THE WHITE HOUSE

WASHINGTON

July 20, 1987

MEMORANDUM FOR ARTHUR B. CULVAHOUSE, JR. FROM: WILLIAM B. LYTTON III

SUBJECT:

SUMMARY OF TESTIMONY OF ADMIRAL JOHN POINDEXTER

JULY 20, 1987

Overview I.

Today's questioning of Admiral Poindexter largely amounted to a rehash of parts of his prior testimony. At one point, Senator William Cohen (R-Maine) asked Poindexter if he would be willing in executive session to describe other ongoing NSC-sponsored covert operations about which the President had withheld notification and to detail other covert operations for which retroactive findings had been prepared. This issue was left unresolved, although Poindexter indicated that he would have to clear such testimony with the White House.

Rep. Cheney (R-Wyoming) offered his view that the Boland Amendment did not apply to either the President or his staff. He complained that he, along, with some other Administration supporters, were undermined by incorrect White House guidance supplied to them in the wake of the initial disclosures of the Iran initiative. He also stated that whatever might be said about misleading Congress, it was ultimately "stupid" for an administration to do so because it underminded the President's credibility.

Poindexter testified that he, North and Casey had lunch together on Saturday, November 22, 1986. According to Poindexter's imprecise recollection, they discussed how better to communicate to the American people the legitimacy of the objectives of the Iranian initiative, but did not talk about diversion.

Poindexter testified that he destroyed the December finding and withheld other information from Congressional committees despite the President's announcement in his November 19, 1986,

news conference that he was directing full disclosure to Congressional committees.

Representative Brooks (D-Texas) suggested that Poindexter's destruction of the December, 1985 finding violated the Presidential Records Act.

Representative Aspin (D-Wisconsin) noted that the Committees' records demonstrate a sharp drop in Contra funding after February 1986 and suggested that another, as yet unreported source of funds existed to sustain the Contras for several months. Poindexter denied knowledge of any other source of funding for the Contras.

II. The President's Involvement

Senator Boren (D-Oklahoma) stated that he believes the President has always been truthful in statements concerning the Iran/Contra matter.

On questioning by Representative Stokes (D-Ohio), Poindexter denied knowing of a meeting which allegedly took place in the White House on December 16, 1986, in which Donald Regan, the Attorney General and the President discussed the possibility of granting immunity or a pardon for Poindexter and North.

A. Diversion

Admiral Poindexter reiterated that he did not inform the President of the diversion to protect the President. He described the diversion as a mere "technical aspect" of the Iran operation rather than a substantive decision. He said that the fact that the President maintains high credibility on this issue "was part of my plan." He further stated that he never asked North to be the "fall guy" and never discussed the operation's plausible deniability with anyone. On Senator Baker's statement that the President would not have approved the diversion, Poindexter stated simply that the contradiction of this position with his own would have to stand.

B. Boland Amendment

Admiral Poindexter testified that he briefed the President in December 1985 on the Santa Elena airstrip in Costa Rica. His primary purpose in this briefing was to demonstrate the high degree of Costa Rican cooperation. Poindexter did not believe that he told the President of any of the details of either Ambassador Tambs' or LtCol North's involvement in securing Costa Rican assistance in this effort. Poindexter acknowledged that the President had not been left with the impression that the effort on the airstrip was purely private. Poindexter recalled knowing that a photo-album on the Contra aerial resupply effort was available for the President to peruse, but Poindexter neither saw the album himself nor showed it to the President.

C. <u>Iran Operation</u>

Admiral Poindexter reaffirmed that the President had approved the so-called "nine point plan" worked out with the second channel, which provided for sequential release of hostages, deliveries of arms to Iran and release of the Da'wa prisoners. He stated that the briefing of this issue to the President, was "probably...very short." Poindexter testified that the President, as of the time of his November 13 speech, felt that the Administration had to "continue to withhold as much as possible" in an attempt to keep the ongoing initiative with Iran intact and to release additional hostages.

D. Third Country Aid to Contras

Nothing to report.

E. Private Support to Contras

Admiral Poindexter testified that he did not recall telling the President specifically about the NSC's coordination of private Contra support efforts, but stated that the President knew North was the chief liaison with the Contra leadership. He testified unequivocally that the President was unaware of North's efforts to get the Contra leadership in touch with David Walker, the former British SAS officer. When asked whether the President authorized North's support of the aerial Contra resupply operation, Poindexter stated that the President's authorization of it was "not that specific."

III. Continuation of the Hearings

Examination of Admiral Poindexter will continue at 9:15 a.m. tomorrow.