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Shultz aide collaborated with North

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WASHINGTON — Elliott Abrams, the State Department's top Latin America specialist, collaborated closely with then National Security Council aide Oliver L. North on ways to help the Nicaraguan contras, the State Department acknowledged yesterday.

It was the first official concession that a senior State Department official had worked closely with North on contra affairs during a period when Congress had prohibited any direct or indirect assistance to the contras in procuring military equipment. The two-year prohibition was lifted Oct. 18, when President Reagan signed into law a new \$100 million contra aid program.

Abrams declined to comment but his chief spokesman, Gregory Lagana, insisted that Abrams had done nothing illegal and had no knowledge of any diversion to the contras of profits from arms sales to Iran.

"Yes, it's true," Lagana said when asked about Abrams' relationship with North. "That is no secret. Both were on the same interagency group that coordinated Central America policy."

Asked whether Abrams kept Secretary of State George P. Shultz fully informed of his discussions and decisions with North, Lagana said he thought so.

"Obviously, you don't tell your boss things you don't think he should bother with," said Lagana. "But I think that if Elliott had discovered any illegalities, he would have reported them to Secretary Shultz."

The acknowledgment that Abrams collaborated with North on contra affairs came as questions were raised about how much the assistant secretary of state for inter-American affairs may have known about North's activities. North, a Marine lieutenant colonel, was dismissed from his NSC post Nov. 25 after administration officials discovered the diversion of the arms sale profits to the contras.

On Tuesday, Sen. David Durenberger (R., Minn.), who was chairman of the Senate Intelligence Committee during its investigation of the Iran-contra affair, said he found it "curious" that Abrams did not know about

the diversion.

Interviewed aboard a commercial airliner that carried him home to Minnesota late Tuesday after Democrats blocked the release of a thick report prepared by his committee on the scandal, Durenberger noted that Abrams chaired an interagency committee, on which North sat, that coordinated Central America policy, with emphasis on contra projects.

He also described North and Abrams as "buddy, buddy, buddy, buddy. Soul mates." Without citing any evidence, Durenberger, who was chairman of the Intelligence Committee for two years, said he knew that North and Abrams collaborated "because I've dealt with them for a long time."

Durenberger added, however, that for the present he accepted Abrams' assertion that he did not know that

profits from arms sales to Iran went to the contras. But he also said he would not be "surprised" to find out later that Abrams did know about the diversion.

"I wouldn't trust Elliott Abrams any further than I could throw Oliver North," Durenberger said.

Episodes cited by Durenberger, congressional sources and administration officials in which North and Abrams coordinated included:

- The contra air supply network that operated from Ilopango airport in El Salvador. The supply network, which ended when one of its aircraft was downed over Nicaragua, apparently was financed with profits from arms dealings with Iran.

- The use of aircraft hired by the State Department under a \$27 million program of "humanitarian" aid for the contras to also ferry weapons for the rebels.

- The orchestration of a U.S. response last year when Sandinista troops chased contra forces into Honduras. The U.S. ambassador to Honduras at the time, John Ferch, has told congressional investigators that Abrams deceived Congress about that incursion in an effort to win approval for U.S. aid to the contras.

- The soliciting of funds — perhaps up to \$10 million — from the tiny southeast Asian sultanate of Brunei to tide over the contras at a time when Congress was still balking at renewing their official aid.

Denied any role

Durenberger said that on Nov. 25, the day Attorney General Edwin Meese 3d announced North's involvement in the diversion of funds, Abrams told his committee that he had played no role in soliciting third-country assistance for the contras.

But Durenberger said that when Abrams reappeared before the committee in December, he changed his story.

"He said, 'There appears to be a contradiction. I can explain it,'" Durenberger said. "At [this] point, he appeared to be very forthcoming."

In discussing Abrams' testimony, Durenberger did not refer to Brunei by name, but called it "Country X." A congressional aide familiar with Abrams' testimony confirmed that "Country X" was Brunei.

