

# מדינת ישראל

משרדי הממשלה

וטיבה: משרד ראש הממשלה

ת הטיבה: משרד ראש הממשלה - לשכת ראש הממשלה

לשכת ראש הממשלה שמעון פרס ויצחק שמיר - ארצות-הברית.

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ארכיון המדינה

### משרד ראש הממשלה

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#### משרד החוץ-מחלקת הקשר

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בלמסקרגיל

SECRETARY OF STATE GEORGE SHULTZ

WASHINGTON DC U S A

WE EXTEND HEARTIEST CONGRATULATIONS ON THE OCCASION OF YOUR BIRTHDAY. YOU ARE PROOF THAT AGE IS A RELATIVE TERM. AT 66 YOU COMBINE THE MISDOM AND EXPERIENCE OF THE YEARS WITH A YOUNG SPIRIT AND AND YOUTHFUL ENERGY. WE MISH YOU MANY MORE YEARS OF FRUITFUL ENDEAVOURS ON BEHALF OF YOUR NATION AND THE FREE WORLD. MY NIFE JOINS ME IN MISHING YOU AND MRS. SHULTZ GOOD HEALTH AND MUCH HAPPINESS.

YITZHAK SHAMIR

PRIME MINISTER

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### Press bulletin

Jerusalem, 14 December 1986

#### #21 SHAMIR'S CABLE TO SHULTZ

.86.12.14 (Communicated by the prime minister's media adviser)

The following is the cable sent by Prime Minister Yitzhak Shamir to U.S. Secretary of State George Shultz on the occasion of the latter's birthday:

"We extend heartiest congratulations on the occasion of your birthday. You are proof that age is a relative term. At 66, you combine the wisdom and experience of the years with a young spirit and youthful energy. We wish you many more years of fruitful endeavors on behalf of your nation and the free world. My wife joins me in wishing you and Mrs. Shultz good health and much happiness.

Sincerely Yitzhak Shamir"

-/LV

13:30 hours

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מאת: אילן אלבר י הטברה לרסאנגלט

הנדרך : ישראל- ארה"ב - איראך

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#### News Summary December 18, 1986

#### Editorials

ND "Not So Fast" Reagan's recommendation that Reindexter and North be granted limited immunity is ill-timed and at the very least premature. The recommendation suggests that the White House is either pathetically out of touch with events or is cynically trying to appear candid. Until the various committees have begun to function—and until they can be consulted about the desirability of granting immunity to Poindexter and North—no deals should be made to immunize anybody from eventual prosecution.

NYP "Getting at the Truth is What Counts" Limited immunity should be granted to Poindexter and North. The inescapable truth is that many In Congress—and not just Democrats—are enjoying all of this. They say that immunity would undermine future criminal prosecutions. But nothing would stand in the way of indictments based on evidence of wrongdoing obtained independently. If they broke the law, they could still be sent to jail—though not on the basis of their own testimony.

#### Columns

NYT-Safire "Plenty of Paper" A relatively wide circle of Gov't officials and arms merchants knew about the secret arms-for-hostages dealings. A much smaller circle knew of the diversion Knowledge of the arms deal was nervous knowledge of a stupid policy; knowledge of the diversion of profits was guilty knowledge of lawbreaking. Old pros point to a terrible irony; If only the arms-for-hostages policy leaked a year ago, Reagan would not be in so much trouble now.

NYP-Sol Sanders "Why Reagan Bypassed the State Dept." Presidents from Kennedy to Reagan have not trusted the State Department to carry out their policies. And they have been right not to do so. The State Dept. has come to see itself as the repository of all geopolitical wisdom. It treats Presidents who would change the course of history as amateurish and temporary annoyances. They should Comember that the Sec. of State is simply an administrative assistant and consultant of the President.

ND & NYP-Will "Give Them Immunity And Get on With It" Either a

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Congressional committee will break the logjam by voting immunity or the nation may be able to loll away the winter enthralled by televised heraings and wondering whether it is TV rather than the truth that Congress craves.

NYP-Jean Marie Benoist (Paris) "America's Self Paralysis" The European community and all friends of the US are not only sad to see the storm that is devestating Was hington, but they are also worried to see a great democracy engaging in a process of self-castigation and self-destruction that puts at risk its leadership and confidence that has been restored since Reagan took office. Those who express distaste for the arms deal with Iran should understand that the deal was made not only to free the hostages but that the Iranian interlocutors are our only chance in the post-Khomeini era. The fate of the balance of the Mideast depends on the necessity to contain the fundamentalist tide of the Shiites.

WSJ-Kinsley "Faulting the Executive Isn't in the Journal's Constitution" In the presidential crisis, those who turn to the WSJ editorial page for moral guidence have suffered a growing sense of disappointment. The Journal's response to the biggest scandal since Watergate has been oddly subdued. What unites the Journal's editorials is an insistence that the president was right to do what he did, whatever that may have been. It mentions the geostrategic importance of Iran. If the need to curry favor with ran is so important, why hasn't the Journal written editorials in the past few years criticizing the administration for its official policy of ostracizing that country because of its role for promoting terrorism?

#### Topics

NYT-"Iran By the Books" On Nov. 14, one week after the Iran arms deal came to light, the White House issued a statement of policy toward Iran. Reagan declared a national emergency to don't with the threat to the national security, foreign policy and economy of the US constituted by the situation in Iran. It was the right country, wrong emergency.

NYT-"The Carter Letters" Ridicule remains a President's most formidable foe, a barometer to political popularity, as Carter learned. Now it's Reagan's turn. A recent TV show presented a comedian as the President at a news conference. As he answered questions, words crawled along the bottom of the screen in the manner of ads for a car: "He's lying."

#### Press Reports

#### Israelis Dispute Regan Testimony

NYT-Freidman-Senior sraeli officials disputed the testimony of Donald Regan, that Israel did not have Reagan's approval when it shipped arms to Iran in the summer of 1985. The Israeli officials, who requested anonymity, because of the sensitivity of the matter, reiterated that McFarlane gave Israel a clear signal that the President approved of an arms-for-hostage deal before Israel sent the first plane load of

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weapons. They cite a meeting with McFarlane and Kimche. Kimche's notes of the meeting, in which McFarlane told him that Reagan approved, back up the Israeli version, which is now difficult to confirm independently. (cabled)

#### FBI Uncovers Wider Role By Saudis in Iran Arms Deal

NYT-Gerth & Engeleberg-The FBI has uncovered evidence of wider Saudi Arabian involvement than previously disclosed, according to law enforcement officials. As a result of these and other discoveries, the uS Justice Dept. asked Swiss officials to freeze 9 more bank accounts. It is suggested that money from the ruling family in Saudi Arabia may have been involved in the arms transactions. (NYT-Tagliabue)

#### Arms Sold to Iran Said to Be Overpriced Deliberately to Raise Funds for Contras

WSJ-Walcott-Administration sources said that administration officials deliberately paid the Penatgon bargain prices for weapons they withdrew for US stocks and then overcharged the Iranians for them in an effort of establish a fresh source of military aid for the hard-pressed contras. This suggests that the US arms sales to Iran and aid to the contras were linked from the start, at legat in some officials' minds. The sources said that Reagan Casey and other top officials never explicitly authorized any aid to the contras and were never told of the diversions. North is said to have presented Amiram Nir with inflated prices for uS arms. Nir later told his superiors th "no one asked questions" about the prices, although they were 3-4 times the book value. The administration first sanctioned selling arms through Israel. But last January, it decided to push out the Israeli middlemen and sell the arms directly to Iran.

#### Reagan Overstated Soviet Threat to Iran to Justify His Arms Sales

WSJ-Carrington-Both the US and the Soviet Union see Iran as strategically important. But both also share an inability to advance their interests in Tehran. Reagan cited possible Russian inroads in Iran as one justification for the risky arms transfers he authorized, but many analysts argue that the Soviet Union hasn't much hope of gaining either political or military influence there. Some even contend that the Soviets have lost ground in Iran.

#### Messe Described As Target of Investigation

NYT-Butterfield p.l The FBI has begun an inquiry into why Messe last fall ordered the delay of an FBI investigation into illegal arms shipments to the Contras. One official said the FBI was told at the time that investigation into a company in Miami could imperil negotiations for the release of the hostages in Lebanon. Messe's order to the FBI raises the question whether he may have known earlier about the diversion of profits. (all papers)

#### Did North Brief Reagan Alone?

ND-AP-The White House claims that North met with Reagan on an average of less than once a month, and then only in large groups. But an associate

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of North disputes this claim and said that North personally briefed the President on a regular basis. North's access to Reagan has become a central question in the investigation into who authorized the diversion of profits.

#### Church Leaders on Iran "Desvestating Effect"

NYT-The top official of the National Council of Churches, returning from a 3-week trip of the Mideast, said that the "Iran-contra affair has had a "devestating effect" on the credibility of the US in the region and would hamper its effort to mediate a peace settlement for years to come. Arie Brouwer, the top official of the National Council, said that Arab leaders believe the focus of peace efforts must shift from US mediation toward an international conference arranged by the UN.

#### North Kidnap Plan Reported

DN-Drake-Larry Speaks said that North's story about kidnapping relatives of Iranian officials was not factual. (ND-AP)

#### Shultz Warns Envoys to Stop Bypasisng Him

NYT-Gwertzman p.1-Shultz formally barred US Ambassadors from bypassing him and engaging in private communications with the NSC unless "explicitly directed" to do so by Reagan. The message, in effect, makes it a violation of orders for an envoy to deal with the new NSC head without first informing Shultz, or without a personal message from the president. (see text of cable sent-NYT)

#### Nancy Says Reagan Was Misled

NYT-APNancy Reagan said her husband was misled by his former aides and felt frustrated over their refusal to tell what they did in the Iran-contra affair.

#### Hasenfus Freed

NYT-Kinzer p.I-Hasenfus was pardoned and freed today by Ortega. The leader of Nicaragua said the pardon was a gesture of peace. Wsahington said the pardon was an orchestrated propoganda incident. Hasenfus will probably be called on to testify on the diversion of funds.

NYT-A Justice Dept. official said that the department has already looked into the possibility of prosecuting Hasenfus for violating the Neutrality Act. But he doesn't think this will happen.

#### Senate Calls McFarlane Back

NYP-Lathem-McFarlane has been called back to testify in order to explain a contradiction between his testimony and Regan's. The contradiction deals with when Reagan approved of the shipments via Israel.

#### No Senate Immunity for Poindexter and North

ND-Waldman-The Senate Intelligence Committee rejected the President's appeal to grant limited immunity to former NSC aides and one member asserted that criminal charges could be filed as the investigation proceeds.

#### Heads of Panels on Iran-Contra Probe Are Different in Style

WSJ-Rogers-Sen. Inouye and Rep. Hamilton, the newly appointed chairmen of committees charged with investigating the scandal are as different in style as the Seanate and House. Inouye has long been a champion of Israel. Hamilton has been critical of Israeli shipments to Iran long before the current controversy broke out, and has been willing in the past to take positions opposed by Jewish voters and members aligned with the pro-Israel lobby. (see Hamilton-Man in the News-NYT)

NYT-Briefs on the 14 Representatives Selected to Serve on Iran Panel.

#### Envoy Denies Swiss Report

NYT-special-The US Ambassador to Switzerland took the unusual step of publicly denying a Swiss newspaper report that she had any connections with the diversion of funds.

#### White House Budget Move Mired in Preoccupation With Iran Crisis

NYT-Kilborn-Work by the White House on one of Reagan's major proposals, overhauling the Federal budgeting process, was stopped because of preoccupation over the arms sales to Iran.

#### Warrant in Frankfurt Attack

NYT-Reuters-The West German authorities issued an international arrest warrant for an Iranian suspected of a car-bomb attack that wounded 35 people at a US military shopping complex last year.

#### Spreading the Word on Non-Violent Struggle in the West Bank

Village Voice-Bentoff-Clearly, if large numbers of Palestinians in the Occupied Territories were to regularly engage in disciplined, non-violent direct-action resistance, this strategy would indeed be a far more serious threat to the Israeli Gov't than all other forms of resistance through the decades. Mubarak Awad, of the Palestinain Center for the Study of Nonviolence is slowly gaining credibility. If Awad ever does get a sizable number of Palestinians involved in nonviolent resistance, it is quiet likely that he would be deported as a very dangerous man. Hentoff tells the stort of the Olive Trees of Qatanna. Next week continues with the story and Coretta Scott King becomes involved.

#### Rutgers Re-examines Dispute Over Nazism

NYT-Narvez-A bitter 51-year old dispute between 2 professors, one a Nazi sympathizer, the other an opponent of Hitler, was not the result of political discrimination, a special faculty committee concluded. The anti-Hitler professor was fired in 1935. The college noted

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that the University was undergoing budget cuts at the time and that one professor from the German Dept. had to be let go. But others believe that he was fired only because he was anti-Nazi and that the University seemed to have a strange affection for the Nazis. The decision was assailed by those familiar with the case.

New Yorkers Asked if North and Poindexter Should Be Granted Immunity

DN-Inquiring Photographer-5 out of 7 do not believe that immunity should be granted.

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# ISRAELIS DISPUTE REGAN TESTIMONY

Officials Say McFarlane Was Clear About Presidential Approval of Iran Arms

## By THOMAS L. FRIEDMAN Special to The New York Times

JERUSALEM, Dec. 17 — Senior Israeli officials today disputed the reported testimony of Donald T. Regan, the White House chief of staff, that Israel did not have President Reagan's approval when it shipped arms to Iran in the summer of 1985.

The Israeli officials, who asked anonymity because of the sensitivity of the matter, reiterated that Robert C. McFarlane, who was then President Reagan's national security adviser, gave Israel a clear signal that the President approved of an arms-for-hostage deal before Israel sent the first load of weapons to Iran.

"I think what we have here is a difference of opinion between McFarlane and Regan or McFarlane and Reagan, but not between Israel and the United States," said one Israeli official. "We believed that we were working with an administration. That was our first mistake. We didn't realize your Government was just like ours."

According to several people who heard Mr. Regan's testimony before the Senate Intelligence Committee on Tuesday, he said President Reagan in August 1985 rejected the idea of selling arms to Iran through Israel. The chief of staff reportedly told the panel that the Israelis shipped the weapons anyway and that this then became American policy.

#### McFarlane Meeting Cited

Israeli officials say that David Kimche, director general of the Israeli Foreign Ministry, met with Mr. McFarlane in Washington late in the summer of 1985 to find out if the Reagan Administration would approve a proposed arms-for-hostages swap with Iran.

Mr. Kimche, the Israeli officials said, asked specifically whether the President approved and whether he would authorize the replacement by the United States of the 500 American-made antitank missiles Israel intended to ship from its own stocks.

Mr. McFarlane told Mr. Kimche that he would have to check, the Israelis said. A day later, they said, the two men met again and Mr. McFarlane said the answer was yes to both questions.

The approval was hot put in writing and Israel has nothing but Mr. Kimche's notes of the meeting to back up its version, which is difficult now to confirm independently.

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But it does agree generally with Mr. McFarlane's reported testimony to the Senate committee. He was reported to have told the panel under oath two weeks ago that he had authorized the Israelis to send the weapons, after receiving oral approval from President

Reagan.

Israeli sources also shed some light on the period around December 1985 and January 1986, when President Reagan apparently ordered a halt to the dealings with Iran, then agreed a few weeks later to renew the approach. The change came after Vice Adm. John M. Poindexter, who had succeeded Mr. McFarlane as head of the National Security Council, reportedly recommended reopening the channel after a visit from someone who gave persuasive arguments to support the decision. This too was reportedly disclosed by Mr. Regan in his testimony on Tues-

That "someone" is widely assumed here to be Amiram Nir, the adviser on terrorism to the Israeli Prime Minister. Mr. Nir and Admiral Poindexter became friendly during the Achille Lauro cruise ship hijacking and other terrorist actions, when they worked closely together coordinating Amer-ican and Israeli counterterrorism ef-

forts.

About the same time President Reagan appeared disillusioned with the Iran deal, Prime Minister Shimon Peres of Israel was having second thoughts, Israeli officials said Mr. Peres became convinced that the Iranians were not reliable and that Israel's middleman role, executed through private arms dealers, was getting very messy and could create prob-!ums for !ercs! with the United Octooif the Iranians continued to behave unpredictably.

#### Peres Turned to Nir

Mr. Peres then decided to replace Mr. Kimche and the private Israeli arms dealers handling the deal and turned to his adviser, Mr. Nir. He was supposedly given authority to act solely as a facilitator for the United States Government with Israel's Ira-

nian contacts, nothing more.

Whether Mr. Nir stayed within those guidelines is not clear. Although the Iran affair is now being criticized as a fiasco, at the time it was going on the small group of officials and private individuals involved viewed it as a very exciting enterprise, and the kind of operation from which careers, if not legends, could be made.

According to the Israeli sources, there may be some truth that Mr. Nir passed on to Admiral Poindexter some information that encouraged Americans to restart the operation, but the Americans also apparently had their own independent reasons.

It is believed that on the basis of Israel's Iranian contacts Mr. Nir may have come up with some new names of senior Iranian officials who were ready to become involved in the deal. That is, someone senior enough in Iran to make the various parties believe that it was worth another attempt to see if all the hostages could be freed.

Israel had its own interest in seeing the operation continue, since it believed the Iranian contacts allowed it for the first time to get first-class intelligence from the inner circle of the Ayatollah Ruhollah Khomeini regime, Israeli of-

ficials said.

שלו המשרד, בסחבן, ניר יורץ

אל: מנכייל מדיני, ממנכייל, מצפייא, מעיית

רע: יועץ רח"מ לחקשורת, יועץ שהב"ס לתקשורת, רמ"ח/קש"ח, ניו יורק-ר/אמן, ע/ראש אמן למחקר.

תדרוך דובר מחמ"ד ליום . 86. 12.86

G Chuck, speaking of Libya, there's apparently renewed fighting in northern Chad, involving Libya. And as I understand, the Chadian government has asked for some kind of US help. Are we contemplating sending any aid to the Chadian government to deal with this latest flair-up in fighting there?

MR. REDMAN: First let me give you a very brief synopsis of the situation as we understand it. As you know — and it's not going to be a very long history, even though I'm going to start with 1983. In 1983, Libya invaded and seized the northern 40 percent of Chad, which it continues to occupy by military force. In February and March of 1986, Libyan-backed rebel forces launched attacks along and south of the 16th Farallel, which were decisively repulsed by Chadian government troops.

In late October, the majority of dissident Chadian armed forces in northern Chad broke with Libya and rallied to the side of the Chadian government. In response, Libyan troops, armor and aircraft commenced attacks in early November on Chadian armed forces and civilians in northern Chad. These attacks are continuing, with the most intense fighting now taking place in the Tibesti Mountain area.

Now, with that as background, the government of Chad has requested the United States to supply urgently needed military equipment for use in its defense against Libyan military aggression. An initial shipment, US shipment, of light arms, ammunition and clothing was made December 4th. On December 16, the President, under Section 506(A) of the Foreign Assistance Act, determined that an unforseen emergency situation exists in Chad which requires our immediate aid. To meet this emergency, the Fresident has directed the draw-down of up to \$50 million in Department of Defense equipment and services to provide assistance to Chad. This equipment is in response to the request from the government of Chad and in accordance with Article 51 of the UN Charter.

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We're working closely with the governments of Chad and France on specific additional items of US equipment to be provided in the area of vehicles, transport aircraft, small arms, ammunition and medical supplies. We expect soon to begin further air deliveries of urgently needed equipment to Chad.

O Chuck, what is the US objective?

MR. REDMAN: What is the US objective?

MR. SCHWEID: What are you seeking to do? You are responding to a request. What is the US foreign policy goal --

MR. REDMAN: I said it's for use in the Chadian defense, the government of Habre against Libyan military aggression.

MR. SCHWEID: All right. We generally have an idea what you're about when you provide aid to a geurrilla force, but this is a government. What are you trying to do? Help Chad push the Libyans out—is that the objective, or what?

MR. REDMAN: I sort of gave you a synopsis, which indicates--

MR. SCHWEID: (off-mike) the situation. What do you want to accomplish?

MR. REDMAN: Well, I'd like to answer your question--

MR. SCHWEID: Okay, (inaudible) it.

MR. REDMAN: Could I, maybe, start again?

MR. SCHWEID: Sure.

MR. REDMAN: I gave you explanation of where the Chadian forces were today, what's happened in Chad in recent months, what's happening in terms of Libyan counter-attack. And, as a consequence, the Chadian government has asked for some additional assistance as well as the French, and that's what we're in the process of looking at now, to determine what kind of assistance would be most appropriate to those needs.

MR. SCHWEID: Chuck, I say respectfully, you haven't answered my question. You've described the situation very well.

MR. REDMAN: I've also answered your question as to why we're providing the assistance.

MR. SCHWEID: Because, well, then the answer is, if I can--

MR. REDMAN: This is Chad, as you are all aware.

MR. SCHWEID: No, your answer seems to be that we provided the aid because the Chad government asked for it.

MR. REDMAN: And is under attack.

. MR. SCHWEID: And is under attack. But I'm asking you what you seek to accomplish, to throw out the agressors? To what? To get a stalemate--

MR. REDMAN: To allow the Chadian government, to allow the Chadian --

MR. SCHWEID: To (inaudible) communism -- what are you after in this one?

MR. REDMAN: To allow the Chadian government to defend its territory.

Chuck, are you consulting with Egypt on that, or any other country in that area?

MR. REDMAN: I don't have anything on that.

Do you have (inaudible)?

MR. REDMAN: No.

- At one time France was interested in trying to bring this Chadian war--and there was, I believe, an agreement with Ghadafy about not interfering in Chad at one time, as well, about possibly last year. Are you in consultation with the French people about -- the French government about this?

MR. REDMAN: The French?

Yes--

MR. REDMAN: I indicated already that there's consultation concerning the amount of equipment. You've seen reports, and the French have announced some of their own activities in terms of supplying the Habre government. We welcome France's strong response to the government of Chad's request for assistance in defending its citizens and armed forces against Libyan

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aggression. France has long had the leading Western role in providing security assistance to Chad. At Chadian government request, France has maintained troops and aircraft in Chad since February of '86 to assist in Chad's defense. And our military assistance to Chad is designed to complement French efforts.

- @ Follow this, Chuck--
- O (Inaudible) -- of that first (inaudible) --

MR. REDMAN: Of the first part.

Q Have the Chadian government offered you any specific things that they want from you in the military assistance? Did they offer you a shopping list?

MR. REDMAN: I gave you a list, in fact, of the areas that we're looking at.

D Chuck what was the figure on the DOD drawcown, was it--

MR. REDMAN: The 506A?

O Yeah--

MR. REDMAN: Is up to \$15 million.

- One-five?
- D Fifteen?

MR. REDMAN: One-five. That's in addition to what we have as a regular FYB7 military assistance program, MAP program, which is \$5 million. And that's programmed basically for the support of Chad's C-130 military air transport aircraft and for acquisition and support of vehicles.

D Did you give us a dollar figure on the stuff that was shipped December 4?

MR. REDMAN: No, I don't have anything on December 4. I'll check on that, but that could come under the \$5 million.

O Does it--or if it doesn't come under the \$5 million, would that be subtracted from the \$15 million?

MR. REDMAN: We'll have to look at that.

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Q Chuck, do American personnel, however they're described, go in with the equipment?

MR. REDMAN: Other than to deliver it, no.

Other than to see that it gets there?

MR. REDMAN: That's right. We off-load it, and that's our role.

Q All right. Also, is there any effort being made to get voluntary civilians, voluntaries, mercenaries, whatever you'd like to call them, to go in there and assist--

MR. REDMAN: -- Not that I know of --

a -- As has been done in other countries.

MR. REDMAN: Not that I know of.

Q Say you have some advisors there. I remember from this podium you announced you have some advisors there.

MR. REDMAN: But the advisors were there for specific training purposes in specific pieces of equipment. Those people come and go depending on the equipment that's being delivered.

O (Inaudible) advisors you have there now?

MR. REDMAN: At this point, I don't know what the status of that is. We can take a look at that.

Chuck, have we provided any C-130's or any other aircraft to help transport troops from any point from the capital north or anywhere?

MR. REDMAN: That's done by Chadian aircraft.

D But it is C-130, isn't it?

MR. REDMAN: Their C-130.

But there are no Americans involved in that operation?

MR. REDMAN: No.

Q (Inaudible)

MR. REDMAN: Of the--at least the parts that are--(inaudible) whole pieces.

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אלו המשרד

1986-12-18 קף.... אחוד הב...ופים פווג בסחוני. שמור דחיפות.....מיידי ..... וז"ח..... 

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מצפייא

#### משלחת ראשי מטוח רפובליקנים

המשלחת תגיע ב-11 בינואר בשעה 1505 בטיטת 804 T.W.A ותעזוב ב-18 בינואר בבוקר. כל הכנת התכנית בידכם ללא שום התערבות גורם אחר.

במשלחת 8 אנשים והם:

מנהל מטה קמפ. לשעבר מנהל מטה רייגן-בוש ב-84, והמנהל הפוליטי 1.ED ROLLINS -של הבית הלבן, במקצועו פרופסור למדעי המדינה.

2. SCOTT CADDINGTON המנהל הפוליטי של ועדת הבחירות הרפובליקנית לסנט -

יתודי. ראש המפלגה תרפובליקנית בניו המפשייר. יושב ראש 3. JERALD CARMEN -ארגון לובי לטובת הנשיא רייגן. היה Citizous Poa America עד לפני זמן קצר שגריר ארה"ב בג'נבה, ובוודאי מוכר לדובק ואליאב.

לשעבר נציב שרות המדינה הפדראלי. כיום ראש מטה דול לנשיאות -4. DONALD DEVINE

5. RON ROBERTSON כיום היועץ המשפטי של משרד הבריאות והרווחה. היועץ המשפטי של מטה רייגן - בוש, ומיועד לתפקיד דומה בבחירות לנסיאות הבאות.

6. MARSHAL BREGER תולדותיו ידועים. תומך בינתיים בבוש.

7. DANIEL PIPES נציג המכון של אינדיק. שבחסותו נערך הביקור. סובייטולוג.

צפוי משתתף שמיני, מטעם מטה בוש.

ההרכב: הרכב המשלחת הוא מדרגה ראשונה. כולם אנשים שכבר מילאו או ממלאים תפקידים מרכזיים במפלגה הרפובליקנית, בעלי חשפעה בממשל הנוכחי, וימלאו תפקידים בכירים אם ינצחו הרפובליקנים ב-88 או ב-92. כולם ידידים ומודעים לחשיבות הקשרים עם ישראל, מנקודת ראות רפובליקנית שמרנית. כמעט כולם לא בקרו בארץ ורוצים לשמוע וגם לראות.

התכנית: הקוים הכללים של תכנית משלחת איבשין, מתאימים גם להם, עם זאת מוצעים כמה דברים נוספים, וכמה דברים בדרך אחרת: בקור בלביא לא מעניין אותם, אך סיור בבסיס חיל אויר כן מעניין. במקום בקור בלביא עדיף תדרוך בנושא הייצור הבטחוני מפי שר הבטחון או מנכ"ל משרד הבטחון. בתכנית נסיעה לצפון עדיף במקום גשר אלנבי לנסוע דרך כביש אלון. ואם אפשר גם להראות להם היכן עבר "הקו הירוק" במרכז הארץ. מכייון שיש להם יום נוסף אפשרית לינה

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בצפון בקבוץ שיש בו עולים מארה"ב כמו כפר בלום או לביא. אין להם עניין מיוחד במקומות קדושים לנצהות אם אפשר להוסיף פגישה עם שר הבטחון ועם השר ארנס. רצויה גם פגישה עם שצירנסקי ואם לא אז עם עולה אחר בולט מברה"מ. כמו כן פגישות עם חברי כנסת, מומחי בחירות כחנוך סמית או פרופי אריאן, פגישה עם מומחה לענייני ברה"מ והגוש הסובייטי, פגישה עם אהרון יריב וכוי. כדי להקל על שני חברי המשלחת שהם עובדים פדראליים (בריגר ורוברטסון) אם ניתן שבנסיעה בשטחים ובגולן יהיה המלווה במכונית מדריך לא ממשלתי, ומתדרכים מטעם צה"ל יחכו להם בשטח עצמו.

ממון: המשלחת היא בחסות המכון של אינדיק, המממן את ההוצאות, ובדי'פ הקרוב תקבלו מכתב רשמי על כך. הם מבקשים שהזמנת המלון, המכונית וכוי תעשה עייי המשרד ובתעריפים של המשרד, והם ישלמו בחזרה למשרד. בריגר ואינדיק גם מבקשים שבמידת האפשר הארוחות הרשמיות יהיו על חשבון מארחים ישראליים (עריית ירושלים, תיירות, ממשלה, הנסת, אוניברסיטה כלשהי וכוי) הם מוכנים גם לקיים רב-שיח בפורום מתאים על נושא - ייהפוליטיקה האמריקאית נוכח תוצאות בחירות 86 ופרשת הנשק" בהשתתפותם ובהשתתפות ישראלים אנשי אקדמיה, שגרירים ודפלומטים בארה"ב לשעבר, פרשנים וכוי. מוצע אולי להסתייע בפרופסור דניאל אלעזר או במכון דיויס (בכל מקרה הם מעוניינים לפגוש את פרופי אלעזר). כל השאר לפי תכנית משלחת איבשין.

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אל: המשרד, בטחון

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1986-12-18

אל: מבכייל מדיני, ממנכייל, מצפייא, מעיית

יועץ רהיים לתקשורת, יועץ שהבייט לתקשורת ר/אמן,, ע/ראש אמן למחקר

באַתונות היום עולים מחדש ההבדלים בין עדויות מקפרליין וריגן לגבי ידיעתו או אי ידיעתו של הנשיא על משלוחי ספטמבר כנושא מרכזי.

להלן כמה מקטעי העתונות בנושא היוח.

עתונות

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# McFarland Is Summoned Over Conflict With Regan Statement

Timing of Arms Authorization at Issue

By David Hoffman and Walter Pincus Washington Past Staff Writers

Former national security adviser Robert C. McFarlane has been summoned back to the Senate Select Committee on Intelligence today to testify about a conflict between his previous sworn testimony and that of White House chief of staff Donald

T. Regan.

McFarlane has testified to the House Foreign Affairs Committee in open session and, reportedly, to the intelligence panel in a closed hearing that President Reagan gave oral approval in advance for an August 1985 shipment of arms to Iran. Regan testified to the Senate intelligence committee this week that the president approved the shipment after the fact, in October 1985, according to a participant in the Senate hearing.

Presidential spokesman Larry Speakes yesterday refused reporters' requests to try to reconcile the

conflicting testimony.

The contradiction is emerging as one of the major questions from recent testimony on the Iran scandal. The issue is important because any shipments by Israel to Iran without prior approval of the president would be illegal under the arms export control act. It is also important because Reagan initially said on Nov. 13 that his actions were in "full compliance" with federal law, and Israel has maintained that it was only acting at the behest of the U.S. government in sending the weapons.

In his Nov. 19 news conference, Reagan repeatedly denied that a third country was involved in the shipments, but acknowledged a half hour later, in a clarification, that a third country was involved, without

identifying Israel.

As ABC News noted last week, Regan's closed-door testimony also appeared to contradict his statements on Nov. 14, when he told reporters: "In the summer of '85... there was a request that a third country be allowed to sell them [the Iranians] some weapons and we agreed. We were asked if we would object and we said nb."

On the same day, then-national security adviser John M. Poindexter told reporters: "It [the arms shipment] was authorized within the context of this project. It was authorized verbally . . . by the pres-

ident

All the officials appear to agree that discussions had been going on since June 1985 about making overtures to Iran as part of an effort to improve relations and secure release of the American hostages being held in Lebanon by pro-Iranian extremists. A high-level meeting was held at the White House on Aug. 6, 1985, at which the subject was discussed, according to former and current administration officials.

In a later chronology prepared by Lt. Col. Oliver L. North of the National Security Council staff, written immediately after the weapons sales were disclosed last month, Reagan was portrayed as deciding against sending the weapons. "The decision was negative and the Israelis were so informed," according to an official familiar with the chronology.

However, in recent weeks the chronology has come under criticism from White House officials who say it probably contains serious omissions. The chronology was used to prepare the president's first statements on the Iran controversy and was also used by Regan and Poindexter in preparing for their statements to the media in the first weeks of the controversy, White House aides said.

On Nov. 13, a senior administration official, later identified as Poindexter, told reporters at the White House that there had not been any shipments before Reagan's Jan. 17, 1986, directive authorizing direct U.S. shipments to Iran. However, 2/5 05 Ni 393 474

Poindexter later in the same briefing changed his statement, saying there was a shipment before Reagan's directive that "was done in our interests" in the same time frame as the release of the Rev. Benjamin Weir on Sept. 14, 1985.

But, in testimony this week, Regan described a different scenario, according to a participant. He said he could not remember the president making a decision at the Aug. 6, 1985, meeting, and that officials later learned about it in October.

McParlane told the House Foreign Affairs Committee that Reagan verbally approved the shipment in August 1985 in a private meeting with him. McParlane went on to say that this decision had the same standing as a written authorization. The president, according to McParlane, later told other Cabinet members in face-to-face conversations.

McFarlane's account to the House committee—and, presumably, in his closed appearance before the Senate intelligence panel—was that he later passed the authorization on to the Israelis, telling them Reagan had agreed to replenish any stocks of U.S. arms they delivered to Tehran.

Yesterday, Speakes was asked if he could clear up the contradictions. He said he had "never had" all the details about the shipment in 1985, and "I hesitate to speculate on it."

Asked if he would "take" the question to others, Speakes said, "No. I'd be glad to take it, but I mean, it would require more reconstruction of meetings and events than I'm able to do to be absolutely certain of my facts, I think it would require me talking to Poindexter and perhaps North, and I don't have, you know, the ability to do that."

Speakes said that at the time of McFarlane's first testimony on the subject he had "checked with a number of individuals and was unable to find anyone that at that moment recollected the president giv-

ing approval."

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Speakes also said he could not say who persuaded Reagan to restart the arms shipments in January 1986 after he had decided to stop them in late 1985, according to administration officials. Speakes said conducting his own queries could "certainly jeopardize the investigation" and "come up with a story that perhaps pointed the finger at somebody for doing wrong or maybe they didn't do something wrong."

Speakes said "it would not be proper, fair, to ask any individual, the president included, to recollect events that may have occurred several months ago, perhaps more than a year ago, without a sufficient opportunity to review records and talk to individuals and to have an opportunity to refresh one's memory in that case."

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# Only North and Poindexter Knew Of Fund Diversion, Meese Asserts

#### Attorney General Sticks to His Original Finding After Senate Hearing

By GERALD M. BOYD Special to The New York Times

WASHINGTON, Dec. 17 — Attorney General Edwin Meese 3d said today that he had not "seen anything" that would contradict his original finding that only Vice Adm. John M. Poindexter and Lieut. Col. Oliver L. North knew of the secret plan to divert funds to Nicaraguan rebels.

Mr. Meese, speaking at a news conference after testifying under oath for about five hours before the Senate Intelligence Committee, said he had no evidence that any Administration official other than Colonel North took part in the actual operation to divert the funds from arms sales to Iran.

"So far, I have no seen anything that would provice evidence different from what we originally found," Mr. Meese said.

#### Discrepancies in Testimony

The comments came as the Senate Intelligence Committee indicated tonight that there were major discrepencies in testimony about President Reagan's role in the Iran arms affair, and that it was recalling Donald T. Regan and Robert C. McParlane in an effort to resolve them.

Mr. Regan, the White House chief of staff, and Mr. McFarlane, the President's former national security adviser, will testify again under oath on Thursday.



The New York Times/Marthyon F V

The committee's decision to recall the two men was apparently an indication of concern over major discrepencies in several aspects of their sworn testimony.

According to sources familiar with the accounts, Mr. Regan testified that the President had not authorized the shipment of arms to Israel to replace those that were being sold to Iran and had learned of the shipment after the fact. That was similar to public statements by Mr. Meese, who first disclosed on Nov. 25 that funds from the



# Only North and Poindexter Knew of Fund Diversion, Meese Asserts

#### Continued From Page 1

arms sales had been diverted to Nicaragaun rebels.

Mr. McFarlane, however, told the committee two weeks ago that the President had given oral approval before the shipment in September 1985, people familiar with the testimony said.

In addition, Mr. Regan reportedly said he did not know whether the President had decided in December 1985 to discontinue a policy decribed as establishing contacts with moderate elements in Iran. But Mr. McFarlane testified that the President had made such a decision, similar sources said.

The committee's decision came as Mr. Regan would remain in his White House post. Suggestions from some members of Congress and intimates of the President that he be removed have abated in recent days after strong private and public statements of support from the President.

But Mr. Reagan and his wife, Nancy, who has reportedly breed the ouster in to him all by himself," he said. private, met in their private residence Calfornia political associate. Mr. Spen- sion scheme when he was national se- been a consensus against the proposal, now. No formal vote was taken, he said.

favoring the dismissal of the chief of

Mr. Spencer could not be reached for comment. A White House spokesman, Mark Weinberg, said Mr. Spencer often visits the Reagans when he is in Washington. He said he did not know of anyone else at the meeting and declined to provide other details.

Members of the Senate panel today indicated a split in their opinions of the testimony so far, with Senator Dave Durenberger, a Republican from Minnesota and the committee chairman, repeating his view that Colonel North had diverted funds to Nicaraguan rebels without "anybody's authority."

"There is no clear evidence that anyspeculation continued over whether body else gave him the blessing," he said during a break in the hearing.

> But Senator Patrick J. Leahy, Democrat of Vermont and the vice chairman, said his "firm thought right now" was that Colonel North did not act alone.

> "I do not feel that Colonel North did all the things that have been attributed

Mr. Meese said on Nov. 25 that Admitoday with Stuart Spencer, a long-time | ral Poindexter was aware of the diver-

tration officials were not. He later said there might have been others knowledgeable, but suggested that they were consultants outside Government.

The hearing today, which featured testimony by Defense Secretary Caspar W. Weinberger, also raised questions about the pricing of the arms sold to Iran, and whether the value of the weapons was deliberately kept low when sold to middlemen. Senator William S. Cohen, Republican of Maine. said they might have been priced low and then sold at a higher cost to Iran to generate additional profits to funnel to the Nicaraguan rebels.

Voicing another concern, Senator Paul Simon, Democrat of Illinois, said the value of the arms might have also been kept low to avoid Congressional reporting requirements for shipments valued at more than \$14 million. The Administration has set the cost at about \$12 million.

Before Mr. Meese's closed-door appearance, the Intelligence Committee rejected the President's request to grant limited immunity to Admiral Poindexter, Colonel North and anyone else whose testimony was needed to hate over limited immunity but had shed light on the secret dealing. Mem- concluded that it would be "premabers of the Senate panel that there had ture" to grant the President's request

cer has reportedly been among those curity adviser, but that other Adminis- which Mr. Reagan had announced on Tuesday.

Before the committee's decision was announced, Larry Speakes, the White House spokesman, said the President was "disappointed" that the committee had not granted the immunity request as the quickest way to present all the facts to the American people.

"The President's objective is to have, these individuals and other witnesses testify and let them tell everything they know and to put this matter behind us once and for all and get on with the business of Government," he said.

Mr. Speakes said Mr. Reagan would renew his request when the special investigative committees in the House and Senate are formed next year.

Admiral Poindexter and Colonel North invoked their Fifth Amendment right against self-incrimination in separate appearances before the Senate Intelligence Committee.

Some legislators and legal scholars have argued that it is too early for immunity to be granted and that it could hamper investigations by an independent counsel or Congress.

Senator Durenberger said the committee had engaged in a "spirited" de-

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# ISRAELIS DISPUTE REGAN TESTIMONY

Officials Say McFarlane Was Clear About Presidential Approval of Iran Arms

> By THOMAS L. FRIEDMAN Special to The New York Times

JERUSALEM, Dec. 17 — Senior Isracli officials today disputed the reported testimony of Denaid 1. Regan, the White House chief of staff, that israel did not have President Reagan's approval when it shipped arms to Iran in the summer of 1985.

The Israeli officials, who asked anoymity because of the sensitivity of the matter, reiterated that Robert C. McFarlane, who was then President Reagan's national security advisor, gave Israel a clear signal that the President approved of an arms-forhostage deal before Israel sent the first

ioad of weapons to Iran.

"I think what we have here is a difference of opinion between McFarlane
and Regan or McFarlane and Reagan,
but not between Israel and the United
States," said one Israeli official. "We
believed that we were working with an
administration. That was our first mistake. We didn't realize your Government was just like ours."

According to several people who heard Mr. Regan's testimony before the Senate Intelligence Committee on Tuesday, he said President Reagan in August 1985 rejected the idea of selling arms to Iran through Israel. The chief of staff reportedly told the panel that the Israelis shipped the weapons anyway and that this then became American policy.

McFarlane Meeting Cited

Israeli officials say that David Kimche, director general of the Israeli Foreign Ministry, met with Mr. McFarlane in Washington late in the summer of 1985 to find out if the Reagan Administration would approve a proposed arms-for-hostages swap with Iran.

Mr. Kimche, the Israeli officials said, asked specifically whether the President approved and whether he would authorize the replacement by the United States of the 500 Americanmade antitunk missiles Israel intended to ship from its own stocks.

Mr. McFarlane told Mr. Kimche that he would have to check, the Israelis said. A day later, they said, the two men met again and Mr. McFarlane said the answer was yes to both questions.

The approval was not put in writing and Israel has nothing but Mr. Kimche's notes of the meeting to back up its version, which is difficult now to confirm independently.

Testimony by McFarlane

But it does agree generally with Mr. McFarlane's reported testimony to the Schate committee. He was reported to have told the panel under oath two weeks ago that he had authorized the Israelis to send the weapons, after receiving oral approval from President Reason

Israeli sources also shed some light on the period around December 1965 and January 1986, when President Reagan apparently ordered a halt to the dealings with Iran, then agreed a few weeks later to renew the approach. The change came after Vice Adm. John M. Poindexter, who had succeeded Mr. McFarlane as head of the National Security Council, reportedly recommended reopening the channel after a visit from someone who gave persuasive arguments to support the decision. This too was reportedly disclosed by Mr. Regan in his testimony on Tues-

That "someone" is widely assumed here to be Amiram Nir, the adviser on terrorism to the Israeli Prime Minister. Mr. Nir and Admiral Poindexter became friendly during the Achille Lauro cruise ship hijacking and other terrorist actions, when they worked closely together coordinating American and Israeli counterterrorism efforts.

About the same time President Reagan appeared distilusioned with the Iran deal, Prime Minister Shimon Peres of Israel was having second thoughts, Israeli officials said. Mr. Peres became convinced that the Iranians were not reliable and that Israel's middleman role, executed through private arms dealers, was getting very messy and could create problems for Israel with the United States if the Iranians continued to behave unpredictably.

Peres Turned to Nir

Mr. Peres then decided to replace Mr. Kimche and the private Israeli arms dealers handling the deal and turned to his adviser, Mr. Nir. He was supposedly given authority to act solely as a facilitator for the United States Government, with Israel's Iranian contacts, nothing more.

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Whether Mr. Nin stayed within those guidelines is not clear. Although the Iran affair is now being criticized as a flasco, at the time it was going on the small group of officials and private individuals involved viewed it as a very exciting enterprise, and the kind of operation from which careers if not legends, could be made.

According to the Israeli sources, there may be some truth that Mr. Nir

According to the Israeli sources, there may be some truth that Mr. Nir passed on to Admiral Poindexter some information that encouraged the Americans to restart the operation, but the Americans also apparently had their own independent reasons.

their own independent reasons.

It is believed that on the basis of Israel's Iranian contacts Mr. Nir may have come up with some new names a senior Iranian officials who were read to become involved in the deal. That is, someone senior enough in Iran to make the various parties believe that it was worth another attempt to see if all the hostages could be freed.

Israel had its own interest in seeing the operation continue, since it believed the Iranian contacts allowed it for the first time to get first-class intelligence from the inner circle of the Ayatollah Ruhollah Khomeini regime, Israeli officials said.







שברירות ישראל - וושינגטון

אל: בחשב

המשרד

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. אל :- מאס

דע :- מנילה, מצפ"א

בשיחה חטופה עם סלומון מנהל מחלקת הפיליפינים בפרוזדורי מחמייד. אמר שאיש אינו מאמין ששביתת הנשק תחזיק מעמד גם לא ידע לומר מה הלאה אחרי הפסקת האש.

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News Summary December 17, 1986

#### Editorials

NYT "Immunity Diversion" Reagan's request that the Senate Intelligence Committee give immunity to Poindexter and North is too late, too soon and misdirected. It's too late because Reagan could have pressured them to disclose their knowledge before he fired them. It's far too soon because serious investigations are just getting off the ground. It's misdirected because this Congress is about to expire. The plan of the President is so misguided that it can only be seen as a diversion. The facts will out, but no longer on the President's terms.

#### Columns

wSJ-Irving Kristol "Why Did Reagan Do It?" Reagan was extremely concerned about the hostages in Lebanon. This testifies to the niceness of the man, though less to his qualities as a stdesman. The seizure of the hostages was a challange to the US Gov't, not to Reagan personally. His sentiment became a basis for foreign policy. Reagan felt frustrated and outraged by post Watergate legislation that tied his hands in area after area of foreign policy. The American Congress is the worst legislative body in the world to be involved in making foreign policy. It is close to impossible for the head of the US to conduct a foreign policy—which is why—in particular circumstances, a president will be inclined to think of some ingenious way of circumventing the inhibitions and prohibitions imposed on him.

NYT-John Caks (former ed pg ed NYT) "Why is the Iran Deal a Surprise?
Reagan Has Long Been Deceptive" Since the beginning of the Administration to one, including the President, has told the truth to the public about its Nicaragua policy. It has not told the truth about its human rights policy, especially in the Caribeban, Latin America and Africa. It has not leveled with the public on hostage policy, on anti-terrorist policy and on arms policy. What has happened now is more serious than Wastergate. This is the most dangerous Presidency in US history.

NYT-Reston . Thinking About Tomorrow It's interesting how other governments reacted the the Administration's present foreign policy crisis. They were dismayed but canny. Their officials didn't confuse Reagan with America, or today with tomorrow. The Israelis behaved very well.

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They have been blamed for helping out but they have remained surprisingly silent.

DN-Buckley "When Silence Isn't Golden" North's silence is being interpreted by the American people that Reagan is guilty of lying. Forget the 5th.

DN-Nelson-"A Herring and Some Bigger Fish" The hot pursuit of North is a red herring. What's needed is an investigation of his superiors. The most senior officials of the US tolerated the breaking and evasion of this nation's laws, and now they are filled with pity and praise for North. Their own culpability somehow eludes them.

#### Press Reports

#### Israel Asserts It Heeded US in '84 on Bombing

NYT-special-Defense Minister Rabin said that Israel refrained from bombing targets in Lebanon 2 years ago in response to a request by the US. This announcement was apparently prompted by a report in Yedioth Ahronoth that North asked Israel in 1985 not to attack Hezboallah targets because it might disrupt hostage negotaiations. A Defense Ministry spokesman said North had not been involved with the requests and that they and been made in 1984.

#### Reagan's Credibility Continues to Drop

NYT-Clymer-Reagan's overall job rating remains stable but his image as a singularly honest public figure has continued to slip, the latest NYT/CBS News Poll shows. The poll showed that the public is suspicious that the use of the 5th by officials meant the Administration was not cooperating with Congressional investigations as it had promised.

#### Reagan Urges Limited Immunity From Senate Panel

NYT-Weinraub p.1-Reagan urged the Seante Intelligence Committee to grant limited immunity to North and Poindexter to compel them to testify about the Iran arms affair. The proposal was received without much enthusiasm on Capitol Hill.(all Papers)

wsj-Wermiel-The limited immunity requested by Reagan for his former national security aides may make it much tougher for prosecutors if they decide to bring charges against them.

#### Regan Testifies

NYT-Boyd-Regan portrayed Reagan as a victim of poor advise from aides and others who supported arms slaes to Iran, according to several who heard his testimony. To illustrate the point, Regan told the panel that in August 1985, the President initally rejected the idea of selling weaposn to Iran through Israel. According to the Regan account, the Israelis Shipped the arms anyway, and the Arms sales then became US policy. This testimony contradicts McFarlanes, who told the committee taht he had authorized the Israelis to sell the arms after receiving oral approval from Reagan. The Israeli Government's account generally agrees with McFarlane's testimony. Regan's account supports statements

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made by Messe.

ND-Waldman After Regan testified he told reporters, "I've done nothing wrong" and asserted that Reagan wants him to stay in his job.

