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# Shultz Protested Iran Deal

## U.S. Reassured Iraq Of Neutrality in Persian Gulf War

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Secretary of State George P. Shultz protested to President Reagan that a secret White House plan to obtain the release of U.S. hostages in Lebanon by permitting shipments of military equipment to Iran contradicted U.S. policy against negotiating with terrorist states, informed sources said yesterday.

Although the clandestine White House program proceeded anyway, the sources added, it was halted briefly after the release of the Rev. Benjamin Weir in September 1985. At that time, the half-dozen or so senior State Department officials who knew about it argued that exchanging military goods for hostages could lead to more kidnappings of Americans.

But the White House resumed the program—with at least some of the goods apparently traveling circuitous routes from Israel to European countries and finally to Iran in an eventually successful effort to free two more hostages. In recent months, there was also hope that the program would promote better ties with Iranian politicians and military leaders jockeying to succeed the aged Ayatollah Ruhollah Khomeini, the sources said.

Simultaneously, the administration was reassuring Iran's bitter enemy, Iraq, of American neutrality in the 6-year-old Persian Gulf war. The Iraqis responded, two sources said yesterday, by promising to restrain their support of terrorist groups and by placing terrorist Mo-

ammed Abu Abbas under house arrest. In July, Abbas was convicted in absentia in Italy of involvement in the hijacking of the Achille Lauro cruise ship that resulted in the murder of American Leon Klinghoffer.

Abbas, one of his chief lieutenants and the four hijackers were in Italian custody briefly in October 1985 when U.S. jets intercepted the plane that was flying them from Egypt to Tunisia after the hijacking. Abbas was released, however, and some reports have said he was living in Baghdad. It is not clear what the Iraqis plan to do with Abbas.

The secret White House program was originally directed by then-national security affairs adviser Robert C. McFarlane and later by Lt. Col. Oliver C. North, a deputy director of the National Security Council staff, sources said.

The first public word of the program came Tuesday when the speaker of the Iranian parliament, Ali Akbar Hashemi Rafsanjani, said McFarlane and four others had gone to Tehran in September aboard a plane carrying weapons spare parts. That disclosure was apparently the result of political infighting in Iran that pitted Rafsanjani against Muslim fundamentalists, who opposed his dealing with the Americans.

"We were surprised the Iranians kept the secret this long," said one source familiar with the program.

The Iranian disclosure, sources said, may have ended chances for the quick release of two additional hostages held by the Islamic Jihad, which has close ties to Iran. The release last Sunday of David P. Jacobsen—as well as the freeing of Weir last year and the Rev. Lawrence Jenco in July—were tied to shipments of military cargo, sources said.

Yesterday, McFarlane told United Press International after delivering a lecture in Ohio that he was in "the awkward position of not being able to comment on the reports," some of which he described as "very fanciful." He added, "I'll comment on them when the time is appropriate."

U.S. sources who confirmed that McFarlane had traveled to Tehran

said he was there to discuss the hostages, to urge Iran's leaders to end support of terrorism and to seek an end to the war with Iraq.

Sources said that there had been earlier trips to Tehran by North and others. North, who supervises the White House counterterrorism operation, also has played a leading role in U.S. aid to the rebel, or contra, forces fighting the government of Nicaragua.

Abol Hassan Bani-Sadr, president of Iran from 1979 until 1981, when he was forced to flee the country, said on the ABC News "Nightline" program Wednesday that he was aware of American and Israeli arms shipments reaching Iran as recently as August and September.

He also said that in return for the arms shipments, the Khomeini government was beginning to exercise control "over Islamic Jihad and all the organizations that are operating in the world on that side."

On the same program, former secretary of state Alexander M. Haig Jr. said that delivery of military supplies to Iran "to work with more moderate elements in the Iranian government . . . is a strategic objective that is not exactly foolish."

Sources said the covert White House program began in early 1985 after it became apparent that U.S. hostages held by the pro-Iranian Islamic Jihad would not respond to pressure for their release unless it came from Tehran.

At that point, sources said, Israeli officials who had kept contacts in Iran proposed opening up a channel of communications for the Americans. As discussion progressed, the Iranian officials made it clear they wanted military spare parts and equipment if anything was to be done on the hostage issue, sources said.

Subsequent shipments were carried out with Israeli and other third-country personnel purchasing the arms, which were paid for by the Iranians as the United States promised not to interfere, sources said.

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At the same time, however, Justice Department officials were prosecuting individuals for attempting to covertly sell U.S. arms to Iran. In the most publicized case, a retired Israeli general and more than a dozen others face trial in New York next February for allegedly attempting to sell Iran \$2 billion in American weapons.

The administration also has repeatedly warned other nations not to peddle weapons to Tehran. Yesterday at the White House, spokesman Peter Roussel said, "The United States has systematically urged third countries not to sell arms to Iran as the only effective way to bring Iran quickly to accept mediation and negotiation [in the Iran-Iraq war]."

The precise contents of the military shipments to Iran remain unclear and were the most "tightly held" secret in the operation, one source said yesterday. "It was substantial and some of it was sophisticated," the source added.

The Los Angeles Times reported yesterday that the cargo included ground-to-ground missiles, spare parts for F4 Phantom jets, American-made radar systems, C130 transport planes and other war materiel.

In Denmark, a spokesman for the Danish Sailors Union said Danish ships had been used to carry American-made arms from Israel to Iran. The union said that at least 3,600 tons of U.S.-made arms were carried to Iran recently.

Yesterday, State Department officials attempted to reassure Iraqi and other Arab diplomats that the United States had not abandoned its previous policy of being even-handed in the Gulf war. The Iraqi am-

bassador met yesterday morning with Assistant Secretary of State Richard W. Murphy, while Saudi Arabia's ambassador met yesterday afternoon with John M. Poindexter, the president's national security affairs adviser.

At a bill-signing ceremony yesterday morning, President Reagan refused comment but said, "I suggest and appeal to all of you with regard to this, that the speculation, the commenting and all . . . to us has no foundation, that all of that is making it more difficult for us in our effort to get the other hostages free."

Later, White House spokesman Albert R. Brashear declined to identify which articles or newscasts Reagan had in mind.

Secretary of Defense Caspar W. Weinberger also declined comment in a meeting with reporters, except to say, "I warn you to check with sources on some of this stuff."

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*Staff writers John M. Goshko and Molly Moore contributed to this report.*