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White House tied to private groups seeking funds for Nicaraguan contras

From Wire Reports

WASHINGTON — The White House has kept close ties with private groups raising money for Nicaraguan rebels despite a public stance that it doesn't encourage or discourage those efforts, according to well-placed sources.

The White House — at least initially — offered advice to individuals involved in the fund-raising, and did not discourage offers from several allied governments to funnel aid to the "contras," according to private and government sources who spoke on condition that they not be identified.

The sources said the Reagan administration has adopted an arms-length relationship with the fund-raising since last fall, when Congress passed a ban on U.S. aid that "would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua."

That language, the most recent of a series of Nicaraguan restrictions sponsored by Representative Edward P. Boland (D. Mass.), is a principal target of current administration proposals in Congress to resume CIA aid to the contras.

The Central Intelligence Agency spent about \$80 million training and organizing the estimated 15,000 rebels from 1981 until a year ago, when Congress cut off the aid.

Last week, the Republican-controlled Senate voted to let the CIA ship \$38 million in non-lethal aid to the rebels, and the House is slated to consider a similar plan this week.

Assistant Secretary of State Lang-

horne Motley, appearing yesterday on the ABC television program "This Week With David Brinkley," was asked if the Reagan administration would consider alternatives, such as sending U.S. combat troops to Nicaragua, if the present policy proved unsuccessful.

"If it doesn't accomplish it, you have to look at it," he replied.

However, Mr. Motley said the administration's overall Central American policy and its aid to the contras was proving successful.

"The overall policy is working in that area," he said.

Senate Foreign Relations Committee Chairman Richard Lugar, appearing on the same program, agreed, saying that U.S. policy was pressuring the Sandinista regime into negotiations with the rebels.

One source, familiar with the administration's handling of private aid to the contras, said White House efforts to encourage and coordinate that support began in early 1984, as Congress turned increasingly hostile to the CIA's backing of the rebels.

The source said that beginning last July, at least three countries approached the White House and volunteered to provide aid to the contras. He said one was an Asian country, but he refused to identify any of them.

"They came to the U.S. to make sure we had no objection to it," the source said, adding that the White House welcomed the offers but provided no "quid pro quo" to reward the nations for giving the help. He also said the White House estimated that outside support would total

about \$11 million this year, and thus agreed to scale back its 1985 request to Congress to \$14 million.

The source said President Reagan's National Security Council staff handled contacts with private groups, including the World Anti-Communist League, a staunchly conservative organization headed by retired Maj. Gen. John K. Singlaub.

General Singlaub, who resigned from active duty in 1978 after publicly criticizing then-President Carter's plan to withdraw forces from South Korea, said the league's international network and other fund sources raise about \$500,000 a month for the contras.

In recent interviews with the Associated Press, General Singlaub said that amount was enough for the rebels to continue "surviving," but prevented them from becoming a greater threat to the leftist Nicaraguan government.

General Singlaub said that a year ago, when he started his fund-raising, he would receive advice on the contras' military needs and an occasional briefing from the NSC staff. He said his chief contact was Lt. Col. Oliver L. North, an NSC deputy director for political-military affairs.

But now, General Singlaub said, Mr. North has been "pretty much immobilized by this idiotic amendment" prohibiting even indirect help for the contras. "He can't act to give advice or encouragement," General Singlaub added.

But General Singlaub said he still informs Mr. North about the league's fund-raising efforts and asks for indirect guidance.