# Senate Chief Clears Reagan and Blames North

DN-Rainie & Drake The Seante's chief contragate investigator declared that secret testimony by Regan and Shultz has convinced him that Reagan did not authorize the diversion of funds. Sen. Dave Durenberger fingered North as the lone culprit in the scheme. (NYP)

# North Plotted to Kidnap Relatives of Iranian Officials

NYP-LA Times According to a former NSC aide, North said that the real plan for freeing the American hostages was not to swap them for arms but to trade them for relatives of Iranian gov't officials whom he had said he had ordered kidnapped and held in crates in Europe. The episode, widely discussed by NSC staff members underscores mounting questions about the judgement and character of North. But others say he told this story after the Beirut magazine revealed the true arms-for-hostages deal in an attempt to keep the real truth a secret.

## Canadians Didn't Regain Cash from Iran Deal

NYT-Burns-Canadian businessmen who provided a \$10 million loan to help finance Secret US arms shipments to Iran received only \$1.1 million in repayment before the arms shipments were cut off. The men are associates of Khashoggi.

#### Casey Said He Warned Messe of Diversions

DN-Rainie & Volz-Casey claims he sent a memo to Messe in early October outlining suspicions that Iranian arms money secretly had been diverted to the Contras. Messe says he had no hint of the diversions until 2 months later when he interviewed North.

### Legislator Says Casey Called North Over Crash

NYT -- Butterfield -- Casey called North after an American plane was shot down in Nicaragua to ask whether CIA personnel or equipment was involved, according to a member of the House familiar with Casey's testimony. This raises questions over Casey's role and knowledge of North's activities.

#### US Got Reports on Contra Arms

NYT-Brinkley-US military and intelligence personnel in El Salvador sent regular reports to numerous Gov't officials in Washington detailing covert shipments of arms through Salvador to the Nicaraguan rebels last spring and summer, State and Defense Dept. officials noted. Congressional investigators said they are focusing on this new disclosure because some rebel arms shipments are believed to have been financed with profits from the sales of arms to Iran.

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# Conservative Says Contras Got No Iran Funds

NYT-Toner-Carl Channell, president of a conservative PAC, issued a statement categorically denying reports that his organization received money diverted from Iranian arms dealings.

#### Terry Waite Said He Never Dealt in Arms

NYT-special-Terry Waite said "at no time" had he dealt in arms and money to free the prisoners. He issued a statement in response to reports that he had met with North.

#### Inouye Heads Panel

NYT-Roberts-Sen. Daniel Inouye was named to head a special ll-member Senate panel that will discuss the Administration's secret arms deal with Iran and the diversion of funds to Niacargua. (see Man in the news-NYT-Puerbringer)

NYT-Brief look at other 10 men who will look into deal.

# Palestinians Protest at Wets Bank School

NYT-special-Palestinian students threw stones and blocked roads with burning tires as Al Najah University opened its doors after being shut down for a week by Israeli authorities. Israeli forces used tear gas and rubber bullets to 40ntrol crowds of students.

#### West Berlin Ousts 2 Syrians Defying Ban

NYT-Markham-Two Syrian diplomats have been unceremoniously returned to East German territory after deying a ban on crossing into West Berlin, US diplo ts said.

#### Egypt Arrests 44, Citing Plot

NYT-AP-The authorities have arrested 44 members of an underground group that was planning to overthrow the Gov't and set up a Communist regime, the Interior Ministry announced.

#### CIA Reported to Aid Idi Amin's Army in 70's

NYT-no byline-The CIA, acting through 2 aircraft comapnies in the US, delivered bombs and other military equipment to Idi Amin and took part in military operations for the Ugandan ruler in the late 1970's, the Village Voice reported. (see VV story-Conason-reports that the covert operation began as a joint Israeli-US spy mission against Amin but, like Iran, got out of hand. Hans Ziegler, a deep cover agent for the Mossad, is implicated.)

#### OPEC

WSJ-Ibrahim-Iraq continues to join a pact to cut production. Iraq's stand casts doubt on chances that the conference will succeed.

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Orthodox Woman Wants Annulment Because Her HUsband Wasn't a Virgin

NYP-Messing-A 22 year old Orthodox Jewish woman is taking her husband to court for an annulment on the grounds that he pretended to be a virgin when they got married. She also wants a \$10,000 settlement. They were married 25 months and already recieved a "get."

ITONUT NYC

המשרד

פתוך..... פתוך..... אַרְבָּיִם סווג בסחוני...... דחיפות....מיידי 86 אביך וזיים. 15.30 ... האריך ודעהי 16

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מצפייא

# קונגרס: פרשת איראן - קונטרס: עדכון 1572-N 386 . W/Ed

### א. שמיעות ועדת המודיעין בסנט

- ו. ראש המטה בבית הלבן, דונלד ריגן, העיד אתמול בפני ועדת המודיעין בדלתיים טגורות. טען שהוא והנשיא לא ידעו מאומה על העברת כספים ממכירות הנשק לאיראן לידי הקונטרס. לאחר השמיעות אמר יו"ר הועדה, דייב דורנברגר, כי השתכנע שלוטי קולונל נורתי פעל ללא ידיעתם של הממונים עליו ושהנשיא לא היה בחמונה. לעומתו, בכיר המיעוט בועדה. פאט לייהי, זהיר יותר ולדבריו לא היה רוצה להטיל את כל האוזריות והאשמה ליוזמה על כתפיו של נורתי בלבד. בפיהם של הסנטורים האלה ושל חברים נוספים בועדה שבחים לריגן להצורה הגלויה והכנה שהעיד בפני הועדה.
  - 2. גם המזכיר ג'ורג' שולץ והווארד טיישר (מנהל המחי לענינים מדיניים צבאיים -... במועצה לבטחון לאומי,והממונה הנומינלי על נורתי) הופיעו בפני הועדה אתמול, אך לא זכו לכיסוי רב. (התפטרותו של טיישר נמסרה רשמית אתמול).
    - 3. היום יעידו שר ההגנה וינברגר והתובע הכללי מיז לפני הועדה.

# ב. חסינות לפוינדקסטר ולנורתי

- ו. באמצעות דובר הבית הלבן הודיע הנשיא על הצעתו שועדת המודיעין בסגט מעניק לשניים הנ"ל חסינות מוגבלת כדי לקדם את עבודת הועדה (והועדות הנוספות בשני הבתים שעוסקות בפרשה). ספיקס הסביר שחסינות מוגבלת כזאת לא תמנע הליכים משפטיים נגד חוינדקסטר ונורתי אם יהיה צורך בכך. אלא היא תגן עליהם מפני שימוש נגדם בדברים שישמיעו בפני הועדות.
- 2. בדרך כלל הסנטורים והמורשים הרבים שנשאלו על ידי התקשורת בענין זה הגיבו בהטתייגות. דיצ'ארד לוגר ואורין האטש שמזמן חייבו הענקת חסינות הגיבו אמנם בחיוב, אך הרוב (וביניהם הסנטורים בירד, דורנברגר, לייהי, בורן, רדמן, מיטשל וטריבל, והמורשים

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המילטון, פאססל ופולי) אמרו שטרם הגיע הזמן לכך.

ציינו בין השאר שהתובע המיוחד טרם מונה והועדות הנבחרות טרם התחילו את עבודתם. מתן חסינות בשלב זה עלול להפריע למלאכת שתי האינסטנציות האלה ולכן,מבלי לפסול את הרעיון לחלוטין, יש להמתין.

היום, אחה"צ, <mark>החליטה</mark> וועדת <mark>המ</mark>ודיעין בסגט לא להעניק חסיבות.

#### ג. הועדות הנבחרות

ו. כמדווח בנפרד נתמנו אתמול והיום הועדות האלו בשני הבתים. עוד נתייחס להרכבן במברק הערכה השבועי שלנו ביום ו',אך במבט ראשון נראה שמבנה ועדת הסנט נוח לנו מזה של הועדה בבית הנבחרים.

על שתי המליאות לאשר את ההשתתפות בועדות האלה ולכן יתחילו את עבודתן רק ב-6 או ב-7 בינואר. כמו בעת ווטרגייט, מרבית השמיעות תהיינה פתוחות,בפני מצלמות הטלויזיה. הסנטור דן אינווייה הודיע היום על הראשון בפברואר כמועד אפשרי לשמיעות הראשונות.

לבור בירד. מבוקר אמר מנהיג הרוב המיועד בסנטטחיפש סנטורים שהם חרוצים, איתנים בדעותיהם, הגונים, לא פרטיונים ושלא יודרון לחרוץ דין לגבי הנושאים שיטפלו בהם. הוסיף גם שחיפש סנטורים שיוסיפו לתפארת ארה"ב בהתחשב בואת שיצטרכו במהלך עבודתם לנסוע ליבשות שונות ולבקר בכמה וכמה מדינות. (הערה: מכאן עולה שיבקרו גם בארץ).

3. מנהיג הרוב היוצא, דול, ציין שהוא בחר בעיקר בסנטורים בעלי רקע משפטי שהם מנוסים וידועים באובייקטיביות שלהם מבלי להתייחס לשיקולים אחרים כגון יצוג גיאוגרפי או אידיאולוגי בקרב הרפובליקאים בועדה.

סביר להניח שעד מחר נשמע ממנהיגי שתי המפלגות בבית הנבחרים א<del>ודות הקר</del>יטריונים. שלהם להרכב הועדה.

למדן

פגרירות ישראל - וושינגקון

המפרד |+ בטחון + אדר נובק אם

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פווג בשחוני שודי דחיפות מיידי אאריך וזיח, 00.15 7 דצמי 86'8

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הרמש"ן + יוסי קדם (ניו יורק)

דע: מנהל מצפייא

רי סיבייט (ממבטחון)

מקשייח (ממבטחון)

נספח צהייל, ציר כלכלי - כאן

הלביא - דוייח ה- GAO

לשלנו 436 (שהוא נר 336 לממבטחון ונר 54 למש"ן)

מתוך שיחה נוספת עם מייק וון דוזן:

- ו. המפקח הכללי ( INSPECTOR -GENERAL ) של הפנטגון קבע סיווג טיוטת הדו"ח כ- "NO FOREIGNERS", משמע "NO FOREIGNERS" או במילים עבריות "לא לעיני זרים". לכן הצורך בשיחות בשבוע הבא עם ה- GAO(ועמנו) לגבי גיבוש צורתו הסופית של הדו"ח. כתוצאה מכך לא ניתן להראותנו הטיוטא בשלב זה.
  - 2. בתשובה לשאלותי, אמר וון-דוזן:
- א. אינו מתרשם כאילו "מְשַחקים מְשְּחקים" כאן. עובדה היא שהצד האמריקאי תרם חומר רגיש לשם הכנת הדו"ח ואין לזלזל בשיקולי המפכ"ל.
- ב. אם מישהו מנסה לתפרן, הוסיף וון דוזן, זה אדון זקהיים, אך רק מבחינת העתוי ולא מבחינת התוכן. להערכת וון-דוזן יתכן שזקהיים יעדיף להגיע ארצה בתחילת ינואר עם דויית התחלופות לפני פרסום דויים ה- GAO
- ג. לא יתכן שה- GAO ייכנעו ללחצים מצד הממשל לשנות את תוכן הדויית. יהיו בו דברים ש"יעצבנו" את זקהיים (כדברי וון-דוזן) אך יחד עם זה יהיו גם דברים שלא ימצאו חן בעינינו, אם כי במאזן הכללי תהיה מידה לא מבוטלת של VIMDICATION לטיעונינו.
- 3. וון-דוזן ימשיך לעקוב מקרוב אחרי הטיפול בדו"ח ויחזור לנושא מיד לאחר חג המולד.

  אוס און-דוזן ימשיך לעקוב מקרוב אחרי הטיפול בדו"ח ויחזור לנושא מיד לאחר חג המולד.

  למדן

המשרד

דף.....מתוך...... שמור מיידי 86 'DYT 17 חאריך וזיים, 1-2.00

מצפייא, ממייד ערב 3

קונגרס: הפרשה האירנית וסעודיה

בשולי הדברים: סמוך לתחילת השמיעות בועדות המודיעין בשני הבתים קיים הנסיך בנדר, שגיסעודיה, סדרה אינטנסיבית של "פגישות היכרות" עם חברי שתי הועדות. אנשיו התקשרו באחד הבקרים בבקשה לקיים פגישות כנייל עוד באותו היום או למחרתו והנסיך דילג ממשרד למשרד. העוזר שסיפר לי על כך לא נכח בפגישה אך לדברי הקונגרסמן שלו השיחה היתה כללית ולא ספציפית. להערכתו, חששו הסעודים שבתום הדיונים (הסגורים) יצאו המשתתפים בהם בגינויים לסעודיה וביקורי הנסיך היו בגדר צעדי מנע.

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תמשרד

שברירות ישראל - וושינגסון

באור....ל

1986-12-18 01:36

תאריך וזייח...לו..וו. זו דצמי 6

מצפייא

### בית הנבחרים: פרשת איראן

- ו. להלן הרכב הועדה מטעם בית הנבחרים שתחקור בפרשה. כפי שנודע הבוקר.
- 2. מיו"ר יהיה לי המילטון, יו"ר ועדת המשנה לאירופה ומז"ת בועדת החוץ, מסיים בימים אלו תפקידו כיו"ר הועדה המיוחדת למודיעין, דמוקרט מאינדיאנה, נחשב לאחד מחברי הקונגרס היסודיים וההגונים ביותר.

### :3 דמוקרטים:

- דנטה פאססל מפלורידה, יו"ר ועדת החוץ, סגן יו"ר הועדה החוקרת.
  - לס אספין מוויסקונסין, יוייר הועדה לשירותים מזוינים.
  - לו סטוקס מאוהיו, המחליף את המילטון בראשות ועדת המודיעין.
    - פיטר רודינו מניו יורק יו"ר הועדת למשפט
    - גיק ברוקס מטקסס, יוייר הועדה לפעולות ממשלתיות.

החמישה הנ"ל הם היושבים בראש חמש הועדות הנוגעות לנושא. בנוסף להם וליויר היו עוד 3 מקומות לדמוקרטים ואותם יאיישו:

- טום פולי מוושינגטון חייעולת בדרגהיי ממצליף הסיוע למנהיג הרוב, תפקידו הקודם של ג'ים רייט
- אדוארד בולנד ממסצ'וסטס, האחראי לחקיקה שאסרה על סוגי סיוע למחתרת בניקרגואה.
- הפתעה שלא ציפו לה: אד גינקינס מגיורגייה שהיה פעיל בחקיקת טקסטיל אך אינו פעיל במיוחד באף אחד מהתחומים הרלבנטים.
  - 4. ומן הצד הרפובליקני:
- רייצארד ציייני מוויומינג, חבר בועדת המודיעין ויוייר ה- Pouse Republican Policy ביל ברומפילד ממישיגן. בכיר המיעוט בועדת המוץ

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- הנרי הייד מאילינוי, חבר בועדות החוץ והמודיעין.
  - מייקל דת ווין, חבר בועדת החוץ והמשפט.

פברירות יפראל - יו פיננסון

- ביל מקקאלום מפלורידה, ועדת המודיעין
- ג'ים קורטר מניו ג'רסי, ועדת השירותים תמזוינים.

ט בה הרצל טובה הרצל

1480126 1986-12-19 00:11 E) 87 ..... 9170 ... (... 97 חמשרד, בטחון, ניו יורק שווג בשחוני...גלוי רגיל 459 17:12:86.ATT 117KB

אל: מנכ"ל מדיני, ממנכ"ל, מצפ"א, מע"ח

-דע: יועץ רת"מ לתקשורת, יועץ שהב"ס לתקשורת, רמ"ח/קש"ח, ציו יורק ר/אמן, ע/ראש אמן למחקר.

NEWS SUMMARY WEDNESDAY. DECEMBER 17. 1986

תדרוך דובר מחמייד ליום

MAJOR NEWS HEADLINES

TOP STORY: IRAN UPDATE: REAGAN PUSHES FOR EX-AIRES IMMUNITY President Reagan urged the Senate Intelligence Committee yesterday to approve limited immunity from prosecution for former aides Vice Adm. Poindexter and Lt. Col. North in order to break their silence on the Iran-contra affair. Meanwhile, chief of staff Donald Regan yesterday testified before the committee and disclaimed any knowledge of diversion of profits from Iran arms sales to the Nicaraguan rebels.

Wash. Post: Reagan Asks Ex-Aides Be Given Immunity: Senators Balk At Tactic To Elicit Testimony
Balt. Sun: Reagan Seeks Immunity For Two Ex-Aides

Wash. Times! Use Immunity To Get At Truth, President Asks Senate

Panel

Regan Denies Rebel-Aid Role: Says President Didn't Phil. Ing. Approve Contra Aid Plan

CIA DIRECTOR CASEY CIA Director William Casey, 73, underwent tests at a Washington, D.C. hospital to determine the cause of two seizures he suffered Monday morning. Wash - Post: Casey's Tests Seek Cause of Seizures

PROBE: FORMER CHIEF OF STAFF DEAVER A special federal court yesterday raised the possibility that former White House Chief Of Staff Michael Deaver could be prosecuted on charges of obstruction of justice and lying to a congressional committee. Wash. Post: Special Counsel Expands Probe Beyond Deaver Balt. Sun: Court Broadens Inquiry Into Deaver Wash. Times: Deaver Case Probe Moves Beyond First Accusations

SMOKING ISSUE In a study released by the U.S. surgeon general, it was concluded that nonsmokers can get lung cancer simply by living or working with cigarette smokers and the most effective way to deal with the problem is to ban smoking from work places. Wash. Post: U.S. Urges New Restrictions To Safeguard Nonsmokers Balt. Sun: U.S. Report Calls Passive Smoking A Health Hazard Phil. Ing.: Work-Site Smoke Ban Is Urged USA Today: Smoke Raises Non-Smoker's Cancer Risk THE 62 34 20-11 2 4000 NET 5,146 (2.19, 1974 (2.14 (2.3 0240 +30 400)

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NEWS ARTICLES

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pg. 2 of 3

#### ISBAELIS MORE FAVORABLE TO IRAN DEALINGS

LA Times, Lamb: According to a LA Times Foll conducted jointly with Yedioth Aharonot, Israelis support President Reagan's dealings with Iran 49% in comparison with Americans, of which only 22% approve. It was revealed that 38% Americans are suspicious of Israel's middleman role in the affair and 38% think that Congress ought to cut back aid to Israel as a result. Israelis in the poll were more tolerant of government lies than Americans and also more critical of media coverage. The survey was conducted Dec. 6-9 with 1,800 Americans and 798 Israelis polled. (16/12/86)

#### SENS. INDUYE AND RUDMAN NAMED

Wash. Post. Dewar: Sens. Daniel Inouye (D-Hawaii) and Warren Rudman (R-N.H.) were named yesterday by Senate leaders to head a Watergate-style committee to include nine others and next year take over the Senate's Iran-contra probe. A similar investigating panel is to be named today by House leaders. (17/12/86)

#### SAUDI ARABIA DENIES ROLE WITH KHASHOGGI

Wash. Post. (AP): The Saudi Press Agency reported yesterday that Saudi Arabia denied that the country was involved in financing the U.S.-Iran deals, thus distancing itself from Saudi arms dealer Khashoggi. (17/12/86

#### NSC MIDEAST SPECIALIST TEICHER QUITS

Wash. Times, Fontaine: Key NSC aide Howard Teicher who testified before a Senate panel last night on his role in the Iran-contra ordeal, submitted his resignation yesterday "for personal reasons" amid a mounting shakeup at the NSC. (17/12/86

#### WEINBERGER FACES QUIZ ON ARMS SALE

Wash. Post. Wilson: Defense Sec. Caspar Weinberger will appear today before the Senate Select Committee On Intelligence and is expected to be queried about whether Iran bought U.S. weapons at bargain rates. Pentagon officials have said they sold 2,008 TOW antitank missiles and Hawk antiaircraft parts to the CIA, which in turn, arranged for their sale to Iran at bargain cost. (17/12/86)

EGYPT\_SAYS 44 ARRESTED IN COMMUNIST PLOT: 3rd Conspiracy To

Wash. Post. (AP): An Egyptian Interior Ministry spokesman said that authorities have arrested 44 members of an underground group calling itself the Revolutionary Tide planned to overthrow the Mubarak govt. and set up in its place, a communist regime. (17/12/86)

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ANGLICAN WAITE DENIES INVOLVEMENT IN DEALS: Silence In Icen\_Acms

Wash. Fost. DeYoung: Church of England Wostage envoy, Terry Waite denied yesterday that he had anything to do with dealings in money or arms in connection with the freed hostages. One U.S. official said that Waite had been used as a cover for the administration's secret arms sales to Iran which yielded the release of three captives but said that Waite "didn't know the full picture". He said that "one could make the case that he was fulfilling a very useful purpose, taking the scent away" femthe U.S.-Iranian negotiations. (17/12/86)

LIBYA\_RE-ESTABLISHING\_ITS\_WORLD\_TIES\_IN\_WAKE\_DE\_IRAN\_ARMS

Wash. Times. Almond: Emboldened by the U.S. preoccupation with the Iran crisis, Libya is re-establishing itself both in the commercial and diplomatic world. The north African country reportedly established its first military links with a South American country, Surinam by sending advisers to aid that country's Marxist government. (17/12/86

# BEPUTED RICHEST MAN HELD DEEPLY IN DEBT

LA Times. Rempel: Sources said that Saudi arms dealer Adnan Khashoggi, once purported to be the "richest man in the world", was deep in debt when he became a key figure in the U.S. arms sale dealings with Iran. Several question Khashoggi's assertion that he took no profits when he became a middleman in deal negotiations.

DN\_WEST\_BANK. FEELINGS\_BUN\_HIGH: \_ Falestinian\_Youth\_Seem\_Agreed\_Dn\_ Need To Confront Israel - Through Violence Or Academics

Chris. Mon. Mon. Greenberg: Life is returning to normal after over a week of unrest and violent protests quelled by Israeli troops. Classes have resumed at Bir Zeit University where the latest Israeli-Palestinian clash was triggered Dec. 4 when Israeli troops shot and killed two students during a violent demonstration. (17/12/86)

# EDITORIAL ABTICLES

# SOUNDING THE TOCSIN ON TOXINS

Wash. Times, edit.: Reports are trickling in confirming the usage of chemical-biological weapons in warfare. On Dec. Israeli Def. Min. Rabin disclosed that Syria, which of course denies it. has compiled an arsenal of chemical weaponry. The indication is strong that the Soviet's key client state in the Mideast is being armed with chemical weapons. It is also believed that Syria, in turn, is supplying Iran with chemical arsenal. Even the Soviets themselves are dropping deadly gas cannisters on their Afghani

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שברירות ישראל - זושינגטון

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מאריך וזיים. 18.0945 דצמ 86

דף..ו... בחוך..נ...דפים סווג בסחוני קרדכ.....

דחיפות מיידי

אל :- מצפייא

דע :- מנכ"ל מדיני, מנכ"ל, מתנכ"ל

מנכ"ל רה"מ

מיקון מברק 443

במברקנו הנ"ל בעמוד 2 אחרי המילה האחרונה צריך להוסיף כמובן "לא". והמשפט יחיה כדלהן :

"...לודא שארה"ב לא תחדש אספקת הנשק ולא תעשה ויתור לטרור."

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שגרירות יפראל - וושינגטון

אל: המשרד, ניו-יורק

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אל: שר האוצר

דע: מנכ"ל אוצר, מנכ"ל מדיני, חשכ"ל, מצפ"א,שגריר, למדן, גד ארבל-ניו-יורק

הנדון: הפחתת ריבית על חובות טיוע בטחוני בהמשך לחומר קודם שנשלח בנדון

- ו) במחמייד מצפים במשך היום להכרזה פורמלית של הנשיא על הכוונה להורדת הריבית.
  - 2) עם פרטום ההכרזה, יועבר החומר המפורט לצירות הכלכלית בוושינגטון ובמקביל לשגרירות ארה"ב בישראל.
- לאחר קבלת תגובת ממשלת ישראל לגבי האופציות המוצעות (פרעון מוקדם, פריסת תשלומים לאור מיזוג של שתי האפשרויות), יבוהל מו"מ מפורט להסדר עצמו.
  - 4) לדאבוני הסתבר שבהסדר הפרישה המוצע תתבקש המדינה הלווה לשלם את <u>כל</u> הפרשי הריבית בתוספת ריבית מצטברת על ההפרש בחשלום חד פעמי בתום תקופת ההחזר של שטר החוב המקורי.
  - הצעה זו תעמים החזרים בתקופה קצרה בסכומים המתקרבים בהערכה ראשונית שנעשתה במחמייד לסדרי גודל של כ-15 מיליארד דולר. לשל האנינוער נציג החשכייל בניו-יורק יערוך מצידנו בדיקה לקביעה מדוייקת יותר של גובה הסכומים ומועדי פרעונם בהתאם לנייל.
    - 5) כמסתבר משיחות רקע "מעודדים" אותנו אנשי המימשל האמריקאי להשתמש בחסכונות השנתיים הללו לצורך פרעון חובות פרטיים כאלה שלגביהם עולה הריבית על 7.5%. כלומר, החסכון המיידי בזרימת מזומנים יהיה לאמיתו של דבר הפרש הריבית בין 7.5% לריביות הגבוהות יותר על חובות פרטיים.
- 6) מעבר לצדדים הפורמלים של בהסדר הסוצע הוצלתה במספר פגישות ההשקפה הבלתי פורמלית שבבוא יום הפרעון יהיה קשה לצפוח מישראל שתעמוד בהחזרי סכומים שנתיים בהיקפים כאלה.

התקוה היא שיוסדרו בסדרי מימון חדשים במו"מ מחודש.

מובן שקשה לחזות כיום מצב פוליטי אפשרי של יחסי ארהייב-ישראל בעוד 20 שנה.

אי לזאת נראה שמץ הראוי להכנס למו"מ ממץ זה בהקדם.

פנחס דרור כלכלית וושינגטוו

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תאריך וזיים...... 17 דצמ

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אל :- מנהל המרכז

# משיחה עם פול ג'ווארדיני

1. סוריה. איש הקשר שלו בשגרירות הסורית כאן עבאס חכים (אבו פיראז) הזמינו לשיחה לא הסתיר הרוגז הסורי על מה שמכונה בדמשק ההתקרבות בין איראן וארה"ב בגינה מודאגת סוריה. זה גם היה מרכז השיחה עם שהייח האיראני ויליאתי בביקורו לא מכבר בדמשק. הסורים למרות ההסברים מודאגים האם הדבר אינו בחזקת שינוי בהערכות הכוחות במזה"ת. ג'ווארדיני בשמחה לאיד טען בפניו שאל לה לסוריה להיות מופתעת מכך שהאיראנים פונים לארהייב כאיזון לגורם הסובייטי ושאיראן בשל מצבה הגיאו-אסטרטגי אינה יכולה לטווח ארוך להתעלם מהגורם האמריקאי. הסורי הוסיף שאסד מקיים עתה "חקירה שקטה" לגבי פעילות של גורמים סורים בתחום הטרור פעילות שאסד לטענתו לא היה מודע אליה וכמובן לא אישר אותה ושכמה ראשים יעופו אם יתבלו ממצאים לגביהם. ג'ווארדיני התמם בנוסח שכולם יודעים שחיולי מאחוריה, ועל כך השיב הסורי שאם אכן הדבר יוכח ישלם ח'ולי את המחיר. ג'ווארדיני משוכנע שהסורי ניצל הפגישה להעברת מסר לגורמים אמריקאים כאן ושכל עניין החקירה והענשתו של חיולי היא בבחינת עורבא פרח. (מסתבר גם מגורמים אחרים שהסורים דואגים לאחרונה להעביר מסר זה לאירופאים ולגורמי ממשל כאן). הידיעה המרעישה שהיתה בפי חכים עבאס היא שמוסכם מחידאם ירש את אסד במסגרת הסכם בחסות אסד שלפיו תשמר הדומיננטיות העלווית של המשטר במחכונת הקואליציה הקיימת עתה. לשאלת ג'ווארדיני האם בכך לא תהיה נסיגה למשטר העלווי השיב הלה ש"מוסכם על הכל" שהמשטר הנוכחי יושאר על כנו גם להבא. ג'ווארדיני המפקפק באמינות המידע על חידאם אינו מוציא מכלל סצנריו כזה (א) בהנהגה הסורית דמות סמכותית שכולם יסכימו עליה כיורשת אסד. (ב)חידאם כדמות פוליטית נחשב למקורב מאד לאסד, אולי יותר מכולם, דוכה לאמונו ונאמן בביצוע מדיניותו. יש בו גם מידה של כריזמתיות. (ג) הצבתו בראש השלטון תבטיח תמיכתם של שיהאבי וטלאס ויתר הסונים למניעת תחרות אלימה על הכתר.כאמור אין בידי ג'ווארדיני אישור על המידע וממקורות אחרים והוא ראוי לבדיקה. ג'ווארדיני מוסיף שאין ספק שהדבר קשור לנושא בריאות אסד ושאם אכן הבחירה נפלה על חידאם היא מגבירה את חשיבות גורם היחסים עם מדינות ערב, כולל בטווח ארוך מהלך כלפי עיראק. הטורי לא נקב מתי הוסכם על חידאם ובאיזה פורום. הסורי המסיים תפקידו כאן בקיץ 87 הזמין את ג'ווארדיני לביקור בדמשק ולהמשך שמירת הקשרים.איש שיחי הסביר שאין לו תכנית כואת לפי שעה. (אגב בשגרירות השורית כאן מתבצעים חילופי אישים בעקבות הקפאת היחסים עם ארה"ב והגילויים בעתונות שהמזכיר השלישי כאן (אשה) נהלה מו"מ בלתי חוקי עם חברה אמריקאית להעברת טכנולוגיה מערבית לסוריה כשחלק ממנה עיים ודיעות

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בקשר לביקור.

יועד לגרמייז. הנושא נמצא בחקירת ה- FBI. האישה עזבה כבר את וושינגטון כנראה למוסקבה כאשר ראש החברה הושם במעצר. גורם שלישי שעסק בתווך ביניהם נעלם א.א.).אודה על הערכת ממייד על המידע בקשר לחידאם.

2. ביקור סאעדה, מגדיר את ביקורו כאן כ"פיאסקו", ג'ווארדיני יעץ להימנע מפגישות עם אנשי ממשל ולהתרכז בקהילה הלבנונית כאן שכן אין הוא במצב להציג מדיניות או אסטרטגיה לבנונית, בשעה שהנוצרים מפולגים ומדברים במספר קולות. מסתבר גם ע"פ ג'ווארדיני שבקרב הלבנונים היתה מריבה סביב ארגון הביקור. השגריר עבדאללה אבו חביב טען שבתוקף תפקידו הוא חייב לארגן השיחות ואילו רוברט פראח טען שהדבר בסמכותו. האמריקאים ( NFA ) שלמדו על המחלוקת צדדו באבוחביב ומשרד ההסברה כאן נאלץ לוותר. ג'ווארדיני מציין שזוהי דוגמה מאלפת לפרוד ולמחלוקת בין הנוצרים ובאי יכולתם הופיע כגוף בעל עמדה אחידה.

3. לבנון. גיוורדיני מודאג משני גורמים (א) הפילוג בין הנוצרים שלדעתו קנה לו שביתה

בקרבם ואין הוא רואה מוצא לו.אמין תורם לחולשה זו במדיניותו לסכסך בין הגורמים השונים, להחלישם ולהותיר הזירה בידיו. חזר על המידע שאמין מבקש להאריך כהונתו בשנתיים (אני מניח שפראח שמע על כך מג'וורדיני) ושבתכניתו זו הוא שואף להשיג תמיכת סוריה וגיבוי הממשל כאן. במסגרת זו הוא שואף להפטר מג'עג'ע ולבודד את מישל עון. ג'ווארדיני רואה בפעילות הכח"ל חוסר הגיון משווע כשהאינטרס שלהם הנו קבוצתי ולא עדתי. לדוגמא ציין רצונו של גיעגיע להטיל מיסים על הנוצרים, דבר שיקומם אותם עליו. (ב) הפלסטינאים.לדעתו הולכים ומתעצמים ולאט לאט חוזרים, בשל הנסיבות הנוכחיות, גם לעמדת כח מדיני. בעתיד הם יהוו עייף גיווארדיני לבעיה גם לישראל ולא רק לסוריה. אין לו ספק שלעמדת הכח שלהם בלבנון תהיה השפעה שלילית. בעיקר הוא מודאג מההתקרבות בין ערפאת חבש וחואתמה שהמאבק בלבנון מאחדם בשאיפה שלא להניח למחנות הפלסטינאים בבירות ובדרות ליפול. ג'ווארדיני הפלקטינאים שבחסנת סוריה (אבו מוסה) מחוץ למשחק וזוהי עוד סתירה לדמשק והישג לאשיים חושש שמאבק השעה עשוי גם להתפשט לעבר פיוס מדיני ביניהם, המפתח בידי ערפאת בביטול פורמלי של הסכם עמאן הסורים משלימים לפי שעה עם המצב בשטח מאחר ואין בכוחם לשנותו אלא בהכנסת כח צבאי גדול שאינו עומד כרגע על הפרק. הם נקלעו למצב המחייב לעסוק במספר "מוקדים בוערים", מצב שאינו אהוד עליהם, כגון בנושא איראן ובנושאים פנימיים אחרים כגון בריאות אסד ושאלת היורש, היה ודברי אבו פיראס הם בעלי תוכן ממשי. 4. ירדן. ג'ווארדיני קיבל הודעה ממרואן קאסם שהם יפגשו בחודש הבא באירופה, כנראה בלונדון ומכאן שאין בדעתו לנסוע לירדן כפי שסוכם ביניהם לא מכבר. ג'ווארדיני מניח שאי

בואו של מרואן קאסם לוושינגטון קשור בלו"ד של ביקור חסין כאן ואפשר שהמלך שינה תכניותיו

אלי אבידן טוטוי

שברירות ישראל - וושינגטון

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המשרד

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דחיפות.....רגיל תאריך וזיים 1040, 17 דצמ 86

קף..... מתוך..... דפים

סווג בסחוני. שמור

אל :- מצפייא, ממייד

המועצה לבטחון לאומי

דיק קלארק סיפר שקרלוצ'י מינה את קולן פאול (גנרל בעל 3 כוכבים) מהפנטגון כמסי 2 ב- UP ואת אהרמאק סובייטולוג מה- UP לעוזר היועץ לעניני ברה"מ, במקום מטלוק שביקש לפרוש עוד טרם פרשת איראן. טרם ידוע איזה תפקיד ימלא. הוסיף שהאירוניה במינויים שהגורמים הנ"ל כהנו בממשל קרטר ושעד לפני זמן לא רב איש לא היה מעלה על הדעת שישולבו באדמיניסטרציה של רייגן.

אלי אבידן ۱۵. کا.

פברירות ישראל - וושינגטון

המשרד + בטחון

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דחיפות....מיידי 86 אריך וזיים. 45. הן דצמי

מנכ"ל מדיני. מנהל מצפ"א

דע: לשכת השר, לשכת רהיים, לשכת שר הבטחון לשכת שר האוצר ציר כלכלי, כאן

> הפחתת שיעורי הריבית למברק השגריר 424

מתוך שיחת עם ג'ים בונד. עוזרו הראשי של הסנטור קסטן (לעניני הקצבות).

- ו. במגמה "לנעול" את הממשל על ההסדר החדש, הוא עסק ועוסק בימים האחרונים בהדלפות מכוונות, שהביאו בין היתר לפרסומים בעיתונות ובעקבותיהם להודעת דובר מחמייד בנדון בתדרוך היומי אתמול (ראו נא הרצייב, מתוך שלנו 426 מה-16 דנא). לדבריו, עיתון הוול סטריט ג'ורנאל ואולי אחרים עובדים כעת על כחבות נוספות, והוא (בונד) מנסה להרחיב את היריעה כך שבנבדל מהודעת הדובר יזכו קסטן ואינווייה להכרה וכך שמצרים לבדה לא תהיה במרכז הכובד (ראו נא את השאלה הראשונה לדובר )
  - 2. בהקשר זה הביע תקווה שאצלנו לפחות ידוע שקסטן ואינווייה הם הם ולא אחרים -שהשיגו את ההסדר החדש וזאת על אף עצותיהם של יועצים (והוא - בונד -.היה ביניהם) שבשלבים מסוימים ייעצו לסנטורים להרפות מהיוזמה. "אפרופו", אין ספק שחרף דבריו אלה של בונד היה לו חלק משמעותי בהישג זה וברצוני להציע שהשרים המכירים אותו (אולי שר החוץ ושר הבטחון) אולי ימצאו דרך להביע, את הוקרתנו בנוסף למכחבי הברכה שהם בוודאי משגרים לשני הסנטורים.
  - 324 באשר לדברי קאסטן לשגריר (במברק שבסימוכין) אישר בונד (כפי שדווח בשלנו וכפי שעולה מדברי הדובר) שההסדר כבר סופי ואין צורך לפעילות מצד הקונגרס. הסביר שבשיחתו עם השגריר התכוון קססן לביצוע ההסדר עוד לפני החגים - או לכל הפחוח. פניה רשמית למדינות הזכאיות להינות מההסדר. להערכתו, תיתכן "סחבת" מצד הממשל ואילו קסטך ואינווייה חותרים למנוע זאת, שמא יהיו חשופים ללחצים-נגדיים מצד

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דף <b>פתו</b> ךל. דפים פווג בסחוני <sup>סודי</sup>				אל:
דהיפות		9		
מאריך וז <sup>א</sup> ח			281/40	
		4	201/427	

עמיתיהם בסנע עם כינוס הקונגרס מחדש בינואר. בונד מניח שמצידנו לא יהיה כל דיחוי בתגובתנו המהותית לפניה הרשמית. עוד אמר שבעת פניה זו יתכן שפיקרינג יביא עמו מסר מהנשיא ריגן.

למדן

הפצה: שגריר, ציר כלכלי, יועץ מדיני קונגרס, ארכיב We are reported that you have agreed on certain --

MR. REDMAN: What I have is a more general response on the question of FMS debt relief. For some time, the Administration has been concerned about the impact of high interest rate FMS loans on our security relations with friendly and allied countries. The repayment terms on these loans, which were extended several years ago, when interest rates were 50 to 100 percent higher than they are today, impose a heavy economic burden on many countries and dilute today, impose a heavy economic burden on many countries and dilute the effectiveness of our foreign assistance programs. After careful review of national security requirements and budgetary implications, the Administration has decided to restructure the FMS program in a way that would ease the burden of certain high interest rate FMS loans, and give countries flexibility in making loan repayments. The restructuring requires no new legislation or additional appropriations implemented; nor does the restructuring involve debt forgiveness, or the issuing of new loans.

Beyond that, I could only add that we have consulted with the Congress so that they are now aware of how we intend to proceed, but the details then have to be worked out on a country-by-country basis, and I'm just not in a position to go into those.

Q What about the numbers? Can you tell us about the new interest rates? Or --

MR. REDMAN: No, as I say, the details have to be worked out on a country-by-country basis.

-Q But you agree in the principle of reducing the interest

MR. REDMAN: I have given you in essence the --

Q Can we have a copy of that?

MR. REDMAN: Yes.

Q Chuck -- (off-mike) -- some countries that get FMS? Or all? Or what?

MR. REDMAN: It will affect different countries in different ways. That's why I say the details have to be worked out with each specific country, depending on the nature of their debt. And it provides for a number of ways of doing that.

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O Chuck, the Post has the figures today on how the Administration will divide up the aid approved by the Congress. Do you have those figures?

I have a copy of some figures, but I'm not sure they are the ones that can be made available. So we'll look into that, to see if we can make available, after the briefing, the kinds of figures which are referred to. In fact, the final FY-B7 allocations were transmitted to the Congress yesterday, and they are a matter of public record. I would just add that for many months now, Secretary Shultz and other Administraton spokesmen have spoken clearly on the inadequacy of foreign aid appropriations. Clearly, the large reduction in foreign assistance will adversely affect our abiliy to support important economic and military programs. The Administration, as you know, supports reduction and elimination of the budget deficit, as emphasized by Jim Miller yesterday. Nevertheless, it's clear that the foreign affairs segment of the federal budget has absorbed a disproportionate share of the total deficit reduction. In this context, we will seek to make additional resources available to supplement the current appropriation. however, doubtful that the Administration can devise means to make up for more than a fraction of the shortfall.

O Chuck, you said the public record, that you don't know whether you can make them available?

MR. REDMAN: I'm sure we can make something available. It's just that the copy I have I'm not sure is exactly what's in the public record. So until I can verify that --

When will you do that? Right after the briefing?

MR. REDMAN: Yes.

On the question of debt relief, it was reported that this would — the effect of this will involve the sums of several billions of dollars coming to the Treasury now, but after the present time, or after the next year or so, it will involve, over a long period of years, several billions of dollars of losses to the Treasury. In view of the very large magnitude of this, can you confirm that this kind of figures are involved? And who is it who would — if you can't — don't have at hand — Who is the person who can explain this legerdemain, and what its effect is on the United States government?

MR. REDMAN: I don't have those figures at hand, and we'll take a look and see what we can do to explain this.

עד ראו.

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שברירות ישראל - וושינגסון

של. המשרד + טוקיו + ניו יורק

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מאייס, מצפייא, כלכלית

דע: השגריר, טוקיו דברת, האוצר הקונכייל, ניו יורק ציר כלכלי, כאן

#### יפאן - חרם

- סטנלי רות' התקשר אתמול (16) ומסר (להרצל) שלדברי אנשי שג'יפאן כאן תגיע תשובת נקאסונה "תוך זמן סביר" - מן הסתם,עד סוף השנה ובוודאי עד שובו לוושינגטון של סולארז ב-7 בינואר.
- לאור מברקכם 406, חזרתי לסטנלי היום והדגשתי את ענייננו בתיאום, בין השאר לגבי שחרור (או, ליתר הדיוק, אי-שחרור ההתכתבות הנייל). הוא תמים דעים עמנו וסבור שבכל מקרה יש לבחון תשובת נקאסונה כדי לראות אם יש בה כדי ליצור "דינמיקה חדשה" כדבריו.

(3) Sol.

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אל: המשרד

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מצפייא

# דיווח על ביקורי סנטורים

ו. בושביץ (לשלכם 439): תודה.

2. בינגמאן - לוין : סיכומי קני-טל על השיחות עם רהיימ ועם השר הגיעו בדיפי אתמול. תודה - עם זאת נא להבריק את הדוייח על שאר חלקי הביקור (על יסוד שיחה עם מק-גפיגאן, למדים שהביקור היה מוצלח; הוא מתנצל על יהביטוליםיי שביקשו ועדיין רוצה לדבר עמנו על נקודות מסוימות שלגביהן נשאר בינגמאן מסוייג - למשל, בתחום ה- SDZ . עוד אדווח).

3. אינווייה : טרם קבלנו דויים כללי על הביקור בשלמותו. עוזרו הראשי, קולינס, מבקש (בשם הסנטור) לדעת כיצד התרשמנו מהביקור. אנא במברק.

ד. קנדי : כייכ רצוי להבריק את הסיכום אם אפשר.

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שברירות ישראל - וושינבסון

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המשרד

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דף..ו...מחוך...ל..דפים פווג בסחוני.... קודי

86 אריך וז"ח 1020 חידו דצמ 86

דחיפות.. רגיל.....

מנכ"ל מדיני, מנכ"ל, ממנכ"ל מנכייל רהיים

#### שיחה עם סודארת

בקשתי לשמוע רשמיו מגסיעתו לירדן, ישראל ומצרים וכן להתעדכן על מפגש מרפי עם ראשי נציגויות אזורנו בלונדון. כדרכו, היה מאופק ו"קמצן" במידע, כל העת רשם ג'ים ביגוס ממחלקת ישראל.

א. מסע סודארת. סייו באיש"ע, ראת את הבנק שבאותו שבוע זכה ל-500 חשבונות נוספים ל-3000 שהיו לו עד אז, שמע על דעות לגבי פרוייקט המלך ולדעתו של סודארת יש צורך בהשקעות מוגדלות בשנים הראשונות כדי להתחיל לגלגל פרוייקטים. הן מרפי והן סודארת מעונינים למצוא דרכים להגביר ההשקעות, וזאת לפי הצעתו של שה"ח פרס שיש לסייע גם למדינות מתונות באיזור. אחת הדרכים היא לעודד האירופים להשקיע תוּך הבהרה שאם ברצונן להיות חלק בתהליך זו הדרך, ע"י סיוע כלכלי למדינות המתונות. סודארת הוסיף שכמובן, אין זה תחליף, לתהליך השלום.

סודארת הגיע לקתיר אחרי בילור חוסיין והרושם שקיבל שהיו מתואמים ברעיון הועידה הבינלאומית כדרך אל המו"מ הישיר עם ישראל. במצרים נשאל על המצב הפנימי בישראל ובעיקר על המעבר בעניני הקוטאציה. רוב זמן השיחות הוקדש לבעיות הכלכליות של מצרים והסיוע האמריקני לכך בנושא הפרשה האיראנית, ונסיעת סודארת היתה בראשית הפרשה בלבד. הרי שהרושם הוא שהמצרים נראים כפחות נפגעים מהירדנים ובשתי המדינות יש דאגה אמיתית הפונדמנטליזם. GEAUINE CONCERN

באיש"ע מצא סודארת את ראש עירית שכם כמי שאינו מוכן לדבר פוליטיקה כלל אך בין השאר האנשים שפגש בקונסוליה בירושלים מצא ה- RITUAL הרגיל כלפי היחס לאש"ף.

ב. פגישות מרפי. המפגש עצמו היה מתוכנן זמן רב למדי ומדי פעם נדחה מסיבה זו או אחרת. מטרתו לסקור ההתפתחויות הכלליות באיזור תהליך השלום ואיו"ש. המטרה נשארה להגיע למו"ם ישיר ובצורה מהירה אחרי כינוס ועידה בינלאומית. השאלות נשארו כבעבר לגבי הייצוג הפלסטיני והמפגש, כמצופה, לא הגיע למסקנות כלשהן. עניק־שיפור איכוצהחיים באיש"ע אין בו די לקרב המו"מ לשלום. הנושא, לדבריו ממשיך לזכות בעיון קרוב וציין שמסרו באמצעות שגרירם בת"א ענין הפגישה הצפויה בין רה"מ לנשיא בפברואר.

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דחיפות	-	1110
תאריך וזיים	2	793
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לשאלחיי, אמר שהפרשת האיראנית אמנם הוזכרה אך היא בפסים מקבילים ולא צולבים לשאלחיי, אמר שהפרשת האיראנית אמנם הוזכרה אך היא בפסים מקבילים ולא צולבים . SEPARRTE TRACKS והודגש הצורך לודא שארהייב תחדש אספקת הנשק ולא תעשה ויתור לטרור. יחד עם זאת יש צורך להסביר שיש ערך למצוא דיאלוג כלשהו עם איראן, לסייע לסיום המלחמה במפרץ, לעצור החדירה הסובייטית וכמובן לדאוג לחסופים.

עד כאן תוכן דבריו, שברובם אינם מחדשים או מפתיעים.

מחני

שברירות ישראל - וושינגסון

המשרד

470

דף...ו...מתוך..נ...דפים סווג בסחוני סודל ..... דחיפות מיידי 86 DYT 18 0945 0-11 7-748

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אל :- מצפייא מנכ"ל מדיני, מנכ"ל, ממנכ"ל

מנכ"ל רה"מ

מיקון מברק 443

במברקנו הנ"ל בעמוד 2 אחרי המילה האחרונה צריך להוסיף כמובן "לא". והמשפט יהיה כדלהן: "...לודא שארה"ב לא תחדש אספקה הנשק ולא תעשה ויתור לטרור."