Durenberger said Abrams testified that he first talked with North about the Brunei contribution in June or July 1986. At that time, Durenberger said, Abrams had solicited the funds and was looking "for a place to put Country X money for the contras."

Swiss account

Durenberger said Abrams "asks Oliver North for help and North gave him a Swiss account [number]. Abrams used it for Country X, that is, he gave the account number to the folks in Country X."

Durenberger said Abrams also asked for and received a Swiss account number from a CIA contact, but passed only the North number to the Bruneians.

Lagana said that only Abrams could comment at length on his own testimony. He noted that Abrams has told reporters previously that as of late November, the money solicited from "a heavy hitter" abroad had not been received and that the matter had been taken out of his hands by State Department legal adviser Abraham D. Sofaer.

Durenberger said in the interview that "Country X" had deposited the money in North's account, but that it may have been used not for the contras but to reimburse international arms dealers who underwrote the U.S. arms sales to Iran and who claimed not to have been repaid.

In another apparent instance of Abrams-North coordination, Durenberger said that at least three U.S. officials based in Central America who reported to Abrams — Ambassadors Lewis Tams in Costa Rica and Edwin Corr in El Salvador, and U.S. Army Col. James Steele, who headed the U.S. military contingent in El Salvador — also cooperated with the contra supply operation based at Ilopango that North apparently financed with Iran arms sales profits.

"Officially, they [the American officials] tried to keep their hands off of it [the resupply effort]," Durenberger said. "Obviously, Steele did some facilitating in El Salvador. I suppose people must have known about what

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he was doing. He was playing some role.

"It's a fact that Colonel Steele did play a role in facilitating the airlift. The State Department draws very wavery kinds of lines on that subject, the legality or illegality of it all I haven't worked out yet."

As for Ambassador Corr, "he felt there were some things that this guy [Steele] could do," Durenberger said.

Airstrip request

Costa Rican officials, meanwhile, have said that Tambs, the U.S. envoy in Costa Rica, asked them to allow the private supply system to use an airstrip built near the Nicaraguan border that they had ordered shut down. Tambs resigned after that revelation was made, but he denied any connection between the disclosure and his departure.

Lagana confirmed that North and Abrams had discussed the weapons resupply system before it was exposed Oct. 5 when the Sandinistas shot down an American-manned, arms-laden C-123 cargo plane.

But he said that Abrams never sought or received "very much information" from North on who financed the operation.

Lagana said Abrams "was not involved" in coordinating the actual delivery of weapons.

As for the roles that ambassadors Tambs and Corr may have played, Lagana said both had assured Abrams that their activities related to the contras were "appropriate and legal."

Lagana refused to be specific about what activities Corr and Tambs engaged in.

Visits to airbase

As for Steele, Lagana acknowledged that Steele had often visited the Ilopango air base where the re-

supply operation was based. But he linked Steele's presence at Ilopango to his role as head of the U.S. military group in El Salvador, not as a participant in the contra supply network.

Lagana said that Abrams has insisted that Steele "was not helping or facilitating people outside the U.S. government."

Knowledgeable U.S. officials also confirmed yesterday that Abrams and North also coordinated the distribution of the \$27 million "humanitarian" assistance to the contras in 1985 and 1986.

But Lagana said that North and Abrams discussed only the general implementation of the program, and left logistical details to the State Department's Nicaraguan Humanitarian Assistance Office. That office reported to Abrams and relied on a contract employee, Robert Owen, to guarantee that the funds were not being used to purchase weapons or ammunition. Administration officials acknowledge now, however, that Owen served as North's secret liaison with the contras.

Some American crew members who flew cargoes of nonlethal aid have said in the last few months that they also flew military supplies to the contras on the same planes hired by the State Department to ferry nonlethal aid.

Lagana also confirmed that North and Abrams worked closely on orchestrating the granting of \$20 million in U.S. emergency military aid to Honduras in March 1986. The granting of the aid was controversial because Honduran officials said then that the U.S. had exaggerated the danger from the Sandinista presence in Honduras. Ferch, the former U.S. ambassador to Honduras, has told congressional investigators that the Honduran version of events was true.