

12-3-1986

# Chronology Of Selected Statements Concerning Diversion Of Iran Arms Payments To Nicaraguan Contras: Nov. 28-dec. 2

Deborah Tyroler

Follow this and additional works at: <https://digitalrepository.unm.edu/noticen>

---

## Recommended Citation

Tyroler, Deborah. "Chronology Of Selected Statements Concerning Diversion Of Iran Arms Payments To Nicaraguan Contras: Nov. 28-dec. 2." (1986). <https://digitalrepository.unm.edu/noticen/205>

This Article is brought to you for free and open access by the Latin America Digital Beat (LADB) at UNM Digital Repository. It has been accepted for inclusion in NotiCen by an authorized administrator of UNM Digital Repository. For more information, please contact [amywinter@unm.edu](mailto:amywinter@unm.edu).

## **Chronology Of Selected Statements Concerning Diversion Of Iran Arms Payments To Nicaraguan Contras: Nov. 28- dec. 2**

*by Deborah Tyroler*

*Category/Department: General*

*Published: Wednesday, December 3, 1986*

Nov. 28: The NEW YORK TIMES reported Reagan administration officials said Nov. 27 that Lt. Col. Oliver L. North destroyed several documents from National Security Council files during the weekend. According to an administration official who requested anonymity, the destruction of the documents occurred as Attorney General Edwin Meese was conducting a private inquiry into the weapons sales without the assistance of the Federal Bureau of Investigation. The same official said some of the shredded documents involved the relationship between North and Robert C. MacFarlane, the former White House national security adviser who traveled to Iran as part of the secret dealings. North refused to discuss reports of destroying documents or any other details of the case. He did confirm that President Reagan "telephoned him after his departure from the White House and thanked him for his government work." Donald T. Regan, Reagan's chief of staff, said he had no comment on reports of North destroying documents. He suggested that if such documents were national security papers, there would have been copies in other files. The shredding of documents was first mentioned publicly in an article in the Nov. 27 issue of the Los Angeles Times. Law enforcement officials said the FBI had information about the incident before the newspaper began making inquiries. The White House denied a news report that Regan had long known that money from the Iranian payments was deposited in Swiss bank accounts used to support the contras. The UPI report was attributed to an unnamed White House official. A law enforcement official said that the Justice Department and the Customs Service had initiated an investigation of purported arms sales to Honduras last year by Maj. Gen. Richard V. Secord, a retired Pentagon official who has been identified as a key figure in both the Iran arms deal and the private network of aid to the contras. Secord, who could not be reached for comment, has in the past denied any wrongdoing. Eleven Democrats on the House Judiciary Committee demand appointment of an independent counsel in the Iran arms deal case and cited numerous laws that might have been violated by transactions with Iran. Attorney General Meese placed Stephen S. Trott, the Associate Attorney General, in charge of the Justice Department's investigation of the Iran arms deal, and ordered tight restrictions on information made available to the public. Administration officials said that if North shredded documents critical to the inquiry, he could face federal charges of obstruction of justice. The officials suggested the handling of the investigation by Meese and the Justice Department may have been flawed. They pointed out that the FBI was not brought into the investigation until Wednesday, Nov. 26, and that Meese and others had not acted to secure North's office and files in the White House for at least two days after the Justice Department began its investigation Nov. 21. As reported by the NEW YORK TIMES, the first diversion of money from US arms sales to Iran took place in late 1985, in contrast to statements by Attorney General Meese at a Nov. 25 news conference. Meese said the diversion of funds to the contras began in 1986. However, "people who are familiar with the transactions say Iran paid millions of dollars to Israel for several shipments of weapons made from September to December 1985." Much of this money was reportedly never received by the Israeli government, used instead for commissions to arms

