

## The Iran-Contra Affair

**O**n November 3, 1986, the Lebanese magazine *Ash-Shiraa* revealed a secret arms-for-hostages deal between the United States and Iran. As the affair unfolded, it was revealed that the profits from these arms sales had been illegally diverted to aid anti-Sandinista rebels (called Contras) in Nicaragua. For the next year, the Iran-Contra affair, as it was known, played out in the press as questions of governmental conspiracy, abuse of power, and a White House cover-up swirled around the Reagan administration.

Since the early 1980s, the CIA had been funding, arming, and training groups of dissident forces opposing the leftist Nicaraguan government. After Congress passed the Boland Amendment, which prohibited further aid to the Contras, the Reagan administration then looked for other ways to continue its support for the rebels, eventually funneling money from the Iranian arms sales (Documents 25.5 and 25.6).

Less than a month after the story broke, President Reagan appointed a three-person commission to investigate the allegations. Unsatisfied with the commission's work, the U.S. Senate and House of Representatives established a joint investigative committee and held hearings in the summer of 1987 (Documents 28.8 and 28.9). Both the presidential commission and the congressional committee concluded that neither Reagan nor Vice President George H. W. Bush was aware of the illegal funding of the Contras, though Reagan was sharply criticized as a poor administrator who needed to exert more control over his staff (Document 28.7).

Several of Reagan's top officials were eventually indicted on a variety of felony accounts, including lying to Congress, destroying evidence, and

obstructing justice. In all, eleven men were convicted or pleaded guilty. In late 1992, then President George H. W. Bush pardoned six men indicted or convicted as part of the Iran-Contra affair.

### Document 28.5

#### The Boland Amendments, 1982 and 1984

Alarmed at the CIA's involvement in the Nicaraguan civil war, Congress passed a measure in 1982 to limit funding and support for these activities. Offered by Edward Boland, a Democratic representative from Massachusetts, the Boland Amendment prohibited the CIA or any other government agency from providing military aid or advice to the Contra rebels. When the Reagan administration found ways to evade the amendment, in 1984 Congress adopted a stronger version as part of an appropriations bill.

#### 1982 Amendment

A substitute amendment to the Harkin amendment [which also prohibited support of military activity in Nicaragua] to prohibit the CIA or Defense Department to use funds of the bill to furnish military equipment, military training or advice, or other support for military activities, to any group or individual, not part of a country's armed forces, for the purpose of overthrowing the government of Nicaragua or provoking a military exchange between Nicaragua and Honduras. The Harkin amendment has prohibited support of any military activity in Nicaragua.

Source: House Amendment 974, 97th Congress (1981-1982).

## 1984 Amendment

No appropriations or funds made available pursuant to this joint resolution to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which could have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement or individual.

Source: Pub. L. No. 98-441, 98 Stat. 1699 (Oct. 3, 1984).

## Document 28.6

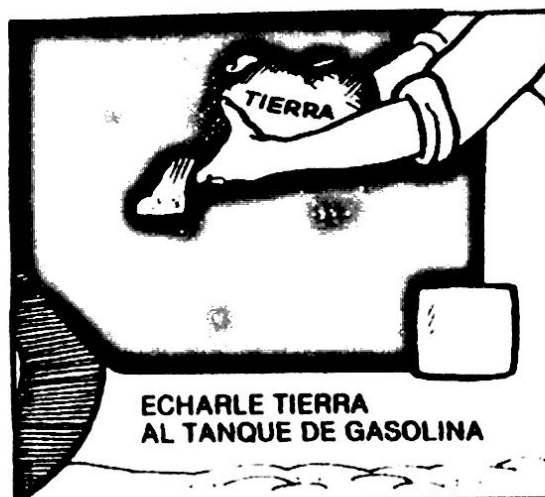
### CIA Freedom Fighter's Manual, 1983

The CIA's support for the Contras included training in sabotage to disrupt Nicaraguan government and society. In 1983 the CIA prepared the Freedom Fighter's Manual and air-dropped thousands of pamphlets over Nicaragua. Promising "minimal risk for the combatant," the manual's advice ranged from passive and mundane techniques—such as showing up late for work, spreading false rumors, and plugging up toilets with sponges—to more aggressive methods of sabotage, shown here.

PUT NAILS ON ROADS  
AND HIGHWAYS



PUT DIRT INTO GASOLINE TANKS



PUT NAILS NEXT TO THE TIRES  
OF PARKED VEHICLES



PUT WATER IN GASOLINE TANKS

## Document 28.7

### Ronald Reagan | Speech on the Iran-Contra Affair, 1987

President Reagan appointed a commission headed by Senator John Tower to investigate the allegations concerning the sale of arms to Iran in exchange for the release of hostages in Lebanon and the subsequent channeling of funds to support the Contras in Nicaragua. The commission's report, released in February 1987, concluded that while Reagan should have been more directly aware of the actions of his advisers, he was not aware of the illegal diversion of funds to the Contras. A few weeks after the Tower Commission released its report, President Reagan went on television and spoke about the Iran-Contra affair.

**F**irst, let me say I take full responsibility for my own actions and for those of my administration. As angry as I may be about activities undertaken without my knowledge, I am still accountable for those activities. As disappointed as I may be in some who served me, I'm still the one who must answer to the American people for this behavior. And as personally distasteful as I find secret bank accounts and diverted funds—well, as the Navy would say, this happened on my watch.