त्य पर अवन भाग भाग भूकी ०,.क नेहर प्राप्ट भार

המשרד

האריך וזיים, 45.10 71 דצמי 6

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סווג בסחוני. שמור

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אמלייט ו, מצפייא

דע: אגף אמלייט, בינייל 2/ממייד

- ככל שמחמשך העיסוק בייפרשה האיראניתיי מתפנה התקשורת לעסוק בזויות השונות, כולל במדיניות ארה"ב כלפי אמרכ"ז, ניקרגואה והקונטרס. מאמרים מפורטים בין היתר ב- א.א.ד וב- דומב להבי עתיד הקונטרס דיתר ב- אלה כבדים לגבי עתיד הקונטרס הן בוושינגטון ובמיוחד מבחינת היותם גורם משמעותי בשטח. כולם, כולל דוברי הממשל והקונטרס עצמם, מסכימים שאחד הגורמים שיכריעו את עתיד המדיניות יהיו ה"ביצועים" של הקונטרס בחודשים הקרובים ויכולתם להוכיח שהם אכן מהווים גורם. מאידר, לנוכח הרקורד שלהם עד כה קיימים ספקות כבדים בהקשר זה.
- בשיחה עם פקיד במחמ"ד שהיה עד לקיץ האחרון DCM בשג' ארה"ב, באחת ממדינות אמרכ"ז, הוא מתח ביקורת קשה על מדיניות הממשל ובאורח בוטה קבע שאין למדיניות ו/או לקובטרס כל סיכוי להצליח. לדבריו לאחר שנים של סיוע אמריקאי, הקונטרס עדיין חסרי הנהגה, מוטיבציה, אידיאולוגיה ויעדים מוגדרים וכתוצאה מכך אין להם כל חמיכה באוכלוסיה המקומית. למעשה, להוציא היעד של הפלת המשטר הסנדיניסטי הם לא מציבים כל אלטרנטיבה רעיונית או אחרת. כדוגמא לכך הוא ציין שכאשר הקונטרס כבשו כפרים בניקרגואה, הם מעולם לא השאירו בהם עלונים המתארים את יעדיהם. לכך נוספים השחיתות ומעשי האלימות באוכלוסיה המקומית והרי ההבדל בינם לבין המחתרות השמאלביות אשר כפי שציין פקיד אמריקאי מתוסכל, אינן זקוקות ל-100 מליון דולר על מנת להמשיך ולהלחם. אגב, זו בתמצית ההנמקה לעמדה הדמוקרטית המתנגדת למתן סיוע לקונטרס.
- באשר למדינות אמרכ"ז לדבריו הן משוכנעות היום יותר מבעבר, שניקרגואה לא תפלוש אליהן תוך ניצול עדיפותה בסדייכ וחימוש; מאידך אין כל ספק באיזור, שהיא תשאף ליייצא את המהפכהיי ולסייע לתנועות מחתרת שמאלניות אצל שכנותיה.

זו גם הסיבה לכך שהאמריקאים מוצאים אוזן קשבת אצל הממסדים הצבאיים במדינות אלה. להם נטיון במלחמה במחתרות ודעה מגובשת נגד האיום הקומוניסטי. עמדתן של הממשלות

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רחיפות......

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האזרחיות אמביוולנטית והן זוכות לביקורת פנימית קשה על התקפלותן בפני הלחצים האמריקאים - תופעה שלדעת בני שיחי רק מגבירת את הפוטנציאל המתפכני במדינות אלו.

אין כל ספק שבימים אלה קיים חשש רב, במדינות אמרכ"ז הנובע בעיקר מאי-הודאות לגבי עתיד מדיניות ארה"ב - עובדה שגם היא איננה מסייעת לממשל ו/או לקונטרס לקדם את יעדיהם.



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דחרף/טודי

אל: מצב"וא

מאת: א. בנצור - לרסאנגלם

הנדרן: ביקור רוה"ים

הפדרציה מבקשת שביום ביקור רוה"מ בל-א ייפגש עם ראש המגבית, מנהיגות פוליטית, וינאם במפגש רב משתתפים על בקשות אלה נבקש אנו להוסיף המלצותינו לאירועים ופגישות נוספים

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תם: שחח, רחם , מבבל , ממבבל , מצפא

ביו-יורק מחלקת הקשר מוג במחוני: מברק . טופס מתוך: 7 1" 8 . 1616-: 5 K כנסיום וושינגחון, רומא : 7 -011 חקונטול הכללי, ניו-יורק מאת:

התבטאויות או'קונר. שלך 375.

צרקת. בדקתי את החומר שמצאתי על התבסאויותיו הפומביות. הוא באמת קשר הכרה בהסתיגויות הידועות. לעומת זאת באופן פרסי אמר בפירוש שהוא בעד כינון יחסים. דיווחתי על כך בעקבות שיחתי אתו באוגוסס חשבת. דומני שאמר זאת גם ישו 'ח בפגישתם בספטמבר. בדי"פ תקבל צרור התבטאויות שלו. תמצא כו דו"ח של הרב ליו ון סליניקי על פגישת הקרדינל ב-29 כאפריל עם קבוצת פעילים יהודים, גם שם התבטא בזכות קשרים וללא ההסתיגויות.

משה ינר

שם השולח:

16.12.1986

תאריך:

אישור:

רחיפות:	מחלקת הקשר ניו-יורק	:ŋ٦
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### News Summary December 16, 1986

## New York Headlines

Top stories in the New York Times deal with the Iran-contra scandal. CIA Director Casey suffered a seizure and his testimony is off. Iraq recieved intelligence from the US on Iran (see Press Reports). Also on p. 1 of the Times: Reagan advisers oppose a proposal on insuring nursing home care for catastrophic illnesses; Chemical Bank is buying a Texas bank, for about \$1.1 billion; US Panel suggests raise in salaries for Federal judges, congressmen and executive branch officials. Carnegie Hall reopened (also headlines in NYP; ND & DN) Top stories in the Wall Street Journal deal with Japanese auto makers and their struggle to cut costs in the wake of the Yen's rise; maintenance practices of British Airways are subject of inquiry.

#### Editorials

ND "Mumbles and Memory Lapses" Almost from the beginning, William Casey has seemed out of step with the times. The case against Casey does not begin with the Iran-Contra scandal. He is now in an untenable position. If he says he didn't know about the diversion of funds then he hasn't been doing his job. If it turns out that he did know, he's lying. It is time for him to retire, he is no longer an asset to the President.

### Columns

NYT-Flora Lewis "Israel's Sliding Standstill" The rotation has gone through but nothing much has changed. No one expects any initiatives. At the Foreign Ministry there is still talk of the "peace process" but without any evident conviction that any talks with Hussein or Mubarak might lead to real negotiations. Pressures are piling up and will explode on somebody else's watch. The recent eruptions of violence are not worse than before. They come and go, permitting a renewed illusion of calm. Jerusalem looks great but it is a segregated city. Antagonisms between the two societies that live there have hardened and deepened. The very idea of trading "peace for territory" has been overtaken. There is nothing left to negotiate. The view to the future, which was once what Israel was all about, has dimmed and shortened. For the Israelis there is no catalyzing vision. Palestinians, there is mounting frustration. Things will probably get worse bedause they aren't getting any better :תאריך

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אישור:

NYT-Brzezinski "To Clima Out of the Foreign Policy Pit" American foreign policy is in a crisis. The more immediate damage to Reagan's policy involves regional confusion in the Mideast; increasing anxiety among our principle allies and increasing opportunities for Soviet exploitation. Iran's position has been strengthened. Israel may have gained some short-term advantage but it is hard to imagine that a Mideast more susceptible to Islamic fundamentalism would not eventually become more lethally dangerous to Israel. US credibility among moderates has hit a low point. It will take a long time for America's word to be viewed as America's bond. Reagan's foreign policy needs to stop being reactive and lacking a strategic vision.

DN-Raspberry "The Time Is Right for Straight Talk" It's time for the White House to do something really clever: tell the truth.

#### Press Reports

# Iraq Gets Reports From US For Use in War With Iran

NYT-Gwertzman p.1-Over the last 2 years, the US has supplied Iraq with military intelligence about Iran, White House and State Dept. officials said. The officials said an Iranian defeat would be disastrous to US interests. But after the revelations of the last 6 weeks about secret arms sales to Iran, the latest disclosure was widely viewed as having further damaged Reagan's credibility, especially in the claim that the US has been neutral in the war. It was unclear whether the intelligence sharing would continue now that it has been disclosed. Redman said that the US policy was unchanged, that the US seeks an early end to the war, that the US does not sell arms to either side, nor are transfers allowed. "Iraq, on the other hand, has indicated its willingness to cooperate with various efforts to bring the war to a negotaited or mediated end." He also said that the US still discourages shipments of arms to Iran.

## Khomeini's Son Signed Iranscam Checks

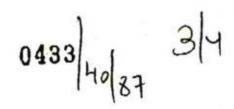
NYP-Dan-Khoemini's son signed checks issued by Iran to pay for the US sponsored deals. Israeli sources familiar with the Iranscam financial transfers confirmed this. His involvement bolsters reports that the elder Khoemini knew about the negotiations over arms sales and the release of US hostages. (AP photo of Iranian woman with photos of Khomeini and another religious leader taped to her head. She was at a parade to mark the sending of more troops to the front.

# Senate Panel Calls Regan, Messe, Shultz, Weinberger

NYT-Tolchin-All of the above will give testimony this week on the secret Iran arms sales and the funneling of money to the contras. is unusual for White House chiefs to testify. The willingness of these officials to do so was being interpreted by senators as part of an effort by the Administration to redeem Reagan's promise that he would "fully cooperate." Judging from opinion polls, the public is questioning whether the White House is cooperating. (all papers)

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# Justice Dept. Starts Probe of Messe

NYT-Ciolli-The Justice Dept., responding to mounting criticism of how Messe handled the initial inquiry into the Iranian arms sales, has opened its own internal review of the case.

# Accounts at Bank Prozen by Swiss

NYT-Tagliabue-A Swiss bank froze at lesat 2 accounts that are thought to have been used by North and others to divert Iranian arms payments to the contras. The move came after the US made a formal request to formally lift bank secrecy. The ruling is significant because it could ultimately open account records to American investigatrs, casting light on financial and corportae connections.

# Iran Money is Tied to US Campaigns, Some Say

NYT-Apple p.1-The head of a PAC that campaigned against Congressional opponents of military aid to the contras had a number of links to the White House. But no evidence emerged to support allegations reported by a Mass. newspaper that some of the profits from arms sales to Iran had been diverted to right-wing groups. (ND-Gitman)

# Piles on Contra Supplier Are Stolen

NYT-Lindsey-Burglers broke into a lawyer's office and took confidential files pertaining to Albert Hakim, an Iranian businessman who has been linked to the transfer of arms to the contras. Hakim is a partner of Secord. (NYP)

# OPEC

NYT-Lohr-OPEC is close to reaching a formal agreement to cut production to lift prices toward \$18 a barrel. The gathering optimism is based on a Saudi proposal to reduce output about 7%.

# William Nakash-Jew in Danger or Just French Outlaw?

NYT-Freidman-A major legal dispute has erupted in Israel over the case of French Jew, William Nakash, who has been convicted of murdering an Arab in France. After the murder, Nakash quickly emigrated to Israel, became a citizen and is now demanding that the Gov't not extradite him. Shortly after his emigration he says he "rediscovered religion" and became an Orthodox Jew. Israel's religious parties and chief rabbis said it would be wrong to allow him to be extradited and be killed by Arab inmates. Under this pressure, Justice Minister Sharir decided to ignore the extradition treaty with France and to allow Nakash to remain a free man in Israel. This ruling outraged many Israeli legal scholars, who, along with MK's and others, appealed the decision. In a poll conducted last week, 53% of those questioned said Nakash should be extradited. 43% were in favor of allowing him to stay.

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The case might have quietly died if not for the fact that Nakash was arrested in March. He and several other men were apprehended by the police where they were planning to hold up a high ranking clergyman who was returning from Jordan with 60 gold bars and over \$2 million. For complex legal reasons, the robbery charges were dropped, but before he was released, the police discovered his real identity and the outstanding warrant.

#### Letters

NYP-The amazing thing about Iranscam is that it was kept secret for more than 1 year. Neither Congress nor the State Dept. can keep a secret for a day. North, the hero of Grenada and the Achille Lauro did the right thing.

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אל: המשרד, ממבטחון מש"ן . 54 366 **436** 

. (ביו-יורק) הרמש"ן + יוסי קדם (ביו-יורק)

דע: מנהל מצ<mark>פי</mark>יא רי טיבייט, ממבטחון מקשייח, ממבטחון נספח צהייל, ציר כלכלי - כא

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לשלנו 33 לרמשיין (שהוא בר 363 למשרד ו-301 לבטחון).

התקשר מייק ונן-דוזן. מסר שה- DOD אינו עומד . ללוח הזמנים (לא פירט הסיבות - וייתכן שאינו יודע אנתן). בשבוע הבא תיערך פגישה בינם לבין אנשי ה- GAO כדי לקבוע את סיווג-הדנ"ח וכן לסכם נקודות נוספות שיופנו לצד הישראלי (כנראה באמצעות ה- GAO).

נמשיך לעקוב.

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סודי/מיידי. מואו אבידנ. שלכ 431 שיחה עם רוברט פארח.

רב תודות על הדווח המעניינ. א. המדיניות שהציג ה- אא VEA נמא אא בפני סעאדה אינה חדש כידוע. בשיחותינו הרבות בזמנו עמ השגריר ברתולומיאו, מוריס דרייפר והאישימ האמריקנימ האחרימ שעסקו בסוגייה הלבנונית ניסינו לשכנעמ כי דחיפת הקהילה הנוצרית לזרועות הסורימ תהיה חרב פפיות. הנוצרימ על כל חסרונותיהמ ומחדליהמ מעניקימ ללבנונ את האופי הייחודי הקוואזי-דמוקרטי ואת הזיקה למערב.

חזקה על אסאד כבעל בית שינווט את לבנונ בהדרגה לערביזציה

גוברת ואודיינטציה אנטי-מערבית. מסתבר שהאסכולה בממשל המוסיפה לדגול במתנ לגיטימציה לסוריה בלבנוג והמחייבת קפיטולציה נוצרית בנוסח ההסכמ

המשולש, עדיינ דומיננטית. ב. באשר לשמועות כי אמינ מחפש נתיבות לישראל, למותר לציינ כי עיקר המאמצ שלו מופנה לכוונ ההפוכ בנסיונ לגשר על הפערימ עמ דמשלק. החשש של סעאדה מהפירוש שגימאייל עשוי להעניק לדברימ שאלי סאלמ שליחו שמע קרוב לודאי

בו ושינגטונ, מוצדק. ג. שמנו לב לתיאוריה של רוברט אודות חבייקה כסוכנ כפול (סורי) כביכול בזמנ ארועי סברה ושתילה. היש לכ מושג על מה

מבוססת ספקולציה זו. ד. במידה ורוברט יחליט לבקר כאג נארחו ברצוג.

ליאור-מצפיא .=-

כססס

-35 -

פברירות ישראל - וושינגטון

:71

המשרד

סווג בסחוני..... דגיל דחיפות...... 432 תאריך וזיים....יו 1600 האריך אויים 1600 האריך הא ..... Plas '96'-

7720 0110 דף.....דפים

> דע: שגבוקרשט. הורם.

בא"צ במחלקת המדינה לכבוד הרב רוזן - בה השתתפתי - נכחו גם דיק שיפטר, סמיטס (מחליפו של פלמר), אל-מוזס, חבר הקונגרס לשעבר - ואניק.

הרב התייחס בדבריו גם לתקריות האנטישמיות שהיו - אך זאת מבלי לפרט . הרב יוצא היום לאירופה.

שברירות ישראל - זושינגטון

המשרד

431

סווג בשחוני....חודי החיפות.. היידי תאריך ודיית 1950, פון דצמ 86

אל :- מזחיים, ממייד/לבנון אלם.

לבנון. משיחה עם רוברט פראח

 ביקור ג'ורגי סעאדה. הביקור כזכור יועד ברובו לפגישה עם אנשי הקהילה מלבנונית בארה"ב ובקנדה (מונטריאול). המשלחת עדכנה את ראשי הקהילה באשר למצב בלבנון. כשעיקר המסר היה להביא את דבר המשלחת, כלומר ראשי הקהילה הנוצרית בלבנון לאחיהם בפזורה המסר היה להביא את דבר המשלחת. כלומר ראשי הקהילה הנוצרית בלבנון לאחיהם בפזורה

כאן לאמץ פעילות דומה לזו של איפאייק בכל הקשור לפעילותם כלפי אנשי הממשל לענפיהם וכלפי דתת הקהל כאן. המשלחת ביקשה ע"פ תדרוכה לקהל הצעה להכנית פעולה כנייל.

2. בתחילת המפגשים עם אנשי הממשל הם נועדו כזכור עם מרפי וסודארתי ועם אנשי NSC. רודמן וטיישר. הפגישה עם מרפי היתה מתסכלת שכן הנייל רמז בלשון די ברורה שעל הנוצרים להגיע להידברות כלשהי עם הסורים. סאעדה שאל רטורית האם עליהט להבין שהממשל האמריקאי ממליץ להגיע להסכם עם מדינה (סוריה) שארה"ב הכריזה עליה כמדינה חסות לטרור. יתרה מזו אחת מהחוצאות של מתן לגיטימציה סופית לסוריה בלבנון באמצעות הסכם חשולש יהפור אה לבנון למדינת טרור בינ'אן, שכן פעילות הטרור משם תהפר בעקבות זאת לרשה מאורגנת של טרור בינ"ל בחסות סוריה. מרפי שפראת מתארו כנבוך לנוכח דברי סעאדה גמגם והשיב שלא זו הכוונה אך בכל אופן יש להגיע להסכם עמה. עיקר דבריו של סעאדה היו שהנוצרים חומכים בלגיטימיות הלבנונית, כולל כמובך במוסד הנשיאות כאשר אה פו<mark>תם</mark> הלגיטימיות נושא צלייב אותו היו רוצים לראות מתפרס בכל רחבי לבנון. עיקר המשלחת שלא שבעה נחת מהפגישה הנ"ל, היא נזק שאמין (ר' להלן) עשוי לפרש עמדה זו של ה- NEA כחמיכה במדיניותו הפחלתלה לעבר סוריה, ולהעמיק חוסר האמיחות שלו בעגר הנוצרית באשר לדרכו. פראח מציין שטרם הכניסה לחדרו של מרפי הם שוהחו עם סודארת להפתעתה הגמורה של המשלחת שארה"ב תומכת בהסכם המשולש. סעאדה ברר שאלה זו עם מרפי שטען להדיים. אחייב חיקן סודארחי אח עצמו. הרושם של הלבנונים הוא שלממשל אין מדיניות ברורה כלפי לבנון,בעיקר בשל עמדת המזכיר שנושא זה אינו כעת על סדר יומו. אך אנשי ה- NEA לא מרפים מעמדתם זו. האוירה והחוכן בפגישה עם אנשי ה- NSC היתה שונה משהללו הביעו דעה ברורה בגנות המדיניות הסורית.

3. באשר לנעשה בלבנון עצמ<mark>ה</mark> סיפר על פי ידיעות משם שעיקר הדאגה היא מפעילות אמין, או יותר נכון ממה שלא יודעים על מעשיו. ע"פ מידע שבידם אמין פועל להשיג תמיכה סורית

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שארירות ישראל - נוסיבגטון

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להארכת נשיאוחו בשנחיים נוספות דהיינו מעבר ל-80. החכניה היא עדין היולית אך היא אינה עזו שחסוריט ידחו אותה על הסף בעיקר לנוכח התמורה שיגבו מאמין. הכחייל ולכך שחפה גם הכתאייב בדעה שהמחיר יהיה בהסרת או לפחות החלשת סמיר ג'עג'ע וקרוב לוודאי גם מישל עין. בהם רואה אמין דמויות שיטכלו תכניותיו. בשלב זה לא איתרו "פעילות מבצעית" של אמין לקידום רעיון כזה, אך כאמור הנסתר רב על הגלוי באשר לפעילותו . יחכן שאמין אנסה לחבר לקצורת את ארה"ב.בהקשר זה סיפר שאמין מפיץ כאן שמועות בעזרת השגריר עבדאללה אבוחגיב, עושה דברו הנאמן שהוא מנסה למצוא נתיבים לישראל אמין היוצא לביקור בברזיל, כנראה בראשית פברואר יעשה חניית ביניים בארה"ב לשיחות עם אנשי הממשל כאן. אין פרטים בפלב זה.

4. באשר לסוריה, הדעה ע"פ פראח בין גורמי הכח"ל והכתאייב היא שאסור למהר ולחרוץ את הדין לגבי "שקיעה מעמדה" של סוריה בלבנון, אמנם אין ספק שהיא בעמדה חולשה בגל סיבות בתחומים אחרים, אך הדגש חוא שסוריה טרם אמרה מילתה האחרונה. הדעה היא שהסורים מחכים שהאחרים יכלו כוחם, בעיקר סביב סבך המאבק השיעי - פלסטינאי שצ"פ פראח הדעה בלבנון היא שהמאבק האמיחי בוא בין סוריה ובפלסטינאים, וברגע המתאים יפנו אליהם כמושיעים. הסורים אולי עומדים בפני לחץ זמן אך אין כרגע איום ישיר כלפיהם. באשר לגורם השיעי - איראני מסתמנת לדעתו תופעה מענינת עליה שמעתי גם ב- אור. אים בדעה שהמלחמה בין השיעים לפלסטינאים הינה מיוחרת ובזירה הלא נכונה ויש להפסיקה לאלחר, בעיקר בטל המימד הפנים שיעי שלה. כלומר הזדהות חיזבאללה עם הפלסטיבאים. מאידך, גורמי החיזבאללה בדרום רואים זאת אחרת קצת ודווקא על רקע האיום על מעמד השיעים, קרי אמ"ל בדרום יש ביבהם כאלו הקוברים שאין זה באינטרס שלהם לראות בנפילת אמ"ל בדרום ויש ליצור איזון בינם ובין הפלסטינאים, קרי שהגורם האחרון לא יתחזק במידה כזו שיהווה גורם בלעדי או עצמאי שם. מעבר לכך הנוצרים מודאגים מכך שהחיזבאללה הופך אט אט לגורם לגיטימי הצובר עוצמה מדינית בצד עוצמה צבאית, מעין גוף מדיני שלצידו מליציה מזויינה, החיזבאללה הופכת מגורם טרוריסטי לגורם כח בזירה הלבנונית, זאת בשעה שהנוצרים מפולגים שקועים במאבקים פנימיים, הסונים נעלמו כליל ואילו הדרוזים מתנהגים כאילו שכל המתרחש עתה בלבנון לא מעניינם. הפלסטינאים מעבר למלחמת המחנות רוצים לנצל מצב חולשה זו של גורמי הכח ולחזור בשלב ראשון למעמד של גורם מדיני, במידה רבה ע"ח הסונים. אחת הדעות בקרב הניצרים קרי הכח"ל והכתאייו שלנוכח מצב זה שמא רצוי שהנוצרים ינסו לפתוח במגעים כלשהם עם חשיעים, לרבות פדיאללה שהם הגורם הנותן עתה את הטון במערכת הפנימית. ברי בשל חולשתו אינו במצב של פחיחת דיאלוג עמם כשהדעה היא שגורלו המדיני על כַּבְּי המאזניים ונוודאי שלא יסור ימינה או שמאלה ללא נכנחיה סורית. ג'ונבלאט דראג לקהילתו שמחוץ למאבק ולכן נוגר,

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קיפס פניים קרב מחוני.... פווג בשחוני.... דחיפות מאריך וזיים....

אולי, הגו<mark>רם</mark> השיעי שטרם נבדק.

5. לשאלתי על הנעשה בסורית גופה, ציין שלפי מספר ידיעות התחזק מעמדו של חידאם בעיקר לבוכח הדעות השונות בהנהגה הסורית באשר לקשרים עם איראן. חידאם, פראח גורס, היה מהמיד בעד האופציה הערבית, קרי הסונית ואינו נמנה בלשון המעטה, על חסידי המדיניות לעבר איראן. הגיעו אליהם שמועות שאולי חבייקה כשוהה בזחלה, מתכנן מבצע נוסף נגד הכחייל והכתאייב, שטיבו לא ברור. מסתבר שהנייל נמצא בקרע עם גורמי החיזבאללה שם לנוכח האשמותיהם שמעורב במעשי שחיתות כספית. בהקשר זה סיפר פראח שהינו עומד לבקר בלבנון בחודש ינואר 87 בעיקר לאפוף חומר על פעילותו של חבייקת כסוכן כפול (סורי) בזמן הטבח בסברה ושתילא. הביע משאלה לבקר גם בישראל במועד זה ופנח לגיעגיע לקבל אישור על כך. איני יודע באם תכנית זו תצא לפועל ובשלב זה לא שאל דעתי אך באם כן הייתי ממליץ לאנשינו לקבלו, אמנם אינו גורם מרכזי במערכת הנוצרית, אך בחוקף תפקידו כראש משרד ההסברה הלבנוני כאן מקיים קשר עם הממשל וגורמים אחרים ומסתבר שגם זוכה לאמון שולחיו, אך עוד חזון למועד.

אלי אבידן

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אל: מנכייל מדיני, מתנכייל, מצפייא, מעיית

דע: יועץ רה"מ לתקשורת, יועץ שהב"ט לתקשורת, רמייח/קש"ח, ניו יורק. ר/אמן, ע/ראש אמן למחקר.

## חדרוך דובר מחמייד ליום . 86 . 12 . 86

RALPH BEGLEITER (CNN): Chuck, the Secretary of State said the said the morning that the US policy is to engage in an effort to deprive Iran of its warmaking capability. Does the US policy also encompass an effort to deprive Iraq of a warmaking capability?

MR. REDMAN: I went over our policy yesterday, Ralph, which is something that we've gone over any number of times in the course of the months. We have, as I said, had in effect Operation Stanch, which is directed against Iraq — excuse me, against Iran — because that country has been considered the intransigent party. We did not have a similar policy with respect to Iran — excuse me, with respect to Iraq — again, for the reason that Iraq has been willing to negotiate a solution to the war for a number of years now. So that aspect of our policy, to which the Secretary referred this morning, is one with which you've been aware for quite some time now.

MR. BEGLEITER: And do you -- is it still the case that, in answer to the question of whether the US policy is neutrality in the Gulf war, that the answer would be yes, as it was yesterday?

MR. REDMAN: It certainly is. I tried to explain a bit yesterday what that meant. It's in the context of a policy which seeks to bring that war to an end as soon as possible, without victor, without vanquished, with the territorial integrity of both victor, without vanquished, with the territorial integrity of both sides intact, their sovranty intact. That is, in a way, the essence of neutrality. That's what we're trying to achieve in seeing that conflict resolved. It's never meant — to say that one is neutral — that we are uninterested in the outcome of the war, as I've just described, that we refuse to act in a way to help end the war, or that the US was nothing to protect its interest. In that sense, neutrality did not mean neglect. And every step that we've tried to take has been consistent with and supportive of the primary objective which I just described, which is an early end to the war, with neither victor nor vanquished.

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MR. BEGLEITER: I'm sorry, Chuck. What did you neutrality did not mean?

MR. REDMAN: That we are uninterested in the outcome?

MR. BEGLEITER: Yeah, but at that --

MR. REDMAN: That we would refuse to act in a way to help end the war --

MR. BEGLEITER: Refuse to act.

MR. REDMAN: Or that the US was doing nothing to protect its interests.

MR. BEGLEITER: And so that you would see, then, no conflict between having a policy of depriving Iran of a war-making capability but not having a policy of depriving Iraq of a war-making capability.

MR. REDMAN: No, absolutely not.

So what you're saying is, neutrality does not mean even-handed.

MR. REDMAN: Exactly.

Does the supply of arms to Iran violate this policy?

MR. REDMAN: I don't want to go into all that again. The President has described his policy toward Iran in its overall objective as one in which one of the major objectives was to help bring the war to an early end. So in that context again, that was the objective of policy. In terms of arms shipments therein, he described, as the Secretary went over again, as a signal which was sent for a specific reason. And I don't need to go into all that for you.

MR. BEGLEITER: Chuck, the Secretary has said many times, including today, that he disapproves of that signal, and that no signal should be -- no further signals should be sent of that sort. Does he disapprove of that -- of sending weapons to Iran because it violates the stated policy of undermining Iran's war-making capability, or because it involves trading for hostages? Maybe I'm taking --

MR. REDMAN: You're taking this on to different ground at this point, Ralph. First of all, the Secretary did not say he disapproved of that policy.

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MR. BEGLEITER: Well, he said it would have been better if it had been done otherwise. That was his word -- it would have been better. Maybe that doesn't mean disapprove, but --

MR. REDMAN: In any case, all that ground has been gone over, and I really don't have anything to add to what the Secretary said on-the-record on a number of occasions.

MR. BEGLEITER: Well, but there was a question of the reasons for his reluctance to support the sending of weapons to Iran. And with his new statement about undermining Iran's war-making capability, it strikes me that maybe the only reason he objected to it at the White House was that it was contrary to that policy and not contrary to other aspects of US counterterrorism policy or hostage-making policy and that sort of thing.

MR. REDMAN: I'm just not prepared to go into some exposition of motivation.

Q Do you have anything on the military attache who was detained over the weekend in Kuwait?

MR. REDMAN: I have very little; only to say that the American military attache from Baghdad has been detained by Kuwaiti authorities. We're in touch with the government of Kuwait, and we expect him to be released shortly.

Q What is his name?

יאריך וזייח......

MR. REDMAN: I don't have any other details concerning the man who anything else.

What was he doing in Kuwait?

MR. REDMAN: Or activities that he was engaged in.

G -- Sam Hall. Have the consular people seen him as yet?

MR. REDMAN: No, they haven't. It, in essence, stands just about where we left it yesterday. I guess one particular bit of information that we didn't have on the record then was that according to the communique from the Nicaraguan government, the arrest actually occurred at about 10:00 AM on December 12th. That's Friday morning.

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So as a consequence, we're now sort of four days into this, and we still have no notification from the Nicaraguan government that they have in custody an American citizen. They have not responded to our request, so that we don't know where this individual is being held, or whether formal charges have been filed against him.

Q Chuck, to go back to the question of Iran again, if the US policy is against the enhancement of Iran's warmaking capability, and the January 17th finding allows for such enhancement, and the finding still stands, isn't there a contradiction?

MR. REDMAN: There are a number of answers to that, but I think you know them all.

Q I don't ---

MR. REDMAN: The President made his decision to send a signal for specific reasons. He sent a signal of a specific nature, limited in scope. That's the first part of the answer. The second part of the answer is that the President has said that there are no further shipments now. The Secretary has reiterated that again this morning. So that's where we stand today.

Q But the finding, as far as we know, is still in effect?

MR. REDMAN: I just don't have any information on that finding. That question is frequently asked, but I just don't have anything on it. Bill?

- Q Chuck, change of subject?
- Q (off-mike)

MR. REDMAN: Sure.

Sending the signal that the President said, wouldn't this be contradictory to statement of the position of neutrality, even what you have just said about even-handedness in the area of dealing with both countries?

MR. REDMAN: The question of even-handedness is, in this case, one that has been applied to tactics. Even-handedness is surely the objective when it comes to the solution to the war, which is as I've described it, without victor or vanquished, and with the sovranty and territorial integrity of both sides intact. That's the goal in all of this. And in response to your other question, I think it, in essence, is the same that Steve has just asked.

פגרירות ישראל - וושינגטון

דף...ל...מחוך...ל...דפים פווג בטחוני דחיפות תאריך וזיים

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Q Chuck, did you have anything on Egypt's military debt? We are reported that you have agreed on certain --

MR. REDMAN: What I have is a more general response on the question of FMS debt relief. For some time, the Administration has been concerned about the impact of high interest rate FMS loans on our security relations with friendly and allied countries. The repayment terms on these loans, which were extended several years ago, when interest rates were 50 to 100 percent higher than they are today, impose a heavy economic burden on many countries and dilute the effectiveness of our foreign assistance programs. After careful review of national security requirements and budgetary implications, the Administration has decided to restructure the FMS program in a way that would ease the burden of certain high interest rate FMS loans, and give countries flexibility in making loan repayments. The restructuring requires no new legislation or additional appropriations implemented; nor does the restructuring involve debt forgiveness, or the issuing of new loans.

Beyond that, I could only add that we have consulted with the Congress so that they are now aware of how we intend to proceed, but the details then have to be worked out on a country-by-country basis, and I'm just not in a position to go into those.

Q What about the numbers? Can you tell us about the new interest rates? Or --

MR. REDMAN: No, as I say, the details have to be worked out on a country-by-country basis.

But you agree in the principle of reducing the interest rate?

MR. REDMAN: I have given you in essence the --

Can we have a copy of that?

MR. REDMAN: Yes.

Q Chuck -- (off-mike) -- some countries that get FMS? Or all? Or what?

MR. REDMAN: It will affect different countries in different ways. That's why I say the details have to be worked out with each specific country, depending on the nature of their debt. And it provides for a number of ways of doing that.

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Chuck, the Post has the figures today on how the Administration will divide up the aid approved by the Congress. Do you have those figures?

I have a copy of some figures, but I'm not sure MR. REDMAN: they are the ones that can be made available. So we'll look into that, to see if we can make available, after the briefing, the kinds of figures which are referred to. In fact, the final FY-87 allocations were transmitted to the Congress yesterday, and they are a matter of public record. I would just add that for many months now, Secretary Shultz and other Administraton spokesmen have spoken clearly on the inadequacy of foreign aid appropriations. Clearly, the large reduction in foreign assistance will adversely affect our abiliy to support important economic and military programs. Administration, as you know, supports reduction and elimination of the budget deficit, as emphasized by Jim Miller yesterday. Nevertheless, it's clear that the foreign affairs segment of the federal budget has absorbed a disproportionate share of the total deficit reduction. In this context, we will seek to make additional resources available to supplement the current appropriation. It is, however, doubtful that the Administration can devise means to make up for more than a fraction of the shortfall.

Chuck, you said the public record, that you don't know whether you can make them available?

MR. REDMAN: I'm sure we can make something available. It's just that the copy I have I'm not sure is exactly what's in the public record. So until I can verify that --

When will you do that? Right after the briefing?

MR. REDMAN: Yes.

On the quustion of debt relief, it was reported that this would -- the effect of this will involve the sums of several billions of dollars coming to the Treasury now, but after the present time, or after the next year or so, it will involve, over a long period of years, several billions of dollars of losses to the Treasury. In view of the very large magnitude of this, can you confirm that this kind of figures are involved? And who is it who would -- if you can't -- don't have at hand -- Who is the person who can explain this legerdemain, and what its effect is on the United States government?

MR. REDMAN: I don't have those figures at hand, and we'll take a look and see what we can do to explain this.

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דחיפות.....

7-8

63/352/426

Q What country, besides Egypt and Israel, is rescheduling interest rates (inaudible)?

MR. REDMAN: Again, I don't have the whole list of countries that could be affected by this. But we're talking here about --

There are more than two.

MR. REDMAN: Yes, there are.

MR. ANDERSON: Chuck -- can I follow up on that one, Chuck? Wasn't this the so-called buy-down operation that the State Department vehemently opposed last year because it would -- not only because of the direct impact, but because of the spinoff involving countries like Turkey and Greece? And the cost, I think, was put at something like five billion dollars to the US Treasury.

MR. REDMAN: I'm not sure that that's accurate, Jim. I just don't know. This is a program, at least in its final formulation, that's been worked out in close consultation between the Department of State and the Treasury Department and others concerned.

Q Can I go back to Hall for just a moment? Is there any comment on reports this morning that Hall may be tried by a people's tribunal, as Hasenfus was?

MR. REDMAN: No, I really don't have any comment. Once again, we're operating on the basis of the same information you see, which is what we get from the radio stations or from communiques. So as a consequence, we don't really know whether he's in custody or whether any charges have been filed against him.

Q Can I go back -- has Mr. Ransom finished his consultations here?

MR. REDMAN: He's back in Damascus.

Q He's back in Damascus. And as far as the State
Department is concerned, that matter is closed, whatever it was he
came back here on?

MR. REDMAN: He did his consultations and he's gone back.

Q Why, if I might ask, is Mr. Kelly being kind of left dangling?

MR. REDMAN: That question was asked yesterday in approximately the same terms, and I'd leave the answer right where I did then.

MR. BEGLEITER: • Can I just ask another one, just to home the question on Kelly a little bit as well. Will he testify before going back? Has he been requested to testify before going back?

MR. REDMAN: As of now, as for any testimony, I don't know of anything on the books. And whether or not he'll do that in the near-term, I just don't know.

MR. BEGLEITER: Is that basically what -- I mean, are we waiting to find -- I mean, is the State Department waiting to determine whether he will be asked to testify and then decide whether to send him back? Or is there a more substantive decision being made on whether he will go back?

MR. REDMAN: No, I'm not prepared to go into rationale. I just leave it that he was here in consultations. The latest step in that process was that he saw the Secretary on Saturday. And that's where it stands.

MR. BEGLEITER: Are his consultations complete?

MR. REDMAN: He's still here in Washington.

Q But the question is not whether he's still here in Washington. The question is whether he's still being debriefed by the Department of State and FBI officials about what went on in Beirut at the end of October, the beginning of November. The last meeting he had on that subject was With the Secretary?

MR. REDMAN: That's my understanding.

MR. BEGLEITER: Is he still the ambassador to Beirut?

MR. REDMAN: He's still the ambassador.

THE PRESS: Thank you.

- J/W

:7#

424

החמורד

שר האוצר מנכייל מדיני

החקשר אתי סנטוו קטטן ומסר לי שהוא מקווה כי יצליח להעביר סופית את עניין הורדת הריבית עוד לפני החגים כי הוא חושש שאם הדבר יידחה - עלול העניין להיוח מושפע ממכלול הבעיוח הקיימות כיום. הודיתי לו כמובן על הסיוע. שוחחתי כמו כן עם הסנטור אינואה עוד ביום ו' והוא הביע אופטימיות באשר לסינויי טיכום העניין בזמן הקרוב.

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אלו המשרד

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מצפ"א.

## סנט : פרשת איראן - קונגרס

הבוקר (16) הודיעו הסנטורים דול ובירד על הרכב הוועדה הנבחרת שתעסוק בפרשה הנ"ל,כלחלן :

יור : דן אינווייה (הוואי)

חברים (דמוקרטים) : גיון מיטציל (מיין)

(ג'ורג'יה) קאם נאן

(אלבאמה) האואל הפלין

דוד בנרן (אוקלהומה)

פול סרבנס (מרילנד )

(רפובליקאים) : וורן רודמן (ניו-הממיר)

(איידהו) ג'יימס מק-לור

אורין האטש (.יולה)

ביל כהן (מיין)

פול טריבל (ווירג'יניה)

*י,∫,י* קישור לקונ<mark>גר</mark>ס

שברירות ישראל - וושינגטון

אל: המשרד

408

קונ פחור....בחור....דפים פווג בסחוני. שמור דחיפות..... תאריך וזייח. 11.00 דצמ' 86'

מצפייא

### הוארד ברמן וטום דיין - ווידמוקרטיות בתנאי לחץיי

המורשה הוארד ברמן ומנכייל איפאייק, טום דיין, ישתתפו בסמינר בנדון שיתקיים בארץ מה-8 ועד ה-10 בינואר מטעם המכון הדמוקרטי הלאומי לענינים בינלאומיים. נפגש עם ברמן לקראת סוף השבוע כדי לברר אם יש לו בקשות לגבי המשך ביקורו בארץ. (טום דיין ישאר לאחר הסמינר ויטול חלק בכנס השנתי של נאמני איפאייק בארץ).

Sol.

שגרירות ישראל - וושינגטון אל: המשרד

407

סונג בסחוני...דפים סווג בסחוני. שמור דחיפות...רגיל תאריך וזיים. 1000 16 דצמב 86

מצפייא

#### חוקי בחירות

בית המשפט העליון של ארהייב קבע אתמול כי גופים אידיאולוגיים וולונטריים שלא שלמטרת רווח פטורים מחוקי ממון הבחירות הפדרליים, אם הם מנהלים מערכה בעד מועמד התומך באידיאולוגיה שלהם, כל עוד אינם תורמים ישירות למועמד או אינם מתאמים עמו את פעילותם. פסק הדין ניתן בהקשר לגוף נגד הפלות, אך יתכן ויהיו לו השלכות לגבי פעולתם של ארגונים יהודיים (פרו-ישראליים.



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שלו המשרד, בטחון

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אל: מנכייל מדיני, ממנכייל, מצפייא, מעיית

דע: יועץ רה"מ <mark>לתק</mark>שורת, יועץ שהב"ט לתקשורת ר/אמן, ע/ראש אמן למחקר

המועצה לבטחון לאומי - צוות מחודש

להלן מחוך ה א.א.א (16.12).

עתונות

## New N.S.C. Chief Is Said to Plan A Near-Total Overhaul of Council

By BERNARD WEINRAUB

WASHINGTON, Dec. 15 — The new director of the National Security Council, Frank C. Carlucci, plans a virtually complete overhaul of the council, and has already selected key aides on the Soviet Union and Latin America, Administration officials said today.

One Administration official said that Mr. Carlucci, who was named less than two weeks ago to replace Vice Adm. John M. Poindexter, plans a "clean deck of people" at the council, and that he was "disturbed" about the way the council had been operating.

Mr. Carlucci's plans to revamo the National Security Council come amid revelations that council officials apparently played a central role in what the White House has described as the diversion of millions of dollars to Nicaraguan rebels from the profit of clandestine Iran arms deals. Admiral Poindexter resigned as assistant to the President for national security affairs as the arrangements were revealed, and a key aide, Lieut. Col. Oliver L. North, was dismissed.

#### Council Role in Policy

Officials said Mr. Carlucci, in his preliminary findings, had decided that the National Security Council staff was far too involved in shaping foreign policy — as opposed to coordinating it — and that the caliber of the staff appeinted by the recent council heads, Robert C. McFarlane and Admiral Poindexter, "dissatisfied" him, according to one associate.

The official said most council staff members would probably return to the agencies from which they originally came, such as the State Department, Pentagon and Central Intelligence Agency.

Officials said Mr. Carlucci planned to appoint Fritz W. Ermarth, a strategic arms analyst who worked in the National Security Council during the Carter Administration, as his chief Soviet specialist. Mr. Ermarth's previous jobs included one in which he worked on the office of strategic evaluation at the Central Intelligence Agency in the 1970's.

Mr. Carlucci also plans to name Jose S. Sorzano, a former United States deputy representative at the United Nations, to serve as the council's chief Latin American specialist.

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שברירות ישראל - וושינגטון

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#### 'Entirely New Approach'

An official close to Mr. Carlucci said the new director seeks "an entirely new approach, much closer to what they've had in the past." The official said Mr. Carlucci viewed the council as one whose mandate was foreign policy coordination among various Government departments and not advocacy of cartain policies.

certain policies.

"He feels the staff needs to be strengthened considerably and not take sides and get caught up in the quarrels between agencies," the official said, but rather work "as coordinators to produce the best possible policies."

The professional staff of the National Security Council, which was set up in 1947, serves as the foreign policy arm of the White House and was designed, essentially, to review and coordinate agency proposals to the President.

The council's role grew during the Kennedy Administration, and flourished when Henry A. Kissinger became President Nixon's national security adviser. Under President Reagan the council has played a key role in not only coordinating but also in helping shape policy.

#### Officials Set to Leave

Senior council officials are expected to leave shortly, officials said. These include Alton G. Keel Jr., the council's deputy director, and Comdr. Rodney B. McDaniel, the council's executive secretary. One of Mr. Keel's deputies, Peter W. Rodman, formerly director of the State Department's Office of Policy and Planning, may remain in his job, officials said.

Mr. Carlucci is reportedly planning to name as his deputy Lieut. Gen. Colin L. Powell, a former senior military assistant to Defense Secretary Caspar W. Weinberger who is one of the highest ranking black officers in the military.

Mr. Ermarth will replace Jack F. Matlock Jr., a career diplomat, who has made efforts in the last year to be named Ambassador to Moscow. The current Ambassador, Arthur A. Hartman, has indicated that he wants to remain in Moscow.

Mr. Ermarth has spent a considerable portion of his career in the C.I.A., and worked at the Northrop Corporation heading a strategic planning group in the carly 1980's. He returned to the C.I.A. in the early 1980's in a senior analytical job where he specialized in the Soviet Union and Eastern Europe.

#### Views and Words

In substance, his views are not known to be very different from Mr. Matlock's, say sources who know Mr. Ermarth, although his public words are said to be far tougher.

Mr. Sorzano is expected to replace Raymond F. Burghardt, who will probably return to the State Department.

Also today, Rhett Dawson, a Washington attorney and former staff director of the Senate Armed Services Committee, was named director of the panel examining the council. The panel is headed by former Senator John G. Tower, Republican of Texas, who had served as chairman of the Senate Armed Services Committee

Mr. Tower said a Washington lawyer, W. Clark McFadden, would be general counsel. Herbert Hetu, a former spokesman for the C.I.A., was named public affairs counselor for the review

Meanwhile, White House aides said that despite suggestions by some Republican legislators, President Reagan had no plans to go before Congress to address the Iran issue.

Officials also said Colonel North had prepared a chronology of the Iran arms deals at the request of Admiral Poindexter. They said the chronology, which is now in the hands of Peter J. Wallison, the White House counsel, was prepared after initial reports appeared about the arms sales to Iran, but before the Administration said profits from the arms sales had been diverted to the Nicaraguan rebels. There were no further details about the chronology.

שברירות ישראל - וושינגטון

אל: המשרד 435 ×t

דע: נאויים ניו-יורק - 55

> . ארבייל 2, מצפייא דע : נאויים ניו-יורק

### החלטת הקונגרס נגד 3379

- ו. שון סמילי, עוזרו של הסנטור דיאמטו חזר אתמול (15) מסיור בחו"ל ומסר לי היום צילומים (באיכות לא טובה) לא רק של מכתבי הסנטור למזכ"ל האו"ם ולשגארה"ב ליד האו"ם אלא גם של תשובת ביל באפם בשם המזכ"ל. מכתבים אלה (בלוט) מדברים בעדם .
- 2. לאור תשובת באפם פנה סמילי לגיל קוליק במחמייד ושאל אם בכוונת ארהייב לבקש הפצת מכתב דיאמטו כמסמך העצרת. קוליק ענה שהענין ייבטיפוליי. הפצרתי בסמילי לנסות לזרז את הטיפול בטרם תתפזר העצרת.

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1 December 1986

Dear Senator D'Amato,

On behalf of the Secretary-General, I should like to acknowledge receipt of your letter of 10 November 1986 concerning General Assembly resolution 3379 which equated Zionism with racism.

First of all, let me assure you of the Secretary-General's ongoing personal commitment to eradicate religious and racial prejudice from the face of this earth. To this end he has, through his own good offices, consistently sought to eliminate such intolerance. Moreover, the United Nations Human Rights Commission has taken a number of concrete measures to combat this evil.

At the same time, and while fully understanding your dismay and the concerns underlined by the US Congress by its adoption of S. J. Resolution 98, I must advise you it is not within the competence or authority of the Secretary-General to circulate the material you have provided as a document of the General Assembly.

However, should any Member State wish to make such a request, it would then be possible for such a document to be circulated.

In thanking you for your interest in this matter, let me assure you that the Secretary-General appreciates your personal concern and will continue to seek effective remedies to issues of intolerance, wherever they may exist.

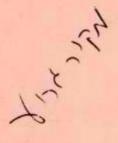
Yours smoonely,

William B. Ruffum

Under-Secretary-General

for Political and General Assembly Affairs

The Honorable Mr. Alfonse M. D'Amato United States Senate Washington, D.C. 20510



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ALTENET M CAMACE

# United States Senate

WASHINGTON, DC 20510

435/653

November 10, 1986

The Honorable Vernon Walters
United States Permanent Representative
to the United Nations

Department of State
IO-UNA
Room 6333
2201 C Street, N.W.
Washington, D.C. 20520

41.5 3.24

Dear Ambassador Walters:

As you know, today is the eleventh anniversary of the passage of General Assembly Resolution 3379, which equates Zionism with racism. Resolution 3379 remains a victous attack on the Jewish people and the nation of Israel, as well as an indelible stain on the legacy of the United Nations, chartered to provide a forum where all the world's inhabitants would have an equal and important voice.

During the 99th Congress, I sponsored S. J. Res. 98, a Congressional resolution that condemns Resolution 3379, and calls upon the Parliaments of all countries which value freedom and Democracy to do the same.

I am enclosing a copy of S.C.Res. 98, which became Public Law 99-96 on August 15, 1985, and a letter I am sending today to Secretary-General Perez de Cuellar, urging him to support the intent of this document and to circulate it among the delegations of the General Assembly with his strong support.

