Weir was released.

In their letter to Reagan, Durenberger and Leahy said, "It is not yet clear how the arms transactions in 1985 came about, what they contained, and how these transactions—and especially the U.S. role in shipment of arms—fit within applicable law and executive orders."

Durenberger charged that "no one has all the facts" on the Iran operation, which he noted took place "over a substantial time."

"Both Mr. Casey and Mr. Poindexter," Durenberger and Leahy wrote Reagan, "are themselves still engaged in piecing together the full record of this operation."

The congressional inquiry continues Monday, with the House Foreign Affairs Committee summoning Undersecretary of State Michael H. Armacost to testify. Armacost was sent to yesterday's hearings by Secretary of State George P. Shultz as an observer because "we're in the process of collecting information ourselves," Shultz told reporters during a trip to Canada yesterday.

Even Reagan's defenders who argued that he had the right to bypass Congress have questioned the wisdom of such policy. Rep. Henry J. Hyde (R-Ill.) said after the House briefing yesterday that " 'timely' is a word of art. The law in that regard was deliberately drawn in a vague fashion. Clearly the president has the right to withhold information from Congress. I'm not saying it is wise. I'm saying it was unwise."

Sen. Frank H. Murkowski (R-Alaska) said "the law has no provisions for enforcement" with respect to the "timely" informing of congressional committees. He added that "Congress is going to have to put parameters on time limits."

Murkowski suggested that the president was primarily guided in initiating the program by the hostage issue. "The need to addresss the hostage issue was obviously paramount in his mind," Murkowski said.

He also said Casey, in yesterday's briefings, had not specified the importance of the hostage issue. But Murkowski said he came away with the impression that one of the main factors was "the pressure brought about continually by the families" of U.S. hostages in the Middle East.

The Associated Press yesterday quoted Pentagon sources as saying that more than 2,000 TOW antitank missiles and more than 200 repair components for Hawk antiaircraft missiles were transferred from the military to the CIA for shipment to Iran.

The sources, according to the wire service, could not confirm the price paid for the armaments, reportedly shipped in two lots, but the value of similar new missiles would be at least $7 million higher than the $12 million reportedly paid by Iran. It was not clear how up-to-date the models were that Iran received.

The sources, who agreed to discuss the matter only if not identified, said they did not know whether the weapons were transshipped through Israel or went directly to Iran.

The sources told AP that the Iranian operation resulted in withdrawing 2,008 TOW (tube-launched, optically tracked, wire-guided) antitank missiles and 208 "line-item replacement packages," or repair parts, for Hawk ground-to-air missiles, from Pentagon stocks.

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