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CIA Funds Run Short For Covert Operations

House Joins Senate to Condemn U.S. Participation in Minelaying

By T.R. Reid and Joanne Omang
Washington Post Staff Writers

The House last night joined the Senate in approving a nonbinding resolution condemning the U.S. role in laying mines in Nicaraguan harbors, but Congress put off until after its Easter recess any vote to reduce funding for U.S. aid to rebels fighting the Nicaraguan government.

After three hours of raucous and caustic debate, the House voted, 281 to 111, in favor of a resolution expressing "the sense of Congress" that the United States should not participate in "planning, directing, executing or supporting the mining" in Nicaragua. The Senate passed the same resolution, 84 to 12, Tuesday.

Although Congress has authority to cut off funds for such operations, the resolution approved last night does not do so. Both chambers have agreed to put off votes on funding measures for U.S. operations in Central America until after next week's scheduled recess.

Administration officials have expressed hope that congressional anger about the mining operation will have cooled by then so that bills providing money for secret operations in Nicaragua can pass. President Reagan has requested \$21 million to continue such operations there.

Some House members argued last night that Congress should take stronger action than a nonbinding resolution.

"This says that Congress isn't really serious," Rep. Jim Leach (R-Iowa) said. "It would be better to establish as the law of land . . . that no funds be appropriated" for the secret mining operations.

In contrast to Tuesday's Senate vote, in which the Republican leadership voted for the resolution criticizing Reagan's action, House Republicans leaders last night rallied to the president's side.

"The purpose of this resolution is to embarrass the president," Minority Leader Robert H. Michel (R-Ill.) said. ". . . You are aiming at the president, but you're going to hit the people of El Salvador."

Michel said a key goal of U.S. military aid to Nicaraguan rebels is stopping that nation's harassment of El Salvador, a U.S. ally.

Rep. David E. Bonior (D-Mich.) replied that Congress is obliged to take a stand against U.S. participation in mining the harbors. "This administration has engaged in a flagrant violation of international law, an act of war and an exercise in international terrorism," he said.

The House vote generally followed party lines, suggesting that Republican anger at Reagan about the mining operation had been tempered since the lopsided Senate vote. Last night, Democrats split, 224 to 15, in favor

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Steps Toward a Disengagement In Nicaragua Are Recommended

By Bob Woodward
Washington Post Staff Writer

The operations arm of the CIA that oversees its secret war against the leftist Sandinista government of Nicaragua has been notified that money for the program could run out next week, perhaps as soon as Sunday, and steps should be taken to begin disengagement, senior administration sources said yesterday.

Congressional Democrats, reacting to news reports about direct CIA involvement in the mining of several Nicaraguan harbors, have predicted that the House will refuse to approve \$21 million President Reagan has requested to continue the covert operation.

Republican members of Congress and administration officials said they still hope to win approval of the funding after next week's congressional recess.

The CIA-supported "Contra" guerrillas still may have enough money to operate for several more weeks, but \$22 million of the current \$24 million for their support was spent by the end of last month, the sources said, and it appears that the Reagan administration is uncertain about what to do next.

CIA Director William J. Casey is considering the possibility of asking another country, such as Saudi Arabia, to send money to the Contras until the funding problem is solved, according to one well-placed source, but no decisions have been made.

Casey is viewed inside the CIA as the primary moving force behind the secret war against Nicaragua and the controversial mining of its harbors.

"Casey cooked this whole thing up," one informed source said.

But Casey's enthusiasm for the covert operation in Nicaragua is not widely shared among senior CIA officials despite Casey's popularity because of the greatly increased funding he has secured for the agency.

John N. McMahan, the CIA's No. 2 man, who has 33 years of experience, believed from the beginning that the Nicaraguan operation was ill-conceived, according to an official familiar with his thinking.

"John just knew it would come to this where there would not be enough public and congressional support and we'd withdraw," the official said.

McMahan reportedly has argued that, after the American intelligence community scandals of the 1970s, it is now a time to rebuild the CIA's intelligence-gathering capabilities rather than risk more damage to it with uncertain covert operations.

Asked about this, a CIA spokesman said that, what-

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of the critical resolution, while Republicans voted, 96 to 15, against it.

Legislation providing another \$21 million to carry the larger program of aid to Nicaraguan rebels through the summer has been approved by the Senate.

House Speaker Thomas P. (Tip) O'Neill Jr. (D-Mass.) has repeatedly said that measure will never be approved in the House, but Senate Majority Leader Howard H. Baker Jr. (R-Tenn.) said yesterday that he hopes Republicans can save the program after the Easter recess.

"I continue to support the program, and I think the majority of the Senate supports it," Baker said. "I think it can be salvaged . . . There is a clear difference between that program and the mining of the harbors."

He added, "I don't think we are going to mine any more harbors."

Rep. Jack Kemp (R-N.Y.) also predicted that the congressional storm about the harbor mining will blow over. "There's increasing interest among Republicans in defending the president," he said in an interview. "I think the attacks are purely political." Kemp said the mining "comes under the legitimate heading of collective self-defense. The Nicaraguans are the ones trying to destabilize Central America."

Conservative groups have pledged a heavy lobbying effort during the recess to persuade House members to adopt that view.

An administration official said he remains optimistic. "It boils down to the fact that when the passions are all cooled, there remains a fundamental consensus on the need to keep pressure on Nicaragua," he said.