Since S. J. Res. 98 has received the everwhelming support of the Congress and has been signed into law by Fresident Reagan, I also urge you to do all in your power to have it circulated to every delegation as a document of the United Nations, and to persuade a majority of delegations to the United Nations to repudiate Resolution 3379.

necrely,

Al Conse M. D'Amato

United States Senator

A S. M. IN PAWA'S United States Senate WASHINGTON, DC 2051C 435/65-4 November 10, 1986 His Excellency Mr. Javier Porce de Cuellar Secretary-General of the United Nations New York, New York 10017 Dear Mr. Secretary-General: As you know, today is the eleventh anniversary of the passage of General Assembly Resolution 3379, which equates Zionism with racism. During the 99th Congress, I sponsored S. C. Res. 98, a Congressional resolution that condemns this action and calls upon the Parliaments of all countries which value freedom and Democracy to do the same. In passing S. J. Res. St. the United States Congress stated that Resolution 3379 'directly contravones the most basic principles and purposes of the United Nations Charter and undermines universal human rights values and principles." The Congress deplores the passage of this infamous resolution as one of the United Nations' darkest moments, and repudiates this threat to the integrity and legitimacy of a member state. I am enclosing a copy of F. J. Ros. 98, which became law (F. L. 99-90) on August 15, 1985, and urge you to circulate this document among the delegations of the General Assembly with your strong support. I sincerely appreciate your attention to this important request. States Senator cc.: The Honorable Vernon Walters

Public Law 94-90 Sych Congress

Joint Resolution

Condoming the passage of Resolution 2579, to the United Nations Concert Assembly on Assembly 10, 1976, one surprise the United States Assembly and United States designation to take all appropriate actions necessary to eraw this anametric resolution from the record of the United Nations.

Whereas, on November 10, 1975, the thirtieth session of the United Nations General Assembly adopted Resolution 8379 which sough: to legitimize the he first perpetrated at the United Nations General Assembly by representatives of the Union of Socialis. Soviet Republics in 1963 that Zionism is a form of racism; and Whereas Acsolution \$375 of the thirtieth United Nations General

Assembly directly contravenes the most basic principles and purposes of the United Nations Charter and uncermines universal human rights values and principles and

Whereas that infamous resolution threatens directly the integrity and legiumary of a member state by singling out for sianderous attack the national movement which gave birth to the State of

Whereas the adoption of Resolution 3379 by the thirtieth United Nations General Assembly constituted one of that organization's darkest moments and may fuel the flames of antisemitism and anti-Zionism: and

Whereas the United States Congress sharply condemned the passage of Resolution \$379 ten years age "in that said resolution encourages anuscraiusm by wrongly associating and equating Zionism with racism": Now, therefore, be it

Resolved by the Sensie and House of Representatives of the United Sietes of America in Congress assembled. That the Congress-

(1) soundly ocnounces and concerns any linkage perweet

Zionism and maism Ci considers UNGA Resolution SS75 to be a Detminent smeat upon the reputation of the United Nations and to be totally inconsistent with that organization's deciared purposes and principles

# Stat 107.

DUSTRICE

## PUBLIC LAW 89-90-AUG. 15, 1985

(b) unequivocally states that the premise of UNGA Resolution 3375 which equates Zionian with racism is itself clearly a form of biroury; and

(4) formally repudiates UNGA Resolution 3375, and calis upon the Parliaments of all countries which value freedom and nemocracy to do the same.

Approved August 16, 1986.

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LICENATIVE HISTORY—SJ. Ra. 80

CONGRESSIONAL RECORD, Vol. 131 (1955).
July & considered and passed Sequita.
Aug. L considered and passed House.

משרד החוץ

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כב' בחשוון תשמ'ז 24 בנובמבר 1986

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אל: אריה מקל, לשכת רה"מ

מאת: מצפ"א

הנדון: ביקור הסנאטור BOSCHWITZ הנדון:

1. ב-12,12,86 יגיע הסנאטור רודי בושביץ ארצה לביקור ויעזוב ב-16,12,86 בערב לרבת עמון. נלווים אליו עוזרו של הסנאטור בצוות העוזרים לועדת החוץ - ב. גורדון וכן מנהל צוות העוזרים לוועדת החוץ - ג. בנרמן.

- .2 הסנאטור, חבר ועדת החוץ הינו ידיד מסור וגאמן לישראל.
- 3. נודה על הסדרת פגישה עם רה"מ ביום ג' 16,12,86 לפנה"צ.

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ALES INTER BELLET

Sen. Rudy Boschwitz (IR)



Elected 1978, seat up 1990; b. Nov. 7, 1930, Berlin, Germany, home, Plymouth; Johns Hopkins U., N.Y.U., B.S. 1950, LL.B. 1953; Jewish; married (Ellen).

Career Army, 1953-55; Founder and Pres., Plywood Minnesota, Inc., 1963-78.

Offices 506 HSOB 20510, 202-224-5641. Also 210 Bremer Bldg., 419 N. Robert St., St. Paul 55101, 612-221-0904.

Committees Agriculture, Nutrition, and Forestry (5th of 9 R).
Subcommittees: Agricultural Production, Marketing, and Stabilition. Budget (4th of 12 R). Foreign Relations (5th of 9 R).
Subcommittees: International Economic Policy, Oceans, and Environment; European Affairs; Near Eastern and South Asian Affairs (Chairman). Small Business (2d of 10 R). Subcommittees: Entrepromotion and Market Development (Chairman). Veterans' Affairs (7th of 7 R).

Rep. Jim Kolbe (R)



Elected 1984; b. June 28, 1942, Evanston, IL; home, Tucson; Northwestern U., B.A. 1965, Stanford U., M.B.A. 1967; United Methodist; married (Sarah).

Career Navy, Vietnam; Asst. to IL Bldg. Authority Architect, 1970-72; Asst. to IL Gov. Ogilvie, 1972-73; Vice Pres., land planning firm; Real estate consultant; AZ Senate 1977-82.

Offices 1222 LHOB 20515, 202-225-2542. Also 4444 W. Grant Rd., Ste. 125, Tucson 85712, 602-323-1467.

Committees Banking, Finance and Urban Affairs (18th of 19 R). Subcommittees: Consumer Affairs and Coinage; Housing and Community Development; International Development Institutions and Finance; International Finance, Trade, and Monetary Policy. Small Business (9th of 17 R). Subcommittees: General Oversight and the Economy; SBA and SBIC Authority, Minority Enterprise and General Small Business Problems. Select Committee on Aging (25th of 26 R). Subcommittee: Health and Long Term Care.

Group Ratings and Key Votes: Newly Elected

אל: ראש הממשלה מאת: אריה מקל

#### ביקור הסנטור רודי בושוויץ

- 1. הסנטור בושוויץ (רפובליקני ממינסוטה) מבקר בארץ <u>לראשונה</u> מאז נבחר לסנטור ב-1978. (ב-1977 ביקר כאן באופן פרטי). נילווים <mark>אליו חברי הקונגרס ג'ים ב-1978. (שהחל מינואר יהיה חבר בועדת ההקצבות) וכן שני עוזרים של הסנטור.</mark>
- בושוויץ ופמלייתו הגיעו ארצה ביום שישי וסיירו בעיר העתיקה בירושלים, רמת הגולן, הגליל ועוד. הם ביקרו בתעשיה האווירית וקיבלו תדרוכים על הלביא וה-S.D.I (משרד הבטחון). כן ביקרו במרכז קליטה ונפגשו עם אמהות של מסורבי עליה.
- 3. בושוויץ נפגש כבר עם השרים ארנס (ערך לכבודו ארוחת ערב), פרס, ניסים ורבין וכן עם אבא אבן ודן מרידור.
- 4. בושוויץ מתעניין בעיקר בבעיות המשק הישראלי, כולל התוכנית הכלכלית החדשה, S.D.I ויהודי בריה"מ.
- לפגישה עם רה"מ יבוא הסנטור בלווית חבר הקונגרס קולבי, 2 העוזרים, נציג של שגארה"ב (פיקרינג או יוז) ונציג משה"ח.
  - .6 הערב נוסע בושוויץ לרבת עמון.

שגרירות ישראל - וושינגסון אל: המשרד -400

393 - 11002

סיות בסחוני.שמור..... סווג בסחוני.שמור..... דחיפות....מידי. תאריך ודייחפו.בוב 1600.

> אל: מצפייא, מאוייר דע: מקשייח(מאבטחון)

## ביקור הסנטור בושויץ (12- 16 דצמבר)

שלנו 141 מ-10.10

להלן מתוך שיחה עם ברק: גורדון (עוזרו של הסנטור בצוות העוזרים לועדת החוץ): ו. מאשר את עצם הביקור. יתבצע במועד הנייל. לעייע מתלוים לבושויץ גורדון,וגרייהם בנרמן (מנהל צוות העוזרים לועדת החוץ). כמדווח,בושויץ הזמין סנטורים ומורשים וְלֹּפּרָים אך עד כה איש מהם לא נענה בחיוב.

.2 מימון הביקור עייח ועדת החוץ. הסידורים הלוגיסטיים ייעשו עייי שגארהייב.

3. להלן הצעת תכנית:

## 12.12 '1 017

אחה"צ: הגעה בטיסה סדירה מציריך. נסיעה לי-ם.

ערב: אייע עם קרובי משפחה.

### שבת 13.12

יום: ביקורים אצל קרובים, סיורים פרטיים בים והסביבה. מוצייש: אייע עם ראש ערית ים או עם אישיות רשמית (מ שם ארף. של מאיר ?) יום אי 14.12

בוקר: טיסה במסוק לגולן, מטולה, הגדר הטובה, בלוית דובר צהל ובתדרוכו (הערה: בושויץ מעולם לא ביקר בצפון).

אחה"צ: צפת, מרכז קליטה ליהודי אתיופיה (הערה: בושויץ יויר משותף לקאוקוס למען יהודי אתיופיה בקונגרס; מעונין בנושא ופתוח לטיעונ"נו בקשר להנמכת הפרופיל של הקאוקוס בקונגרס).

ערב: הופעה באירוע בחיפה מטעם חסידי חבייד (כבר סודר ישירות עייי בושויץ)

לילה: לינה בחיפה.

## יום ב' 15.12

בוקר: סיור בחיפה (מקדש התאקדם, האוניברסיטה)

צהרים: תייא - שיחה/אייצ עם שהבייט

אחהייצ: סקירה/סיור (?) על ישראל ו- ATBM'S /SDI, פרויקט הלביא.

מכון וולקני (הערה: בושויץ מיצג מיניסוטה והינו חבר בכיר בועדת החקלאות).

ערב: אייע עם שגר'יר ארהייב.

לינה בי-ם

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תאריך וזיים	1.00   .00 5
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### 16.12 '2 017

בוקר: שיחות מדיניות - רוה"מ, השר, שר האוצר.

צהרים: א"צ עם ח"כ אבא אבן וחברי ועדת חו"ב.

אחה"צ: נסיעה לרבת עמון (היציאה בשעה 1500 לערך)

אסרשול גבון

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SENATOR RUDY E. BOSCHWITZ (R.-MINN.)

CONGRESSMAN JAMES T. KOLBE (R.-ARIZ.)

AND

DR. SARAH MARJORIE DINHAM (MRS. KOLBE)

UNITED STATES OF AMERICA

Senator Boschwitz is accompanied by :

Mr. Daniel Boschwitz

Mr. Kenneth Boschwitz

Mr. Graeme Bannerman, Staff Director, Senate Foreign Relations Cmte.

Mr. Bradley Gordon, Professional Staff Member, Senate Foreign Relations Cmte.

Ms. Jennifer Shoham, Staff Assistant, Senate Foreign Relations Cmte.

Lt. Col. John J. Weaver, Military Escort

## Friday, 12 December

Arrival at Ben Gurion International Airport
Proceed to Jerusalem

Overnight at the Plaza Hotel, Jerusalem

#### Saturday, 13 December

09.30 Tour of Jerusalem arranged by the Ministry of Tourism

Lunch at Kibbutz Ramat Rachel

Afternoon Visit Bethlehem

17.00 Return to hotel

20.00 Dinner hosted by Minister Prof. Moshe Arens and

Mrs. Arens

## Sunday, 14 December

Meeting with IDF escort

Leave for the North via Alon Road and the Jordan Valley

Visit the Golan Heights

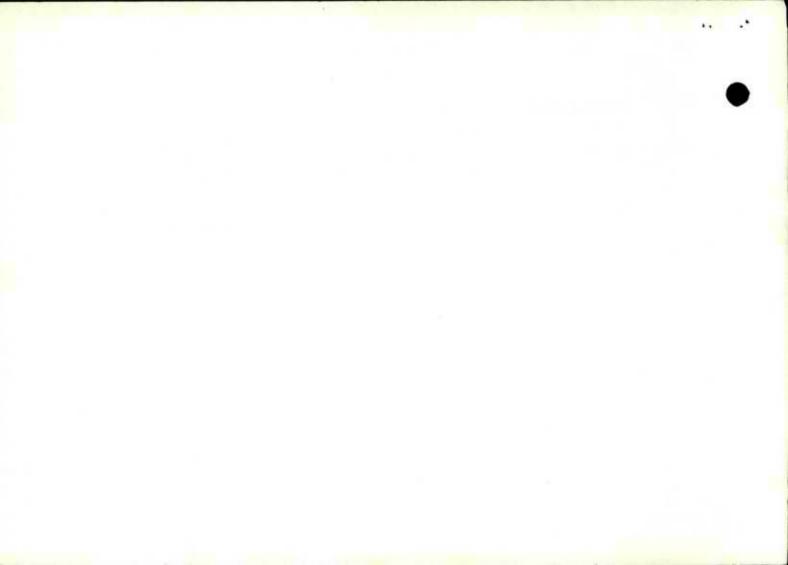
Visit Nazareth

Proceed to Haifa

Overnight at the Dan Carmel Hotel, Haifa

Monday, 15 De	ecember
07.30	Visit Haifa
08.30	Leave for Tel Aviv - the Ministry of Defence
10.00	Meeting with Mr. Yitzhak Rabin, Minister of Defence
11.00	Panel at the Ministry of Defence
12.30	Proceed to Lod
13.00	Lunch at the Israel Aircraft Industries (IAI)
	Visit the IAI
15.30	Leave for Mevaseret Zion
16.00	Visit the Absorption Centre
16.45	Leave for Jerusalem - the Ministry of Foreign Affairs
17.00	Meeting with mothers of Refuseniks
17.30	Meeting with Mr. Shimon Peres, Vice Premier and Minister of Foreign Affairs
18.20	Leave for the Ministry of Finance
18.30	Meeting with Mr. Moshe Nissim, Minister of Finance

Monday, 15 D	ecember (cont.)
19.25	Leave for the Knesset
19.30	Meeting with Mr. Abba Eban, M.K., Chairman of the Knesset Defence and Foreign Affairs Committee and Mr. Dan Meridor, M.K.
20.30	Dinner with Tat Aluf (Brig. Gen.) Dr. Ephraim Sneh, Head, Civil Administration for Judea and Samaria (at the Plaza Hotel)



#### Tuesday, 16 December Meeting with H. Exc. the U.S. Ambassador 08.00 Leave for the Prime Minister's Office 09.45 10.00 Meeting with the Prime Minister, Mr. Yitzhak Shamir 10.55 Leave for the Knesset 11.00 Meeting with Mr. Avraham Katz-Oz, Deputy Minister of Agriculture 11.55 Leave the Knesset Visit "Luz" 12.05 Leave for the Allenby Bridge 12.45 13.30 Cross the Bridge to Jordan

For further information, please contact:
Mrs. Hannah Dvir
Division for Official Guests
Ministry of Foreign Affairs
Jerusalem - Tel. 235111

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י' בחשוון תשמ'ז 1986 בנובמבר

אל: לשכת רוה'מ, לידי מר אריה מקל

מאת: מצפ'א

הנדון: משלחת ראשי מטות דמוקרטים מארה'ב

ב-17,12,86 תגיע ארצה לבקור משלחת מטעם ראשי המטרת הדמוקרטים בארה'ב (הרשימה מצ'ב). בין באיה מבכירי הפעילים במערכת הבחירות של המפלגה הדמוקרטית, אם יבחר ב-1988 ממשל דמוקרטי לרובם סכויים למלא בו תפקידים מרכזיים.

מטרת בקורם בארץ לשמוע על עניני חוץ ובטחון של שיראל וכן להכיר מקרוב את המערכת הפוליטית הפנימית בישראל.

נודה אם רוהים יקבלם לשיחה.

ב ב ר כ ה, אנג סאנט לאה סידס

העתק: מאו'ר

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## Young Political Leaders Trip to Israel

Heads of Delegation

David M. Ifshin Michael M. Adler

30 October 1986

Via Telefax to: 972-3-242-610

Att: Mr. Boris Krasny

Dear Boris,

The names of the participants in this trip, and their background affiliation, are as follows:

## Delegation leaders

Michael M. Adler, Miami, Florida; successful businessman, President, Adler Group, Inc. David M. Ifshin, Washington, DC; attorney, former general council Mondale for President Campaign; Partner; Mannatt, Phelps, Rothenberg & Tunney Elizabeth Schrayer, Washington, DC; Deputy Political Director, AIPAC

## Delegation members

Fred DuVal, Campaign Manager for Arizona Governor Bruce Babbitt Andrew Cuomo, Top Political Strategist for his father New York Governor Mario Cuomo. (Considered to be the "star" in this group) Likely to be Cuomo's Campaign Manager

Brad Johnson, Runs the Washington Office for New York Governor Cuomo.

One of the few in the inner circle. . . very powerful

Partner in Doak, Shrum Associates. Top Democratic media consultant Robert Shrum, expected to be top strategist in either Biden or Hart campaign

Bill Sweeney, Former director Democratic Congressional Campaign Committee Is expected to be aligned with Missouri Congressman Richard A.

(Dick) Gephardt. Considered to be in the top tier of Democratic

strategists.

Will be Campaign Manager for Dick Gephardt Tom Foley,

Paul Tully Was Political Director for Mondale's Presidential Campaign bld In 1984.

Expected to be in Cuomo or Dukakis' campaign.

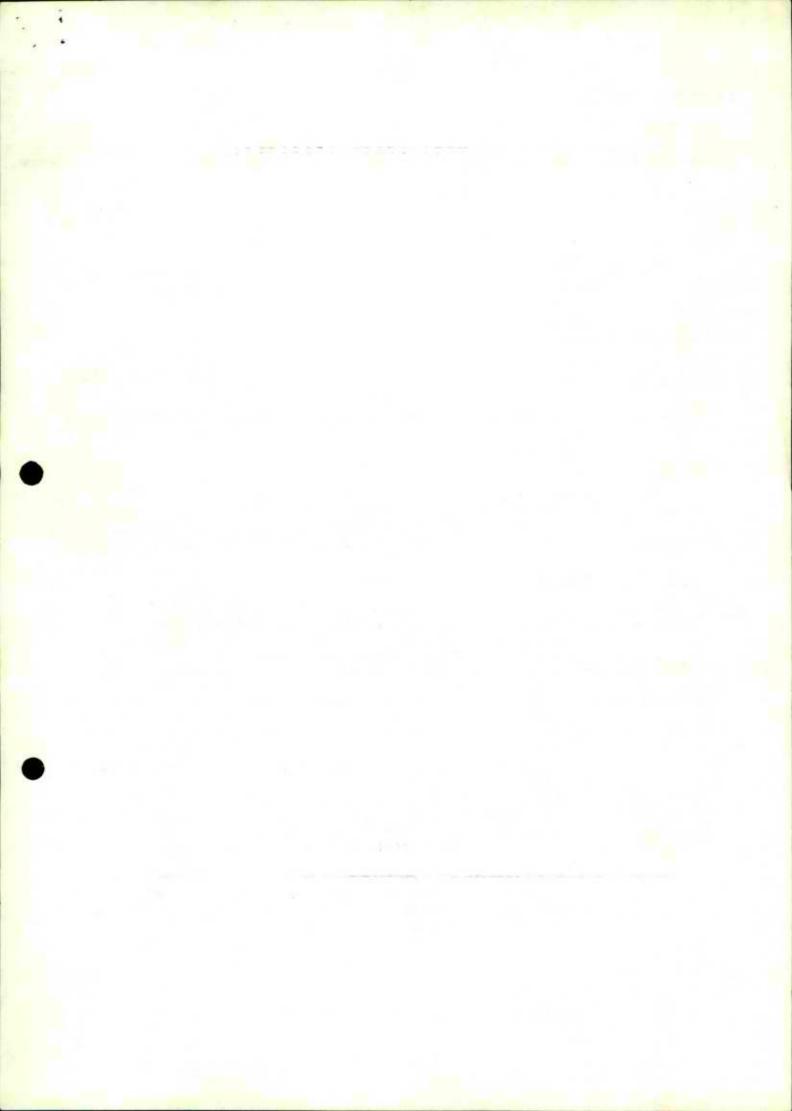
Tom Donilon Former Campaign Manager for Mondale. Expected to be Biden's or

a major candidate's campaigner.

Al From Executive Director Democratic Leadership Council (a national organization for elected Democrats & lay people to rally support behind a new Democratic agenda for the future). Expected to be

in Robb's campaign.

/cont'd.



Young Political Leaders

Mr. Boris Krasny 30 October 1986 Page 2

John Sasso, Chief Strategist for Massachusetts Governor Michael S. Dukakis (who is Chairman of the Democratic Governors Association)
Harrison Hickman, Leading Southern Polister in the country.

"MegaTuesday" (March 8th) Southern Primary, sought for his opinions.

Ernie Green Jackson campaign

The following people are not part of the delegation, but will very likely be attending:

Nikki Heidepriem, Paul Tully's significant other, but who is important in her own right as the top side to Maryland Congresswoman (soon to be Senator) Barbara A. Mikulski.

Harrison Hickman's wife

As changes arise, I will of course notify you.

L'hitraot 15

172

Shari J. Kletzel

אאאא, חוזמ: 6691 אל: ווש/385 ב-: המשרד, תא: 151286, זח: 1653, דח: מ, סג: ש, בכבב שמור/מיידי

בלוכ.

ראינו העתק התכתבות שממנה מסתבר שה- XXX אזל-סיה AFL-CIO XXX בבולטינ שלהמ מחודש אוקטובר קורא לחרמ על ייאל-עליי. עורכ אדינ SeHAM XXX שוחאמ XXX מניו-יורק פנה בענינ זה אל SCHAM XXX צילליאם שסחורי מושינגטונ ובקשו לדאוג לתיקונ הענינ. אנא XXX מאגוד המכונאימ בוושינגטונ ובקשו לדאוג לתיקונ הענינ. אנא ברר את התוצאות והודיענו.

שי לה.===

פ/א

סססס

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סרפע

מ.שילה מנהל מצפייא

אל על שלך 385

כל העניין מקורו באי הבנה של אל על ניו-יורק ועורך הדין שלהם, ואילו טרחו לברר טלפונית לא היה צורך בהתכתבות. היי AFL- Clo יי הודיע על ביטול החרם נגד אל על מיד עם חתימת ההסכם וייאל עליי הוצאה מרשימת המוחרמים מידית, והדבר פורסם בבטאונים המרכזיים. ל-AFL-Clo אלפי בטאונים של איגודים ארציים ומקומיים, ומדובר בבולטין של איגוד מקומי אחד, שבטעות השתמש ברשימה ישנה במקום ברשימה המעודכנת, והטעות, כמובן, תתוקן.

דני בלון

## משרד החוץ-מחלקת הקשר

2285 \*\* NY1"

שמור

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אל: בוסטון, נר: 28, מ: המשרד דח: מ, סג: ש, תא: 151286, וח: 1200

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דע:נעים, ברטוב-נתיב

לשלכם 21

ביקור צוות רשת ל ( CBS) על יהדות בריהים. 1.מציעים שהצוות יקדים בואו כך שיוכל להשתתף ולצלם שני אירועים חשובים הקשורים ישירות לנושא. א.פתיחה בבית הנשיא נעם הדלקת נרות) של כנס מועי ביניל לתרבות ולזהות יהודית נבריהים.

ב. לאחר מכן עצרת בחיאטרון ירושלים למען יהודי כריהים בהשתתפות רוהים ממרוהים ושהים אישים ככירים ואסירי ציון. לפני העצרת תתקיים הדלקת נרות מחוץ לתיאטרון על ידי אנפולי שרנצסקי. כיסוי שני אירועים אלה יענה גם על סעיף רי כשלכם. איש הקשר לאירועים חיים ציסלר המארגן אותם ושפרטיו ביריכם. 2. איש הקשר במשרד יעקב פארן 2353-10. 3. אשרונא הקדמת ביקורם כמוצע.

מעת/מבקרימ-מואיר

ופ: שהחירהמימנכליממנכלישמורקימטתיהסברהיאורחיםילעמי מוארימצפא ACL ENGITY (F.S. 85% A . COURT )

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#### שמדר/מיידי

אל: כנטיות - מצפייא דע: רושינגטון (נר 81) , רומא מאת: הקונטול הכללי, ניו יורק

ביקרר קרדינל אריקונר. בהמשך לשלי 372.

הברקר נפגשתי לשיחה עם המרנטיניררים ג'רהך כרלך רג'ים מק-קרתי.

- 1. הקרדינל ופמליתו יניער לגשר אלנבי ביום חמישי. 1בינואר בשעה 10:30 בערן.
- 2. יעדבר את הארץ למצרים ביום בי, 5 בינואר, במטום של 20:00.
- 3. הקרדינל יגור בנוטרום בירושלים וכל הוצאות הביקור על חשבונם, כמו בירון ובמצרים. בכל ערב יחזור הקרדינל ללינה בנוטרום.
- 4. מבקשים להתחיל בתכנית הפגישות והביקורים ביום חמישי 1 ביבואר, בשעה 3.00 אחהייצ.
  - הקרדינל יפגדש את: הנשיא, רה'ים, שה'יח, יר'יר הכנסת, שר הדתרת לפי הסדר שאתם תקבער. כמד כך יבקר ב'ייד רשמ'י.
- 6. הטיור בירושלים בהדרכת טדי קולק, כולל הכותל,הרובע היהודי והרובע המוטלתי. השניים כבר זיברו ביניהם

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7. מטכימים לדיון של נשעתיים עם אנשי רוח נוררבלובסקי פלרסר, טלמדן, מרטל דיבראה, וויגודר ואחרים ברמה דומה הבקיאים ביחטי נוצרים-יהודים. נולן הציע שהזיאלוג הזה ייערן בטנטור ושינוהל ע'יי פרופ' בולינג. אמרתי שאינני בטוח שזה רצרי או מקובל עלינו. לקרדינל יש די הזדמנויות להיות חשוף לדעות אנטי-ישראליות בכל מיני מקומות אחרים. כשהוא מבקר בארץ יש לאפשר לו להכיר את ישראל, אישיה ודערתיה ללא המטננת של טנטור. גם בענין זה אמרתי שירעבר לטנולכם.

8. הקרדינל (אר נולנ) מערנין לבקר בעדה, במפעלים שהם תרמכים בהם ולערון מיטה. האיש שידע מה ברצונם לבקר בעדה הוא מונטיוניור הנציג האברסטולי.

לגבי קורים ראד עוד להלן. מבקשים שנאבטה את הביקור בעזה ראמרתי שאנהנו אחראים לגבי בטחון הקרדינל בכל הביקור.

 לא לקבוע מסיבת עתונאים. יחליטו על כן במהלך הביקור וכנדאה שיערכו זאת לקראת הסיום. לא מך הנמנע שהקרדינל ישוחח עם עתרנאים שירצו לראיינו גם במהלן הביקור.

10. מונסירניור קרלו קורים קיבל את כל ההנחיות לגבי הביקור מהותיקן וממשרן הקרדינל בניו-יורק. אתם מתבקשים להפגש אתו לצורך הרכבת התוכנית ותיאומה. קורים צרין להסדיר גם בגישות פרטיות עם אנשי דת נוצריים. ביקור בבית לחם וניויב.

11. מונטינירו נולך יגיע אדצה כבר ב-20 בדצמבר אחה''צ. יגור בנוטרום. מסרתי לר את שמו של צבי נאמן נאיש קשר. יתקשר אתר בהגיעו. ירצה בוזאי לעבור אתכם שוב של פרטי התכנית.

12. לרח הדמנים המצטייר הוא כדלהלן:

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## משרד החוץ-מחלקת הקשר

ירם חמישי יששי (2-1 בינואר) בנישות, שיחות וביקורים בירושלים רבית לחם, שבת ( 3 בינואר) לגליל, נצרת וכנרת. בלילה שיבה לירושלים, יום ראשון ( 4 בינואר) המשך שיחות, בגישות וביקורים בירושלים ובית לחם לפי הצורן. יש להביא בחשבון מיסה, יום שני ( 5 בינואר) ביקור בעזה ומשם לנמל התעופה.

13. שאלתי אם עלינר לדארג לרכב אר הם ידאגר. ביקשר שנבדרק זאת עם קררים, מכל מקרם רוצים לשלם.

14. אני ממליץ שבניטף לשיחות ולפגישות השונות תיערך לקרדינל גם ארוחת ערב חגיגית מטעם שהייח.

15. על תכנים דנרשאים לשיחות ראר מברקי הקודמים.

16. לפי הערכתי קרדינל אריקונר הרא ידידותי. נדמה לי שגם ראש לשכתר מק-קרתי הוא כזה והא משקף את דעת הקרדינל. עם זאת לנדלן יש עמדה השרבה ויש להתכונן לכן שישתדל לצנן את הארירה ולמתן את הקרדינל. אינני מכיר את קורים ואינני יודע כיצד יפעל. אם במקרה תתעוררנה בעיות בההלן הביקור נדאי יהיה לדון על נן מזר עם מק- קרתי ולא עם האחרים.

71. הפמליה מורכבת מן האנשים הבאים לפי סדר הבנורה: הקרדינל או'קונר, קרלו קורים, בישוף קוגרה, מונסיוניור נולך, מונטיניור מק-קרתי. תקבלו בדי"ים הקרוב שמותיהם ותואריהם בלועזית. כמו כן חומר רקע נוסף ממשרו הקרדינל.

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# Israel, Everyone's

# Arms Dealer

ND Dec. 14 1986

By Timothy M. Phelps Newsday Mideast Bureau

Jerusalem — In Zaire, the elite guard of Mobutu Sese Seko, one of the world's most corrupt dictators, beats political dissidents with the distinctive thick belts of their Israeli trainers.

In South Africa, the white minority military trained by Israelis uses Israeli guns to keep the black majority in line and Israeli drones to spy on neighboring countries threatened by South African-sponsored revolutions.

During the Falklands war, Argentine generals ultimately responsible for the disappearance of 1,500 Jews fought England with freshly supplied Israeli missiles and airplanes as well as American jets that had been sold to Israel.

In Central and Latin America, when the United States cut back arms sales because of human-rights violations, Israel stepped in to fill the gap.

Israel, a nation of 4 million roughly the size of New Jersey, has become one of the world's chief arms merchants to the so-called pariah states, countries that some other countries will not — openly — deal with because of their unsavory reputations.

Iran, both before and after the rise of Aystollah Ruhollah Khomeini, has been another of Israel's dark clients, a relationship that helped spawn the current scandal in Washington.

But these arms deals are not just a function of diplomatic maneuvering, as they are commonly portrayed.

They are also the result of a military, economic and social imperative to support Israel's giant arms industry, according to interviews with retired Israeli generals and an academic expert.

Most information about military production in Israel is highly classified, and officials are reluctant to discuss military matters. But according to one of these generals and a source in the Defense Ministry, arms deals involving commissions of millions of dollars are routinely awarded to politically well-connected arms dealers who are major contributors to political

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campaigns of the right-leaning Likud bloc or the left-leaning Labor Party.

An estimated 58,000 to 120,000 Israelis are employed by the arms industry, according to Aaron Klieman, professor of political science at Tel Aviv University and author of a recent book on Israeli arms sales. It is difficult to pin down the number because such statistics are secret.

This amounts to 20 to 40 percent of the industrial work force, Klieman said in an interview. Israel's arms industries now sell more than \$1 billion a year in arms abroad (some estimates are as high as \$2 billion), considerably more than they sell at home. This is unusual for countries of its size.

"Israel has developed a military industry that is a huge monster," said

This amounts to 20 to 40 percent of the industrial work force, Klieman said in an interview. Israel's arms industries now sell more than \$1 billion a year in arms abroad (some estimates are as high as \$2 billion), considerably more than they sell at home. This is unusual for countries of its size.

"Israel has developed a military industry that is a huge monster," said Matityahu Peled, a retired major general and member of parliament from the Progressive List for Peace. "They are producing so much and they need

"Israel will sell arms to anyone, anywhere. It's not limiting itself to any moral or political considerations. If there's payment, you can have a deal."

Peled's views are supported by another military figure not involved in politics, Doy Tamari, a retired brigadier general.

"The trend is to sell weapons to those places where weapons are required," Tamari said. This is not a case where the government of Israel has a choice. The pressure is tremen-

dous." Peled said this has had a very negative influence on Israel's foreign policy. The Israeli Foreign Ministry has unsuccessfully opposed arms sales to the dictatorships of Central America, according to Israeli news reports.

Israeli officials maintain that the country needs an independent source of arms to defend itself against its Arab enemies and needs to sustain its arms industry in war and in peace. One Israeli official said his country was no different from a dozen other nations that vie in the highly competitive international arms market. The official, who asked to remain anonymous, complained that the western media directed their scrutiny at Israel more than at other arms-exporting nations.

Peled argues that arms sales to unsavory regimes such as those in Zaire or Central America or to the Shah of Iran create political problems when those regimes are overthrown, as in Iran and Nicaragua.

But such sales have at times also been politically useful for both Israel and the United States which, according to newspaper disclosures, over the last decade has encouraged Israel to send arms to South Africa and the anticommunist contra rebels in Nicaragua when it was politically unaccepta-

ble for the United States to do so.

The Israeli newspaper Maariv reported a year ago that an Israeli arms merchant had arranged three shipments of captured PLO arms to Honduras that were destined for the contras.

Another former Israeli said to be selling weapons to the contras is Mexico-based David Katz, who Peled said has been a major supporter of Defense Minister Ariel Sharon and an example of how politics and arms deals intertwine.

Peled said "it was an open secret" in recent election campaigns that Katz was paying to bring thousands of Sharon supporters to political gatherings in the West Bank. Neither Katz nor Sharon could be reached for coment on this.

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"In some cases profits [from arms deals] are put to use in financing campaigns of our politicians," Peled said, a practice that is controversial but not illegal.

A Defense Ministry source supported Peled's assertion that the choice of one of the more than 800 Israelis licensed to sell arms abroad to broker a particular arms deal is a highly political and sometimes corrupt process.

Tamari, at 50 now a private consultant to military and civilian industries,

told a reporter in an interview in his apartment outside Tel Aviv how the Israeli arms business got started.

"During the late 1950s and the '60s, Israel was more or less just producing light weapons and upgrading old military systems.

The major change started after the Six-Day War [in 1967], when Israel decided it had to be one of the first in the world with a modern military.

Tamari said a "panic for self-suffi-ciency" was provoked by the arms embargoes during or after the war, when France, Britain and the United States all refused to send arms to Israel.

"Between 1967 and 1973, the military industry was developed tremendously. And then after 1973 [when a surprise attack by Egypt and Syria showed how vulnerable Israel was], the arms industry became three, four or five times what it was before '73."

"But there was no money, so the only way was to export the weapons, which we did from 1975, but it really got going from 1978 to 1980.

"During the 1980s, the economic situation deteriorated, and all of a sudden the military industries found themselves without resources."

But closing the industries was not an option for the government. Included in the arms workforce are large numbers of poor blue-collar workers with considerable influence in the Likud bloc, and white-collar engineers with strong ties to the Lahor Party.

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But according to Tamari and Klieman, the professor, while Israel could not cut back on arms manufacturing. it also could not compete in the arms business in the major markets.

European, American and Sovietbloc countries make their own weapons, though the United States does

buy some Israeli arms.

"What is left is those shady deals with governments with which no decent government would want to have any contact, like Zaire," Peled said.

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## Editorials

NYP "Iranscam: Stop the Grandstanding" It seems as if the only reason for the Congressional hearings now in progress is for lawmakers to have the opportunity to mug for the cameras. It's never even been discussed whether an opening to Iran should have been made. Nor have the hostages. Complicated issues of this sort don't make good theater.

ND 12/14 "Pulling Together a Reagan Foreign Policy" The same flawed foreign policy process that led to the debacle in Iran also produced the unrealistic and irresponsible arms control proposals in Iceland. If Reagan has any chance of saving US foreign policy he must clean house and appoint a foreign policy vicar who can impose dicipline and confidence. Shultz is an able, honorable man but he is damaged goods. He compromised and turned his back when he didn't like what was happening. Now the world can see that he was betrayed by the President.

#### Columns

NYT-Yossi Sarid "Reagan Is Scapegoating Israel" All eyes in Israel are turned : to the US and Israelis are horrified by the way the country is being turned into a scapegoat in the Iranian affair. It looks like Reagan is trying to save his own skin by sacrificing Israel's. Many Israelis are surprised but they should not be. Reagan has never been a good friend or devoted ally as he was thought to be. True, this administration has been generous to Israel, generous to a fault. Its corrupting handouts recall the gifts that wealthy but lightheaded parents lavish on their children. These paernts do not have the time to devote attention to the real problems. (cabled)

ND-Kirkpatrick "Views of the US, Israel Differ on Iran Case" Next to the US, Israel is the nation most concerned with the still-unfolding Iranian arms scandal. Three concerns dominate: that Israel not be blamed for having caused the problem, that the affair not be permitted to damage the close relations between the US and Israel, and that it not damage Israel's good friends, Reagan and Shultz. Israel's version of the story starts earlier than Washington's, in a conversation between Peres and Leeden. Peres believed Leeden was speaking for the NSC and US Gov't and took him seriously. The perspective from Israel on events makes it clear that the initiative in the affair came from

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Washington. Israel's aim was to be helpful, Israeli officials insist. They say they believed that Reagan himself was behind the appeal for assistance, though they apparently made no effort to verify this.

NYP-Lathem "Middleman in Iran Arms Deal Was Double Agent" Ghornabifar was actually a double agent working for radicals loyal to Khoemini. The arms that were supposed to go to moderates never reached them. Instead they wound up in the hands of the fanatical Revolutionary Guards. Intelligence sources say that Khomeini loyalists got detailed information on the arms from Ghorbanifar. For more than a year his true role went undeceted despite intensive background checks by the CIA and the Israeli security services.

NYT-Safire "Casey at the Source" Casey's story does not sound credible. He has changed. That is why some who would ordinarily rally around Casey now watch and wait.

ND-Cannon "Which Voice Is Speaking for Reagan?" The official White House view is that the President must obey the rules of the law. Buchanan mocks this official version by holding that illegal military aid to the contras serves a higher purpose. It is unfortunate but it seems that Buchanan expresses Reagan's true feelings.

ND-Roger Morris (ex NSC staff member, Johnson and Nixon administrations)
"All the President's Mediocre Security Advisers" The Reagan scandal
today must be seen against more than 25 years of the growing power
of the NSC. Reagan's NSC men have been perilously mediocre in world
understanding.

#### Press Reports

## Israel, Everyone's Arms Dealer

ND-Phelps 12/14 In Zaire, the elite guards of Mobutu, one of the world's most corrupt dictators, beats political dissidents with the distinctive thick belts of their Israeli trainers. In South Africa, the white minority militarily trained by Israelis uses Israeli guns to keep the black majority in line and uses Israeli drones to spy on neighboring countries threatened by South-African sponored revolutions. Israel, the nation of 4 million has become one of the world's chief arms merchants to the so-called pariah states, countries that some other countries will not--openly--deal with because of their unsavory reputations. Matityahu Peled says "Israel will sell arms to anyone, anywhere. It's not limiting itslef to any moral or political considerations. If there's payment, you can have a deal. Such sales have at times been politically useful to the US and Israel. For example, Maariv reported a year ago that an Israeli arms merchant arranged 3 shipments of captured PLO arms to Hondorus that were destined to the contras.

## US Planned 3 Arms Shipments to Iran

NYT-Gwertzman-As part of an agreement to free all the American hostages in Lebanon, the US had planned an airlift of three seperate planeloads of arms from Israel to Teheran last May, but only one was delievered because Iran did not free the hostages, Administration and Congressional

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lources say. McFarlane told of the plans on "Face the Nation." McFarlane laborated, before Congressional committees, that on the way back from Israel, North said to him that "you shouldn't see this as a total loss cause, that the Gov't had applied some of the proceeds to Central lamerica." McFarlane told Diane Sawyer that he had "talked to some people at the White House" about what North told him. This would contradict previous assertions that he did not tell anyone of the liversion until Messe asked him about it. Secord was in Israel in charge of the operations of the planes.

## Tracing the fran Money Flow

NYT-Gerth p.1-Investigators are still trying to map the complex flow of money used in the Iranian arms transactions, but they have concluded that the operation had three main reasons: The arms sales themselves required secrecy; the relationships among the participants was politically sensative, and the disposition of the proceeds may have involved illegalities. At this point in the investigation, both ends of the financial chain remain unclear: the source of the money used to pay for the US arms shipped to Iran and the disposition of the extra profits left over. Although Messe said the profits were diverted to Nicaraguan rebels, many questions have been raised about whether all the money actually reached the contras and where else it might have gone. A discussion of the money flow, from what is known, is presented.

## CIA Assisted Iraq Bombing Raids on Iran

ND-Woodward (Wash Post) The CIA, which has secretly been supplying Iraq with detailed intelligence, including data from sensitive US satellite reconnaissance photography, to assist Iraqi bombing raids on Iran's oil terminals and power plants. The information has been flowing to Iraq for nearly 2 years. During the same time the US sold arms to Iran. In August, the CIA stepped-up the Iraq initiative by establishing a direct, top-secret Baghdad-Washington link to offer better information from the satellites. (all papers)

## 1980 Soviet Test: How to Invade Iran-

NYT-Gordon-The Soviet Union carried out an ambitious exercise of its ability to invade Iran six years ago, according to newly disclosed "top secret" Pentagon evaluation and interviews with present and former Gov't officials.

## North Said to Have told CIA Chief of Iran-Contra Link in Early October

WSJ-Rogers & Pasztor-The dep. director of the CIA has testified that North mentioned a link between Iranian arms sales and covert aid to Nicaragua contras during a luncheon with Casey in Oct. The Oct. luncheon is important in measuring when the agency learned learned of the Nicaraguan connection and whether North saw himself as acting alone or at least with the tactic approval of superiors.

## North Role Cited in Bid to Unseat Contra Aid Foes

NYT-Apple p.1-North helped a conservative PAC mount a campaign this year that was designed to help defeat Congressional opponents of military aid to Nicaraguan contras. The FBI is planning to look into allegations that some of the profits from the Iran sales were diverted to some right-wing groups. (NYP-Lathem)

### No Immunity for Ex-NSC Staffers

ND-combined-Congressional investigators said they would refuse to exchange immunity in the Iran-contra scandal for testimony by North and Poindexter.

### Senate Panel to Call Regan on Iran Affair

NYT-Tolchin p.1-The Senate Intelligence Committee plans to question Regan and the White House has decided to allow him to testify. By not invoking executive priviledge, the White House would avoid a potential confrontation with Congress. The Intelligence committee has put all Cabinet-level members of the NSC on notice that they may expect to be called to testify in the next 2 weeks.

NYP-Flick-Don Regan vowed he would not be forced out as chief of staff.

#### President May Testify

NYT-Reuters-Reagan is considering testifying before Congressional investigators in an effort to resolve the Iran arms crisis, Sen. Paul Laxalt said. A White House spokesman had no comment. (DN-Volz)

ND-Sloyan (Analysis) Despite promises by the President to bring all the facts before the American people, he has effectively blocked the flow of even the smallest details. There is a stonewall of silence at the Justice, State and Defense Departments, where senior officials merely shrug. By stalling, Reagan is permitting events at home and abroad to race beyong American Gov't control.

#### Dever Re-Emerges as Key Advisor to Reagan

NYT-Weinraub-Micheal Dever has re-emerged as a key adviser to the White House in its efforts to control the damage from the Iran crisis. Dever has stressed to Reagan that Don Regan must be removed.

#### Companies in Switzerland Appear to Have Been Fronts

NYT-Tagliabue-Emerging evidence points to a tightly knit web of dummy companies in the Swiss cities of Geneva and Frobourg taht were apparently used as fronts to mask the diversion of funds to the contras.

### West Bank Unrest Stirs Policy Debate

ND-Phelps The parents of a 12 year old boy killed by Israeli soldiers last week in Nablus are interviewed. The home of Ramadan Abu Zaitun is a mixture of comfort and deprivation. His mother said she sent him out to buy food. "Ne was coming back with the food when soldiers

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started firing in all directions. People said he just stood in the street, frozen, not knowing what to do. A bullet hit him in the neck and came out through his head." The mothers account contradicts the IDF version that the boy died before the soldiers opened fire. The IDF suggested that he might have been killed by an Israeli settler. The recent violence has raised questions in the minds of some Israelis about the long-term viability of the Israeli occupation. Several Israelis argue that the soldiers are not prepared for crowd control. Israel often sends in frightened reservists or young conscripts without protective headgear and only with lethal M-16s as weapons.

## Palestinians Condemn Stabbing in Jerusalem

NYT-special-20 prominent Palestinians, most of whom are associated with the PLO, issued an unusual statement this weekend condemning the stabbing of an israeli in Jerusalem on Friday. The statement criticized an attack on an elderly Jew returning home from Sabbath eve services as the Wailing Wall calling the attack a direct contravention of "the civilized context of our legitimate Palestinian struggle to realize out just demands."

## Palestinians Won't Pull Back; Plan for Beirut Peace Blocked

NYT-AP Palestinian fighters loyal to Arafat refused to withdraw from positions they captured in clshes with Shiites, scuttling a peace plan proposed by Iran. More than 500 people have been killed in three weeks of fighting.

## Interview With Clovis Maksoud

ND-In an interview, Maksoud says that Israel seeks to prevent a comprehensive and just peace in the Arab-Israeli conflict that would be based on the withdrawal of Israel from the territories and the right of Palestinian self-determination. He says that one way to postpone a settlement is to keep fueling regional conflicts that can debilitate Arab bargaining power, whether militarily or diplomatically. He also talks about the loss of US credibility due to the Iran scandal and the fact that Egypt defected from the Arab concensus by making peace with Israel, which created an imbalance in the area.

#### OPEC

WSJ-Ibrahim-OPEC saw signs of compromise with by Iraq while continuing to make progress toward its goal of cutting oil production 5-10% next year and raising prices to a general level of \$18 a barrel.

#### Letters

NYP-4 letters on Buchanan and Reagan. 2 support the president and his communication's adviser, 2 are against his deal with Iran.

NYP-Meir Kahane should have the right to speak his mind.

### Cartoons

ND-Wright-At a maximum security prison, prisoners are running out. A guard says "We had to let them go! The warden was so touched by Pat Buchanan's speech that he took a poll and every inmate swore he did what he did out of love for his country!"

<u>DNLocher</u>-Reagan, dressed as a cowboy, holds a gun (Iran) with a silencer on it. He is aiming the gun at his foot.

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THE NEW YORK TIMES, MONDAY, DECEMBER 15, 1966

# Reagan Is Scapegoating Israel

## By Yossi Sarid

Washington, and we Israelis are horrified by the way our country is being turned into a scapegoat in the franian affair. To us, it looks as if resident Rengan may be trying to ave his own skin by sacrificing ours. Many Israelis are surprised. They hould not be. Ronald Rengan has sever been as good a friend or devoted an ally as he was thought to be.

For six years now, it has been said that President Reagan is good for the flews and for Israel in particular. Indeed, his Administration is considered by many here to be friendlier tran any since the creation of the Isfaeli state. Now, however, our great

'ossi Sarid is a member of the Knes-

"friend" in Washington is shooting out wildly in our direction, proving in effect that "a friend in need is a friend indeed," as long as it is his need.

What's more — as if the President's accusations about "third-country" involvement were not enough — we are now sure to come in for our share of biame from the Congressional committees looking into the Iranian affair. Israel will undoubtedly be given a place in the findings of these committees, and its role will not be mirimized. We can expect to receive all the dishonor to which we are or are not due.

I fear that much of the blame will be laid at our doorstep. I also predict that in the long run the Reagan days will be remembered as bad days for Israel, days of misunderstanding and disregard for our problems. It has been a long time since so selfish and egocentric an Administration — at least from Israel's point of view — has governed in Washington.

True, the Reagan Administration

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has been generous with Israel—
generous to a fault. Its corrupting
handouts recall the gifts that wealthy
but light-headed parents lavish on
their children—parents who have
never bothered to find time for their
children and never devoted any attention to their real problems. So, instead, such parents ease their consciences by slipping money into their
children's pockets. When the children

running our affairs. It was cool and often critical, and in a variety of ways it made our lives more difficult. But it was the Carter Administration that made peace between Israel and Egypt. That, too, was resented in Israel: it was said that President Carter raped Menachem Begin at Camp. David. Yet without this heavy Américan pressure, we would not have achieved our first — and, for the time being, our only — peace with an Arabination.

