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Webster Cannot Recall Being Warned on North

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WASHINGTON—FBI Director William H. Webster was advised indirectly by a Justice Department official last Oct. 30—nearly a month before the department began investigating Lt. Col. Oliver L. North—that classified information should be withheld from North because he might be involved in a criminal probe of U.S. activities in Central America, the Senate Intelligence Committee was told Wednesday.

Webster, testifying at confirmation hearings on his nomination to be CIA director, acknowledged that he had initialed the FBI memorandum reporting the recommendation, which was written the same day that he agreed to delay an FBI investigation into efforts to supply Nicaraguan rebels. However, he said he did not recall reading the memo.

Sen. Arlen Specter (R-Pa.) questioned Webster aggressively on why the memo was not "a danger signal or a warning flag" to bring the FBI into the Iran-contra investigation earlier. But Webster said he did not remember it on Nov. 21, when Atty. Gen. Edwin Meese III first discussed the Iran inquiry with him.

"I have to tell you in all candor it was not on my mind," Webster said.

Webster added later that the memo cited no evidence, saying: "There was nothing in that memo that pointed to illegal activities of U.S. officials."

Meese has come under criticism for conducting an informal inquiry into the Iran-contra case before enlisting the FBI in the investigation, a delay that some officials have said gave key figures time to alter documents and conceal questionable activities.

Despite Specter's declaration that "the language [of the memo] just can't be blown away," and the criticism by committee Chairman David L. Boren (D-Okla.) of "a very naive approach" to securing investigative documents, Web-

ster's prospects for confirmation by the Senate appear bright.

Webster disclosed at the hearing that he has proposed to President Reagan that—if he is confirmed for the post—the CIA director no longer be given Cabinet rank. He said that would minimize the perception that the CIA director is "a political officer of the President."

Webster said that Reagan agreed. At the same time, Webster said, he was assured of having "one-on-one" contact with Reagan if he is confirmed.

Former CIA Director William J. Casey, who resigned after having an operation for a cancerous brain tumor, was elevated to Cabinet status when he took the job after having served as Reagan's campaign manager.

The memo about North, first brought to light at the hearing Wednesday, was written by an unidentified FBI agent on the agent's conversation with Mary C. Lawton, an intelligence expert who heads the Justice Department's office of intelligence policy and review.

It was called to the committee's attention by Lawrence E. Walsh, the independent counsel investigating the Iran-contra case, but Webster noted that the FBI had supplied the document to Walsh.

A Justice Department official said that Lawton had based her recommendation on newspaper articles relating to contra matters. Those articles included remarks by some congressmen calling for appointment of an independent counsel to investigate various Administration officials, including North.

Meese did not know of Lawton's recommendation, according to the official, who asked to remain unidentified.

Specter pointed out that the memo, the contents of which are classified and were not released, showed Lawton had recommended also that information North sought should not be provided to his colleagues at the National Security

Council because they might give it to North.

"Aren't those two matters of sufficient importance that you would recollect" the memo? Specter asked.

"I already told you," Webster shot back, displaying his only testiness of the day. "I don't recollect." He explained that the memo was only for his information, like dozens of others he said he receives daily, and required no action on his part.

Webster disclosed that he had serious reservations about North's "influence at the NSC." He characterized North, who was fired from the NSC last November and is a prime suspect in the Iran-contra investigation, as a "gung ho" individual with "tunnel vision" who was "result-oriented without a broader-gauged approach to the results of what he does."

Webster said he had discussed those concerns "in general terms" with Meese. "He was aware of Ollie North and the kind of personality he was," Webster said. Although he had held those concerns for "a long time," Webster added: "I don't want to suggest we were panicked" about North.

Webster, citing frustration in the executive branch over getting the American hostages out of Iran, said he "had ill ease" when the NSC "became the focal point for operational" assignments. "It never seemed to me that the NSC was appropriate for operations," he said. "The people largely lacked experience and the capability" to run such operations.

He said he was concerned that "these think-tanks might turn into action tanks."

Webster was questioned about his decision last fall to delay, at the request of Meese, a federal investigation in Miami of Southern Air Transport, a small air service involved in the Iran operation that also delivered covert aid to the contras. He said he believed the delay was justified to prevent compromising the Iran effort at a time when there was a chance hostages might still be freed.