O'Neill told reporters yesterday that Democrats would be willing to approve a version of the administration's emergency aid re-

quest that provides about \$32 million for El



SEN. HOWARD H. BAKER JR.

... "I continue to support the program"

Salvador in its war against leftist guerrillas as long as the measure provides nothing for U.S.-backed guerrillas fighting the leftist government of Nicaragua.

This sum, about one-third of the Reagan administration's request, would include \$20 million for ammunition and \$12 million for ambulances, trucks and medical evacuation helicopters, O'Neill said.

Kemp said, however, that he understands that Secretary of State George P. Shultz is determined to obtain the \$61.7 million approved by the Senate on grounds that any less would not carry the Salvadoran armed forces until more U.S. aid arrives with the next fiscal year beginning Oct. 1.

Administration officials are understood to be leaning toward a decision today to use emergency funding authority to provide some aid to El Salvador despite congressional inaction.



SPEAKER THOMAS P. O'NEILL JR.

... says Democrats would back El Salvador aid

Meanwhile, Democratic presidential candidate Jesse L. Jackson called on Congress to consider holding hearings on impeaching President Reagan for the mining. "If an act of war is taking place without the consent of Congress, clearly it is surely an impeachable offense," Jackson said while campaigning in Arizona for the Democratic presidential nomination. "I do not call for his impeachment . . . but if he operates beyond the law, he must be challenged."

Walter F. Mondale, the front-runner for the nomination, charged that Reagan and his aides "aren't telling us the truth" about what he called their "blundering course" in Central America, and predicted that if the pattern continues, "America could be involved in full-scale war" in that region.

Thirteen Democratic members of the House Judiciary Committee, including Chairman Peter W. Rodino Jr. (D-N.J.),

asked Attorney General William French Smith to name an independent counsel "to investigate, and if necessary prosecute" Reagan and other top administration officials for violating the Neutrality Act. It bars Americans from aiding groups trying to overthrow foreign governments.

Congress erupted in outrage Monday after weekend revelations that the CIA had taken direct part in the laying of mines in three Nicaraguan harbors, where the Sandinista government of Nicaragua claimed that at least seven ships from five nations have been damaged during the last month.

Many members of Congress called it an act of war and complained that CIA briefings for the intelligence committees had been misleading.

"It was one-line, passive-voice 'mines are being laid' sort of thing, with no reference to American involvement," a source close to one committee said yesterday.

U.N. Ambassador Jeane J. Kirkpatrick, defending the administration at a meeting of international law experts yesterday, said, "To portray Nicaragua as a victim in the present situation is a complete Orwellian inversion of what is happening in Central America."

The truth, she said, is that in suing the United States in the International Court of Justice, Nicaragua tried to "subvert the court" in a blatantly propagandistic manner.

Despite Kirkpatrick's arguments, the American Society of International Law, whose members include prominent lawyers, political scientists and international law experts, last night adopted a resolution that "deplores" the U.S. effort to withdraw its Central American actions from the jurisdiction of the World Court, and called on the Reagan administration to rescind its ac-

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ever personal opinions McMahon may have voiced about specific operations in staff discussions, he is not opposed to any CIA operations. Several sources said the mining of Nicaragua was not intended to stop the flow of arms from the Sandinistas to leftist rebels in nearby El Salvador, which is one the justifications that Congress has been given for the covert operation against Nicaragua.

"It's harassment pure and simple," said one administration official, "and designed to keep them busy, a diversion."

The State Department has issued a legal opinion, circulated in the Senate Select Committee on Intelligence, saying the harbor mining is "self-defense" and designed to stem the unlawful flow of arms. A senior administration official said yesterday, "unfortunately it's bulls---" and would add to the perception that one hand of the administration does not know what the other is doing.

Administration sources said that attacks by the CIA-supported anti-Sandinista guerrillas have had a serious impact on the Nicaraguan economy but have not slowed the flow of arms into El Salvador.

"It went down after Grenada [the October, 1983, U.S. invasion of the Caribbean island] but it's now going up and may even be higher," said one source familiar with estimates. Another source generally agreed with this assessment, but added that there have been some successes in interrupting the arms flow.

Sources said CIA analysts have concluded that the Contra guerrillas

have no chance of overthrowing the Sandinista government in Nicaragua, which has a military and police force totaling about 75,000 men.

The National Security Council has set a ceiling of 18,000 on the number of Contras the CIA may recruit, support and direct. Sources said the number of Contras now operating is 12,000 to 15,000.

Casey remains determined to fight for the requested \$21 million to continue supporting the Contras, according to administration officials. "He was the only one at the CIA saying we'd get the money," one official said yesterday.

Tuesday's 84-to-12 Senate vote condemning the mining of Nicaraguan harbors clearly had an impact at the CIA, where officials said they believed they had kept Congress well-informed, citing Casey's testimony to the Senate intelligence committee March 8 and March 13 to the effect that "mines have been placed" in the harbors.

None of the committee's members reached yesterday disputed this and some said they should have been more inquisitive. "It is as emotional an issue as we can have in our time and we are perceived to have hidden it," said one CIA official. "This is so [expletive] demoralizing."

The mines have damaged several ships and, according to one intelligence report, caused injuries, including broken bones, for a few seamen. The Nicaraguan fishing boats that recently were damaged by the mines were trying to sweep the mines out of channels when they exploded, according to one report.

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