The contrast between the two Administrations couldn't be more striking: President Reagan would never have convened the Camp David conference in the first place. His advisors would have warned him that there was no real chance of success—that Mr. Begin would not withdraw to the pre-1967 borders of Israel or uproot settlements in occupied territory—and the President would surely have steered clear of the potential failure. Ronald Reagan would have spared us the peace because he would have wanted to spane himself a superfluous headache.

himself a superfluous headache.

Why, he would undoubtedly have asked himself, should he take on this problem, too? Why take the risk?—After all, the peace of Jerusalem is not the peace of Washington. If the leraelis themselves do not want peace, he would have argued, why should we, and why should we force anything on them? Why not let them fight it out? At the worst, America might then have to send more arms to the Middle East — not much of a risk.

President Reagan did once demonstrate an honest concern for Israel —
but only once — in September 1982,
when he presented his famous initiative for a resolution of the Middle
East conflict. It was an important,
positive step, a moment of true good
wilk Unfortunately, it did not last
long. Menachem Begin urgently covened his Cabinet and rejected the
American initiative out of hand.
President Reagan then proceeded to
collect his papers from the table and
withdraw.

Once again, it isn't hard to imagine his calculations. The last thing he needed was to open a front with Israel certainly not with American Jewish voters and Congress peering over his shoulder. So he abandoned Israel to its next war — a war we will have to fight sooner or later. He spared is rael his initiative and spared himself a lot of political crouble.

Thus, the Reagan initiative fell of the way, and relations between the two countries seemed only to improve. In the four years since, Israel has marched arm in arm with its great friend and ally, through adventure and connivance, from one end of the world to the other. We marched together to the other. We marched together to the other. We marched together still would be marching together still who knows how far or for how long in the Administration had not slipped and tripped us as it fell. Now, instead, it is tripped us as it fell. Now, instead, it is tripped in need.

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. דע : מנכייל מדיני, מנכייל, מצפייא

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- א. רקמליס מאגפו של שיפטר אמר לי שיש בידם טיוטה שעדיין איננה סופית ושצריכה לעבור שלב הסכמת אגפים שונים (משפט בעיקר) ואחייכ ניסוח. ביקשתי לשמוע תוכנה, מאחר שעפייי החוק אסור להם להראות לנו נוסחים.
- בשיחה בת שעה רשמתי ה-ISSUES העיקריים ועל חלק מהם עניתי מתוך ידיעה ונגיעה בדויח הקנדם .
- ג. אין שינוי של ממש בקשר לפרק הנוגע לישראל. יאזכרו ענין השבייכ וקו 300.
  - ד. עיקר ה -ISSUES נוגעים לאישייע .
    - ו. במבוא תכללי :
  - יאזכרו כבשנה שעברה את ענין תחולת אמנת ג'נבה הרביעית
- מתיחות בין התושבים המקומיים נהרשויות: השנה (לפני ארועי ביר זית האחרונים) נרשמו פחות מעשי אלימות והמספרים נמוכים. התושבים המקומיים החלוננו גם נגד אלימות פיזית, נגד HARASSMENT נגד הפרעות למפגשים שונים מצד המתנחלים.
  - בדנייח יצויין מאידך, שתלרכות התושבים נשמעות: שני קציני צבא שהשתמשו באלימות בניגוד לחוק הורשעו. כן יצויין שהיו פגיעות אלימות מצד תושבים ערביים נגד אזרחים ישראלים.
  - השנה אין כך יאמרו העלמויות תושבים ואין דיווחים על כך.
    - מצד major allegations אלית לדווח על מסגרת מדיניותם הכללית לדווח על .2

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שברירות ישראל - וושינגטון

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7728 קף..... אחור...... דפים סווג בסחוני. ש מ.ו.ר. ? T ? D ...... nis'nT תאריך וזייח..... 

ארגונים בינלאומיים (כגון אמנסטי) יאזכרו את מקרהו של גאנם.וזאת חרף האפשרות שאין למידע תימוכין ממקור אחר.

- יצויין שיש מעצרים מסיבות בטחוניות לרוב לזמן קצר ולאחר פחייע.
- יאזכרו נושא הגרוש ושהוא עומד בניגוד לאמנת ג'נבה ולצל"א. כן יציינו נושא town restrictions. ציינתי שכבר דנתי שהדבר אינו קיים ומבקש אנס אישור מחודש לכך.
- יציינו שיש שתי מערכות משפטיות אחת לתושבים ה<mark>מק</mark>ומיים ואחת הישראלית -למתנחלים.
  - כן חסר, כך יאמרו, בי"ד צבאי לערעורים.
    - יזכירו אטימת בתים והריסת אחרים.
  - יצינו שקים חופש עתונות וחופש הבעה, חרף הצנדורה הצבאית. כן הוקטן מספר הספרים האסורים בתפוצה מ-1300 ל-350.
    - יזכירו סגירת שני העתונים וכן הפרסום אלמוקף
  - יזכירו פרשת שדיד (טרם קבלתי תשובתכם בענין ארנחת הערב) רקמליס ציין שדווח לו שקיים מו"מ שקט בקשר אליו .
  - יצויין שיש חופש ה-assembly ויציינו שישלום עכשיו" ערכה הפגנה בחברון אם כי מתנחלים שניסו להפריע לה ולסדר הציבורי לא הוגשה נגדם תלוגה.
    - בקשר לחופש הדתי יציינו ששמעו תלונות על הגבלות גישת מוסלמים למסגד בחברון.
      - למשל אחרי תקרית הרימון בכותל המערבי, יזכירו שחיו חגבלות על יציאה וכן יזכירו שאין רשות להקים מפלגות. מאידך יציינו מינוי ראשי ערים.

סוג בסחוני. שמור דחיפות....מידי

תאריך וזייה... ברים פרי פברם.... 401 3

- 5. ה- ISSUE המרכזי, לדברי רקמליס, יהיה החרמת אדמות. הדיון יתרכז בעיקר לגבי פרוצדורה בלתי הולמת inadequate , העדר זמן מספיק להגשת ערעורים (30 יום) אין מסירה נכונה של הודעות בכתב.
- 6. כמו כן לא יחמיצו מלהזכיר היטפלות לאמריקנים ממוצא פלסטיני, בייחוד בנתב"ג (בשנה שעברה ספרו 100 מקרים של החרמות דרכונים, מתן אשרות מקוצרות, הטלת חובת פקדון וכיו"ב). נושא זה, אמר רקמליס, דן בו שיפטר עם מנכ"ל משרד הפנים בעת ביקורו.
- ה סגירה זמנית של אוניברסיטאות. בקשתי את רקמלים שיקפיד בנושא זה, כאשר מרבית הסגירות היו עייי רשויות האוניברסיטאות עצמן ולא מטעם הרשויות. אנא ציידוני בנתונים. לאבל לתנו לאברה אזרגי הנגונגם באון לבור לאברה אזרגי הנגונגם באון לבור אזרס.
- ה. אנא התיחסותכם בהקדם לנושאים דלעיל. ניתן, לדעתי, בהצטיידות בנתונים נכונים, לשפר הדו"ח.



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\* דף 2 משרד החוץ-מחלקת הקשר \* בית 4 מתוך 30 \*

\*תפ: שהח,רהמ,שהבט,מנכל,ממנכל,ר/מרנז,רם,אמן,מצפא,סייבל

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דף.....מתוך.....דפים סודי אל: המשרד + ניו יורק סווג בסחוני..... 

מאייפ, מצפייא

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דע: פרימור, יופה, ניו יורק

## ביקור שולץ באפריקה

מנהל המחלקה לנושאים איזוריים במחמייד/אפריקה PASSAGE , אישר כי אם לא יהיו הפתעות, הביקור יתקיים כפי שדווחנו בימים 14-8 בסנגל, רק"ד, ליבריה, 1 011 J. W. ניגריה, קמרון וקניה.

כבעבר הביע נכונותו לכלול בניירות שיוכנו עבור המזכיר התייחסות לנושאינו.

שברירות ישראל - וושינגסון

אל: המשרד + טוקיו + ניו יורק

61

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קונ בסחוני....דפים סווג בסחוני. שמור דחיפות...רגיל תאריך וזייח. 15.15 דצמ' 86'

מצפייא, מאייס, אכייב, כלכלית

דע: השגריר, טוקיו דברת, האוצר ציר כלכלי, כאן קונכ"ל ניו יורק

<u>יפאן - חר</u>ם\_ לשלנו 318 (נר 47 לנייי)

כמדווח בנפרד סטיב סולארז יצא בסוף השבוע שעבר לביקור במזרח התיכון והרחוק. טרם צאתו הורה לסטנלי רותי לא לשחרר את מכתבו לנקאסונה טרם שובו לוושינגטון ב-7 בינואר.

לידיעתכם.

למדן

31

יונג בשחוני. גלוי פונג בשחוני. גלוי דתיפות רגיל בשריך ודיים ביו לו בלאלר א

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אלו המשרד, בטחון, ניו יורק

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387

אל: מבכ"ל מדיני, ממנכ"ל, מצפ"א, מעיית

-דע: יועץ רה"ם לתקשורת, יועץ שהבייט לתקשורת, רמייח/קש"ח, ניו יורק

תדרוך דובר מחמייד ליום . . 86. בובר

been some exceptions in terms of providing assistance to one side or another, for whatever reason at whatever time, has there been a deliberate policy of trying to balance out any of those assistances to either side, in order to give a neutrality, a balance to it?

MR. REDMAN: In terms of policy, what I've read you is representative of the guiding principles. And I think that's as clear as I can address the problem that you've raised.

I would like just to make the statement that, if in fact intelligence information was shared with Iraq. I think we have all been grossly deceived by the State Department and the Secretary of State, unless the Department declares it didn't know about it. It's not a question, but a statement.

Q I have a question.

MR. REDMAN: Anyone have questions?

Q Yeah. I'd like to know whether the State Department is in favor of impeding of oil deliveries from the Persian Gulf region by any source?

MR. REDMAN: Dil deliveries to where?

I'll recite it, if you'd like. The rationale that the Fost has today for its story that the CIA provided intelligence information to Iraq was to help Iraq attack Iranian pumping stations and other oil facilities, with the aim of, you know, getting a stalemate or something. Now, that puts the United States in the position of, if the story's correct, and if the rationale is correct, it puts the United States in the position of helping to rupture oil deliveries from the Persian Gulf, which Bernie may be shocked by the lack of disclosure; I'm slightly shocked, also by any notion that the United

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שברירות יפראל - וושינגשון

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States would like to -- would help interfere with the flow of petroleum from the Persian Gulf. Because we used to draw circles around it, and Brzezinski used to talk about how this is in our vital interest, this is what we don't want the dastardly Soviets to push into Afghanistan, because God knows, they might keep going to the Persian Gulf.

MR. REDMAN: We could probably have a room available this afternoom if you want to hold a seminar on this. But if you have a question --

O No. I'll get to the question. This story puts the United States in the posture of assisting in the bombing of oil facilities in the Persian Gulf. If you can't address that, perhaps you can tell us whether the United States is in favor of continued flow of

oil from the Gulf, or thinks there are times when it's good to choke it off a little bit?

MR. REDMAN: Without being able to address your question, because I'm not sure I understand exactly what you're getting at. I've said, first of all, no comment, because it deals with intelligence matters on one question. And on the other aspects of the Persian Gulf, and a policy toward that region, that was again reiterated last week in very familiar terms. And that's all I really have on that.

The Secretary complained that he had only fragmentary information about the Iran policy. Is he confident that he's been kent fully informed vis-a-vis Iraq?

MR. REDMAN: Vis-a-vis Iraq?

O Yes.

MR. REDMAN: I at this point don't have any reason to think otherwise. But it's a question I haven't raised with him, so I really can't answer that definitely.

Is Sam Hall an employee of the U.S. government?

MR. REDMAN: I can assure you that he is not an employee of the U.S. State Department, and based on the checking around that I've done, I don't find any indication that he's an employee of any agency of the U.S. government.

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Q What is the status of his detention at this point, and has the U.S. filed a protest?

MR. REDMAN: After he was apparently picked up at about 9 o'clock on Saturday night -- that's when the Nicaraguan government announced such a fact, that same evening our consul-general from our embassy there in Managua made a formal request for consular access. No response to that request has been received. As a consequence, that's where the matter stands now, as far as we know.

On the Iran-Iraq war, does the United States have any concern about the normal flow of oil from the Arabian Gulf, as a result of the intensification of the Iranian front, due to the shipment of arms to Iran? And what will you do in order to ensure a regular flow of oil from the battle zone area?

MR. REDMAN: You've got a lot of cause-and-effect and a lot of assumptions in your question which makes it impossible for me to address it. Bill?

O Funny things are happening to ambassadors these days, but what have you got on Wilson? Was he kidnapped, and when was he first kidnapped?

MR. REDMAN: That's another one of those stories I don't have anything on.

Q Chuck, on Sam Hill, do you regard the Nicaraguan government's refusa: to respond to the reply -- the request of the consul-general as extraordinary?

MR. REDMAN: By diplomatic standards, it is extraordinary. But, on the other hand, by Nicaraguan government standards, it does not appear to be, since we ran into exactly this same problem when Mr. Hasenfus was taken into custody.

- O Chuck, since we're in the region ---
- n (off-mike)

MR. REDMAN: We haven't talked to him, if, indeed, he is in there in his custody. We presume that, but since we haven't been able to talk to him, we really have nothing to confirm at all concerning what he was doing there.

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Well, back to the Post story. Here's one in your realm, it seems, of diplomacy. It states there that the Iraqi foreign minister and the ambassador to this country, Casey asked to see them both, asked if they were satisfied with the intelligence data, and encouraged them to step up their attacks on the Iranian oil installations. Would you have any comment on that?

MR. REDMAN: That has to do with Mr. Casey and with intelligence matters, and as a consequence, I don't have any comment.

Q But could I ask you if the State Department was aware of Casey's meeting, and the substance of what he conveyed to them?

MR. REDMAN: The answer is still the same.

MR. BEGLEITER: Can we come back to Sam Hall again, for a second. Ferhaps I didn't make my question clear earlier. I understand that you say that you haven't been able to talk with him, and therefore, you don't know what he says he was doing in Nicaragua. You don't need to talk with him to determine whether the US government knows him, knows of him, or knows of the activities he was engaged in.

MR. REDMAN: I've answered that question the best I can.

MR. BEGLEITER: I don't -- okay, well I'd like to ask whether you would take the question of whether the US government knows of him, or knows of his activities, aside from whether the US government has been able to speak directly with him.

MR. REDMAN: But I answered the question in the previous context, Ralph.

MR. BEGLEITER: I don't think --

MR. REDMAN: I said said he's not -- The question, was he an employee?

MR. BEGLEITER: Right, I'r not asking --

MR. REDMAN: Does he work for the United States government?

MR. BEGLEITER: Okay, I'm not asking whether he worked for the US government, or whether he was a US government employee. That question has been asked and answered. The question is, does the US government know of his activities in Nicaragua, if any?

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MR. REDMAN: That's a very difficult one to get at, because at that point — I suppose if there's any person who ever happened to talk to Sam Hall, who ever told him anything about anything he was ever going to do, I'd have to answer it in a particular way, and I can't do that. I mean, I just can't check all those kind of stories. I can answer it on an official basis, which is what I've tried to do.

MR. BEGLEITER: For whatever it's worth, just because I don't think the question is not legitimate, I think the question is a legitimate question. Robert McFarlane is not an employee of the US government, and yet there are US government agencies that

know of his activities in certain diplomatic -- certain diplomatic activities. I think it's silly to say that it's impossible to find that out. I suspect the answer might be very easy to discover.

MR. REDMAN: This is a story that's going to, obviously, develop as we find out more information; and a consequence, to the extent we can answer these kinds of questions, we'll do that.

O Do you have any comment on this report into this FBIS, that Mr. Shamir, the Prime Minister of Israel, stated that more Jewish settlements will be built on the occupied West Bank and Gaza?

MR. REDMAN: No, I haven't seen that report. But --

Can you take the question, please?

MR. REDMAN: Our position on settlements is long-standing. You know what that is. It hasn't changed.

THE PRESS: Thank you.

MY

שגרירות ישראל - וופינגטון

אל: המשרד

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דף.....דפים שמור סווג בשחוני..... מיידי מאריך וזיים, 13.00 ו דצמ' 86 'RA

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1986-12-15

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מצפייא

קונגרס: פרשת איראן - קונטרס : עדכון ל-14 דנא 361 לשלנו

ו. ביום וי שעבר (12) סגנו של נורתי ב- NSC, לוט-קולונל רוברט ארל, ומנהל תמחלקת לענינים פוליטיים-צבאיים, הוארד טיישר, הוזמנו להעיד בפני וועדת המודיעין של הסנט. ארל התייצב אך סירב להשיב על שאלות, באימוצו את התיקון השישי לחוקה , בטענה שאינו מיוצג כראוי מבחינה משתטית וכן לא ניתן לו זמן מספיק להתכונן. טיישר ביקש פרק זמן נוסף על מנת להתכונן (וכנראה יעיד במשך השבוע הזה עם פרקליט פרטי לידו). עמדות אלו. ובעיקר התחמקות ארל בכוח התיקון השישי, גרמו להתפרצות מצד יו"ר הוועדת, הסנטור דייב דורנברגר שהתייחס בבוז ובלעג ל"גיבורים לאומיים" כביכול, שלא אכפת להם כלל ועיקר האומה. ביקורת חריפה זו הינה רק אות נוסף לתסכול הגובר בגבעת הקפיטול מהקשיים שנערמים ע"י קצינים ופקידים בכירים בפני הקונגרס.

- 2. בתכניות המלל של סוף השבוע "המסר" של אנשי הקונגרס שרואיינו (וביניהם הסנטורים דול, דורנברגר, לייתי, ולוגר והמורשים ברומפילד והמילטון) היה אחיד וחד-משמעי: על הממשל בכלל ועל הנשיא בפרט לטהר את האוירה במהרה ולדאוג לכך שבצורה זו או אחרת יודעי הדבר (ובמיוחד פוינדקסטר ונורתי) יתירו את לשונם, כך שהעובדות תיוודענה קבל עם ועדה; היה והעובדות לא תוצגנה ברבים יתמשך המשבר וישתק פעילות הממשל.
- 3. וועדת המודיעין תחליט הערב על הכיוון של המשך עבודתת. בכל מקרה, בכוונתה להזמין בימים הקרובים (בדלתיים סגורות) את דונלד ריגן, ג'ורג' שולץ וכפי EXECUTIVE PRIVELEGE. לוויז לא יטען דונלד ריגן לא יטען דודעת לדווח שדונלד ריגן לא יטען ולא יסרב להופיע.
  - 4. וועדת החוץ בבית הנבחרים סיימה את מלאכתה בשלב זה, וכנראה עומדת להעביד לידי הועדה הנבחרת בבית את כל החומר והעדויות שברשותה.

שברירות ישראל - וושינגטון

המשרד + היוסטון + אטלנטה :72

דף.....בתוך.....דפים ...... CONIE' ..... דחיפות.... רגיל מאריך וזיים, 11.15 ודצמי 86י

385

מצפייא, מאוייר

דע: הקונכ"ל היוסטון - הקונכ"ל אטלנטה

# משלחת חברי קונגרס בינואר 1987 נשלחת חברי קונגרס

- ו. מניחים שנודע לכם מהארי וואהל שהליגה נגד השמצה מתכננת משלחת מורשים לארץ באמצע ינואר. כעת מדברים על שניים-שלושה מורשים רפובליקאים, בראשם ביל ארציר מטקסס.
- 2. בשיחה עם גיס הורדס בסוף השבוע שעבר הזכרתי שמותיהם של המורשים ג'ורג' דרדן וג'ון לואיס מג'ורג'יה (מכתבי קונכייל אטלנטה מה-18 וה-21 בנובמבר). הורדס הודה על ההצעות אך העיר שכנראה השניים ליברלים מדי למשלחת הנייל. מה גם שדרדן ביקר כבר בארץ מטעמם.
  - 3. עם קבלת פרטים נוספים עוד נודיעכם.

שברירות ישראל - וושיבגפון

המשרד

19:58

1986-12-15

PP. 1.... BAIT. . ... TP. 97 מווג בסחוני....שמור...

86 DYT 15 0930 BHT1 31388

אל :- מצפ"א, א'רופת 3, ממ"ד/בינ"ל 1

ברה"ם. משיחה עם דון גרייבס (ברה"חפנים/ INR)

- ו. השמועות במוסקבה מדברות על כך שאפשר והפלנום, יכונס עוד לפני חג המולד.כזכור מושבו נדחה כבר פעמיים והערכה היא שלגורבציוב ישנם קשיים בכינוסו מכיוון שעל סדר היום שלו שינויים פרסונליים באפרטוס המפלגעי. גרייבס ציין חשיבותו בכל (א) זהן הפלנום הראשון עד כמב שזכור לגרייבס עם סדר יום כנ"ל. (ב) המושב חיוני לגורבצ'וב להסיר מדרכו המתנגדים לרפורמות. העכובים בכינוס הפלנום מצביעים על קשיים בדרכו כשגרייבס חוזר ומדגיש שגם הפעם הזא לא מובטח למרות השמועות,אך כאמור אפשרי בהחלט.
- 2. התחליך הפורמלי לשינויים פרסונליים נכרך בהצעה העומדת בפני הפלנום לקבוע חקופה כבונה מוגבלת לנושאי המשרות במפלגה, בדומה לנסיון מזכיר גרייבס, שעשה כרושציוב שלא צלח בידו. באשר לשינויים עצמם, הרי המדובר גם כאן ע"פ שמועות בהליכתו של קונייב המזכיר בקזכסטאן, זימייאנין, הממונה על נושא תרבות ומדע שכבר הורד בתפקיד. מאידר. גרייבס אינו מעריך ששצ'רביצקי עשוי להיפגע בפלנום, למרות השמועות גם לגביו. גרייבס סובר שמעמדו במפלגה באוקראינה אף חוזק, מסתבר (וזאת שמעתי גם פגורמים אחרים) שלפרשת צ'רנוביל לא היתה נגיעה על מעמדו. בעייתו קשורה לנושא סבוך יותר והוא מערכת היחסים בין הסניף האוקראיני למרכז במוסקבה, שכן עוד לפני ששצ'רביהקי יודה אם־בכלל וכאשר יהיה על שני המרכזים להסכים על המבהיג האוקראיני הבא ואולי שכבת מנהיגים וזה לא יהיה דבר פשוט כלל ועיקר. באשר להעלאות הצפויות הרי מונים בחם אנשי מוסקבה קרי ילציין וארלי אף דוברינין ויעקבלב במעמד של חבר/מועמד לפוליטביורו.
  - 3. באשר לרפורמות הנושא האקסואלי הינו החוק הידוע בשם PRIVATE INITIATIVE LAW באשר שאושר ע"י הסובייט העליון והעומד להיכנס לתוקף ביולי 87. במסגרת זאת תתאפשר העסקתם המלאה של גימלאים, אך גם אחרים,במתן שרותים ע"פ רוב בידי בעלי מלאכה זעירים בתחום אחזקת מבנים. אמנם בהיקף הרפורמות הכלליות זהו נושא צנוע מאד אך הוא מנסה לפתור את אחת הבעיות הקשות בחיי היומיום הקשורה לתפעול בנינים (הסנה, שרותי נקיון, עבודות וכדי), ממנה סובלת מוסקבה והפוגעת קשות בתקינותם. המשער מנסה להשיג בצעד זה שיפור השירותים ללא הכבדה על התקציב. השאלה המתעוררת היא כיצד יווצר הקשר בין נותני ומקבלי השירותים, מהיכן בעלי המלאכה ישיגו חמרי עבודה וכד'.

מ<mark>בחן חשוב יותר</mark> יהיה בתחום הוועדות שהופקדו בידי סגני רה"מ, כגון זו של אלייב בתחום הקדום החברתי שפורסמה ב-14.11 וזה של קמינציב העומד בראש ב- בראש ה- בראש היה הקדום החברתי שפורסמה ב-14.11 וזה של קמינציב העומד בראש הי

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סווג בסחוני.....דרים סווג בסחוני..... דחיפות..... תאריך וז"ח.....

20:00

1986-12-15

בתתומים אלו טרם נרשמה התוצאה.

- 4. ברם דווקא ההתפתחות ∜גרייבס מפנה תשומת הלב אליה כבעלת משמעות הם ניצני הליברליזציה בשטח התרבנת - ספרות, תאטרון וקולנוע. הרפרטואר בשלושה תחומים אלה מצביע על טיפול בפשעי סטאלין בשנות ה-30 (רי להלן ). גרייבס סובר שגורבצ'וב מנסה לעשות מה שכרושצ'וב עשת בתחומים חללו בשנים 63-56 ע"י גל פרסומי סולז'ניצין ב"נובימיר".
- 5. בשטח הכלכלי המצב סטטי ואף עם נתונים חיוביים, כגון ואולי בעיקר זבולי החיטה כתוצאה ממאמץ מרוכז בתחום זה. תיבולים השנה הם בהחלט נחשבים לטובים אם כי מציין שקיים פער בין הנתונים שמסרנ הסובייטים לחלו שהתפרסמו כאן ושאין ביכולתו ליישבו. ליגציוב ציין ב-16.11 שהם הגיער לכדי 210 מיליון מטרים מעוקבים, ואילו ע"פ נתוני משרד החקלאות תידועים כפי שגרייבס מציין במהימנותם הגיעו ל-195 ממ"ק. במונחי הכלכלה הסובייטית פירוש הדבר צמצום קניית חיטה בחו"ל וכמובן חסכון במט"ח לרכישת עודפי החיטה בשוק הבינ"ל מאוחר יותר בציפיה לירידת מחירים.בתחום האנרגיה, הסובייטים סובלים מהשפל עדיין במחירי הנפט אם כי הדבר מתאזן במקצת מהכנסות מעליית מחירי הגד והעיסקות שהסובייטים חתמנ בתחום זה (איראן). כמובן לרווחה זמנית הפטד בצדה שכן פירוש הדבר דחיה ברכישת טכנולוגיה במערב.
- 6. לשאלתי על השפעת פרשת איראן על יחסי ברה"ם ארה"ב, הפוק שבראיה לטווח ארוך הסובייטים מעדיפים נשיא אמריקאי חזק ולא "נכה". הם בוודאי שמחים לאידו של חבית הלבן, אך מחוור להם שפירוש הדבר שלא ניתן יהיה להתקדם בתחום פרוק הנשק כאשר הנשיא יהיה כבול. מסתבר ע"פ גרייבט שברה"ם יש כרגע שתי אסכולות ביחס למדיניות כלפי ארה"ב, האחת השמה יהבה על הקונגרס (דמוקראטי) דהיינו הטוענת שיש לחמתין ולראות כיצד יפול דבר בזירה הפנימית בארה"ב ואילו השניה טוענת שאין לדחות הקץ ניש לנסות ולמצוא את האפשרויות כתו ר השנתיים הקרובות. (שמעתי ממקור אחר ששוחח עם זורקין עוזרו של ארבטוב שהיה עמו במשלחת כאן לא מכבר 20.6% קיומן של האסכולות הנ"ל. דורקין הוסיף שידה על הראשונה בשלב זה על תעליונה)
  - ל. מערכת האישים בצמרת הסובייטית מלמדת על הרכב מעניין.לגרייבס אין ספק שהשפעתם של דוברינין ויעקבלב מורגשת היטב והם בבתינת אישים חזקים שם, אך אין גם להתעלם מההבדלים ביניהם. דוברינין מכיר היטב את המערכת האמריקאית ויש כאלה במוסקבה המתלוצצים שכעת עליו ללמוד בצורה דומה את המערכת הסובייטית, ולכן הוא גם יותר פרגמטי ובעל תחושת זמן ומקום, הוא בבחינת המגלה עוינות לארה"ב ומשוכנע שמביע בכך את דעותיו של גורבצ'וב. לשאלתי כיצד חדבר משתקף בעבודת

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	3	שנרירות ישראל - זושינגסון אל:

המערכת הסובייטית, השיב שלשניהם יש השפעה דומה על גורנצ'וב והדבר ניכר בצורה
המאוזנת בה המזכ"ל מציג עפדותיו כלפי ארה"ב בהתבטאויותיון הוא כולל גם מזה וגם מזה.
בכלל, גרייבס לא מבין מה פוצא גורבצ'וב ביעקבלב. הדעות עליו באוטבה (שם כידוע כיהן
כשגריר) שונות. גרייבס משער שיתכן ובין שני האישים ישנה כימיה אישית.
לשאלתי על השמועות בדבר קיום אופוזיציה (ליגצ'וב) לקו של גורבצ'וב השיב שאין הדבר כר
ובורדאי לא במינוח שמחייחסים לכך במערב. ליגצ'וב כאחראי על המנגנון המפלגתי ועל
תחום האידיאולוגיה פשוט מנסה למלא כהלכה את תפקידו בתחומים שהם באופן טבעי נוקשים
ולכן עמדותיו שמרניות יותר, אך אין לראות בו אופוזיציונר ובוודאי לא יריב לנורבצ'וב.

אלי אבידו גר אר.

שברירות ישראל - וושינגטון

המשרד

קף...ו...מתוך..ו... דפים סווג בסחוני..שמור.... דחיפות. רגיל אריך וזיית. 1045 דצמ 86 האריך ארים האריך אויית. 

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אל :- משפט, דע :- ממנכייל

התקשר מוריס אטקין, המוכר להרבה בשגרירות, וביקש כאחרים לפניו, לדעת אם אפשר להשתלב בפרוייקט. בקשתו בשם יהודה הירשברג - הנדסה ובנין בעיים מרחי כורזים ו בגבעתיים. הפניתי אותו לראובן ירדור מתומר! אטקין אמר שהירשברג נמצא עתה בניו יורק. אמרתי שבמקרה זה אולי יש מקום להתקשר למורטון סמיתי כאן. (מורטון סמית' אמר לי בזמנו שרבים כבר התקשרו עמו ואינו מתרגש מהתקשרויות כאלה).

אטקין אמר שיודיעני על פעולתו בענין.

פברירות ישראל - וושינגטון

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המשרד

שווג בשחוני...עוד? דחיפות....ל

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אל :- מצפייא

דע :- מנכ"ל מדיני, ממנכ"ל

## עוד לפרשת איראן

א. עוד לפני הגילויים החדשים של סוף השבוע המספרים על סיוע מודיעיני לעיראק, או הכחשת חשד מעורבות יפאנית עם איראן בעניני נשק וכיו"ב, עולה הרושם שבשלב זה עדין ישראל בשולי הפרשה.

ב. בהקשר זה אולי כדאי לציין שיחה שקיימתי עם ארון מילר מהאגף לתכנון מדיני ביום
 ו' (12.12). לדבריו, אין שום מקום להרגשת חובה או אי נעימות מצד הממשל האמריקאי
 כלפי הערבים ואין כל השפעה לדברים שנושא שגריר עיראק כאן, ניזאר חמדון, במסגרת
 פעילויותיו הענפות בבירה ומחוצה לה, לפיהם הבית הלבן בקשריו עם איראן, בגד ותקע
 סכין בגב הערבים. יש לזכור שגם ערבים אחרים מעורבים בקשר אל איראן וכן גם עיראק
 ביחסיה אל ארה"ב אינה כולה טלית שכולה תכלת. לדברי מילר אם לא יקרד אחד או שני
 תדברים אין להנית שהיחס לישראל ישתנה לרעה. רזרבת האהדם לישראל גדולה וחדצה את הקוים המפלגתיים בקונגרם. גם בממשל האהדה לא קטנה, יהיו כמובן אלמנסים במחמ"ד והוא דיבר כמובן ללא צורך לייחוס אליו - שינסו להצביע על הצורך ב"פיצוי" לערבים, כגון
 אולי החזרת נושא מכירת נשק לירדן, אך אין לראות בנסיונות אלה בעתיד משהו רציני או
 שעשוי לזכות בהצלחה.

ג. שני הדברים שיכולים לשנות מצב זה הם: (א) אם יהיו גילויים בעתיד על מעורבות ישראלית ממשית בנושא העברת כספים ונשק לקונטראס. (ב) ארועים גדולים באזור והכוונה לפעולות חמורות ולאו דווקא כמו אי שקט שיש לאחרונה ביש"ע. ארון מילר הדגיש שחרף היות המאורעות ביש"ע הגרועים מטוגם מאז 1980, הרי שיחסית עברו על כך כאן לסדר היום לא לי לדבריו, וחכל ספקולציות, תחביב חביב בימים אלה בעיר, הממשל ביתרת חזמן עד ל-1988. יהיה מועסק בעיקר בפרשה זו על ספיחיה ובנסיונות להתגבר עליה מחד ואם ינסה לפעול בנושאי חוץ הרי שהיחסים עם ברה"מ על רקע פר"ן ואירופה יהיו בעלי העדיפות הראשונה. לגבי מז"ת, להוציא אירועים גדולים בלתי צפויים, ימשיך להיות, לדעתו, נושא משני בשולי התכנון המכוון.

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המשרד, בטחון

מנכייל מדיני, ממנכייל, מצת'יא, מעיית

יועץ רה"מ לחקשורת, יועץ שהב"ט לתקשורת

להלן מה"וושינגטון פוסט" היום.

עתונות

# CIA Aiding Iraq in Gulf War

Target Data From U.S. Satellites Supplied for Nearly 2 Years

By Bob Woodward Washington Post Stall Writer

The Central Intelligence Agency has been secretly supplying Iraq with detailed intelligence, including data from sensitive U.S. satellite reconnaissance photography, to assist Iraqi bombing raids on Iran's oil terminals and power plants in the war between the two nations, according to informed sources.

The information has been flowing to Iraq for nearly two years. During the same period, the Reagan administration was secretly selling arms to Iran in an effort to free the American hostages in Lebanon and gain influence with factions in the Iranian government.

In August, the CIA stepped up the initiative with Iraq by establishing a direct, top-secret Washington-Baghdad link to provide the Iraqis with better and more timely satellite information. One source with firsthand knowledge said the Iraqis receive the information from satellite photos "several hours" after a bombing raid in order to assess

damage and plan the next attack. This source said the intelligence information is "vital" to frag's conduct of the war.

CIA Director William J. Casey met twice this fall-once in October and again in November-with senior Iraqi officials to make sure the new channel was functioning and to encourage more attacks on Iranian installations, the sources

Iraq has mounted a series of precision air attacks against Iran in recent months, concentrating on oil terminals, oil pumping stations and power plants-all with the intent of destroying Iran's economy and its ability to continue the war, which entered its seventh year this fall.

The revelation that the administration has been sharing intelligence data with the Iraqis at the same time that it was shipping arms to the Iranians raises new questions about the administration's policy on the Persian Gulf war.

One well-placed U.S. government official said that the administration policy of arms for Iran and satellite intelligence for Iraq was "a cynical altempt to engineer a stalemate" in

. An administration official said yesterday that any intelligence assistance to Iraq was for "defensive" purposes, designed to keep either side from winning or losing the war.

White House spokesman Daniel Heward said yesterday there would be no comment on this report, "We don't comment on intelligence matters," he said.

On Nov. 13, in his first detailed public statement on the Iranian af-

fair, President Reagan said one of the key goals of his Iranian initiative was "to bring an honorable end to the bloody six-year war between Iran and Iraq." Denying a "tilt" in U.S. policy, Reagan said his administration did not favor or support "one side over the other.

Since the secret U.S.-Iranian arms deal was disclosed in early November, Iraq has stepped up its attacks. On Nov. 25, Iraqi warplanes bombed Iranian oil tankers at Larak Island, which is about 750 miles south of Iraq and in the Strait of Hormuz. This was apparently the greatest distance flown by Iraqi

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planes in any raid during the war. On Dec. 5 the warplanes bombed Iran's Neka power station, which is located close to Iran's Soviet border.

On Saturday, Iraqi radio reported that its warplanes attacked Tehran for the first time in seven months, striking an antiaircraft defense system and a power plant, and in a separate raid hit troop concentrations and ammunition depots in northwestern Iran.

Intelligence estimates show that Iraq overall has at least a 4-to-1 advantage in the major types of military equipment including tanks, missiles, and combat aircraft. Iraq also has about 1 million regular ground troops compared with 250,000 regulars for Iran.

Nonetheless, Iran's population is roughly three times Iraq's. The Iranians have used "human waves" of young, irregular soldiers in the war, which has claimed about 1 million dead, wounded or captured.

An administration official said that Iraq had been discouraged from any attempt to destroy Iran's economy. The officials said, for example, that the United States had tried last year to apply diplomatic pressure on Iraq not to wipe out than's Kharg Island oil terminal.

Several years ago, the terminal bandled 90 percent of Iran's oil; now it moves less than 50 percent.

In his Nov. 13 speech, Reagan said the administration opposed the violence of the Iran-Iraq conflict. The slaughter on both sides has been enormous, and the adverse economic and political consequences for that vital region of the world have been growing," Reagan said. "We sought to establish communications with both sides in that senseless struggle, so that we could assist in bringing about a cease-fire and, eventually, a settlement. We have sought to be evenhanded by working with both sides .... We have consistently condemned the violence on both sides."

Sources said that as far back as 1984, when some people feared that Iran might overrun Iraq, the United States began supplying Iraq with some intelligence assistance. Iraq reportedly used the intelligence to calibrate attacks with mustard gas on Iranian ground troops, distressing U.S. officials, who condemn chemical warfare.

But the sources said the information from U.S. satellites was not supplied regularly until sometime in early 1985. For the next 18 months the information was supplied through Washington channels as needed by the Iraqis, particularly after an Iraqi bombing raid.

It could not be established yesterday in what form the Iraqis initially received the intelligence data. Officials said it could have been actual intelligence satellite photos, or simply selected portions, artists' drawings done from the photos or detailed verbal descriptions.

The direct Washington-Baghdad link, established in August, was accomplished by way of a special intelligence unit in the U.S. Embassy in Baghdad, one source said. Two sources said that the Iraqis now receive selected portions of the actual photos that are taken by U.S. reconnaissance satellites and on some occasions, U.S. reconnaissance aircraft.

In mid-August, just after the direct channel was installed, Iraq executed a surprise bombing raid against the Iranian oil terminal at Sirri Island that Iran supposedly thought was safe from attack.

The direct link with Baghdad apparently was set up shortly after the release of the Rev. Lawrence Martin Jenco from Lebanon and the third U.S. shipment of arms to Iran.

Sources said that in early October, Casey requested a meeting with Iraqi Foreign Minister Tariq Aziz, who was at the United Nations in New York. A few days later, the sources said, Casey's request was granted and he met Aziz and Iraq's ambassador to the United States, Nizar Hamdoon. Casey, who was aware of the still-secret Iranian arms dealings, told the two Iraqis he wanted to make sure that they were happy with the flow of intel-

ligence, and he also encouraged more attacks on economic targets, the sources said.

Later in October, the United States sent a fourth shipment of arms to Iran, and on Nov. 2, hostage David P. Jacobsen was released. The next day, a pro-Syrian Lebanese magazine disclosed the secret U.S.-Iran initiative.

After the disclosure, Ambassador Hamdoon requested and received another meeting with Casey. The two met in Washington about two weeks ago, the sources said, and Casey had no apology to offer for the Iran initiative but pledged that the secret channel for satellite data would remain open to Iraq.

Staff researcher Barbara Feinman contributed to this report.

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אל: מנכייל מדיני, ממנכייל, מצפייא, מעיית

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להלן מהי'וושינגון פוסטי מ14.12.

עתונות

# Yaacov Nimrodi: A Tale Of Arms and the Man

By Lally Weymouth

TEL AVIV—Yaacov Nimrodi, the Israeli arms dealer who helped arrange the Iran arms sale, talked last week about the origins of the fiasco that has rocked the Reagan administration. He was interviewed in his \$2½-million white stucco mansion, known here as "the White House."

Nimrodi is proud of the role he played, claiming that he helped the now-ungrateful Americans open the door to Tehran by producing Manucher Ghorbanifar, an Iranian close to the regime. But he is hurt that half-way through the operation, he and his friend. Al Schwimmer, were ousted as arms intermediaries by Israeli Prime Minister Shimon Peres. "I blame Shimon Peres." Nimrodi said. "Why did he fire us in such an ugly way?"

"We have to sell our arms," Nimrodi said, explaining his enthusiasm for the Israeli role in the American opening to Tehran. He is bitter at being pushed out of the Iran venture and losing a shot at future arms sales to the Iranian regime. "We [Israelis] are the losers," he said, "and the U.S. is gaining all the cash [from arms sales to Iran]."



YAACOV HAMPOOL-AGENCE FRANCE PRESE

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At the center of the Iran arms deal is money. Nimrodi told me that in the transaction in which he was most closely involved—the sale of 500 TOW missiles from Israeli stocks in 1985—he received \$5 million from the Iranians and forwarded \$4 million to the Israeli Defense Ministry, keeping \$1 million for his out-of-pocket expenses. Nimrodi's acquaintances say that it's unlikely that he made any money on the deal. Still, some senior Israelis dispute his figures.

Nimrodi's role in the affair has troubled some Israelis. Yoel Marcus, a prominent journalist, asked in an article in Haaretz last week whether the Israeli military-industrial complex had turned on its creator, the state, and was now guiding Israeli policy for its own needs. One senior member of the Knesset admitted he didn't like the idea of an arms dealer taking such a prominent role in Israeli foreign affairs. And the Knesset has created a new committee to oversee future arms sales more rigorously.

Nimrodi's career is a real-life Israeli spy story. He was a brilliant military intelligence operative who helped develop the Israeli relationship with Iran in the 1960s and later used the contacts he made in Iran to develop a lucrative trading business.

With homes in London and New York as a second contacts.

well as his mansion here, he lives the lifes-

tyle of his Saudi friend and fellow arms dealer, Adnan Khashoggi.

Nimrodi said last week of Khashoggi:

"He's a great man."

Yaacov Nimrodi was born into a poor family of 10 children in Jerusalem and started work at 14. He says he was recruited into intelligence work in 1946, at the age of 16, by Israel's former president, Yitzhak Navon, a childhood friend. Nimrodi later signed up with a special unit of the Palmach, the elite fighting force, which specialized in gathering intelligence on Arab countries. After Israel won its independence in 1948, he was assigned to a military intelligence unit in the south of Israel, where he met another young officer, Ariel Sharon, who later became a close friend.

One anecdote gives the Levantine flavor of Nimrodi's intelligence work in those days. He told me he was particularly proud of recruiting an Egyptian officer, persuading him to come to Tel Aviv, setting him up in a trap with a girl and then turning him into an excellent Israeli spy who supplied intelligence for years.

Why was Nimrodi so universally regarded by his colleagues as a good intelligence officer?

"He knew Arabic, having grown up in Jerusalem, speaking Arabic with friends," explained a former Mossad chief. "But it's not enough to know Arabic from a university. He could integrate himself into the environment, the mentality, the reactions, the customs of the Arabs. He adopted Middle Eastern ways for himself."

The covert Israeli link with Iran brought all of Nimrodi's skills into play. The Israeli relationship began in about 1960 when the chief of Iranian intelligence came to Israel on a secret visit, According to journalist and Iran expert Shrnuel Segev, the Iranian general was accompanied throughout his tour by a young Israeli colonel named Yaacov Nimrodi. At the conclusion of his visit, the Iranian general proposed that Israel secretly send a military attache to Tehran and suggested that the job be given to Nimrodi. Israeli Prime Minister David Ben-Gurion blessed the idea, and Nimrodi was off to Tehran on an assignment that would last officially for 14 years and unofficially for 10 years more.

Nimrodi was the perfect man to start what, for Israel, was a crucial strategic relationship. He threw himself into the Iranian scene. Indeed, one Israeli friend recalls that Nimrodi was so accepted in Iranian circles that he once saw him greet the head of Iranian intelligence

by kissing him on the lips.

Israel's relationship with Iran was part of a broader strategy: Surrounded by hostile Arab neighbors, Israel's best hope was to make friends with the next group of states, the so-called "Second Circle," consisting of Iran, Turkey and Ethiopia. These states, although also hostile to Israel, were at odds with her immediate neighbors. Thus, went the theory, "the enemy of my enemy is my friend."

Nimrodi, who spoke perfect Farsi, made excellent connections with the Iranian military. "I built the Iranian intelligence," he bragged last week. In this covert relationship, Nimrodi also helped build the Shah's army and air force. "We trained parachutists and the artillery," he said. He explained that he used as trainers Iranian-born Jews, who spoke Farsi so fluently that many of their students were not

aware they were Israelis. In addition, more than 400 Iranian officers were brought to Israel for training. Some of the officers who were trained by Israel are still in the Iranian army today.

From Iran, Israel was able to gather excellent intelligence on Iraq, which most Israeli experts regard as a greater threat to Israel that Iran. Nimrodi, for example, recruited a senior Iraqi military commander as an Israeli spy and helped arrange the defection of an Iraqi pilot with an advanced MIG fighter. Israel also helped Iran foment an uprising in the Iraqi region of Kurdistan-which kept the Iraqi regime busy-thus making an attack on Israel less likely. Meanwhile, Iran became a huge market for Israeli goods, to the tune of \$500 million a year.

Nimrodi also helped organize secret visits to Iran by leading Israelis-including Prime Minister Menachem Begin and Prime Minister Yitzhak Rabin-as well as visits by senior

Iranian army officers to Israel.

Nimrodi showed me last week some of the 20 photo albums that document many parts of the secret relationship with Iran. There are photos of Israeli dentists fixing the teeth of fighters in Kurdistan, a picture of the chief of the Iranian air force with former Israeli defense minister Ezer Weizman, a picture of young Shimon Peres and Al Schwimmer visiting Iran.

After coming home from Tehran in the mid-1970s, Nimrodi says that he wanted to become the Israeli military commander in the West Bank. When he didn't get the job, he left the army, telling friends that they had forced him to become a millionaire. He then returned to Tehran as a businessman to exploit for profit the connections he had built up over so many

vears.

In just 10 years, Nimrodi became a multimillionaire. He sold arms and desalinization equipment for staggering sums to the Iranians. He says he was the agent of Iran in partnership with the shah and several of his relatives. Some of his Iranian contacts survived the shah's downfall.

he details of Nimrodi's role in the armsfor-hostages deal are still fuzzy. Senior Israeli officials claim that Prime Minister Peres acted in response to an American request to help free the CIA's Beirut station chief, William Buckley. Peres contacted his friend Al Schwimmer, who in turn contacted Nimrodi. If you believe this version, which is also Nimrodi's, he and Schwimmer then got in touch with Saudi tycoon Khashoggi, who introduced them to Chorbanifar, a former officer of the Iranian intelligence service Savak, who became the go-between in the deal.

Khashoggi himself emerged last week, in an interview with ABC's Barbara Walters, claiming that the arms deal was originally his initiative and that he got in touch with the Americans, the other Arabs and the Israelis to see what could be done to get arms for Iran and possibly to open contacts between the West

(One Israeli cabinet official told me, however, that the deal actually started when Khashoggi got in touch with Israeli businessman Ronald Fuhrer in London and asked him to go to Peres regarding cooperation between Israel and Saudi Arabia in selling arms to Iran. Fuh-

rer has no comment.)

The background of the Iranian arms deal, according to one Israeli cabinet member who was intimately involved in it, was that a power struggle was going on in Tehran because of the Ayatollah Khomeini's deteriorating health. In this struggle, he explained, some elements emerged-particularly one led by the speaker of the Iranian parliament, Hashemi Rafsanjanithat appeared to be interested in doing business with the West.

"We brought these moderate people to [former Reagan national security advisor Robert McFarlane," Nimrodi explained last week, "We met them in Europe and they said, 'We want to

go back to the West."

Ninrodi argued last week that the Iranians he dealt with wanted to make a break with the zealotry of Khomeini: "They are moderate. They want to come back with the West and the U.S. They said what they wanted from the West. They wanted help-money and arms .... There is a basis at the top of the Khomeini government which is ready to leave the radical states . . . and to open a new dialogue with 'the devil.' They agreed to throw out the radical declarations of the revolution and open a new dialogue with 'the big devil."