deals or other purposes. The TIMES stated that several months later the Israelis demanded that the US replace the anti-tank missiles and other weapons sold to Iran. However, Israel could not forward the money paid by Iran to the US because "money had disappeared in the transaction." The CIA was included in the arms deal in January, reportedly because of the possible mishandling of money in 1985. President Reagan then ordered the Agency to arrange covert shipments through Israel of weapons obtained directly from US stocks. Accounts provided by the US and Israel regarding arms deals in 1985 do not correspond with each other. Although a senior Israeli official said last week that his government's actions in the affair were carried out "with the explicit approval of Washington." Meese said this week, however, that Israel's shipment to Iran in September 1985 was not authorized, and that the Israelis undertook said shipment on their own. Stories by Israel and the United States also conflict regarding what happened after January 17, 1986, when President Reagan signed an order authorizing the covert shipments by the CIA. Meese said bank accounts were established "as best we know by representatives of the forces in Central America." This information, he added, was provided to "representatives of the Israeli government." The funds were then put into such accounts. The Israeli government, however, denied having any knowledge of the transfer of funds to the contras, much less that the funds passed through Israel. The TIMES reported that an American who was a pilot on secret supply flights to Nicaraguan contras said the chief pilot for the flights told him "several times" that a retired general, Richard V. Secord, was "behind the operation." The chief pilot mentioned was William J. Cooper, killed with two others Oct. 5 when the Sandinista army shot down his plane in southern Nicaragua. Secord's history includes a great deal of work in Iran for the US government. His company, said the TIMES, is reported to have once sold arms to the regime of Shah Mohammed Riza Phevi. Next, recent unconfirmed reports indicate that he may have traveled to Iran as part of Washington's secret dealings with Tehran. Next, telephone records for safe houses in El Salvador used by contras list calls to what "appears to be the home of a US embassy employee in Costa Rica." An embassy spokesman said the employee could not be named "for security reasons." These and other calls, combined with other evidence, support the belief that US officials have been involved in the contra supply operation. Reagan administration officials continue to insist that the operation was "strictly private." Telephone records also suggest Gen. Secord's involvement in the contra supply operation. According to the TIMES, the records list more than two dozen calls to Secord's company in Virginia, Stanford Technology Incorporated. Secord has denied involvement in the operation. A third American who flew contra supply planes out of El Salvador said that while Gen. Secord may have been "deeply involved" in the supply operation, another person actually hired Cooper to establish the airlift operation. He would not identify this person, nor indicate if the latter worked for the US government. Next, the three American crew members reportedly complained that the contra supply operation in El Salvador, which "may have been financed by the profits from the sale of arms to Iran" received much less than the \$10 million or more reported as having been generated by obtained as profits from the sales. (Secord was Assistant Secretary of Defense in charge of Middle East arms sales during the first years of the Reagan administration. He has previously admitted that he supplied the contras with a plane.)

Nov. 29: The TIMES reported that Wallace B. Sawyer, co-pilot of the cargo plane shot down Oct. 5 in Nicaragua, had a Swiss bank account. However, officials of the Union Bank of Switzerland said the account had nothing to do with the Iran arms shipments. Sandinista soldiers discovered in the plane wreckage a business card containing an account number and the name of Jean Paul Cuhe. Cuhe was assistant vice president at the Cornavin branch in Geneva. Bank investigators learned Cuhe opened the account in 1981 in name of Wallace B. Sawyer. The account, said the TIMES, did not appear to have been used until 1984. Sawyer worked for Southern Air Transport until he

switched to Corporate Air Services. Nov. 30: Major Gen. Richard Secord reportedly helped obtain short take-off and landing planes in 1984 and 1985 for use by the contras. The planes, called Maules, were purchased from Maule Air, according to documents obtained from Maule Air and referred to by the SAN FRANCISCO EXAMINER. One of the planes was purchased by American Marketing and Consulting, a Maryland company run by Secord. That plane was sent to Honduras for use by the contras. Another Maule was paid for by check from C.S.F. Investments, a Bermuda-based enterprise owned by Compagnie de Services Fiduciares. The latter is a Swiss company controlled by Albert Hakin, a former Iranian businessman and business partner of Secord. The TIMES of London reported that by 1986, \$18 million diverted from Iranian arms purchases had been channeled from the Swiss company to its affiliate C.S.F. Investments for use by the contras. Dec. 2: At a press briefing, Attorney General Edwin Meese announced that the Justice Department had decided to apply to the Special Division of the Court of Appeals for an Independent Counsel to pursue the investigation of the Iranian arms deal, and the diversion of funds to the Nicaraguan contras. In accordance with the statute pertaining to the application for independent counsel, Meese said he could not discuss the specific grounds for the application, statutes which may have been violated, and individuals who may be subjects of the investigation.

-- End --