Nimrodi says that McFarlane investigated these so-called moderates and, after checking them out, concluded they were legitimate. McFarlane, according to Nimrodi, met with Rafsanjani, Prime Minister Mir Hossein Mousavi and the son of Ayatollah Khomeini during the Iran venture. Asked about Richard Secord, a retired Air Force major general who has been linked with the Iran arms deal. Nimrodi said he met him once in late 1983 when McFarlane and several Iranians visited Nintrodi's house in Lon307 365 4/4

Part I of the Iran deal ran from about March 1985 through last December. On the U.S. side, it involved McFarlane and Michael Ledeen, a consultant to the National Security Council: on the Israeli side, Nimrodi, Schwimmer and David Kimche, the former director general of the Foreign Office; and on the Iranian side, Ghorbanifar and his moderate allies. The original phase resulted in an agreement to sell Israeli weapons to Iran.

But the Iranians changed their minds and demanded U.S. weapons. At this point Yitzhak Rabin, the Israeli minister of defense, entered the picture. Not one bolt would leave Israel until he knew that the operation had the approval of President Reagan, that Secretary of State George Shultz was in the know, and that American weapons shipped by Israel to Iran would be replaced immediately. Rabin sent Kimche to see McFarlane in regard to these three points, and he got a positive response on all three—including McFarlane telling Kimche that the operation had the approval of the president, according to top-level Israeli officials.

The story of how weapons were actually delivered to Iran is like the classic Japanese movie "Rashomon"—with each observer having a different version of what happened. That's especially true with the first 100 TOW missiles sent to Iran last year. Nimrodi says, "I did it all on my account." Khashoggi claims to have advanced \$1 million to pay for 100 TOWs, but it's not clear whether they are talking about the same transaction.

When the first 100 TOWs arrived in Tehran, nothing happened. Nimrodi says he went to Europe and spoke with the Iranian prime minister who told him, "I will send you one head and one leg (of Buckley)."

An additional 400 TOWs were then dispatched from Israeli supplies, and Nimrodi says that he had to underwrite the shipment and guarantee that "if something will happen, I will guarantee to replace them." He says the shipment cost him \$4 million. Khashoggi also says he underwrote this deal, This time it worked, Hostage Benjamin Weir was promptly released.

Things started to go sour, according to Nunrodi, with the ensuing arms shipment of 18 Hawk missiles. He says that the Israeli Defense Ministry agreed to send improved Hawks but instead sent old Hawks. Ninrodi claims that he was in a Swiss hotel room with some Iranians awaiting the outcome of the shipment. The prime minister of Iran called him and angrily said that the Hawks were old. Ninrodi says he transferred the money back to the Iranians, but that the Hawks remained behind in Iran. That was the beginning of the end for Nimrodi and Schwimmer. After the incident with the Hawks, they were replaced by Prime Minister Peres' advisor on terrorism, Amiram Nir, who became the contact man between Israel and the United States.

When Nir took over from Nimrodi and Schwimmer in January 1986, the Israelis—hoping to avoid embarrassment if the operation backfired—established new ground rules. No israeli was to handle money. Money was to go from the Iranians directly into the secret Swiss bank account established by the Americans. Moreover, no more U.S. weapons would be shipped from Israeli stockpiles. The weapons would come from the United States and then be transferred to an Israeli plane that would be flown by American pilots to Iran.

imrodi explained to me his vision of life in the Middle East, which is a mixture of business and dreams: "If we want to be a factor in the Middle East," he said, "we have to work with the Arab countries." He described meeting Khashoggi and then going into business with him, and he said he has met many Arab heads of state secretly. Indeed, Nimrodi told me that it was he who first presented to Prime Minister Menachem Begin a plan allegedly devised by King Fahd in which the Saudi monarch is said to have offered huge Saudi investments in the Middle East in return for having a Saudi flag placed at one of the key mosques in Jerusalem. Begin rejected the idea, saying "no money in the world can buy that," as Nimrodi recalls it.

Yet while elaborating on his dreams for contacts between Arabs and Jews, Nimrodi turned to me and said bluntly: "There is no Arab that doesn't have his price."

In examining the life and times of Nimrodi and the other Israelis who participated in the Iran deal, there are large and still-unanswered questions. Did some Israelis, including Nimrodi, think up the arms-for-hostages idea and sell it to the Americans? Was it an idea that really served Israeli and not American interests? Did Nimrodi or Khashoggi put up the financing? Did either make any money on these deals or were they hoping to make money on future deals, if and when Iran would open to the West as a market once again?

There are broader questions, as well. Businessmen like to make money and they like to trade with anyone, including the Soviets. Was it wise to have such persona—who stand to profit in the long run, if not in the short run—involved in what was supposed to be a national endeavor, whether it was winning Iran back to the West or freeing our hostages in Lebanon? Surely the narrow interests of arms merchants may differ from the national interests of the United States or Israel.

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אל: מנכייל מדיני, ממנכייל, מצפייא, מעיית דע: יועץ רתיימ לתקשורת, יועץ שהבייט לתקשורת

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עחונות

# Jeane Kirkpatrick

# View From Israel

TEL AVIV—Next to the United States, Israel is the nation most concerned with the still-unfolding Iranian arms scandal. In Israel the story is followed nearly as avidly as in Washington. But the perapectives, concerns and some of the facts being focused on are different.

In and around official Israeli circles, three concerns dominate: that Israel not be blamed for having caused the problem, that the affair not be permitted to damage the close relations between the United States and Israel, and that it not damage Israel's good friends Ronald Reagan and George Shultz.

Israel's belief that it should not be blamed for initiating the arms deal is evident in the differences between the Washington and Tel Aviv versions of the first American-Israeli discussions on Iran. In the Washington version, the first important event was a meeting between Bud McFarlane, then national security adviser, and David Kimche, former direc-

"The Israeli perspective on events makes it clear that the initiative came from Washington."

tor-general of the Israeli Foreign Office. At that meeting, Kimche presented what McFarlane called "very convincing" evidence of a possible change in Iran's attitudes toward the United States.

The Israeli version of the story begins earlier, in a conversation between then-Prime Minister Shimon Peres and Michael Ledeen, a Washington-based expert on terrorism and an old friend of both Peres and McFarlane. Ledeen is said to have opened the discussion by posing two questions: Did Israel have contacts with those who might figure in post-Khomeini Iran? And could Israel help secure the release of the Americans held hostage by the Hezbollah in Lebanon?

Peres believed Ledcen was speaking for the National Security Council and the U.S. government. He, therefore, took the conversation seriously. After all, in the Israeli view, the United States should be concerned with Iran. Iran's location adjacent to the Persian Gulf and the Indian Ocean, its oil assets, its proximity to the Soviet Union make its geopolitical importance self-evident. The Soviet troops on Iran's borders illustrate its vulnerability.

The fact that the Khomeini regime is relatively new means, among other things, that non-Khomeinite factions are probably still present in the power structure. The fact that the regime might not last past the life of its aged leader enhances the grounds for concern about what will follow.

Israelis could also sympathize with the U.S. government's efforts to secure the release of American hostages. At that time, concern about William Buckley was especially intense. Buckley, who we now know was the CIA station chief in Beirut, had been kidnapped, held for many months, tortured horribly, broken and finally permitted to die by his Hezbollah captors. But at that time, Buckley was believed to be alive, and the U.S. government—including CIA Director William Casey and President Reagan—was deeply worried about him.

In the Israeli version, moreover, it is noted that by the time Kiniche had briefed McFarlane on the changing scene in Iran, CIA analysts had already reached very similar conclusions concerning the possibility that Iranian attitudes toward the United States might be shifting.

The Israeli perspective on events makes it clear that the initiative came from Washington. Or, as a Haaretz correspondent put it, "The Americans made the first move." They asked for advice and help. Israel responded.

Israel's aim, Israeli officials insist, was to be helpful. They say they believed Reagan himself was behind the appeal for assistance, though they apparently made no effort to verify this—at least in the first instance. Israeli officials say they asked for and received assurances that later, larger arms shipments made by them were made with the knowledge of the American president.

Some have noted an irony that this nation which symbolizes a tough policy toward terrorism should become involved in helping the United States cut an arms-for-hostages deal. However, the irony may be less stark than it appears. The whole affair suggests that we may have mistaken a policy of being tough on terrorism with a policy of non-negotiation.

When there is a discrepancy between what a government (or a person) says and does, there may be something wrong with what they do or the fault may lie with what they say and how it is interpreted. Sweeping declarations sometimes sound good, but prove a poor basis for policy. We say, "We will never, ever negotiate with terrorists," but what we mean is "Well, at least not directly," or "At least not publicly" or "At least not often."

Surely it does not mean we should refuse even to speak to hijackers holding a captive airliner and passengers at bay. The fact is that we may want to negotiate with terrorists on some occasions and for some purposes. Negotiations are a means toward the goal of saving victims while demonstrating that terrorism does not pay and that terrorists do.

Governments are better advised to demonstrate by their deeds how serious they are about terrorism and about protecting their citizens against terrorists.

Similarly, with regard to arms sales, the United States should doubtless feel free to do what is required to protect our national interests. That is what most other governments do.

I would note, however, that Israel's interests in the matters of the Mideast are different from our own. Israel's pressing need for peace, her isolation in the region, the realistic threats to her survival from such dedicated enemies as the ayatollah, Assad and Gadhafi figure importantly in the Israeli perspective. They are obviously less central for the United States.

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News Summary December 13-14, 1986

#### Editorials

NYT 12/14 Iran: What Needs to Be Known; How Best to Find it Out" is known of the Iran-contra crisis suggests enormous misjudgement. facts at hand suggest violations of the law; it's not possible to discern whether they were willful. We need to know if there was a real basis to believe that "moderates" satually wanted to curtail terrorism and enhance ties. Strengthening Iranian moderates and freeing hostages are goals that the US and Israel share. The CIA and McFarlane began pressing for action. Israel began shipping US made weapons and parts to Iran. The Israelis made at least 2 shipments in 1985. The truth, now known, already stings. The rest needs to be known. Itis troubling that Reagan really didn't know what was happening -- and that subordinates felt free to take such action on their own. Reagan could have cut to the heart of the crisis by interviewing the players involved and telling the public. That hold approch would have cleared the air instantly. But the investigations may be a wiser course in the end.

#### Columns

NYT-Se. Ernest Hollings 12/14 "Come Clean Mr. President" The arms-for-hostage deal is rapidly turning into Reagan; Watergate. The first time is a tragedy, the second time a farce. Reagan's pleas of ignorance stand on webbly legs. North nor Poindexter would have acted without the authority from the highest source. It is just inconceivable that he didn't know about what was happening with the hostages or he contras, maybe the two things he was really interested in. Reagan can and must halt his slide, he must tell the truth, This will prevent paralysis of out Gov't.

NYT-STockwell (ex-CIA specialist) 12/14 \*Stop Hiding, Colonel North North must stop listening to his attorneys and tell the truth before Congress. Like North, the author flew abroad to coordinate covert policies. He supervised the movement of arms through Israel, opened Swiss bank accounts to funnel money, ran a disinformation program, hired mercenaries and dealt with terrorists. Arms were delivered to South African forces in Angola. To cover up the cativities, high CIA and State Dept. officials gave false testimony to Congress. Stock Well chose to tell the truth to Congressional committees in 1977. No jury in the land would convict a decorated officer for implementing a foreign

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foreign policy that had been ordered and approved by members of the NSC, however misguided the policies may have been.

NYT-Reston 12/14 "Sweet Land of Mystery" The fundamental questions are how we elect presidents, choose their assistants and decide on the means and ends of our official public relations and foreign policy.

DN-Maynard 12/14 "Hey! Who's Steering the Ship?" Critics around the world have long wondered how we determined that movie acting qualified Reagan to be President of the united States. We all know that Reagan can get his facts mixed up but he was never accused of outright lying. There is one piece missing from the puzzle, and that is a clear picture of Bush has been doing.

### Editor's Note-On Neyanyahu

\*\*NYT 12/13-The Jerusalem dispatch of 12/12 reported Israeli officials' statements that their Gov't had been seeking since 1982 to restore ties with Nicaragua. The dispatch said that Amb. Netanyahu urged his country several years ago to aid the contras. The article overlooked the fact that soon after the Maariv report appeared, the same paper published a denial by the office of PM Shamir. It said on behalf of Netanyahu that "he did not recommend to Shamir or to any other official to assist the contras" and that the Ambassador "is well acquainted with the Israeli policy not to assist the rebels in Nicaragua or to transfer funds to them." Netanyahu has since repeated his denial. The Times should have taken account of his denial and it should have sought direct comment from Netanyahu.

#### Press Reports

## Israel Reports US Plan to Deny Role

NYT-Freidman 12/13 McFarlane warned a senior Israeli official last year that if the 2cms deal with Iran was exposed, the Administration would deny all involvement and say that the responsibility was Israel's, the Israeli TV reported. The state-owned TV also reported that Peres asked Sholomo Gazit to help coordinate in the early phases. primary function was to interview Ghorbanifar to assess his credibility. Gazit withdrew from the assignment during the summer of 1985. One reason was that the Mossad was being kept out of the dealings for reasons that have never been made clear. Kimche was asked to comment on McFarlane's remark but said "I prefer not to answer that question." Although Peres, Rabin and Shamir have stated that they did not know about the contra connection, that denial maynot apply to lower level Israeli officials.

#### CIA Calls Ghorbanifar a Chronic Liar

NYP-LA Times 12/13 The CIA gave Ghorbanifar a lie detector test in 1985 before the Administration used him as a go-between in trading arms-forhostages -- and he failed. The agency considered him a chronic liar and completely distrusted him. Nevertheless, Casey decided that selling 'arms through Ghorbanifar was a good idea, and he promoted the idea energetically. Ghorbanifar insisted to Barbra Walters that he had-no dealings with the CIA.

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NYT-Gerth 12/13-Two investors who joined Khashoggi in financing the US arms sales to Iran were also in other business deals with him. The complicated dealings suggest that Khashoggi's financing of the arms sales was an extension of his other commercial activities. The two investors are Canadian. (see box-Khashoggi's Connections; included are Schwimmer, Nimrodi and Nir)

NYP-Lachman & Dan 12/13 The interview Khashoggi gave Walters raised serious questions about whether he is telling the truth about his role in the affair. Sources challenged several of his points. For example, he said that he didn't make a penny on the deal but Israeli accounts and other sources said both he and Ghorbanifar made \$500,000 on the first shipment of US arms from Israel to Iran in Sept. 1985. He also said that Saudi Arabia wasn't involved but Israeli sources say Khashoggi's first message to Peres explicitly stated that Saudi Arabia was interested, was ready to finance the deal and that King Fahd endorsed the deal.

### System Was Bypassed

NYT-Cushman p.1 12/14-When the Defense Dept. supplied the CIA with arms for sale to Iran, it bypassed the ordinary system for such transfers, according to Gov't officials. At the same time, NSC officials were skirting the normal practices used by the council to keep Pentagon and other policy makers informed baout NSC operations. As a result, an unusually small number of people at the Pentagon knew of the four weapons transfers. It seems that in the Pentagon, only Weinberger, Powell and Armitage knew.

# US Envoy Reports That Admiral Told Him Shultz Knew About Plan

NYT-Gwertzman 12/14 p.1-The US Ambassador to Lebanon reported to Shultz that he had been personally assured by Poindexter that Shultz had no objections to private "backchannel" communications to handle negotiations for the release of hostages in Lebanon, State Dept. officials said.

## Key Details Still Not Clear

NYT-Tolchin p.1 12/13 After 2 weeks of Congressional investigations, legislators sold they could still not understand the essential elements of how the policy was developed, financed and set into motion. The committee members are said to be angry and frustrated.

NYT-Toner 12/13-Robert C. Byrd, the incoming Senate majority leader said the Reagan Administration was the most "arbitrary, arrogant, partisan White House," he had seen in 34 years. He said that the nation's foreign policy was a "shambles."

# Reagan May Issue Public Appeal to North and Poindexter to Testify

NYT-Weinraub 12/14 p.1-Reagan is tentatively considering a public appeal to North and Poindexter to divulge their involvement in the secert diversion of funds to the contras. "There is profound frustration at the appearance that we are not cooperating." a White

### Justice Dept Draws Blame in Crisis/Delayed Contra Case

NYT-Shenon 12/14-The Justice Dept., which initally drew praise for its handling of the Iran arms investigation, is coming under increasing scrutiny bylegislators and others who now ask whether they should share blame for the crisis.

NYT-Shenon 12/13-Justice Dept. officials said that the department had briefly delayed an investigation into private schemes to aid Nicaraguan rebels because of concern that the inquiry would jeopardize negotiations to free American hostages in Lebanon. The disclosure raises serious questions of whether senior Justice Dept. officials knew about ties between support for the contras and efforts to release the hostages. (DN-Volz)

### Bush Says Reagan Must Fire Casey & Regan

NYP-Flick & Orin-Bush told Reagan that Regan must leave the White House because of Iranscam. He also suggested that Casey may have to step aside for the good of the agency.

#### Canadian Connection

NYT-Martin 12/13-The Canadian Gov't ordered the Royal Canadian Mounted Police to investigate reported statements by Casey that Canadian businessmen were involved in the financing of the Iran arms deals.

NYT-Burns 12/14-Ernest Miller, one of two Canadian figures reportedly involved in financing secret arms shipments to Iran was depicted as a shadowy figure who passed more than \$24 million through a personal bank account a few month before the deal.

## Swiss May Reopen Iran Arms Account if US Doesn't Act Soon

NYT-Tagliabue 12/13-Swiss Gov't officials said that the US has so far failed to lodge a formal request for legal assistance in blocking Swiss bank accounts linked to the diversion of funds. The accounts might have to be reopened if the US doesn't act soon.

## Dole Urges Reagan to Meet US Allies on Iran

NYT-UPI 12/14-Calling diversion of profits from Iran arms sales to the contras "just plain stupid, "Bob Dole urged Reagan to call a summit meeting with allies on the foreign policy crisis.

#### The Story Thus Far

NYT-Pear-p.1 & 2 Week in Review-An attempt to piece together some pieces of the puzzle that still has more questions than answers. On the Israelis, officials say they shipped the weapons in 1985 at the request of the US Gov't and with its approval. Israeli officials say they did not know about the diversion of funds. Israelis have angrily denied the American suggestions that they overcharged the iranians and deposite the extra

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money in bank accounts controlled by the contras. Many Israelis fear the affair will adversely affect relations with the US.

# French Newspaper Cites Ransom for Hostages

NYT-special 12/13-A newspaper in Paris reported that 2 French hostages were freed after France paid the kidnappers a ransom of more than \$2 million. A Gov't spokesman categorically denied the article.

# Matching Israel: Syrian Goal Seems Unlikely

NYT-Kifner-Western diplomats based in Damascus say Syria appears to be unlikely to to be able to achieve its stated goal of attaining strategic military parity with Israel in the foreseeable future. "The Israelis and the Syrians are simply on two different escalators. They're both going up, but one, Israel, is going up much faster," said one diplomat. While Syria has amassed a huge amount of weapons, there is a difference between quantitative and qualitative parity. Syria is still said to have problems with its command structure.

# Arabs in Israel Protest Policies on West Bank

NYT-AP 12/14-Hundreds of Israeli Arabs marched through Nazareth chanting Palestinian nationalist slogans to protest Israeli policies in the occupied territories. Meanwhile, there were new incidents of violence in thoseareas. In Jerusalem, Arabs and Jews threw stones at one another. The protest in Nazareth was organized by the Communist Party.

## Iraqi Warplanes Bombard Teheran

NYT-AP-Iraqi warplanes destroyed an anti-aircraft defense network and a power plant in Teheran in the first raid on the Iranian capital in 7 months.

### War Games in Oman

NYT-Middleton 12/14-The first logistics lesson from Operation Swift Sword is the importance of water in a desert environment. A second lesson's reinforced the all arms concerpt that the US Army and Air Force advocate. Finally, there is a lesson that the omanis are the best of the Arab troops.

#### OPEC

NYT-Netter-An agreement in principle by OPEC ministers to cut output to raise prices ran into techical and political difficulty and the ministers decided to suspend the conference til Monday to bargain individually.

# Scholars praise Italy's Role in Helping Jews in WW II

NYT-Berger 12/14-Despite its partcipation in the Axis alliance, Italy in WW II provided a safer haven for Jews than most other Europeum countries, a number of scholars agreed at a conference held in NY and cosponsored by the Italian Ministry of Foriegn Affairs.

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## Hebrew Schools Losing Students in New York

NYT-Hardie 12/14-Enrollment in afternoon Hebrew schools in the NY metropolitan region is steadily declining, and educators say they are seeking to attract young Jews back into the classroom. Educators give many reasons for the decline, including intermarriage and low birthrates, but all say it indicates Reform and Conservatiev Jews are turning away from religion.

#### Letters

NYT 12/14-3 letters on the Palestinian problem. Yosef Rom, Heskel Haddad and Edward Saar refer to Abba Eban's Op ed piece of 11/9.

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מביחים שתככם מרכזים אצלקם את כל × כל חומר החקירה וההירינגס השתפרסט בפרשת אירן - קונטרס, זאת לבד מחסיבומים שחנכם שולחים לנו באופן שוטף.

מנהל מעפ"א

תיכאל שיכאל שילה אישור מוחל המחלקה:

האריך וומן חיבוד (ימולא עיי השולח) 14 הדצמבר 1986

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אל: רמשייג + יוסי קדמ / ניו יורק

דע: מנהל מצפייא /משהיים רי סיבייט/ משהבייט ציר כלכלי (כאנ)

# הלביא - דנייח ה- GAO

להלג משיחה עם מייק ווג-דוזו, עוזרו של המורשה המילטוג (לבקשת יוסי קדמ):-

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- 1) בישראל הבטיח המילטונ למסור לנו עותק הדוייח הסופי עמ קבלתו, אכ טדמ התקבל.
- 2( לפני כ-10 (עשדה) ימימ ה- 6A0 מסר את הטיוטא השלמה ל- 200 לשמ הערות, ובעיקר לשמ הנחיות לגבי סיווג הדוייח וצורתו הסופית (ייתכנו דוייח בשני חלקימ, האחד סודי והשני בלמייס, או בשתי מהדורות, אחת בלמייס). תחליכ זה חייב לקחת 15 יומ.
  - (3) וונ-דוזו יתעניינ בהתקדמות בימים הקרובים.

יוספ למדג--

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SUMMARY RECORD ON STRATEGIC DUAL-USE TRADE CONTROLS - December 9-11, 1986

On December 9-11, a United States delegation led by Philip Hughes, Deputy Assistant Secretary of State for Politico-Military Affairs, and an Israeli delegation led by Mordechay P. Avior, Chi Engineer and Director of the Metal, Electric and Electronics Division of the Israeli Ministry of Industry and Trade met in Jerusalem to discuss the protection and control of dual-use technology by Israel to prevent their sale or diversion to COCOM-proscribed destinations, as mentioned in the Israeli docume of August 19, 1986, and discussed during the meetings.

The U.S. side reviewed the Soviet program to acquire sensitive Western technology, Western efforts in COCOM to stem the loss of strategic technology to the Soviet bloc, and the rationale and requirements for the cooperation with COCOM of other countries sharing common security interests of the West. The two delegatic agreed that protection of strategic dual-use technology from acquisition by the Soviet bloc was in their mutual security interest, and the Israeli delegation affirmed that it is the policy of the Israeli government not to supply Soviet bloc countries wit anything of military or security importance.

While pointing out that its mandate was confined to negotiati about the protection of dual-use technologies, the Israeli delegation provided, for the edification of the U.S. side, a briefing on Israel's system of munitions control and responded to U.S. questions about it. Both delegations noted the close similarity of the Israeli system with U.S. munitions control procedures -- which, in turn, reflect multilaterally agreed COCOM controls on munitions sales to Communist countries. The U.S. sid pointed out, however, the absence of a specific regulatory prohibition in Israeli practices on munitions sales to Soviet blo destinations; a commitment to the U.S. or other countries to purs a harmonized policy with respect to these destinations and muniti items; and a means to make manifest to other countries the protective measures utilized by Israel in this area and to make these available cooperatively to other countries seeking to limit Soviet access to Western strategic technology. At the same time, the U.S. side noted the explanation of the Israeli delegation tha Israeli law prohibits all exports of munitions items to all destinations unless specific permission is granted. As a matter policy, such specific permission would not be granted for exports Soviet bloc destinations.

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Noting Israel's stated willingness to cooperate in the protection of dual-use items on the COCOM International (Industri List, the U.S. side emphasized the indispensability of controllin the full range of strategic technology controlled by COCOM, at the levels and to the destinations to which COCOM controls them, usin COCOM-like instruments and procedures. Such cooperation would be essential to achieve recognition by the U.S. and by other COCOM members of Israel as a cooperating country and to meet the standar of U.S. law for becoming eligible to receive licensing benefits as COCOM-cooperating country. The U.S. side urged the Israeli delegation to consider ways to achieve cooperation in the protecti of the full range of strategic technologies controlled by COCOM-including those on the International Munitions List and the International Atomic Energy List.

The U.S. side outlined the general requirements for an effecti strategic trade control system: an export licensing system which licenses exports of any strategic technology in Israel to all destinations; documentary evidence of the legitimacy of strategic export transactions (Import Certificate and Delivery Verification Certificates); pre-license and post-shipment checks to verify the validity of strategic exports; controls on re-exports or changes of end-use and end-user; enforcement of strategic trade controls in in-transit and in-bond situations; and enforcement cooperation with other countries seeking to prevent strategic technology diversion t COCOM-proscribed destinations. The Israeli side indicated that it was willing and able to cooperate with measures as indicated in the Israeli documents for the protection of dual-use technologies. The U.S. side urged the Israeli side to examine earnestly the possibility of achieving a solution to the legal impediments which were said to preclude a role for U.S. personnel in export control investigations conducted under the aegis of Israel in its territory, as this constitutes a vital element of cooperation in strategic technology protection.

The U.S. side reviewed COCOM dual-use and munitions export practices to China (where substantial liberalization has been achieved or is pending); procedures for making changes in the COCOM control lists and for considering exceptions cases in COCOM: and U.S. foreign availability procedures. The Israeli side made clear that it wished to ensure that it would want to know promptly of changes in the COCOM list, that it did not wish to be bound by controls that were more restrictive than those the COCON countries applied to themselves, but that, in making sales on an exceptions basis to COCOM-proscribed destinations, it did not wish to submit these cases to COCOM due to lack of reciprocity for fear of providing commercial intelligence to competitors and possible prejudicial action by other countries against Israeli sales. The Israeli side emphasized that solutions should be found to overcome possible difficulties emerging from the fact that Israel is not part of the decision-making process in COCOM.

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The Israeli side also argued that it should be permitted a more liberal standard regarding sales in "borderline cases" to Communist, bloc destinations in consideration of its lack of normal trade outlets with several countries. The U.S. side affirmed that Israel would not be bound to more stringent strategic trade controls than the COCOM members, and explained various ways to accomodate Israel's interests regarding changes in the COCOM list and the COCOM exceptions procedures. The U.S. side pointed out, however, for Israel to apply a different standard of strategic trade controls than COCOM, even in "borderline cases," would be both incompatible with COCOM cooperation and produce complications for U.S. foreign availability legislation.

The U.S. side explained that, in addition to facilitating a freer flow of strategic technology between the U.S. and its COCOM partners, and Israel, an arrangement to cooperate in protecting the full range of COCOM-controlled strategic technology would produce tangible benefits. The U.S. side indicated its willingness to provide, at the time of signature of such an arrangement, \*15/15 day" licensing procedures and "G-COM-like" licensing benefits (no export licenses required for Administrative Exception Note level national security controlled technologies to Israel), provided that. implementation of this COCOM benefit must be done in a manner consistent with U.S. legal obligations as explained by the U.S. side. Other licensing benefits under Section 5(k) of the Export Administration Act would be available on full implementation of such an arrangement on cooperation and when the control system is determined to be comparable in practice to the COCOM system again AV consistent with U.S. legal obligations as explained by the U.S. side. The Israeli side expressed its interest in the further specification of the circumstances and criteria which would result in the conveying of additional licensing benefits under Section 5(k).

expressed willingness to have the technology protection measures of such an arrangement shared in and made available to COCOM, the U.S. side suggested that the terms of an arrangement on strategic trade security could be embodied in more than one document. In the view of the Israeli delegation, the scope of such an arrangement should be confined to dual-use technology.

The Israeli side pointed out that whenever changes in either United States or Israeli law or regulations would affect negatively the arrangement, it would be reviewed accordingly.

Both sides expressed great satisfaction with the progress achieved during this round of talks and affirmed their intention to complete the necessary work in time for their next round of talks. They further agreed to meet again in early April to resume negotiations, with the date to be confirmed through diplomatic channels.

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מנכ"ל מדיני, ממנכ"ל, מנהל לשכת השר, מע"ת, מצפ"א, אמית"ק, יועץ תקשורת לרה"מ, יועץ תקשורת לשהב"ט, דו"צ, קש"ח. לע"מ

עתונות, ניו-יורק

## סכום תקשורת 12.12.86

וושינגטון

הספול במשבר הבית הלכן (לשעבר "המשבר האיראני") נכנס לשגרה. מדי ערכ פותחות הרשתות את המהדורות כסכום ההתפתחויות, העדויות והדיווחים שהגיעו כמהלך היום ובגילויים המתחדשים מדי יום. "נייטליין" מוסיפה לעקוב בצמידות בלתי-מפתיעה אחרי הפרשה (כזכור החלה "נייטליין" את דרכה בעת המשבר האיראני הקודם, זה של שגרירות ארה"ב בטהראן; כמה ממרואייניו של קופל לא נמנעו מלהזכיר לו זאת בשכועות האחרונים). DBC מפיצה מדי יום בין משרדיה השונים מעין מברק יומי בשם IRAN-O-CRAM המקצה את משימות הכיסוי למחרת ומאפיינן לפי סיווגים. מקניל/ להרר התפנו כבר לעסוק בדיוקנאות-עומק של רמויות המפתח בפרשה (כסגנון: "מי אתה אוליבו נודת""). בעתונים נחקרות כל הזויות האפשריות מתוך מונוטוניות מסויימת, וממאמרי המערכת נעדרת הנימה הדרמטית ואף הצעקנית של ימיה הראשונים של הפרשה.

התקשורת מתייחסת, איפוא, לנושא כל פרשה שתשאר עמנו לפחות חדשים רבים. מטבע הדברים נערכות כל הזמן השוואות עם פרשת "ווטרגייט", והגם שההשוואות מעלות שאין כל דמיון כין שתי הפרשיות, עצם החשואה עשוי ללמד על הנימה החבויה בראייתם של הכתבים, הפרשנים והעורכים. התקשורת גם "בוחנת את עצמה" דרך קבע, ודוחה כמובן קטגורית את ההאשמות מצד הנשיא שהסיבה למשבר נעוצה בכיסוי העתונאי המופרז.

ההיבט העיקרי מוסיף להיות זה של הנשיאות. "נייטליין" הקדישה תכנית שלמה לשאלה מדוע כל הממשלים מתפוררים בסופו של דבר במשבר נורא כלשהו ואם אין הדבר מלמד על פגם יסודי כלשהו בשיטה: האמריקנית. הן במה שמתפרסם והן בשיחות יש חוסר אמון בולט בהנחה שאפשר שהכל מתחיל ונגמר אצל לט. קולונל אוליבר נורת'. ואם כך הוא המצב הרי שזה עוד יותר גרוע מבחינת תפקוד הנשיאות.

מכחינתנו חלה הקלה כשכוע האחרון ואולי לאחר תכנית "20/20" מאמש עוד יוסיף המצב וישתפר. כתכנית זו, שתמלילה יוברק כנפרד, ראיינה ברכרת וולטרס את ערנארח'שוגי במטוס ה-BC-8 הפרטי והמפואר שלו במהלך סיסה מניו-יורק למונטה-קרלו; בהגיעם שמה ראיינה גם את גורכניפר. ה"ה ח'שוגי וגורבניפר הטילו את מלוא האחריות על נורת' וסיקורד, הדגישו (ח'שוגי) שכל הקשר של ישראל לנושא היה פשוט לצורך העברת הנשק האמריקני, שישראל עמדת על כך שיהיה אישור אמריקני מוקדם (גורבניפר), שאיראן לא ידעה שישראל מעורכת (עד כדי כך שהאיראנים אשר לקחו חלק

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בפגישה שבערכה בהמבורג סברו שקמחי ושוימר הם אמריקנים מצוותו של מקפרלין), שאוליבר נורת'
הוא שקבע את מחיר הנשק (סה"כ 35 מיליון \$ ב-6 משלוחים) והורה היכן להפקידו - ולא הגדם וקייטי אותם ניקו לחלוטין מכל ידיעה (דצא דהיום סותר זאת). בכלל, אומר ח'שוגי, פניתי
לשמעון פרס כי לא סברתי שהאמריקנים יכולים לחקור את גורכניפר כהלכה. השניים גם עמדו על
כך שלא ידעו דבר על הקשר לקונטרא'ס. עתוני ניו-יורק מדווחים היום בהרחבה על התכנית
ואינם מציינים כלל את שמה של ישראל בדיווחיהם. אף אם לא כל דבריהם של ח'שוגי וגורבניפר
מתקבלים כאן באמון מוחלט בכל זאת יש בכך אישור לטענתנו מלכתחילה, וכך מתקבלים הדברים בד"כ.

אכן, תגובותינו עד כה צויינו כחיום בדרך-כלל, הן מבחינת מהירותן ויעילותן והן מבחינת איפוקן מול מה שכמה מבני-שיחי כינו ה"פרובוקציות" של הממשל. אולם הסיפור טרם תם, והתקשורת תוסיף לפשפש ולנסות להעלות קשר כלשהו בין הקונטרא'ס לבין ישראל או ישראלים (אפילו לא רשמיים). כבר בשלב זה נוספה לבנה נוספת לקיר שאבן הפינה שלו היתה פרשת פולארד והמשכו כסיפורי פרשיות הנשק והטכנולוגיה השונים במהלך השנה האחרובת דהיינו, ישראל היא TROUBLE אשר בקנה מידה בינלאומי ואמריקני. נכתבו גם כמה טורים (ומאמר מערכת אחד ב-MATION) אשר העבירו ביקורת על הסחפות ארה"ב אחרי אינטרסים ישראליים שאינם בהכרח בם אינטרסים של ארה"נ. אולם מרכיכ זה נבלע בסה"כ בגל הביקורת הקטלנית על הנשיא ותפקודו, והכותבים כרוח זו הם מן הצד השמאלי של המפה.

הפרשה המסתעפת מבליעה את הטיפול כמעט בכל דבר אחר. אולם ארועי השטחים היו סיפור גדול דיו וכוסו בהרחבה. לפחות בשיחות מתקבל בהבנה הטיעון שמדובר בעיקר ככיטוי חיצוני ליריבויות פנים-אש"פיות. טרט הגענו לשלב המערכתי בנושא זה.

נסיים בהערה לגבי המשך התיחסותנו למשבר הבית הלכן. עדיין אני סכור שאין לנו כל סיבה וצורן להתבטא כנושא כשלב זה. אולס הסיפור הוא כבר כן למעלה מחודש ואנו נדרשים להתבטא בציבור בנושאים רבים אחרים. אין אפשרות להמנע כמסגרת ראיון על הנעשה כיו"ש, או על האחריות הסורית לטרור משאלות על עסקת הנשק. אפשר ומתקרב הרגע כו נצטרך בכ"ז להתבטא.

רחיפות:	מחלקת הקשר ניו-יורק טופס מברק	מתוך:
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News Summary December 12, 1986

#### Editorials

NYP "First, Plug the Leaks in Congress" A key factor in the row over the Iran affair is the administration's failure to inform Congress about any aspects of the enterprise. But the Iran hearings on Capitol Hill offer, in themselves, an explanation for the administration's reticence: that fact is that Congress can't keep a secret. Anyone who hopes that a cover operation will succedd knows that telling Congress is a fatal mistake.

#### Columns

WSJ-Garment "We Don't Want Watergate Again, But Get It Anyway" By the end of last week, many Congressmen were marching around Washington programmed to speak nothing but Watergate words and Watergate thoughts. Steve Solarz's remarks on the President knowing, for sure, about the diversion of funds, is a prime example. The big problem with this whole affair is that some decsions were ma without even elementary political prudence. This failure came about to a certain extent because government organizations had been cut out. This sort of exclusion has become a standard feature of the way presidents make foreign policy. The problem is doing the US massive damage around the world.

NYT-Wicker "Two Different Gates" Pormer popularity won't save Reagan from the consequences of his actions, any more than animosity caused Nixon's downfall. But at some point in the various investigations, a more generous public and press attitude could make a difference. The most important difference between Watergate and Reagangate is that Reagan probably won't be impeached or forced to resign-though the offenses resulting form his policy are more serious than anything Nixon did. In Reagan's case, real national security is involved. Never mind that the policy was misconceived, backfired and collapsed, or that certain laws may have been broken. If precedence is a guide, Congress will consider the scheme to have been taken within the obscure limits of a President's national security powers.

DN-Nelson "Cleaned Out by Mullahs" Iran, a certified terrorist nation, has bought US missiles, in defiance of a US arms embargo, with money borrowed from Canadians working with a friend of the Director of the CIA

תאריר: 2-12-83 שם השולח: זורה רף אישור:

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Iran didn't pay the money back and the Canadians are threatening to sue. The Reagan administration had made a major effort at Kissingerian geopolitics and got taken to the cleaners by a bunch of mullahs. It found itself selling missiles--"They paid cash" Regan boasted on Nov. 14--to the nation that sponsored the massacre at the Beirut Marine barracks. The Iranian won on this deal. Friendly Arab states feel betrayed, Israel is resentful that it is being blamed for starting this crazy scheme.

NYP-Evans & Novak "Odd Reward for Loyalty" While Buchanan goes unrewarded for his loyalty to the President (he will not be named Amb. to NATO), Regan will not be forced out. This paradox describes the remotness of the Reagan presidency that led to the current crisis. While the President cannot bear to sack anyone, he is blissfully oblivious to rewarding his truest supporters.

DN-Cohen "The Guns of August Press Were Silent" How come the mythical guard dog called the American press did not know American arms were being shipped to Iran? Ship after ship arrived in Iran. Planes took off from Israel. Numerous Americans were in on the secret. Israeli and US officials knew and talked to one another. Twice, in the months before the entire arms operation was revealed, high Israeli officials were in Washington about rumored Israeli shipments to Iran. Simple Israeli denials from Israeli officials seemed more than enough to turn off all inquiry. In retrospect, the sorry record of the press and Congress is startling.

NYP-Rabinowitz "Scaps Are Where You Find Them" Thousands of fans of soap opera called network switchboards enraged that their soaps were pre-empted by the congressional hearings. If they had stayed tuned they would have been priviledged to witness a spectacle equal in atmospherics and sheer emotionalism to rival the best of the soaps.

#### Press Reports

# Israel Said to Seek Nicaraguan Diplomatic Ties

"NYT-Kamm (photo fo Netanyahu) Israel has been trying since 1982 to restore diplomatic relations with Nicaragua rather than supply arms or money to anti-Gov't rebels, Israeli officials say. At the same time, nonofficial Israeli analysts said the possibility could not be excluded that defense and security officials, possibily working with private arms merchants, might have cooperated with American agents in assisting the contras. While critics of arms sales policies in Israel have not contradicted official denials that Israel supplied weapons to the contras, there were indications that such action had at least been discussed within the israeli Gov't. In early Dec., Amb. Netanyahu was reported in Maariv to have urged aid to the contras several years ago while he served in Washington. But Israeli sources report that in addition to offering economic aid to the Nicraguan gov't, Israel also suggested to the Nicaraguans that the resumption of diplomatic ties would help the left wing Gov't gain sympathy with an important sector of US political opinion. (cabled)

# Israelis Use Tear Gas to Rout Gaza Protesters

NYT-Reuters Israeli soldiers fired into the air and used tear gas to rout dozens of stonethrowing Arab youths chanting slogans at a UN school

in Yunis. UN refugee agency officials and at witness at Bureij siad an 18-year old youth was critically wounded by an Israeli patrol. He was not taking part in demonstrations but was walking home peacefully and alone when he was beaten and shot. The official Israeli account of the incident said the youth tried to grab a club from a soldier. Schools were boycotted in Gaza. In the West Bank, youths burned tires and threw stones at passing Israeli cars. In Jerusalem, Jewish pupils from one school threw stones at students from an adjacent Arab neighborhood. A 13 year od Arab boy was slightly wounded. Israeli authorities say 3 of the 4 recent deaths were associated with right-wing settlers or army officers associated with them. A UN official said that security forces were detaining more than 200 youths.

#### Israelis Raid Palestinian Bases in North Lebanon

NYT-Hijazi-Israeli jets attacked bases of two radical Palestinian groups in northern Lebanon, killing 6 people, including a guerrilla official, and wounding 20 others. The Revolutionary Council threatened retaliation "wherever Israelis may be." The air raid followed fresh guerrilla activity in southern Lebanon. Two guerrillas were killed in clashes with Jsraeli soldiers inside the so-called security zone and several rockets landed in the Galilee. There was no damage reported.

#### Rabin Doesn't Regret Israel's Role in Arms Sales

WSJ-Seib-Rabin, handling simultaneous crises over arms sales to Iran and violence among Palestinians, says he doesn't regret the Iranian operation and isn't surprised by the Palestinian uprising. In an interview yesterday, Rabin asserted that despite the uproar over the arms, Israel doesn't have second thoughts about arranging the secret arms sales. He said he supported the purposes—the strategic ones—and did not ignore the question of thr hostages. In terms of the violence by Palestinians, he says that it has been inspired by radical Palestinians alarmed by Israel's recently improved relations with Egypt and its growing tactic cooperation with Jordan. He fully babks, the way the army has been handling the violence.

# Order to Bypass Congress on Iran Called CIA Idea

NYT-Engelberg p.1-Gov't officials said that the CIA originally proposed the idea of keeping the Iran deal secret from Congress. They said they took the unusual step in the first draft of what became Reagan's order guiding the program. The decision not to tell Congress was a crucial step because it meant the entire operation had been run outside normal channels. Casey said he had been ordered by Reagan not to tell the Congress about plans to sell arms to Iran. The CIA's decision to seek a Presidential finding came late in 1985, after the agency became involved in helping Israeli shipments of weaposn to Iran.

#### Roy Furmark

DN-wire-Roy Furmark was questioned by Congress yesterday. He is a former law client of Casey. Sources said he was approched by Khashoggi and was told to tell Casey that agroup of Canadian investors in the Afms deal had been shortchanged and believed the funds had been diverted to Congress. The investors were threatening to file suit against the Saudi billionaire, which would have made the affair public. Furmark is said to be a close business associate of Khasoggi.

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NYT-Gerth-Furmark gave Congressional investigators information about the finances of the dealings and he also touched off an inquiry into the CIA. casey said he became suspicious in October that funds from the Ican sale were being diverted after a conversation with Furmark. But Casey, after testifying told reporters that he "first learned" about the diversion last month, when Messe told him.

#### Khashoggi and Gorbanifar Interviewed

NYT-Butterfield-In his first public interview, Gorbanifar asserted that he had personally gone to Lebanon to arrange the release of the hostages. He declined to specify how he gained the release of the first 3 hostages. Both Gorbanifar and Khashoggi said they did not personally benefit financially from their involvement in the arms sales. Khashoggi said that he had first met Gorbanifar in Hamburg in mid-1985. But associates of the men said they had been in business together before.

NYP-Orin-Khashoggi said in an interview last night that "We don't have to deal with the CIA--we deal directly with the President." He said he was convinced that Reagan knew because the Israelis "were talking that they would not move unless the president approves. (DN-Rehm)

#### How The US Hatched the Deal

NYP-Juffe & Dan-In the late spring of 1985 the White House was astonished to learn that it might be able to deal directly with Iran to free the hostag . They recieved this information from Israel. Then a TWA jet was hijacked by Islamic Holy War. Under pressure from the White House, the Israelis freed Shiite prisoners, as was the demand. Botween these two events, the fantastic idea of shipping US arms through Israel to Iran was materializing. Khashsoggi first brought the idea to the sraelis. King Fahd was so keen on the idea, said Khashoggi, that he will help finance the deal. Peres immediately called Schwimmer and Nimrodi and told them the details. He asked how the deal sounded to them and they said they would check. Nimrodi met with Gorbanifar and Khashoggi and questioned then closely. It was then that Gorbanifar brought in the question of the hostages. Peres was fascinated and contacted Washington. Washington dispatched Leeden. Israel's main reservations about the deal was that Washington had to say explicitly it wanted to trade arms for hostages. If the deal wasexposed, Israel wanted to avoid being the sole target of the blame. So Peres dispatched Kimche to get such assurances and he spoke with McFarlanc. Kimche took careful notes as McFarlane said Reagan authorized the arms-for-hostages deal.

#### White House's Overtures Toward Iran Over 6 Years

WSJ-Mossberg A chronology of US contacts with Iran since Reagan came into office. Israeli involvement is outlined.

#### Iranian Arms Shipments to Rise

WSJ-p.1 brief-US analysts worry that the de facto collapse of the US arms embargo against Iran will allow a great deal of arms into that country. A number of countries are poised to make new sales.

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#### Marcos Aide Linked to Arms Sales to Iran

NYT-Reuters-The former Chief of Staff of the Philippines armed forces, Gen. Fabian Ver, took part in a plan to keep Shultz from learning that American weapons were being shipped to Iran. Vre, who served under Marcos, signed false certificates early this year indicating that the arms were being shipped to the Philippines. The false certificates were presented by Israeli officials to the State and Defense Departments to hide the true destination of the weapons. The Phillipines link dated to mid-1982 when Israel began selling Iran weapons captured in Lebanon.

#### Solarz Concedes 'Lack of Smoking Gun' on Reagan's Role

NYT-Rother-Solarz conceded that testimony had produced "no smoking gun" linking Reagan to the diversion of funds. But Solarz said affirmed his view by saying "it now seems reasonable to conclude" that Poindexter and North acted on "a higher authority," which could only be Reagan.

#### Reagan's Aides Seek Guidance

NYT-Boyd & Weinraub p.1-Aides to Reagan are said to have concluded, for the first time in his tenure, that they are unable to quell a major crisis and have begun to ask former White House officials for advise. There is concern that the crisis was increasing. Advise being given by former aides suggest that Don Regan should resign.

#### Reagan Says Crisis Will Blow Over in A Week

NYP-Reagan has told two former national officials that he expects Iranscam to blow over in a week at most.

#### 2 Seens As Likely to Lead Iran Panels

NYT-Roberts-The leading candidates to head the two special committees that will investigate the arms deal are Rep. Lee Hamilton of Indiana and Sen. Daniel Inouye of Hawaii. But no final decision has been made yet.

#### Hope Dims on Hostages' Release

NYT-AP-Two Arab Americans seeking the release of the hostages in Lebanon said their hopes had dimmed of at least returning home with one captive.

#### Big Arms Case Put Off

NYT-The US Attorney's Office in Manhattan obtained a second court adjournment of its case against 18 defendants charged with selling arms to Iran because of a need for more evaluation on how or whother to proceed. Such a postponment, in the middle of a case, is unusual and may mean that prosecutors are considering dropping the case.

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### Birthday Bash for Reagan Off the Air

WSJ-A nationally syndicated TV special honoring Reagan was canceled after sponsors concerned about the Iran arms scandal pulled out of the show. The program chronicles Reagan's movie and political career and was to be aired on Reagan's birthday, on Feb 6. (all papers)

#### Pope Urges Peace on all Terrorists

NYT-Suro-The Pope issued a peace message for 1987 in which he begged terrorists to give up violence and denounced development programs that he said denied poor nations their rightful freedoms.

#### Wiesel Luads Peace

NYT-AP-Elie Wiesel raised an impassioned cry against persecution, terrorism, hunger and war. Before delivering his formal lecture in Oslo, he sang a traditional Jewish song.

#### Letters

NYP-3 letters in response to a recent column comparing Kahanism to Nazism. The letters support Kahane or at least, his right to speak.

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## ביקור מק-קונזל

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- בגלל פרשת איראן וההשתתפות האינטנסיבית של מק-קונזל ועוזריו בשמיעות מטעם וועדת המודיעין בסנט, שיחתי עם ראש לשכתו (גינט מולינס) ועוזרתו לעניני חוץ (רובין קליבלנד) נדחתה להיום .
- באופן כללי הן מסכמנת עם ההצעות הרחבות שבמברקנו הנ"ל. למעשה (כמקובל בביקורים כאלה) מדובר בשלושה מכלולים :
- (א) שיחות מדיגיות בנוסף לשר, רה"מ, שר הבטחוז ושר האוצר, הן מבקשנת פגישות עם השר שרון והשר ארנס. כ"כ מעונינות בפגישות עם ח"כ אבן וחברי וועדת חו"ב, וכן עם חברי מפלגת התחייה בכנסת. כנושאים לשיחה מזכירים את הסיוע, מצב הכלכלה והמשק, אס"ת, ישראל-דרא"פ, פרשת איראן.
- (ב) שיחות וסיורים צבאיות: לרבות תדרוך אמ"ן (האיום, במיוחד האיום הסורי, המלחמה בטרור) ותדרוך אג"ת (סד"כ, תכנון), ר/המינהל האזרחי. כ"כ ביקורים בבסיס ח"א, פרוייקט הלביא ובתע"ש (פיתוחים חדישים).
- (ג) סיורים בארץ טיול לגולן ולצפון, לינה בחיפה (ולא בקיבוץ), העיר העתיקה, אך לדברי העוזרות, הסנטור הינו "תייר עצבני" ואינו מעוניין במוזיאונים ובחפירות. ירצה לראות עולים מבריה"מ (אך לא עולים אחרים).
  - 3. מסחבר שזה יהיה ביקורו השני בארץ. ביקר קצרות בשנת 1977 במסגרת משלחת למזיית מטעם "המועצה האמריקאית למנהיגים פוליטיים צעירים" (גוף לא-יהודי).
    - 4. יגיע עם ידידיו בלבד וללא עוזרים. מכיר היטב את לסלי לוי (לוביסט לשעבר של איפאייק) והעוזרות שואלות אם תרצה להצטרף לפמלייה כמעין "STAFFER". אסתר קורץ תנסה ליצור קשר עם לסלי בנדון.

פגרירות ישראל - וושינגטון

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דף..... מתוך..... ידפים כווג בסחוני.ש.מ.ו.ר... דחיפות....מי די י

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.5 לשלכם 336

. (א) האיש ביוניטורס הינו אלן לוי במשרד החברה בת"א (03-246261).

(ב) פרטי הגעה ויציאה והפמלייה בנפרד,בתחילת השבוע.

6. בללי - גלויות

גנט מולינס מחייבת את רעיון קניין הגלויות (של קנדיו). תדבר עם הסנטור בנדון. מבקשת לדעת כמה הם והבולים עולים. הבריקונא.

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ות ישראל - וושינגטון

אל: המשרד

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בסחוני שמור אבריך וזיים. 00.00 בו דצמ' 86

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מצפייא

קונגרס - פרשת איראן - קונטרס: עדכון והערכה לשלנו צלב ע- 21. ע

#### א. עדכון עד ה-וו דנא

#### בית הנבחרים

ו. שלשום (10) הופיע ראש הסי.אי.איי, וילייאם קייסי, בפני וועדת החוץ למרות זאת שהיישמיעותיי היו בדלתיים סגורות רבו ההדלפות. וביניהן הידיעה על פן חדש לגמרי לפרשה - והוא מעורבות קבוצת קנדים ששימשו אנשי ביניים ומימנו חלק ממשלוחי הנשק האמריקאי לאיראן (דרך ישראל). קייסי למד על מעורבות זו ומכירות אלה עוד בשבוע הראשון של אוקטובר באמצעות איש עסקים מניו יורק,רוי פורמרק, שטען שהקבוצה הקנדית לא קיבלה את מלוא כספה מהאיראנים והם שוקלים הליכים משפטיים. לדברי קייסי, מסר על זאת לפוינדקסטר, שהגיב בדאגה, אך הוא (קייסי) שמע על העברת הכספים לקונטרס רק בעת מסיבת העתונאים של התובע הכללי מיז באמצע נובמבר. מן הסתם התכוון המורשה לארי סמית לגלוי זה באמרו לאחר השמיעות שמסתמנת "מצבת חדשה של שחקנים" (ראו נא שלנו 3o7 א-מסט.

2. כ"כ התייצבו שלשום מק-פרליין, גייס (מ/מנהל הסי.אי.איי.) ופוינדקסטר בפני וועדת המודיעין. האחרון הופיע למשך עשר דקות בלבד לאחר שפעם נוספת יאימץ את תתיקון החמישיי (נגד הפללה עצמית). אתמול העיד גם קייסי בפני וועדה זו. הפעם פחתו אמנם ההדלפות, אך לפי השמועה קייסי היה מפוזר ומבולבל, והדבה לטעון אי-ידיעה לגבי החשובות לשאלות הנוקבות, כפי שטען גם יום קודם בוועדת החוץ. חוסר-ידיעתו בלט במיוחד לגבי "גילגול" מיליוני דולרים בחשבונות הבנק של הסי.אי. איי בשוויץ, וכתוצאה הושמע גל חדש של קולות לאחר הופעותיו אלה שיש לפטר את קייטי או כלא אומר כל האמת או כבלתי כשיר לתפקידו.

3. במקביל וועדת המשפט התחילה בפעולה. היו"ר פיטר רודינו (שהתפרסם כיו"ר וועדת החקירת בעת פרשת ווטרגייט) פנה למשרד המשפטים בייפטיטציהיי לקבל מסמכים רולוונטיים עד ה-20 בדצמבר. המורשה ג'ון קוניירס (יוייר ועדת המשנה למשפט פלילי) תקף את מיז על זאת שהוא מנהל את החקירה בייקשר הקונטרסיי בפרשה, בטענו שיש להטיל זאח

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על התובע המיוחד שיברר את פרשת משלוחי הנשק לאיראן. גם המורשה דון אדוורדס (יו"ר ועדת המשנה לזכויות אזרחיות וחוקתיות) מתח ביקורת על צרות המנדט שמיז הציע לתובע המיוחד, והצטרף אליו הסנטור הוארד מצנבאום (מבכירי החברים בוועדת המשפט בסנט).

#### סנט

4. השמיעות הסגורות בוועדת המודיעין נמשכות בקצב מלא. האלוף (מילי) בחייי ריציארד סיקורד שמסתמן כדמות מרכזית בקשר לקונטרס -ייאימץ את החמישיי בתחילת השבוע, ובעקבותיו רוברט דוסון, אחד משותפיז לעסקים, ייאימץ אח החמישיי שלשום גם כן. אתמול העיד רוי פירבנק הנייל. נראה שיו"ר הוועדה, דייב דורנברגר, מאבד סובלנות. אתמול טען בפני החקשורת שעל הנשיא לשנות אח טעמו: לא יתכן שהנשיא מבטיח יישיתוף פעולה מלאי ואזי מרשה לקצינים ולפקידים בכירים להתגונן ולהסתתר מאחורי התיקון החמישי - על הנשיא ליטול אחריות ולדרוש שיים באורח מלא. כמדוות נימה זו של אי-נחת נשמעה כבר אצל מחוקקים רבים ובהקשר זה - מזוית אחרת - ראו נא המכתב הרציב מאת מנהיג הרוב, הסנטור דול, שפורסם בעתון הוושיפוסט חיום.

#### ב. הערכה

- הולך ומתרחב מחנה המאמינים והטוענים ברבים שאין להעלות על הדעת שנורתי ופוינדקסטר פעלו על אחריותם בלבד. מזמן יש המצביעים באצבע מאשימה לעבר דונלד ריגן ולא חסרים המשוכנעים שהנשיא היה בסוד הענינים ונתן את התנחיות (ולא רק את האות) מלכתחילה.
- 2. לנוכח הקשיים בגביית מידע ועדויות שנתעוררו בשמיעות הרבות בשני הבתים, גובר התסכול בקרב המחוקקים. אם עד כה התמקדו בשלושת מכלולים עיקריים (עיצוב מדיניות החוץ של ארה"ב וביצועה; ניהול השלטון ועקיפת הקונגרס; ואמינות הנשיא, ואף הנזק למוסד הנשיאות), הסתמן השבוע מוקד חדש שמתעלה על כולם וזה האפשרות של העתדת מכשולים בדרכי המשפט ("מוקד חדש שמתעלה על כולם וזה תאפשרות של העתדת מכשולים בדרכי המשפט ("מוקד החמישי ע"י עדים רבים, חרף החשש להאשמה עוו נובע מהאמור דלעיל; אימוץ התיקון החמישי ע"י עדים רבים, חרף הבטחת הנשיא לש"פ מלא מזה; והטענה שמיז מנסה לצמצם את מרחב הפעולה של התובע המיוחד מזה.

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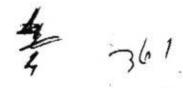
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פ אול בי מכאן עולה שאלת מתן חסינות לעדים המרכזיים במגמה לקדם את בי ולקבל מידע . כעת,ככל שאפשר לשפוט, הבכירים בקונגרס בעוד שאינם שוללים הענקת חסינות בשלב מסויים. סבורים שעדיין לא הגיעה השעה. יש אומרים גם שאם בכלל, יש לתת חסינות ל"דגים הקטנים" בכדי לגלות את חלקם של ייהדגים השמניםיי ולכו אוא.

4. בכלל זה מסתמנים שלושה סוגים של עדים. אלה שאכן משתפים פעולה בפומבי ובדלתיים סגורות כגון שולץ. ומק-פרליין: אלה שאומרים את דברם בדלתיים סגורות, כגון קייסי: ואלה שאינם מדברים כגון פוינדקסטר ונורתי. ואם כי נורתי מעורר רגשי רחמים אצל מספר מורשים, המצב שנוצר אינו משביע רצון לרוב רובם של המחוקקים.

5. ומה חלקנו ומה גורלנו? חלף השבוע השלישי ועדיין ניתן לומר שבקרב המחוקקים בשני הבתים ישראל ממלאת תפקיד משני בתוך הדרמה שמתחוללת ומתפתחת מדי יום עם כל גלוי חדש. מאידך. בדרג של עוזרים אנו קולטים פה ושם מידת מה של מורת רוח, כאילו כתמיד מתייחסים לישראל כפרה קדושה. עוזרים אלה טוענים שישראל סיבכה את ארה"ב בפרשה זו והוליכה אותה שלל; שנים מכרה ישראל נשק לאיראן בניגוד לרצונה של ארה"ב ועל אף הכחשותיה (של ישראל); ואף בפרשה זו עסקה בעסקות בלתי חוקיות והרוויחה רווחים לא קטנים. עוזרים אלה - הנמצאים בצוות של וועדת החוץ אף משקפים גם דעות מסוימות בקרב עוזרים לוועדת המודיעין - היו מעדיפים שהמחוקקים לא יטפלו בנו בכפפות משי, אך לפי הנאמר לנו דעה זו איננה מקובלת בקרב המחוקקים ("לצ").

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# Sen. Dole: A Proposal

The Iran arms sale controversy threatens to keep the country bogged down for months. The president's credibility is being chal-lenged, potentially undermining his ability to provide the leadership we need the next two years. Even some members of Congress, who ought to know better, are publicly expressing totally unfounded "inferences" of presidential involvement.

We have to get all the facts out now, so that we-the president, Congress, the people—can settle this issue once and for all, and get on with the nation's business.

Two men hold the key. They are

men of unquestioned patriotism and courage—qualities they have both demonstrated again and again in service to the country. On this score, they have nothing left to prove to anyone. And, of course, they have the right—like any citizen-to utilize the protections of our Constitution and laws.

But-unlike any other citizenthey are in the position to do something decisive to help the country, out of the current predicament. They alone can reveal, now and not after months of investigation, what we need to know about the Iran affair: who authorised what, and when; who knew what, and when; and, above all, whether the president did or authorized anything illegal or improper.

The country must always come first. It's time for them-or anyone else still in the administration who knows anything about this affair-to go to the president and tell him everything.

I know Ronald Reagan; the American people trust him. When he has all the facts, he will reestablish the administration's credibility by doing what has to be done.

BOB DOLE U.S. Secutor (R-Kas.) Washington,



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שברירות ישראל - וופינגטון

אל: המשרד .

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מנכייל מדיני, מנהל מצפייא .

דע : לשכת השר

מנכייל משרד רהיים

מנכייל אוצר

-מנפייל : בטחון

# הפחתת שיעורי הריבית. לשלנו 324 (נר 280 תאק און

- לידיעתכם,רצייב דפי ההסבר על ייהחלטת הנשיא בדבר הבנוי מחדש של הלואות במסגרת תכנית הסיוע הצבאי". מיותר לציין שכל ההומר ראוי לעיון מעמיק. בין היתר תשומח לבכם לעמי 5 וכן לשאלה לגבי ישראל . 12 בעמי
- 2. הסנטורים כבר סמכו ידם על ההצעה ומברכים עליה, לדברי העוזר הראשי של אינוניה. עוד אמר העוזר (ריצ'ארד קולינס) שבשיקולנו את האפשרויות העומדות בפנינו מן הראוי שנשקול גם "קומבינציה" של שני ההסדרים של חלק מההלוואות ו- CAPITALIZATION PREPAYMENT - דהיינו של חלק מהן.
- התקשרתי עם אינוויה והודיתי לו על מאמציו שהוכתרו בהצלחה. לא השגחי קשר עם קסטן שנעדר מוושינגטון ולא ישוב עד יום ב' (15). כמובן ביקשתי שעוזריו יעבירו לו את תודותינו על מאמציו גם כן.
- אינוויה התלוצץ על כך שהוא אכן מביא את המתנה לחנוכה שהבטיח לשר האוצר בארץ. עוד אמר שחיפש את השר נסים היום אך מבין שבגלל קדושת השבת לא היתה תשובה במשרדו.
  - .. השר ושר האוצר בוודאי ירצו להודות לשני הסנטורים באופן רשמי.
  - . מספרי הטלפון של השניים הם : (א) קסטן : 202,224-5323 .6 (ב) אינווייה : 202/224-3934 (ב) tans

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- o For some time now, the President and, as you know, Congress itself have been concerned about the problem of providing adequate support to countries with which we share security interests. Budget constraints have severely limited our ability to offer financial assistance despite increasing demands for resources to pursue mutual security goals with friendly and allied countries.
- o In this context, the burden of FMS loan repayments and particularly the relatively high interest rates on FMS loans extended several years ago have become a potentially damaging political problem. Many of the PMS loans originating in the late 1970's and early 1980's have fixed interest rates that are 50-100 percent higher than current market rates.
- o Some of our closest friends and allies have questioned how our security relationship would allow the U.S. to stand by and let them face this heavy burden without trying to assist in some way. Several key allies, including Egypt, Israel and El Salvador, have pressed us for some form of FMS loan restructuring. President Mubarak, in particular, has urged that the U.S. act to ease the heavy burden of FMS debt repayments on Egypt's struggling economy.
- We have concluded that these loans represent a political liability which the U.S. can no longer ignore.
  - -- It is difficult to justify high interest rates to friendly countries who accepted these loans to promote our mutual security interests.
  - -- The above-market repayment terms impose a heavy economic burden on many countries. In some countries, this economic burden also threatens political stability.
  - -- FMS debt service obligations dilute the effectiveness of other bilateral programs at a time when budget constraints are forcing the U.S. to cut back assistance severely, even to some our closest friends.
- o After studying the problem carefully at the urging of Congress (particularly Senators Inouye and Kasten) and after reviewing the implications for the budget and other domestic loan problems, the Administration has developed two options to help FMS recipients:

- 1. Prepayment at Par. Borrowers with the resources to do so or access to international captial markets will be permitted to prepay t'e outstanding principal on high interest loans without penalty. The U.S. Government will not be guaranteeing any borrowed funds which may be needed to prepay these loans.
- 2. Partial Capitalization of Interest. The U.S.
  Government will reduce the original interest rates on the high interest loans to a current market rate and capitalize the difference in payments between the new and the old rates. The capitalized amounts would be repaid with interest at the end of the loans' original maturity. This recipients to benefit from a temporary reduction in FMS debt servicing. At the same time, the U.S. Government will still recover the full value of each loan within the life of the original loan contract.
- o These options would only apply to those FMS loans which were extended by the Federal Financing Bank (FFB) under the guarantee of the Defense Security Assistance Agency (DSAA). The options do not apply to direct FMS loans.
- Implementation of the two options does not require new legislation or budget authority. With regard to the first option, a provision for prepayment of FMS loans at par, in the event of a temporary default, is included in the FMS loan contracts. We are merely proposing to implement this provision now in cooperation with FMS debtors. As to the second option, the restructuring of repayment terms through the interest capitalization is permitted under the authority of the President as long as the full value of affected U.S. assets (i.e. the FMS loans) is recovered.
- On December 9, the President reviewed both options and determined that it is in the United States' national security interest to restructure the FMS program in this manner. This action is consistent with ongoing congressional and Administration efforts to protect and enhance our security relations with friendly and allied countries at a time when many are experiencing economic difficulties. Earlier Congressional action on concessional FMS loans and increased grants under the Military Assistance Program (MAP) has attempted to address the same debt burden problem. The President's action is also, as I have noted, within the authority provided to him by Congress to manage the FMS loan program.

- The Administration will offer FKS borrowers holding above-market rate DSAA-guaranteed loans the opportunity to use either of the two options described above. We expect that the vast majority of countries will want to use the interest capitalization option because they lack the resources or access to commercial credit needed to repay outstanding principal.
- o The countries with the largest FMS debt burdens are Egypt and Israel. We plan to move quickly to consult with the Egyptian authorities on dealing with this problem through interest capitalization because of their especially urgent financial needs and President Mubarak's personal plea for assistance. Talks with Israel and other key countries will follow thereafter.
- o In carrying out the President's decision, we intend to assess the particular circumstances of our relationship with each country to see how we can present the FMS options in a way that will best serve U.S. foreign policy interests and that will have minimum impact on the budget. We believe that out efforts to accommodate the needs of FMS countries will be appropriately recognized.
- o. The budgetary impact of the FMS options will be mixed. If implemented immediately, the prepayment option could provide an initial boost to revenues. We estimate that the Treasury could gain up to \$1.8 billion through prepayments. The liquidation of the loans that are prepaid, however, would result in foregone revenue of over \$500 million annually in FY1988 and FY1989 and lesser amounts thereafter.
- or The interest capitalization option will have the opposite effect. If accepted by FMS borrowers, there will be a drop in Treasury revenues as a result of the deferred payment of capitalized interest. We estimate that the revenue shortfall could amount to about \$400 million in FY1987 and \$600 million in FY1988 if all the countries which we expect to participate in this option actually do. Revenue shortfalls would continue at gradually decreasing levels until large balloon payments of capitalized interest start falling due about twenty years from now. During that period, the U.S. Government would recover the full value of the original loans plus interest on the capitalized interest.

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- The net budgetary effect of the two options could be positive initially but negative over the next four fiscal years. We will work with "prepayers" and "interest capitalizers" to try to neutralize the effect of income and deferred receipts over the next couple of years.

  (Estimates of how this might be done are still being prepared.)
- o It would not be in the USG's foreign policy interest to deduct the financial results from the implementation of the two options from future foreign assistance appropriations. If this were done, the net benefit to U.S. national security interests from implementing the options would be erased. While we oppose any reduction in the foreign assistance account, we will factor the financial effects of the FMS options into our overall budget planning.
- We have studied the relief measures in the context of Gramm-Rudman-Hollings. They do not violate the requirements of the legislation.

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# ZO LIST OF QUESTIONS ON FES OPTIONS CA

- Why is the U.S. offering countries which received loans under the Ecreign Military Sales (FMS) Program options to restructure these loans?
  - 2. How will the FMS options work?
  - 3. Which countries will be eligible to participate in this plan?
- 4. Which countries are burdened most by high interest rates on FMS loans?
- 5. Why is the U.S. providing this assistance first to Egypt?
- 6. How will Israel benefit from the FMS options?
- 7. How will the FMS options affect the budget?
- 8. What legal grounds are there for offering the FMS options?
- 9. If FMS borrowers can benefit from these options, why can't other borrowers under other U.S. loan programs obtain similar assistance?
- 10. How does Congress view the offering of these options to FMS borrowers?
- 11. Will the State Department reduce its foreign assistance budget requests to accommodate the revenue shortfall resulting from the exercise of the FMS options?
- 12. One of the FMS options reduces payments on the basis of interest capitalization. Does this mean that the U.S. Government now accepts interest capitalization as a legitimate way for borrowers to achieve general debt service relief with respect to public and private sector creditors?
- 13. Will countries such as Egypt, which will have large capitalized interest payments coming due many years from now, likely have the recources to make these balloon payments?

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Why is the U.S. offering countries which loans under the Foreign Military Sales (FMS) Program options to restructure these loans?

For some time now, the President and Congress have been A: concerned about the problem of providing adequate support to countries with which we share security interests. Budget constraints have severely limited our ability to offer financial assistance despite increasing demands for resources to pursue mutual security goals with friendly and allied countries. In this context, the burden of FMS loan repayments and particularly the high, above-market interest rates on FMS loans extended several years ago have become a potentially damaging political problem. Many of the FMS

loans extended in the late 1970's and early 1980's have fixed interest rates that are 50-100 percent higher than current market rates. Some of our closest friends and -allies, such as Israel and Egypt, have questioned how our security relationship would allow the U.S. to stand by and let them face this heavy burden without trying to assist in some way. Members of Congress have also expressed concern. In order to avoid what the President saw as a potentially damaging political problem which could adversely affect U.S. national security, he authorized a restructuring of the Foreign Military Sales loan program in a way that will ease the repayment of FMS loans and thus address-the concerns of key American allies and friends.

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2. Q: How will the FMS options work?  $\frac{3}{20}$   $\frac{29}{29}$   $\frac{360}{360}$ 

A:

The President has authorized that we present two options to FMS borrowers with high interest rate loans. Under the first option, countries which have the financial means will be permitted, upon temporary default, to prepay outstanding principal on the loans without penalty. The second option involves partial capitalization of interest on existing Ivans and is more complicated than the first. Countries which select this second option will receive an immediate reduction in interest rates on FMS loans down to the current market levels. However, the difference in interest payments under the new and old rates will be capitalized and repaid with interest at the end of the maturity of the loans. In effect, the borrowers are being permitted to defer payment of part of the interest on the original loans provided that they agree to make full payment of these amounts before the loan expires. Under this option, the U.S. Government still recovers the full value of the original loan since capitalized interest will accrue interest at the market rate.

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A: The FMS options are intended for countries which have FMS

loans outstanding above current market rates. At present,
there are some 38 countries in this category, which have

-- \$15-16 billion-in FMS-loans outstanding at interest rates
significantly above the current market level. Among the
countries with the largest high-interest FMS principal
outstanding are Israel (\$5.5 billion), Egypt (\$4.6
billion), Turkey (\$1.4 billion), Korea (\$740 million),
Spain (\$617 million) and Pakistan (\$538).

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- 4. Q: Which countries are burdened most by high interest rates on FMS loans?
- A: The largest FMS debtor countries and their outstanding principal which carries interest rates significantly above the current market rates are as follows: Israel (\$5.5 billion), Egypt (\$4.6 billion), Turkey (\$1.4 billion), spain (\$619 million), Korea (\$740 million) and Pakistan (\$538).

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Why is the U.S. offering these options first to Egypt? We are giving priority to Egypt because it is a close friend of the United States and is in especially urgent need for assistance. The Egyptian economy has been hit hard by the drop in international oil prices and is having difficulty meeting its foreign debt obligations. The annual servicing of FMS debt alone now amounts to approximately \$500 million. This is a particularly beavy burden for a developing country with a low per capita income and heavy defense requirements. Egypt is a moderate Arab country which has played and is continuing to play a constructive role in bringing peace to the Middle East. It is in the U.S. interest to promote the Egypt's economic development and political stability.

- 6. Q: How will Israel benefit from the FIS options?
- A: We expect that Israel will want to take advantage of the option to capitalize part of its interest payments on PMS debt. Israel currently has \$5.5 billion in principal outstanding on FMS loans carrying interest rates significantly above current market levels. Under the interest capitalization option, it would be able to defer approximately \$200 million in fiscal year 1987 and about \$300 million annually over the next three years. This could be particularly useful for Israel at a time when it is undertaking a major structural reform of the economy.

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- 7. Q: How will the exercise of the FMS options affect the budget?
- Implementation of the FMS options does not require new A: legislation or an increase in appropriations. However, the options will have a significant impact on government revenues over time. We estimate that, if implemented immediately, the FMS options are likely to increase Treasury receipts initially as countries taking advantage of the prepayment option liquidate their FMS loans by paying off outstanding principal. These amounts could offset by a large margin the decline in revenues stemming from interest payment deferrals under the interest capitalization option. However, after this initial boost, the FMS options will result in lower receipts to the U.S. Treasury. In FY1988-1992, the revenue shortfall could amount to about \$1.0-1.2 billion a year. We intend to work with "prepayers" and "interest capitalizers" to try to neutralize income and deferred receipts as much as possible in the first years of implementation.

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8. Q: What are the legal grounds for offering the FMS

A: Existing legislative authority permits the President to restructure the FMS loan program along the lines provided in the two options without new authorizing legislation.

The possibility for prepayment at par at the USG's discretion is provided for in FMS loan contracts in the event of a temporary default. Under our prepayment option, this action will merely be taken in cooperation with the FMS borrower. The U.S. Government would not guarantee any borrowed funds obtained by the FMS country to prepay the FMS loans. With regard to interest capitalization, existing legislative authority gives the President flexibility in restructuring the repayment of government loans so long as their full value is recovered.

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- 9. Q: If FMS borrowers are offered options to restructure their loans, why can't borrowers under other U.S. loan programs receive similar treatment?
- A: The terms and conditions governing other U.S. loan programs differ from those governing the FMS loan guarantee program and are generally more restrictive. The provision allowing for prepayment at par, for example, is unique to the FMS loan program. The most important distinction between FMS and domestic government loan programs is that FMS loans were not made to further or promote domestic commercial activity. Rather, they were extended to promote our U.S. national security interests. The President as well as Congress has always characterized FMS loans as security assistance. In view of this distinction, we do not believe that the President's action sets any precedent for domestic loan programs.

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- 10. 0: How does Congress view the offering of these options to FMS borrowers?
- At the President's direction, we are now advising the appropriate committees of the Congress on our plan to offer the options to FMS recipient countries. We cannot speak for the Congress. However, several influential members have already expressed an interest in finding ways to ease the burden of PMS debt repayments. The action that we are taking on high interest rate FMS loans is consistent with other actions which Congress has approved over the past several years on security assistance. In recognition of the burden which market rate loans placed on friendly and allied countries cooperating on mutual security objectives, Congress authorized concessional FMS loan program and increased appropriations for grant aid under the Military Assistance Program (MAP). This current action is but a further step aimed at addressing the same debt burden problem by helping countries better manage FMS loans contracted concessional or grant assistance was available.

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- 11. Q: Will the State Department reduce in its foreign assistance budget requests to accommodate the out-year revenue shortfalls resulting from the exercise of the FMS options?
- -A: -Since the Congress has already reduced the foreign assistance budget to levels which we believe are inadequate to meet U.S. foreign policy objectives, we strongly believe that these projected revenue shortfalls should not result in any further cuts. Otherwise, the benefit to U.S. national security interests would be erased. We are, nonetheless, keenly aware of the potential budgetary impact of the FMS options and will consider that impact in our own budget planning.

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- 12. Q: One of the options reduces interest payments on the basis of interest capitalization. Does this mean that the U.S. Government now accepts interest capitalization as a legitimate way for borrowers, either domestic or foreign, to achieve general debt service relief with respect to public and private creditors?
- A: The steps that we have taken to deal with the FMS problem have not in any way altered U.S. financial policy or our strategy for dealing with debt problems of developing countries. The actions being taken are designed to deal with the unique attributes and concerns associated with the FMS program.

19 CD 297 360

- 13. Q: Will countries such as Egypt, which will have large capitalized interest payments coming due many years from now, likely have the resources to make these balloon payments?
- A: One purpose of this approach is to give countries such as
  Egypt and Israel, which have large annual FMS interest rate
  payments, a breathing spell that they can use to
  restructure their economies and improve their growth
  prospects and capacity to service and eventually repay
  foreign debt. We already have a high-level dialogue with
  many FMS recipients an economic reform. In the period
  ahead, we will continue to encourage FMS countries,
  particularly those which would have large balloon payments
  under the interest capitalization option, to proceed
  expeditiously with structural adjustment measures so that
  they will be in a position to service and eventually repay
  all amounts due under their FMS loans.

20 CD PO'

שלו המשרד, בשחון, ניו יורק

אל: מנכ"ל מדיני, ממנכ"ל, מצפ"א, מע"ח, הסברה

דע: יועץ רהיים לתקשורת, יועץ שהבייט לתקשורת דובר צחייל, רמייח קשייח, לעיים, ניו יורק

NEWS SUMMARY THURSDAY, DECEMBER 11, 1986

סכום עתונות יומי

MAJOR NEWS HEADLINES

TOP STORY: CIA CHIEF CASEY TESTIFIES ON IRAN
CIA Director William Casey told the House Foreign Affairs Committee
Wednesday that he had no direct knowledge that funds from Iran
arms sales were diverted to the contras in Nicaragua. He did say
that he had been told by New York businessman Roy Furmark on Oct. 7
that a group of Canadians who had financed shipments of U.S. arms
to Iran had not received payments owed them and suggested that
some of the funds were instead funneled to Central America.
Wash. Post: CIA chief Testifies Businessman Tipped Him To Fund
Diversion; Casey says Oct. 7 Call Told Of Canadian
Diversion; Casey says Oct. 7 Call Told Of Canadian

Chic. Trib.: CIA Chief: No Role In Scandal
Phil. Ing.: Casey Says CIA Didn't Divert Funds
Wash. Times: Casey Sparks Wrangle On What Reagan Knew
Balt. Sun: House Probe points To Canadian Funds

SOUTH AFRICA: PRESS LIMITATIONS
South African Dep. Information Minister, Stoffel van der Merwe said yesterday that his country will impose new press restrictions on the coverage of political dissent and opposition to the S. African government.

Wash. Post: South Africa Sets New Press Curbs: Reports Of Statements, Acts Of Dissent Will Need Prior Approval Chic. Trib: S. Africa Imposing Censorship Of Media Phil. Ing.: S. Africa To passue Rules Severely Curbing Press

PHILAPPINES

Communist insurgents and govt. troops began a two-month truce yesterday in the Philappines after 17 years of warfare.

Wash. Post: Two-Month Cease-Fire Begins In Philappines

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## NEWS ARTICLES DANNET

IRAN SAYS FOE OF U.S. TIES CONFESSED TO MURDER ON TY

Wash. Post. Faramarzi: Mehdi Hashemi, who has ties with Khomeini's designated successor Montazeri confessed to the murder of Ayatollah Shamsabadi in '75 and two unidentified others on Iran's state run TV. The Iranian official press said he also "confessed" to collaboration with the shah's secret police. Wash. Times: Hashemi 'Confesses' Anti-Iran Crimes

IRAN ALLY IS BUFFER IN LEBANON: Hezbollah Separates Amal. Palestinians

Wash. Post, Boustany: As part of an Iranian-mediated agreement, Palestinian fighters began a partial withdrawal from front line positions in a village south of Beirut where pro-Iranian Hezbollah fighters were also deployed in order to serve as a buffer between Amal and the Palestinians. The truce was arranged by Iranian diplomats who came from Damascus. (11/12/86)

Wash. Times: PLO Withdraws To allow Medicine Into Refugee Camp Phil. Ing.: Iran Peace Effort Fails In Lebanon

ISRAELIS. SYRIANS ON ALERT NEAR GHOST CITY WITH PROSPECTS OF WAR.

Balt. Sun, Jefferson Price III: In the deserted city of Kuneitra, Syria, at the border between Israel and Syria, troops from both countries are poised at a time when prospects of both war, and peace are remote. A Western diplomat said that in terms of equipment and troops, Syria has come far since 1973. Another analyst said, however, that miltary equivalence is not strategic parity. (11/12/86, pg. 1)

### ISBAELI RESERVISTS SAY SHOOTING WAS IMPROPER

Phil. Ing., Tamayo: As reported in Davar yesterday a number of reservists say that the army officer involved in last week's skirmish at Bir Zeit University between a reserve unit and rock throwing students acted improperly in opening fire on the students and they plane to file an official complaint with the IDF. (11/12/86)

## GIRL SHOT AS ISRAELIS, STUDENTS CLASH AGAIN

Chic. Trib. (AP): As Palestinian protests continued in the West Bank and Gaza, Israeli soldiers sclashed with stone-throwing teenagers and shot a 15-year-old Palestinian girl in the hand. In a separate development, a military official said the army believed a Jewish settler was reponsible for the death of a 12-year old Palestinian child outside Nablus Monday. (11/12/86) Wash. Times: Teen-agers Attacked By Israeli Soldiers

Bost. Globe: West Bank Student March Peaceful: 9 Arabs Hurt In Other Clashes

1986-12-12 23:39

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NEWS ARTICLES! IRAN AFFAIR

SAUDI ARMS DEALER TIED TO CASEY'S INFORMANT: Longtime Friend of CIA Chief Said To have Entered Venture To Supply Iran

Wash. Post, Ottaway & Marcus: The New York businessman, Roy Murmark who tipped CIA Dir. Casey off about the diversion of profits from Iran arms sales to the contras, has had past dealings with Saudi businessman Adnan Khashoggi. Sources said the two once joined in a venture to supply arms and goods to Iran. Furmark is an energy consultant who heads a NY company called Furmark Corp. (11/12/86)

BEAGAN SIDESTEPPED '82 SECURITY ORDER: HALF OF ADVISORY PANEL MEMBERS NOT NOTIFIED OF IRAN ARMS PLAN

Wash. Post. Pincus: President Reagan disregarded one of his own orders, the "national security decision directive" (NSDD), signed by Reagan in '82, when he did not notify his top advisers of a Jan. 17 document authorizing U.S. arms shipments to Iran. The order outlined "findings" or rules for presidential intelligence authorizations. (11/12/86)

U.S. BET ON WRONG MAN, EXILES SAYS: Backing Rafsanjani 'Serious Mistake'

Bost. Globe, Koven: Some in the Iranian exile community in Paris believe that the Reagan administration's plan to establish Iranian contacts was not so far-fetched, but they contend that it was a wrong move to deal with Rafsanjani, which some said has, at best, a 50-50 chance to hold on to power after Khomeini is gone. Rafsanjani's power results from his close ties with Khomeini's Ahmed. (11/12/86)

SOVIETS, IRANIAN OPEN HIGH LEVEL NEGOTIATION

Chic. Trib. (AP): The Soviet Union and Iran Tuesday had their first major economic talks since the Iranian Revolution and one Iranian leader said that improving ties with Moscow is a top agenda item on Iran's priority list. Parliamentary speaker Rafsanjani criticized the S. Union for supplying weapons to Iraq, according to Islamic Republic News Agency. (11/12/86)

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דף...!..מתוך. בני דפים סווג בטחוני..... דחיפות.....מיידי 1500 בחיפות.... תאריך וז"ח.....

שר מם' מברק.......

שגרירות ישראל - וושינגטון

אל: המשרד, בטחון

291 358

אל: אגף אמלייט

מנכייל מדיני, ממנכייל, מעיית

ישראל-ניקרגואה

אנו נשאלים לאמיתות הדווח דלהלן מהיום בניו יורק טיימס:

### Israel Said to Seek Restoration of Diplomatic Ties By HENRY KAMM With Nicaragua

Special to The New York Times

JERUSALEM - Israel has been trying since 1982 to restore diplomatic relations with Nicaragua rather than supply arms or money to anti-Government rebels, Israeli officials say

At the same time, nonofficial Israeli analysts said the possibility could not be excluded that defense and security officials, possibly working with private arms merchants, might have cooperated with American agents in assisting

the rebels, known as the contras.

In a recent interview in Time magazine, President Reagan said that "another country," presumably Israel, had-channeled money obtained from arms sales to Iran into Swiss bank accounts for use by insurgent leaders

Aid to Contras Reported Urged

Israel has formally denied providing assistance to the forces opposing the Managua Government. On the contrary, an official said, until last year it had offered various forms of development assistance to Nicaragua in an elfort to persuade the Sandinista Government to resume the diplomatic links that it broke in 1982, during the Israeli invasion of Lebanon.

While Israeli critics of arms-sales policies have not contradicted Government denials that Israel supplied weapons to the contras, there were indica-tions that such action had at least been discussed within the Israeli Govern-

Nations representative, Benjamin Netanyahu, was reported in the newspaper Maariv as having urged aid to the contras several years ago while he served in the Washington embassy.

Israeli analysts of arms-sales stratest and policy toward Latin America emphasized also that Government denials did not necessarily cover the often secretive activities of private Israeli merchants and their possible connections within the Defense Ministry and Israel's flourishing, export-oriented defense industry.

An Israeli official said that Sandinista representatives first showed interest but never followed through on Israel's reported initiatives toward the Nicaraguan Government. The attempt is now said to be dormant, though not for lack of Israell interest.

#### Diplomatic Ties Suggested

Israeli sources reported that, in addi-tion to offering economic aid, Israel also suggested to Nicaragua that the resumption of diplomatic ties would help the left-wing Government gain sympathy with an important sector of American political opinion.

Israel was said to have emphasized to Sandinista officials that it was re-fraining from helping the contras, al-though Nicaragua, by endorsing the Palestine Liberation Organization and voting with the anti-Israeli bloc in the United Nations, was viewed as provok-

In early December, Israel's United - clandestine Zionist operatives received aid from Latin governments. The Somoza regime, overthrown by the Sandinistas in 1979, provided not only arms but also diplomatic cover for Zionist agents before the independence of Israel.

Although Israel rarely acknowledges its role as a supplier of arms to many governments, it is known to be a regular source for Latin American countries, including those that view with concern the rise of the Sandinistas in the region. They are El Salvador, Honduras, Costa Rica and Guatemala.

In a book published last year entitled "Israel's Global Reach," Prof. Aaron S. Klieman of the Jaffee Center for Strategic Studies at Tel Aviv Univer-sity asserted that while the fall of the Somoza dynasty deprived Israel of an important arms customer, the perceived threat from the Sandinistas had 'served to provide Israel with new and unprecedented potential opportunities.

In interviews, Professor Klieman and Prof. Edy Kaufman, a Latin-American specialist and director of the Truman Institute for the Advancement of Peace at Hebrew University, emphasized the intentional obscurity that often surrounds arms deals. Professor Kaulman said that he doubted the Foreign Ministry was always informed of such sales or that the Defense Ministry was inclined to full exposure.

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סווג בטחוני	C			אל:
דחיפות	-	CD	P	
תאריך וז"ח	2	292	358	

Both academics stressed the presence in Latin America of several arms dealers and "security consultants" of Israeli nationality or with connections to Israel. A man identified as such a merchant appeared on Israeli television last Friday to assert that Israeli dealers, had supplied bloomers. dealers had supplied Nicaraguan rebels with small arms and ammunition with the backing of representatives of the Central Intelligence Agen-

Two of the dealers were named by the Government-run station as Marcus Katz and Pesah Ben-Or. They were said here to have Israeli links, but it could not be confirmed that they were Israeli citizens.

Professor Kaufman said that the Knesset, Israel's Parliament, had far less authority than the United States Congress to call the Government to account for foreign arms sales, and was too ready to accept Government asser-tions that Israel's security required secrecy.

He deplored Israeli sales of arms for me deplored israeli sales of arms for internal peacetime use by governments that consistently violate human rights. "In Chile, I saw people carrying Uzis everywhere, from the airport to the poor neighborhoods," he said.

The Israeli-made submachine gun to the poor legal booth nown manufacture.

perhaps Israel's best-known manufac tured export, and is used by military and police forces in many countries.

Israeli policy in Latin America was explained as an attempt to further relations with all recognized governments in an area that policy-makers consider important. The policy is considered a singular success for a nation that is boycotted diplomatically by much of the world Israel maintains relations with 30 of the 33 nations in Latin America and the Caribbean. The exceptions are Nicaragua, Cuba and

Guyana.
Costa Rica and El Salvador are the only countries that recognize Jerusalem as the capital, by maintaining embassies here rather than in Tel Aviv.

Israeli diplomats also view Latin Americs with special warmth because, even before the founding of the state.



שברירות ישראל - וופינגטון

המשרד

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סווג בסחוני. שמור דחיפות .... רגיל

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מצפייא, הסברה, דע: ממנכייל, לשכות השר והמנכייל, סמנכייל אמיתייק. תפוצות.

שיחה שבועית עם הקונכ"לים ב-12.12.

#### א. הקונכל"ים קיבלו תדרוך בנושאים:

פרשת איראן - אמינות עמדתנו זכתה לחיזוק מראיון ברברה וולטרס עם בניפר (איראן) וקאשוגי (סעודיה).
 אמרו שישראל עמדה על כך שתפעל רק לאחר קבלת אישור מארהייב ושבניפר הוא שהעביר את הכסף לחשבונות הבנקים השוויצרים לפי בקשת האמריקנים.

רוה"מ אתמול חזר על כך שישראל לא מכרה נשק למורדים בניקרגואה ולא סייעה לקונטרס.

2. מהומות בישיע. קיבלו כיסוי רב בתקשורת אך ביחס מגומד נושא איראן <u>העיקרי</u>. החלטת מועבייט (הימנעות ארהייב) ודברי מחמייד המביעים דאגה מהמצב ומהאלימות (אם כי מודעים לפרובקציות) כמעט ולא קיבלו כיסוי.

הנושא יורד.

ז. בס בינס היום התקיימה פגישה בשגרירות עם בן פורת. שואפים לעבד את הנושאים ופרטי תוכנית הכנס תוך קביעת מטרות ברורות ומציאותיות:

בזמן שאנו נתבקשים לפעול כאן, בארץ שותקים ואפילו ביום זכויות האדם בארץ אף נציג רשמי לא העלה את מצבם של יהודי ארצות ערב (לדוגמת סוריה).

ביקשנו מבן פורת שיעשה סיבוב בין הקונסוליות שאצלן טרם ביקר עיימ לדרבן את הפדרציות לפעול ולהשתתף בכנס.

4. חגיגות מרטין לותר קינג. . ב-14.1.87 תתקיים בשגרירות קייפ השנחית לכבוד מרחין

לותר קינג. יוקרן הוידאו שהופק בניו\_יורק (2 עותקים)

מהוידיאו יישלחו לקונסוליות לשימושם).

בארץ יתקיימו אירועים ביער על שמו ובמערכת החינור.

#### ב. נושאים משותפים מהקונכליים:

<u>ו. פושת איראן</u> הכיסוי התקשורתי מתמקד על הממשל; הכיסוי להבט הישראלי הולך וקטן (אין ביקורת) ולכך קייעו הראיונות מאתמול.
מהארץ. עיקר ההתענינות בהופעות; גם שם הסברנו מתקבלים ומסייעים להציג את ההיבט הישראלי במימדים הנכונים.

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מאריך וזייח..... 

סווג בסחוני......

2. המהומות בישייע. כיסוי שלילי וביקורתי אך מגומד ביחס לפרשת איראן. התחילו גם להגיע לקונסוליות ולשגרירות פניות טלפוניות ומכתבים נגד פעילותנו בנושא. (בל.א. אחת הפניות באה מישראלי באזור). היהודים מודאגים ומביעים קובלנות על השימוש בנשק חם נגד מפגינים - המריצו . כגון אפודות מגן.

בוושינגטון, לוס אנגילס, היוסטון, וסן פרנציסקו קבוצות של 10 עד 30 ערבים קיימו הפגנות שקטות ליד הנציגויות (בסן פרנציסקו, סירבו להאמין שהקונסוליה עברה לכתובת חדשה ולכן הפגינו ליד הכתובת הישנה). התיחסויות תקשורתיות שליליות במיוחד בפילדלפיה אינקיירר, אריזונה ריפבליק ומאמרי תואן טומאיו במיאמי.

- בס ω ο ביקר בלוס אנג'לס, סן פרנציסקו, ΔΟ ΔΟ. וושינגטון, וניו-יורק. דיווח שאנסש מוושינגטון בנפרד.
- 4. מרתין לותר קינג. הקונסוליות יפעלו להצגת הוידיאו גם בשידורי טלויזיה וגם בפני השחורים. 5. 100 שנה לבן גוריון. בבוסטון אירוע יפה בהשתתפות זאב לקוויר ושבתאי טבת. בפילדלפיה סמינר לרבנים שסיכמו להקדיש דרשות השבת לזכרו; פועלים למען קריאת רחוב על שמו,

UCLA לוס אנגילס - אירוע ב-בהשתתפות הפרופי קלוד קליין. בסן אנטוניו טקסס תצוגת אגריטק - התיחסות לב.ג.

- 6. שצירנסקי הופיע באירועים בוושינגטון, ניו- יורק, שיקאגו, פילדלפיה, לא ידענו מראש על ביקורנ.
  - . אחמיים . נחמקין וושינגטון, ניו-יורק, טקסס, קליפורניה. וויצמן - ניו-יורק, קליפורניה. רוני מילוא - ניו-יורק, וושינגטון.

#### ג. מהקונסוליות:

- ו. בוסטון. \* ביקור קנדי בארץ זכה לכיסוי רחב והתבטאויותיו סייעו לנו. \* הקונכליים בירכו אבנון למינויר כקונכייל.
  - 2. ניו-יורק \* קרדינל ניו-יורק O'Connor יבקר בישראל.
- \* 2 מאמרים ביקורתיים על זכויות האדם בישיע בוול סטריט גיורנל (זה נדיר).
  - \* קונכ"ל תימור התראיין לראשונה בטלויזיה המקומית, ברכות!
  - . שיקאגו תגובת הקונכייל . לסדרת המאמרים של Frank Wright בטריביון החפרסמה.

- M. STLE ..... BATTE FIND...... Thiera.... OLLY TOULT. ......

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באדורים אחרים.

הסדרה מטעם

ב, בלום אנגילם. הונחה אבן הפינה למוזיאון השואה והסובלנות מטעם מכון וויזנטל.

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אל: מנכ"ל מדיני, ממנכ"ל, מצפ"א, מע"ח, הסברה

דע: יועץ רחיים לתקשורת. יועץ שהבייט לחקשורת דובר צחייל, רפייח קשייח, לעיים, ניו יורק

NEWS SUMMARY ERIDAY\_DECEMBER 12, 1986

MAJOR NEWS HEADLINES

סכום עתונות יומי

TOP STORY: IRAN: CASEY TIP OF CONTRA CONNECTION CIA Dir. William Casey said yesterday that he began investigating the possibility of diversion of funds from U.S. arms sales to Iran to contra rebels after conversations with New York businessman, Roy Furmark. Furmark has revealed involvment of Canadian investors in the scheme. Meanwhile, some statesmen are urging President Reagan to take strong action in order to counter damage caused by the Iran arms crisis.

Balt. Sunt Casey Says He Had Indication Of Funds Shift: Cites Conversations With Businessman That Led To Inquiries Wash. Post: Outside Advisers Urge Reagan To Act On Crisis: Ability To Govern Effectively Said At Risk Chic, Trib : Former Client Tipped Casey To Contra Deal: 6 Weeks Before Meese Disclosure

SOUTH AFRICA NEW PRESS CURES South Africa yesterday imposed one of the strictist systems of press censorship of any country in the world, banning all critisism of the government and apartheid policies without prior clearance by state censors. Wash, Post: S. Africa Sharply Limits Reporting On Its Opponents

Rules Detail Sweeping Powers, Penalties Phil. Inq.: South Africa Moves To Silence Dissent Balt. Sun: Strigent Curbs Imposed On Press In South Africa

BOESKY - WALL STREET SCANDAL The Securities and Exchange Commission yesterday said that Ivan Boosky was permitted to pay off \$1.4 million in debt through stock sales in the course of negotiating terms of his settlement with the government. Balt. Sun: SEC Let Bossky Sell Stock To Pay \$1.4 Billion Debt

NATO SUPPORTS SOVIET PROPOSAL NATO yesterday accepted a Soviet proposal for negotiations on reducing conventional military forces in Europe, but they rejected the Soviet demand that all 35 nations in Europe be involved in the talks. Chic. Trib.: NATO Backs Soviet Talks On Troop Cut

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NEWS ARTICLES

ISRAELI ECONOMY DEPENDS ON NATION'S BOLE AS ARMS EXPORTER

Wash. Post, Frankel: The economic imperative is included among Israel's motives for its involvement in the arms sales industry along with other justifications such as the need to honor the requests and interests of its primary ally, the U.S.. Israel has supplied arms and expertise to countries such as Guatemala, South Africa, and Nicaragua. Some analysts estimate that \$1.2 billion in annual arms wales and security services now amounts to almost one-fourth of Israels total industrial exports. Officials contend that Israel is comparatively low on the scale of nations that do arms export business, and is ranked anywhere between minth and 15th globally. One official says Israel just gets scrutinized more than others. Although the Israeli govt. continues its denial in the contra connection, Israeli involvement with Nicaragua goes back 40 years and PM Shamir has frequently denounced the Sandinistats for their support of the PLO. Sources named three Israeli middlemen as involved in the contra deals: Nimrodi, Pesah Or and David MarcosKatz. (12/12/86)

ARMS AND HOSTAGES: DEALINGS THAT WENT SQURE Saudi. Canadians Said To Have Seen Financiars U.S. Halted Shipment When Captives Not Freed

Wash. Post. Pingus. pg. 11 Sources saud that a clearer picture is emerging of the secret U.S.-Iran arms deals that occured between Aug. '85 and Oct. of this year. The breakup of the dealings resulted in part over private investors discontent over not being paid. Saudi billionairs Khashoggi appears to have been more heavily involved than at first believed and helped to finance the first shipment of Israeli arms to Iran last Aug., the funds of which went to Iranian arms dealer Ghorbanifar. The U.S. reportedly held back an arms shipment because an expected hostage release did not happen. In July of this year Khashoggi involved Canadian investors to finance an Aug. shipment that the Americans involved hoped would render more hostage releases. (12/12/86)

SHADOWY WITNESS IN IBAN CASE TIED TO BIG BANKRUPTCY

Phil. Ing.: Drogin & Rempel: Roy Furmark, the NY businessman who testified at a closed hearing of the Senate Intelligence Committee yesterday about his knowledge of U.S. arms sales to Iran, was a main figure in the biggest bankrupcy in Canadian history. Furmark and Adnan Khashoggi joined in '85 in an unsuccessful venture to supply arms to Iran. (12/12/86)

IRAN SPENDS BILLIONS IN U.S. ARMS

Wash. Times. Agres & Seper: U.S. sources said that the Iranian govt. operates a worldwide network to buy billions in illegally sold U.S. arms and spare parts for use in its war with Iraq. The network operates out of cities such as London, Bonn, Hong Kong, and Singapore. Iran is believed to buy over \$9 billion in weapons each year. (12/12/86)

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CASEY REPORT ENCOURAGED IRAN TALKS: CIA Chief Judged Iscaeli Data Do 'Medecates' IQ Be Bona Eide

Wash. Post. Woodward: While CIA Dir. Casey has described the CIA's role in the Iran affair as minimal, he encouraged the White House secret initiative in mid 1985 by giving an intelligence evaluation supportive of Israeli claims that Iranian "moderates" were willing to open talks with the U.S. Casey's evaluation was requested by then Natl. Sec. adviser McFarlane following a July '85 meeting between McFarlane and David Kimche. (12/12/86)

EGYPT WATCHES ISLAMIC ZEALOTS AS ECONOMIC TIGHTENING READIED

Wash. Times, Rorowiec: Egypt is tightening its surveillance of Islamic fundamentalism in expectation of negative reaction to unpopular economic reform measures. The country is running out of monies to pay the interest on its huge \$36 billion loan. Meanwhile, the spokesman for the Egyptian Embassy denied Wash. Times reports this week that Egyptian-made ammunition had been shipped to Iran. (12/12/86)

CHRISTIAN, JEWISH LEADERS CALL 'CHRISTIAN IDENTITY' PERVERSE GROVE DE RACISTS

Wash. Times. (UPI): Jewish, Protestant, and Roman Catholic leaders denounced the extremist "Christian identity" movement as a source of bigotry, racism and anti-Semitism and a "perversion of authentic religious values. Followers of the movement contend that Jews are the "children of Satan" and that peoples of color are a lower form of species than white people. (12/12/86)

ISRAEL BOMBS CAMP IN N. LEBANON

Wash. Post, Boustany: In the 18th Israeli raid against Palestinian bases in Lebanon this year, Israeli planes bombed the Nahr Bared refugee camp in northern Lebanon yesterday and at least five people were killed. The camp is used by the PLO's Fatah faction and members of Abu Nidal's Revolutionary Council. Meahwhile, Iranian efforts to quell clashing between Palestinians and Shiites stalled. (12/12/86)
Balt. Sun: Israelis Bomb Syrian Area Of Lebanon

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> מנכייל מדיני, ממנכייל, מצפייא, מעיית יועץ רה"מ לתקשורת, יועץ שהב"ט לתקשורת

להלן תמלילי הראיונות של ברברה וולטרס עם עדנאן קשוגי ומנושר גורבניפר. הראיונות שודרו במסגרת התכנית 20/20 nightline וחדשות הבוקר של ABC.

עתונות

INTERVIEW WITH ADNAN KHASHUGGI, SAUDI ARABIAN BUSINESSMAN INVOLVED IN THE IRAN ARMS DEAL AS SHOWN ON ABC'S NIGHTLINE

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#### THURSDAY, DECEMBER 11, 1986 11:40 P.M. EST

(Note: Interview was conducted by Barbara Walters, introduced by Ted Koppel. Tape begins with first answer by Mr. Khashoggi.)

MR. KHASHOGGI: I asked him if he has any objections to deal with the Americans. The Americans, as they are the friends of our friends, we will handle the matter for him. He was afraid to deal with the Americans. He said if anything leaks out, and you know, the information, they are not secure, the CIA. I said, "We don't have to deal with the CIA. We deal directly with the President."

"Ah, very good, " he said.

And, that's when I wrote my memo to Mr. McFarlane. At the same time, I gave Peres a copy of the memo.

MS. WALTERS: Why did you involve Shimon Feres and the Israelis?

MR. KHASHOGGI: Well, I thought the Americans will not know how to investigate this properly because their channels have been cut, and maybe the Israeli intelligence can investigate it.

MS. WALTERS: Uh, huh.

MR. KHASHOGGI: Can confirm to the Americans --

MS. WALTERS: That he's for real.

MR. KHASHOGGI: That he's for real.

MS. WALTERS: Yeah.

MR. KHASHOGGI: And, that's what happened.

MS. WALTERS: Then you set up a meeting between Israelis and Ghorbanifar and other Iranians?

MR. KHASHOGGI: Then, that famous meeting in Ha --

MS. WALTERS: -- in Hamburg.

MR. KHASHOGGI: -- Hamburg.

MS. WALTERS: In late July?

FEDERAL NEWS SERVICE 202-347-1400 NEWS FOR THE NEWS MEDIA MS. WALTERS: Of '85?

MR. KHASHOGGI: Yes.

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- MR. KHASHDGGI: Yes. And, which they met some of the leaders of what they call the over (?) structure of the Iranian government.
  - MS. WALTERS: They came from Iran for this meeting?
  - MR. KHASHOGGI: They came from Iran.
- MS. WALTERS: And this was with David Kinche, the head of the foreign office of Israel, and two arms dealers.
  - MR. KHASHOGGI: That's right.
  - MS. WALTERS: It was said the arms dealers.
- MR. KHASHOGGI: And, and, no, no, not the arms dealers. There was Mr. Filla (?) who was adviser to President Peres, Prime Minister Feres.
  - MS. WALTERS: Uh, huh.
- MR. KHASHOGGI: And there was two other fellows who were I think from McFarlane's office. I don't know them, but they were coming as Americans, under the umbrella of the Americans. Really, Kinche came under the umbrella of the Americans.
- MS. WALTERS: And, the Iranians at that time thought everybody there was --
  - MR. KHASHOGGI: -- was American.
  - MS. WALTERS: -- American. They didn't know about Israelis.
  - MR. KHASHOGGI: No.
  - MS. WALTERS: No arms were mentioned now, no hostages. Yes.
  - MR. KHASHOGGI: No hostages.
  - MS. WALTERS: When did arms get into the whole scene?
- MR. KHASHOGGI: This is when the Israelis and the Americans started talking, it was upon us.
  - MS. WALTERS: Give them arms.
- MR. KHASHOGGI: Yes. No, no. Give us hostages to prove their influence. If they can deliver the hostages, then we will open the door. Not for arms deal. The Iranians then said, "Hey, if you want to test us, we want to test you too. Send us 500 toes." Nothing, you know. In the armament field, it's a small shipment. So, everybody was testing the other.

FEDERAL NEWS SERVICE 202-347-1400 NEWS FOR THE NEWS MEDIA MS. WALTERS: Whose idea was it to release the hostages?

MR. KHASHDGGI: I think, I think it was out of a discussing a deal, McFarlane and Kinche.

MS. WALTERS: First thing was, gee, maybe they'll release our hostages, and the Iranians said, "Okay, you show your faith and send us, send us these arms." That's the 500 toes.

MR. KHASHOGGI: And, this is how it was taken, I am sure, in the letter of the President, and the President approved it.

MS. WALTERS: How do you know the President approved it?

MR. KHASHDGGI: Because the Israelis were talking that they would not move unless the President moves.

MS. WALTERS: This was before the first shipment in August>

MR. KHASHOGGI: Right. Then, my friend came back, the Iranian friend.

MS. WALTERS: Mr. Ghorbanifar.

MR. KHASHOGGI: Mr. Ghorbanifar said to me that the Iranians will not trust the Americans to give money to them because they are holding some of their money, and the Americans would not trust to send the equipment. So, they needed a bridge finance. So, I said, "How much are you talking about?" He said, "One million dollars." I said, "For how long?" He said, "For two weeks." I said, "All right. Here it is." I gave it to him, and we put it in a numbered account, according to the specifications. And, he gave me in exchange a check from his personal account with the Credit Suisse (?) to cover that.

MS. WALTERS: Was there also an additional four million dollars that you put up?

MR. KHASHOGGI: The next shipment was four million dollars.

MS. WALTERS: You got paid back?

MR. KHASHOGGI: I got paid back.

MS. WALTERS: No commission?

MR. KHASHOGGI: No commission.

MS. WALTERS: No interest?

MR. KHASHOGGI: No.

MS. WALTERS: No profit?

FEDERAL NEWS SERVICE 202-347-1400 NEWS FOR THE NEWS MEDIA

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MS. WALTERS: Yeah.

MR. KHASHOGGI: So I have also an eye on the future. If peace between Iraq and Iran does come, rebuilding Iraq and Iran is a big thing, so I can see the profit.

MS. WALTERS: It's more sure than the little commission.

MR. KHASHOGGI: That's right.

MS. WALTERS: Ah! Now, the money that you were putting out and receiving, you were told to put into this account known as Lake Resources.

MR. KHASHOGGI: Right.

MS. WALTERS: It was after the first shipment.

MR. KHASHOGGI: That's only ten million and the fif --

MS. WALTERS: -- the fifteen.

MR. KHASHOGGI: -- teen.

MS. WALTERS: When did you do an account called Lake Resources?

MR. KHASHOGGI: Right.

MS. WALTERS: Who told you to put into that account?

MR. KHASHOGGI: Mr. Ghorbanifar.

MS. WALTERS: Did you yourself ever speak with Lt. Col. Oliver North?

MR. KHASHOGGI: No.

MS. WALTERS: Did you have any dealings with him?

MR. KHASHOGGI: No.

MS. WALTERS: Your dealings were all with Mr. Ghorbanifar?

MR. KHASHOGGI: Right.

MS. WALTERS: To your knowledge, who had access to that Lake Resources account?

MR. KHASHOGGI: I think it was controlled -- we think it was controlled by North.

MS. WALTERS: But do you know that for a fact?

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MR. KHASHOGGI: Well, because he is the coordinator.

MS. WALTERS: All right. Mr. Ghorbanifar told you that Lt. Col. North had access to this account.

MR. KOPPEL: When we come back, Barbara Walters will rejoin us from Monte Carlo, and we'll talk to Ron Kessler, the author of a just published biography of Adnan Khashoggi, titled The Richest Man in the World.

END OF INTERVIEW

FEDERAL NEWS SERVICE 202-347-1400 NEWS FOR THE NEWS MEDIA

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#### THURSDAY, DECEMBER 12, 1986 11:50 P.M. EST

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(Note: Interview is conducted by Barbara Walters, introduced by Ted Koppel. Tape begins with the first answer by Ghorbanifar.)

MR. GHORBANIFAR: Well, we had the -- the dialogue started, and I was pressing and demanding for arms for Iran.

MS. WALTERS: Who were you pressing?

MR. GHORBANIFAR: The American people.

MS. WALTERS: Who?

MR. GHORBANIFAR: (Inaudible) and Mr. Ledine (?) I met.

MS. WALTERS: Mr. Michael Ledine.

MR. GHORBANIFAR: Yes, and Mr. McFarlane, Col. North, everybody.

MS. WALTERS: You were asking for arms.

MR. GHORBANIFAR: Yes.

MS. WALTERS: Who told you to ask for arms?

MR. GHORBANIFAR: I should say every single Iranian anywhere in the world should ask for arms for Iran, because we are in a bad war.

MS. WALTERS: I see. So first it was ---

MR. GHORBANIFAR: We must defend our land; we must defend our country.

MS. WALTERS: Okay, so first of all --

MR. GHORBANIFAR: -- for history.

MS. WALTERS: First of all, the United States opened the doors to get closer to Iran, and then you said, "Okay, send us arms."

MR. GHORBANIFAR: Yes, that's true.

MS. WALTERS: Okay. Then how did the hostages come up?

MR. GHORBANIFAR: It was never and ever (?) a deal like (inaudible), "Give us arms, we give you hostages," because no one has the hostages. It has nothing to do with Iranian authorities

FEDERAL NEWS SERVICE 202-347-1400 NEWS FOR THE NEWS MEDIA THE STREET STREET, STREET, TABLES, I.

about the hostages. They are not hostage-takers. They don't know what is the story of the hostages. When this came up, they told me, "Okay, we give you the arms. Could you also at the same time help us for the better relations" -- I should say -- "better understanding that you can help us in a way that our hostages be released from Lebanon?"

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MS. WALTERS: Did you go to Lebanon?

MR. GHORBANIFAR: Yes, I have been to Lebanon.

MS. WALTERS: And were you trying to get Mr. William Buckley out, who was the head of the CIA, the director of the CIA in Beirut?

MR. GHORBANIFAR: Yes.

MS. WALTERS: How did you -- but you couldn't.

MR. GHDRBANIFAR: No, we could not -- we simply couldn't, yes.

MS. WALTERS: How did you get Benjamin Weir out? Whom did you talk to? Can you tell us any of this?

MR. GHORBANIFAR: For the time being, because there are some more hostages in that country, it's better we don't discuss it.

MS. WALTERS: But it was your initiative, not the Iranian initiative.

MR. GHORBANIFAR: No, it was mine.

MS. WALTERS: Okay. And the idea of arms, those discussions were with Mr. McFarlane.

MR. GHORBANIFAR: Yes.

MS. WALTERS: Did you feel, when you had the discussion about arms, that the President of the United States knew about these discussions?

MR. GHORBANIFAR: I'm not sure (?) all the higher authorities should know about the shipment of arms.

MS. WALTERS: Were you ever, in any way, told that it was anybody above Mr. McFarlane?

MR. GHORBANIFAR: No.

MS. WALTERS: How much money was involved in the payments?

MR. GHORBANIFAR: You mean in the last shipment?

MS. WALTERS: In all, in all.

FEDERAL NEWS SERVICE 202-347-1400 NEWS FOR THE NEWS MEDIA MS. WALTERS: Who set the price, the \$35 million?

MR. GHORBANIFAR: This price was coming to us from the Americans, because we were just ---

MS. WALTERS: Yeah, but I mean, who said it was going to cost \$35 million? The Americans said it was going to cost you \$35 million?

MR. GHORBANIFAR: Of course.

MS. WALTERS: I see.

MR. GHORBANIFAR: There is nobody -- Mr. Khashoggi didn't make a penny in this deal. I didn't make a penny. Nobody made a profit in this. We did it just as a start for a bigger (?) future. We were not looking for to take five percent or ten percent of such a small deal, and maybe we had in mind to make a deal of two billion a day (?).

MS. WALTERS: When Iran and Iraq were at peace.

MR. GHORBANIFAR: Yes.

MS. WALTERS: When Iran and Iraq were at peace, you thought as businessmen you'd make a lot of money.

MR. GHORBANIFAR: Yes, that's what -- the idea.

MS. WALTERS: And now, out of \$35 million, neither one of you made any money at all, even though you're good businessmen.

MR. GHORBANIFAR: Nobody made money -- that we still, we owe him \$10 million.

MS. WALTERS: You owe Mr. Khashoggi \$10 million.

MR. GHORBANIFAR: Yes, because we still have not delivered what we were supposed to deliver to my country.

MS. WALTERS: Now this money was put where?

MR. GHORBANIFAR: In the company called Lake (?) Resources in Geneva.

MS. WALTERS: Who told you to put the money in it?

MR. GHORBANIFAR: The Americans.

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MR. GHORBANIFAR: Oh, our contact?

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MS. WALTERS: Who were the contacts? Can you tell me? Lieutenant Colonel North?

MR. GHORBANIFAR: Yes.

MS. WALTERS: General Secord?

MR. GHORBANIFAR: Yes.

MS. WALTERS: They told you to put the money in Lake Resources?

MR. GHORBANIFAR: Right.

MS. WALTERS: Anyone else?

MR. GHORBANIFAR: No.

im.

MS. WALTERS: Well, when you talked to Lt. Col. North, what did

MR. GHORBANIFAR: What about?

MS. WALTERS: About these shipments. What did he say to you? He said, "Mr. Ghorbanifar, I want you to just take this money and put this in account"? Or what did he say?

MR. GHORBANIFAR: No. First we put up our request of what we need, and they go, they study and they come back and they give us the offer.

MS. WALTERS: He was the one you talked to all the time.

MR. GHORBANIFAR: Most of the time.

MS. WALTERS: Did you feel he was acting on his own?

MR. GHORBANIFAR: Yes, and he's a brilliant (?) man.

MS. WALTERS: You didn't think he was acting with anyone above

MR. GHORBANIFAR: No, it was not such a big deal. It was small shipments; very small deal.

MS. WALTERS: So you figured he could handle that on his own.

MR. GHORBANIFAR: Yes, he could. He's a very able man. He's a op servant of his country.

MS. WALTERS: How did this whole deal blow up? What went

FEDERAL NEWS SERVICE 202-347-1400 NEWS FOR THE NEWS MEDIA MR. GHORBANIFAR: I'm sorry. The President of the United States was on the right track, and you messed it up -- the news media, you killed the deal. If you had not exploded -- today you had all the hostages free.

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MS. WALTERS: Wait, wait, wait. You're blaming the news media in the United States for everything that went wrong in Iran? It was leaked to a Lebanese paper. We didn't do that.

MR. GHORBANIFAR: Yes, it was a leak to a Lebanese paper. You didn't do that. But it was denied the next day by Mr. McFarlane, and then you exploded, and every day it was up, up, up, up.

MS. WALTERS: Did anything happen when Mr. McFarlane went into Iran that caused the situation to fall apart?

MR. GHORBANIFAR: No, because after he went to Iran, you see, after him there were two hostages freed.

MS. WALTERS: But can America have "friendly" relations with Iran? And what were the terms (?)?

MR. GHORBANIFAR: Yes, I think the deal is not dead yet.

MS. WALTERS: No?

MR. GHORBANIFAR: And I refer you to the last statement issued by the Speaker of the House, (inaudible) Rafsanjani, which he very clearly referred to that. And if you follow, I see great hopes of seeing your hostages released and a better relation in the future.

MS. WALTERS: If indeed Iran has no control over the hostages, how can you be certain that if we keep up our relations, the hostages will be released?

MR. GHORBANIFAR: This will be my problem.

END OF INTERVIEW

FEDERAL NEWS SERVICE 202-347-1400 NEWS FOR THE NEWS MEDIA



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אל: עמנואל שרות אוצר, עמוס רובין/ משרד רה"מ

# Israeli Economy Depends on לנושאי דרום-אתריקה. המאמר

# No-Questions-Asked Arms Sales

פנחס דרור וושינגטון

By Glenn Frankel Washington Post Poreign Service

JERUSALEM, Dec. 11-When the Carter administration cut off military aid to the rightist regime of Guatemala because it refused to accept human rights requirements, Israel was one of several countries that filled the gap. Today Guatemalan troops wear Israeli uniforms, tote Israeli automatic rifles and conduct counterinsurgency operations learned from Israeli instructors.

When the contra rebels in Nic-

a mandatory arms embargo against South Africa in 1977, Israel was one of the states that quietly defied the ban by maintaining its own pipeline of military equipment to the white-minority government there, according to informed sources here and in South Africa, Last July, South Africa unveiled a new jet fighter bearing an uncanny resemblance to the Israeli Kfir, and an Israeli Cabinet minister privately has confirmed that key parts of the plane are indeed the same.

While Israel publicly has denied

about where and to whom it should sell arms: the economic imperative,

Israel's drive to develop one of the world's most sophisticated and competitive arms industries compelled it to become a weapons exporter in order to help foot the bill.

And its drive to maintain and constantly improve that industry at a time of economic hardship has pressed the Jewish state to search for new customers and, at times, seek opportunities and take risks that larger and wealthier arms ex-

See ISRAEL, A14, Col 1

aragua faced a congressionally mandated cutoff of U.S. aid, Israel was one of the countries the CIA turned to. Private Israeli arms merchants-one of whom was later involved in the secret White House arms sales to Iran-sold the contras light arms funneled through Honduras, At around the same time, Washington sources have said, Israel's government supplied several million dollars in aid to the contras at the behest of CIA Direc-

tor William J. Casey. When the United Nations ratifled involvement in each of the above cases, senior officials privately concede that such deals take place.

The justifications they offer include the need to support friendly regimes in an international climate hostile to Israel; the need to honor requests and aid the interests of the United States, Israel's chief ally, and the role arms sales can play in providing a form of life insurance for small, vulnerable Jewish communities in Third World states.

But another factor invariably has come to dominate Israel's decisions

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porters might avoid. "We're not doing anything different than a dozen other countries I could name." said a senior Israeli official, who asked not to be identified.

"We just get a lot more scrutiny than the others. The fact is that there's a highly competitive arms market and either you sell what you can and not ask too many questions about where it's all going or you lose out."

Such sales have helped give Israel "global reach" far beyond what a postage stamp-sized nation of 4 million could otherwise expect to wield, says Prof. Aaron Klieman, a Tel Aviv University political scientist and expert on arms sales. "Conventional arms have been converted by Israel into unconventional diplomacy," he wrote in a recent study.

But critics contend Israel's reliance on its defense industry has given arms dealers too much power over government policy and tarrished the country's image.

"The needs of the arms manufacturing establishment dictate much of Israel's foreign policy," said Yossi Sarid, a left-wing Knesset deputy who sits on the parliament's key foreign affairs and defense committee. He called this phenomenon "unfortunate and very dangerous."

The controversy over Israel's role in brokering the arms-for-hostages exchange between the United States and Iran—and the disclosures, still denied by officials here, that Israel sold millions of dollars in weapons and spare parts to the Khomeini regime long before the exchange began in 1985—has focused unusual public attention on a wast part of Israeli society that generally has remained hidden from view. It has exposed a shadowy world of middlemen that the government can use to obscure its role in arms dealings it prefers to conceal.

It has also exposed the cold pragmatism that is at the core of Israel's arms sales policy. "If an Iranian regime is friendly, we let them have arms to celebrate the friendship," said senior statesman Abba Eban, chairman of the Knesset foreign affairs and defense committee and a subdued but persistent critic of Israel's role in the tran affair. "But if it is hostile, we let them have arms to mitigate the hostility. We end up in a situation where the selling of arms is the only constant."

Officials here like to emphasize that, compared with the world's trms giants, Israel is a small fish. It is ranked by experts between nighth and 15th worldwide, depending on the source.

"When it comes to arms sales, you won't find Israel near the top of any list," said former defense minister Moshe Arens in an interview before the Iran affair became public.

But a more revealing figure to some analysts is that Israel's estimated \$1.2 billion in annual arms sales and security services now amounts to nearly one-fourth of its total industrial exports. The country's defense industry employs between 140,000 and 200,000 people to make and sell arms-roughly 10 percent of the country's work force. In its early days, Israel's defense industry manufactured light arms and refitted other nations' aircraft and tanks. But these days Israel is Identified more with such "big ticket" items as high-performance aircraft and tanks, missile systems, radar and small naval craft-all of it battle-tested in Arab-Israeli wars.

Lately it has also moved into the business of terrorism control. An estimated 30 private military consulting agencies have sprung up in recent years, manned by former career military officers. The officers retain their commissions while on reserve status and offer services ranging from setting up security systems for hotel chains and supplying bodyguards to VIPs to training police or sntiterror units in Third World nations.

Recent incidents have caused embarrasament to the government, including charges in New York that a retired Israeli general was involved in an illegal scheme to peddie \$2.5 billion worth of warplanes and other military hardware to Iran. Such incidents led Defense Minister Yitzhak Rabin earlier this year to issue a new set of regulations tightening restrictions on foreign arms deals.

Nonetheless, industry sources say the pressure to sell abroad has actually increased due to extensive cuts in Israel's defense budget at a time when the nation is seeking to cure its chronic economic ills through fiscal austerity. One smaller producer of jet engines, Bet Shemesh, is already in receivership and several other defense companies are said to be tottering on the brink.

To make those foreign sales, companies rely upon extensive networks of contact men and gobetweens. Among those middlemen are estimated to be between 700 and 800 former career military officers whose training and work experience qualify them for little else. These are the kind of men that the government itself turned to when seeking to forge the Iran connection, and they have been active for many years in Latin America and Africa.

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The Israeli connection in Nicaragus dates back nearly 40 years, to the time when the late Nicaraguan president Anastasio Somoza Garcia provided diplomatic cover for arms smuggling to the Jewish underground in Palestine and a U.N. vote in favor of the cre-

ation of the Jewish state...

Israel maintained arms shipments to the regime of Somoza's beleaguered son and heir, Anastasio Somoza Debayle, long after the United States and many other western nations had ceased. Indeed, a strong warning from the Carter administration compelled Jerusalemto order back to port two shiploads of arms on their way to Somoza in 1979, an event that the deposed dictator later cited as one of the reasons he finally fled the country.

Israel has repeatedly denied any involvement with the contra rebels, although Prime Minister Yitzhak Shamir has frequently criticized Nicaragua's Sandinista regime for its support of the Palestine Liberation Organization. Defense Minister Rabin told the Israeli Knesset last week in a carefully worded statement that Israel "does not maintain contacts or ties with the rebels in Nicaragua. Nor does it supply arms from here to them. Israel did not grant permission to any Israeli to assist, supply knowhow or sell weapons from Israel to the rebels in Nicaragua."

But informed sources here contend Israeli shipments to the contras may date back as far as 1982, when the rebels began using large quantities of Soviet-made AK47 automatic rifles said to have been captured by the Israelis in Lebanon. Later shipments reportedly took place in 1984, after a congressional cutoff of aid to the rebels.

weapons-Soviet-made rocket-propelled grenade launchers and grenades, assault rifles and ammunition-were shipped to the Honduran Army, according to enduser certificates signed by Honduran military officials, copies of which were obtained and published

last year by the Hebrew-language newspaper Maariv. The newspaper cited interviews with unnamed arms dealers as saying the weapons ultimately ended up with the contras. One tip-off was that the Honduran Army is not known to use the RPG7 grenade launcher, but the contras are.

The newspaper account, some of which has been confirmed by knowledgeable sources here, names three Israeli middlemen as involved in the contra dealings: Yaacov Nimrodi, Pesah Ben Or and David Marcos Katz.

Nimrodi, a London-based arms dealer who was former military attache at the Israeli Embassy in Iran in the days of the shah, also played a key role in setting up the secret exchange between Washington and Tehran. According to the sources in Washington, he handled shipments of arms to the contras purchased with Israeli funds that were supplied at CIA director Casey's behest in 1984. He has refused to comment on his role.

Ben Or, a former Israeli paratrooper who divides his time between Guatemala and Miami, arranged the three shipments that were delivered to the contras via the Honduran Army, according to Maariv. He could not be reached for comment.

Katz, who lives in Mexico City and reportedly specializes in sales of jet fighters, artillery and radar, helped broker another deal with the contras in 1985, according to an unnamed business associate interviewed recently by the Miami Herald. He could not be reached either.

Official sources here have denied that either Ben Or or Katz operate with Israeli government sanction, But both men appear to have acted in semiofficial capacities in previous arms dealings.

Ben Or was a key figure in supplying Israeli arms and military communications equipment to Guatemala after the Carter administration's cutoff in the late 1970s. Among the equipment he reportedly helped supply were spare parts

for Guatemala's U.S.-made heticopter fleet, a key part of the regime's war against leftist guerrillas.

Israel contends its arms sales to Guatemala were insignificant. But they were important enough for two senior members of the ruling junta to thank Israel publicly for its support in the early 1980s.

"We went on rather too long selling to Guatemala at a time when other western countries had stopped," says Abba Eban. "There has to be a point when you decide it's time to turn off the tap."

As for Katz, the Hebrew press reported that he accompanied the then defense minister, Ariel Sharon, on a much-publicized tour of Central America in 1982. Sharon at the time denied making any arms deals during the tour, but soon afterward Katz was reported to have signed several deals with the Hondurans.

In the case of South Africa, Israeli policymakers such as Foreign Minister Shimon Peres publicly have condemned the apartheid system and insisted that Israel has no military links with Pretoria. At the same time, however, informed analysts contend that military sales to South Africa in defiance of the U.N. arms embargo consistently top \$50 million per year-roughly 5 percent of Israel's total arms exports. Even that figure may be an underestimate, according to one informed source.

"The strategic relationship between the two countries is very extensive and very important to both sides," said Michael Wade, an associate professor of African studies at Hebrew University who emi-

דףמתוךדפים	<b>国际中国国际</b>
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grated here from South Africa 20 years ago. "While the foreign ministry has tried to distance Israel from South Africa, the fact is that the nature and degree of relations have been determined by the Defense Ministry and the defense establishment for a very long time."

The resemblance of South Africa's new reconnaissance jet, known as the Cheetah, to Israel's Kfir jet is a case in point, sources say. Both planes are remakes of the Mirage III, the French-built jet that was the mainstay of each country's air fleet until Paris cut off sales to each.

But while the Kfir is built from scratch by Israel Aircraft Industries, the Cheetah is an overhauled Mirage, produced in collaboration with the Israeli company and using avionics and communications equipment supplied by the Israelis, according to Jane's Defense Weekly and other sources,

"You don't have to be a genius to see our fingerprints all over it," said an Israeli Cabinet minister in a private discussion after the South African plane was unveiled earlier this year.

South Africa is fiercely proud of the domestic defense industry it has developed since the U.N. arms embargo became mandatory in 1977, and officials there insist the country produces 85 percent of its military equipment. But analysts contend that key parts and sophisticated equipment are often supplied by third parties, including Israel.

In the case of the Reshef speed-boat, which Israel contracted to sell to Pretoria before the embargo, informed sources say that in recent years Israeli firms have supplied new weapons and radar systems to refit the aging boats and that some of that equipment is of American origin. Those same sources contend the United States has given tacit approval to such supplies because Washington, like Jerusalem, believes that South Africa's Navy plays an important role in patrolling sea routes around the strategic Cape of Good Hope.

Most Israelis know little about Israel's role in supplying military equipment to unpopular regimes because that role is kept secret by the government in most instances. But the country's leaders—and especially the triumvirate of Shamir, Peres and Rabin that has the final word on arms exports—contend that most Israelis understand and approve of the sales.

"In general we know that countries that manufacture arms must also export arms," Shamir said in a recent television interview. "Otherwise they are incapable of maintaining an arms industry. These countries publish virtually nothing about their arms exports. This is accepted procedure everywhere because there is competition . . . . Israel, which also has to take part in this race, cannot be the exception. Therefore we do not talk very much about this subject."

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שגרירות ישראל - וושינגטון

אל: המשרד

טופס מנרק דף..ו..מתוך.ג.... סווג בטחוני סורי..... דחיפות. רגיל..... תאריך וזיית 12.11.30 דעמבר 86

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אל: מצפ"א

#### משלחת ראשי מטות רפובליקניים

קיימת אפשרות של משלחת רפובליקנית לא גדולה שתצא לארץ ב-10 בינואר. כנראה ישתתפו בה - אד רולינס (קמפ), דונלד דיווין (דול), רון רוברטסון (היועץ המשפטי של מטה רייגן-בוש ב-84) וג'רלד כרמן (השגריר לשעבר בז'נווה ויו"ר המפשייר) עד אמצע השבוע הבא יידעו בוודאות אם הדבר אפשרי הרפובליקנית בניו-המפשייר). עד אמצע השבוע הבא יידעו בוודאות אם הדבר אפשרי ואם יש להם ממון לנסיעה. מדובר על ביקור בארץ של כ-5 ימים. אם התאריכים הנ"ל אינם אפשריים לחלוטין מבחינתכם - אנא הודיעו מיידית. פרטים נוספים אודיעכם בימים הקרובים. באם הדבר יוצא לפועל כל ארגון הביקור יהיה בידי המשרד ללא גורמים נוספים.



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שגרירות ישראל - וושינגטון

ול: המשרד

335

אל :- מנכייל מדיני

אחוזי רבית

משיחה חוזרת עם ווילקוקס, אמר שאין עדין למה למסור לנו. עדין מתרוצצות משיחה חוזרת עם ווילקוקס, אמר שאין עדין למה למסור לנו. עדין מסור לי. מחשבות בהקשר ואין סיכום סופי. אין בידיו אפילו

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שברירות ישראל - וושינגטון

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המשרד

סווג בסחוני...שמנה...
דריפות מגיהה:
האריך וזיים 12 0900 דצמ 86

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אל :- מאס

רע :- מצפייא

#### תדרוך סולארז

נפגשתי עם עוזרו של סולארז, סטנלי רוט' לגבי לגבי סיורו של הקונגרסמן בהודו, פקיסטאן, סרי לנקה והפיליפינים. מסרתי לו תדרוך מעודכן. (בחלק מהפגישה נכח למדן -ראו נא שלנו 318)

להלן מדבריו:

- ו, הנסיעה לפקיסטאן קצרה ביותר, 24 שעות, ונוספה רק כמשקל נגד לביקור בהודו.
- 2. בהודו נועדה לסולארז פגישה עם רג'יב ועם אחרים. סולארז עשוי גם לסייר בטמיל-נאדו.
  - .3. לגבי סרי לנקה ינסה להתעדכן על המצב בחזית הטמילית.
- 4. בפיליפינים יפגוש את אקינו. יתעדכן במצב היחסים פיליפינים ישראל ממנה. רוטי ציין ששהאני לא תמונה כשרת חוץ, כי השר הנוכחי נחוץ לשווי משקל פנימי. שאהאני מכהנת למעשה כשרת חוץ ובידה מרוכזים הענינים, סולארז, שהכירה, אוכזב מקריאתה לסלק הבסיסים האמריקנים.

אם יישאר בידו זמן, יגיע גם לאיזור מינדנאו.



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אלן מנכייל מדיני, ממנכייל, מצפייא, מעיית אל אלן מנכייל מדיני, ממנכייל, מצפייא מעיית אל אלן דע: יועץ רהיים לתקשורת, יועץ שהבייט לתקשורת

כמו הניו ינרק טיימט, Ces ואחרים מטפל היום הוושינגטון פוסטיי בהרחבה במכירות הנשק של ישראל וכמו שאפשר היה לצפות בייפרסטיי זהו ספור העמוד הראשון,

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# Israeli Economy Depends on Nation's

# Role as Arms Exporter

By Glenn Frankel Washington Post Foreign Service

JERUSALEM. Dec. 11—When the Carter administration cut off military aid to the rightist regime of Guatemala because it refused to accept human rights requirements, Israel was one of several countries that filled the gap. Today Guatemalan troops wear Israeli uniforms, tote Israeli automatic rifles and conduct counterinsurgency operations learned from Israeli instructors.

When the contra rebels in Nicaragua faced a congressionally mandated cutoff of U.S. aid, Israel was one of the countries the CIA turned to. Private Israeli arms merchants—one of whom was later involved in the secret White House arms sales to Iran—sold the contras light arms funneled through Honduras. At around the same time, U.S. and Israeli sources have said, Israel's government supplied several million dollars in aid to the contras at the behest of CIA Director William J. Casey.

When the United Nations ratified a mandatory arms embargo against South Africa in 1977, Israel was one of the states that quietly defied the ban by maintaining its own pipeline of military equipment to the white-minority government there, according to informed sources here and in South Africa. Last July, South Africa unveiled a new jet fighter bearing an uncanny resemblance to the Israeli Kfir, and an Israeli Cabinet minister privately has confirmed that key parts of the plane are indeed the same.

While Israel publicly has denied

involvement in each of the above cases, senior officials privately concede that such deals take place.

The justifications they offer include the need to support friendly regimes in an international climate hostile to Israel; the need to honor requests and aid the interests of the United States, Israel's chief ally, and the role arms sales can play in providing a form of life insurance for small, vulnerable Jewish communities in Third World states.

But another factor invariably has come to dominate Israel's decisions about where and to whom it should sell arms: the economic imperative.

Israel's drive to develop one of the world's most sophisticated and competitive arms industries compelled it to become a weapons exporter in order to help foot the bill.

And its drive to maintain and constantly improve that industry at a time of economic hardship has pressed the Jewish state to search for new customers and, at times, seek opportunities and take risks that larger and wealthier arms exporters might avoid. "We're not doing anything different than a dozen other countries I could name," said a senior Israeli official, who asked not to be identified.

"We just get a lot more scrutiny than the others. The fact is that there's a highly competitive arms market and either you sell what you can and not ask too many questions about where it's all going or you lose out."

Such sales have helped give Israel "global reach" far beyond what a postage stamp-sized nation of 4 million could otherwise expect to wield, says Prof. Aaron Klieman, a

Tel Aviv University political scientist and expert on arms sales. "Conventional arms have been converted by Israel into unconventional diplomacy," he wrote in a recent study.

But critics contend Israel's reliance on its defense industry has given arms dealers too much power over government policy and tarnished the country's image.

"The needs of the arms manufacturing establishment dictate much of Israel's foreign policy," said Yossi Sarid, a left-wing Knesset deputy who sits on the parliament's key foreign affairs and defense committee. He called this phenomenon "unfortunate and very dangerous."

The controversy over Israel's role in brokering the arms-for-hostages exchange between the United States and Iran-and the disclosures, still denied by officials here, that Israel sold millions of dollars in weapons and spare parts to the Khomeini regime long before the exchange began in 1985-has focused unusual public attention on a vast part of Israeli society that generally has remained hidden from view. It has exposed a shadowy world of middlemen that the government can use to obscure its role in arms dealings it prefers to conceal.

It has also exposed the cold pragmatism that is at the core of Israel's arms sales policy.

"If an Iranian regime is friendly, we let them have arms to celebrate the friendship," said senior statesman Abba Eban, chairman of the Knesset foreign affairs and defense committee and a subdued but persistent critic of Israel's role in the Iran affair. "But if it is hostile, we let them have arms to mitigate the hostility. We end up in a situation where the selling of arms is the only constant."







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Officials here like to emphasize that, compared with the world's arms giants, Israel is a small fish. It is ranked by experts between ninth and 15th worldwide, depending on the source.

"When it comes to arms sales, you won't find Israel near the top of any list," said former defense minister Moshe Arens in an interview before the Iran affair became public.

But a more revealing figure to some analysts is that Israel's estimated \$1.2 billion in annual arms sales and security services now amounts to nearly one-fourth of its total industrial exports. The country's defense industry employs between 140,000 and 200,000 people to make and sell arms—roughly 10 percent of the country's work force.

In its early days, Israel's defense industry manufactured light arms and refitted other nations' aircraft and tanks. But these days Israel is identified more with such "big ticket" items as high-performance aircraft and tanks, missile systems, radar and small naval craft—all of it battle-tested in Arab-Israeli wars.

Lately it has also moved into the business of terrorism control. An estimated 30 private military consulting agencies have sprung up in recent years, manned by former career military officers. The officers retain their commissions while on reserve status and offer services ranging from setting up security systems for hotel chains and supplying bodyguards to VIPs to training police or antiterror units in Third World nations.

Recent incidents have caused embarrassment to the government, including charges in New York that a retired Israeli general was involved in an illegal scheme to peddle \$2.5 billion worth of warplanes and other military hardware to Iran. Such incidents led Defense Minister Yitzhak Rabin earlier this year to Issue a new set of regulations tightening restrictions on foreign arms deals.

Nonetheless, industry sources say the pressure to sell abroad has actually increased due to extensive cuts in Israel's defense budget at a time when the nation is seeking to cure its chronic economic ills through fiscal austority. One smaller producer of jet engines, Bet Shemesh, is already in receivership and several other defense companies are said to be tottering on the brink.

To make those foreign sales, companies rely upon extensive networks of contact men and gobetweens. Among those middlemen are estimated to be between 700 and 800 former career military officers whose training and work experience qualify them for little else. These are the kind of men the government itself turned to when seeking to forge the Iran connection, and they have been active for many years in Latin America and Africa.

The Israeli connection in Nicaragua dates back nearly 40 years, to the time when the late Nicaraguan president Anastasio Somoza Garcia provided diplomatic cover for arms smuggling to the Jewish underground in Palestine and a U.N. vote in favor of the creation of the Jewish state.

Israel maintained arms shipments to the regime of Somoza's beleaguered son and heir. Anastasio Somoza Debayle, long after the United States and many other western nations had ceased. Indeed, a strong warning from the Carter administration compelled Jerusalem to order back to port two shiploads of arms on their way to Somoza in 1979, an event that the deposed dictator later cited as one of the reasons he finally fled the country.

Israel has repeatedly denied any involvement with the contra rebels, although Prime Minister Yitzhak Shamir has frequently criticized Nicaragua's Sandinista regime for its support of the Palestine Liberation Organization. Defense Minister Rabin told the Israeli Knesset last week in a carefully worded

statement that Israei "does not maintain contacts or ties with the rebels in Nicaragua. Nor does it supply arms from here to them. Israel did not grant permission to any Israeli to assist, supply knowhow or sell weapons from Israel to the rebels in Nicaragua."

But informed sources here contend Israeli shipments to the contras may date back as far as 1982, when the rebels began using large quantities of Soviet-made AK47 automatic rifles said to have been captured by the Israelis in Lebanon, Later shipments reportedly took place in 1984, after a congressional cutoff of aid to the rebels.

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The strategic relationship between the two countries is very extensive and very important to both sides," said Michael Wade, an associate professor of African studies at Hebrew University who emigrated here from South Africa 20 years ago. "While the foreign ministry has tried to distance Israel from South Africa, the fact is that the nature and degree of relations have been determined by the Defense Ministry and the defense establishment for a very long time.

The resemblance of South Africa's new reconnaissance jet, known as the Cheetah, to Israel's Kfir jet is a case in point, sources say. Both planes are remakes of the Mirage III, the French-built jet that was the mainstay of each country's air fleet until Paris cut off sales to each.

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YITZHAK SHAMIR
... "countries that manufacture arms must export arms"

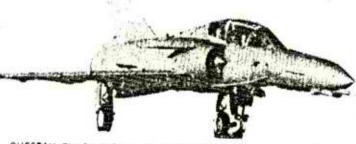


... recently tightened restrictions on foreign arms deals

## ISRAEL AND ARMS



KFIR. A prototype of the Israeli Kfir ("Lion Cub") jet fighter was first flown in 1973. The plane uses an airframe similar to the French Mirage V, but is completely built by Israel Aircraft Industries (IAI). It features a modified fuselage, strengthened landing gear, israeli-built avionics and a redesigned cockpit—modifications intended to make the aircraft more maneuverable. More than 200 Kfirs of all versions are thought to have been built by 1984, and production is continuing. (A) has marketed a Kfir "conversion kit" for several years.



CHEETAH: The South African Cheetah, unveiled July 16, is derived from the French Mirage III, overhauled and reworked in collaboration with Israel Aircraft Industries. The combat aircraft incorporates improved radar, Israeli-supplied avicnics and communications equipment as well as external modifications, Initially more than 30 Mirage IIIEs will be converted to the Cheetan configuration, and later more than 20 Mirage iliCs are expected to be modified.

SOURCE Available Neek, Jone's All the World Amoratt

### THE WORLD'S TOP ARMS SUPPLIERS, 1981-85

PERCENT SHARE OF WORLD ARMS EXPORTS

United States	38.7
U.S.S.R.	27.6
France	10.6
Britain	4.7
West Germany	4.0
Italy	3.8
China	2.3
Spain	1.2
Israel	1.0
Brazil	0.7
*****	0.7

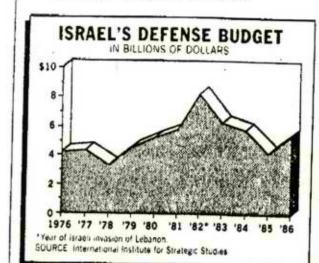
SOURCE, Stockholm International Peace Research Institute, Center for Defense information.

## THE THIRD WORLD'S TOP ARMS SUPPLIERS, 1981-85

PERCENT SHARE OF THIRD WORLD ARMS EXPORTS

MONES HAMIS EXPORTS		
Israel	28.0	
Brazil	21.0	
Egypt	15.0	
South Korea	6.0	
Singapore	3.0	
South Africa	1.5	
Indones a	1.2	
Argentina	0.7	
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SOURCE Stockholm International Peace Research Institute, Center for Defense Information NOTE SIPRI does not consider China, which exports aubstantial amounts of arms to Iran a Third World country.



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COMPLED BY JAMES SCHWARE: GRAPHIC BY JO ELLEN MURPHY AND TOBEY—THE WASHINGTON POST

בלמט

נכנס

חרזט:0310 אל:המשרד מ-:לרטאנגלט,נר:76,תא:121286,דח:0300,דח:ר,טג:ב נד:8

רגיל/בלמס

נר 12 זר רוש בנערד

אל: מצבא"

אל: מרבד

דע: נעים, ררש

מאת: קונכל" לא"

עבדלה בישארה, מזכל' מרעצת מדינות המפרץ, נשא דברים בפני המרעצה ליחסי חוץ בלא".

1. ארהב" סייעה למדינות המפרץ להפעיל לחץ והשפעה בינל" כדי לנסות ולהביא להפסקת מלחמת איראן - עיראק ולפחות למנוע התפשטותה. ארהב" לדבריו, פעלה לצורן זה בשתפ" עם יפן וסין. ארהב", לבקשת מדינות המפרץ, פעלה למען צמצום תנאי איראן למומ" עם עיראק. לדעתו, מלחמה זר תמשן עוד זמן רב.

2. עמד על שתפי ביך מדינרת המפרץ לארהב' למען שלמרת מדינות המפרץ, שכן לפגיעה ביציבות מדינות המפרץ תהיה השלכה כלכלית פוליטית על העולט כולו. טען שמדינות המפרץ משתפות פעולה עם ארהב' לריסון הטירור, ולהשפעת מתינות בעולם הערבי. מדינות המפרץ יפיצו לזבריו מסר המתינות, שיטייע להביא להידברות במזהת'. חזר וטען שמדינות המפרץ פועלות למען האינטרט האמריקני, שהוא: יציבות, זהירות, מתינות והידברות בעולם הערבי. על

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#### משרד החוץ-מחלקת הקשר

כך על ארהבי לעשרת הכל כדי לשמדר על המבנה הפסליטי כלכלי של מדינות המפרץ.

3. בנושא אספקת הנשק לאיראן אמר כי כרונת הממשל היתה נכונה והמשגים נבער מלהט העשייה והביצוע של המעורבים בדבר. בתשובה לשלאלה בענין זה הפטיר שברור שידה של ישראל בפרשה כי לישראל אינטרט בהרג עיראקים.

4. לשאלה לגבי עמדת מדינות המפרץ בקשר לסכסוך הישראלי - ערבי הגיב שלמדינות המפרץ אין עמדה רשמית בשאלת הטכסוך, אך הוסיף שבמידה ויש מחלוקות בין מדינות המפרץ לארהבי מקורן במדיניות ארהבי כלפי ישראל. כללית ציין שמדינות המפרץ נוקטות בקו של התרחקות ואי מעורבות בנושא הסכסון הישראלי ערבי.

5. בעלוך הפרטרמת של האירוע הוצג בישארה שהיה שגריר כרוית באומ", כמי שטייע ב-1979 בהטדרת הפגישה בין שבריר ארהב' זאז, יאנג, לנציג אשפ' טרזי.

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#### משרד החוץ-מחלקת הקשר

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סודיקרגיל

קונבל

בקור רוהמי לשלך 65.

א. שרם נקבע מועד סופי לבקור רוהמי אך יחבן שיתקיים בפברואר. ב. רוהמי מסכים עקרונית להיות במשך ביקורו ליום אחד בלוס אנגילס. ג. בדוק נא עם הירש את הפרטים המדוייקים של הצעתו מבלי א מבלי להתחייב לפי שעה סופית.

שילה

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תפ: שהח, רהמ, מנכל, ממנכל, מצפא, תפוצות