Let's start with the part that is the most controversial. A few months ago I told the American people I did not trade arms for hostages. My heart and my best intentions still tell me that's true, but the facts and the evidence tell me it is not. As the Tower board reported, what began as a strategic opening to Iran deteriorated, in its implementation, into trading arms for hostages. This runs counter to my own beliefs, to administration policy, and to the original strategy we had in mind. There are reasons why it happened, but no excuses. It was a mistake. . . .

Now, another major aspect of the Board's findings regards the transfer of funds to the Nicaraguan contras. The Tower board wasn't able to find out what happened to this money, so the facts here will be left to the continuing investigations of the court-appointed Independent Counsel and the two congressional investigating committees. I'm confident the truth will come out about this matter,

as well. As I told the Tower board, I didn't know about any diversion of funds to the contras. But as President, I cannot escape responsibility.

Much has been said about my management style, a style that's worked successfully for me during 8 years as Governor of California and for most of my Presidency. The way I work is to identify the problem, find the right individuals to do the job, and then let them go to it. I've found this invariably brings out the best in people. They seem to rise to their full capability, and in the long run you get more done. . . .

Now, what should happen when you make a mistake is this: You take your knocks, you learn your lessons, and then you move on. That's the healthiest way to deal with a problem. This in no way diminishes the importance of the other continuing investigations, but the business of our country and our people must proceed. I've gotten this message from Republicans and Democrats in Congress, from allies around the world, and—if we're reading the signals right—even from the Soviets. And of course, I've heard the message from you, the American people. You know, by the time you reach my age, you've made plenty of mistakes. And if you've lived your life properly—so, you learn. You put things in perspective. You pull your energies together. You change. You go forward.

Source: "Address to the Nation on the Iran Arms and Contra Aid Controversy," March 4, 1987, <http://www.pbs.org/wgbh/americanexperience/features/primary-resources/reagan-iran-contra>.

## Document 28.8

### Oliver North | Testimony to Congress, July 1987

As the Iran-Contra affair intensified, Lieutenant Colonel Oliver North appeared before the joint congressional committee in the summer of 1987 and admitted his role as a chief operator in the Iran-Contra affair. He also confessed that he had lied to Congress and had shredded incriminating documents, but he defended himself as a soldier in service to his country. North was eventually indicted and convicted on three felony counts, though his conviction was overturned on appeal.

**Q**UESTION: Is it correct to say that following the enactment of the Boland Amendment, our support for the war in Nicaragua did not end and that you were the person in the United States Government who managed it?

**ANSWER:** Starting in the spring of 1984, well before the Boland proscription of no appropriated funds made available to the D.O.D. [Department of Defense] and the C.I.A. etc., I was already engaged in supporting the Nicaraguan resistance and the democratic outcome in Nicaragua. I did so as part of a covert operation. It was carried out starting as early as the spring of '84, when we ran out of money and people started to look in Nicaragua, in Honduras and Guatemala, El Salvador, and Costa Rica for some sign of what the Americans were really going to do, and that that help began much earlier than the most rigorous of the Boland proscriptions. And yes, it was carried out covertly, and it was carried out in such a way as to insure that the heads of state and the political leadership in Nicaragua—in Central America—recognized the United States was going to meet the commitments of the President's foreign policy.

And the President's foreign policy was that we are going to achieve a democratic outcome in Nicaragua and that our support for the Nicaraguan freedom fighters was going to continue, and that I was given the job of holding them together in body and soul. And it slowly transitioned into a more difficult task as time went on and as the C.I.A. had to withdraw further and further from that support, until finally we got to the point in October when I was the only person left talking to them. . . .

**QUESTION:** Do you know whether or not the President was aware of your activities seeking funds and operational support for the contras, from third countries?

**ANSWER:** I do not know.

**QUESTION:** Were you ever—

**ANSWER:** I assumed that he did.

**QUESTION:** . . . What was the basis of your assumption?

**ANSWER:** Just that there was a lot going on and it was very obvious that the Nicaraguan resistance survived—I sent forward innumerable documents, some of which you've just shown us as exhibits, that

demonstrated that I was keeping my superiors fully informed, as to what was going on.

Source: "Iran-Contra Hearings: 'I Came Here to Tell You the Truth'; The Colonel States His Case: Country and Orders above All," *New York Times*, July 8, 1987, A8.

## Document 28.9

### George Mitchell | Response to Oliver North, 1987

Maine senator George Mitchell joined the joint House and Senate committee investigating the Iran-Contra affair in 1987. During Oliver North's testimony, Mitchell listened to North's characterization of his activities and support for the Contras as the true patriotic course of action. In Mitchell's response to North, he discusses the meaning of patriotism in a democratic society.

**Y**ou have talked here often and eloquently about the need for a democratic outcome in Nicaragua. There is no disagreement on that. There is disagreement as how best to achieve that objective. Many Americans agree with the President's policy; many do not. Many patriotic Americans, strongly anti-Communist, believe there's a better way to contain the Sandinistas, to bring about a democratic outcome in Nicaragua and to bring peace to Central America.

And many patriotic Americans are concerned that in the pursuit of democracy abroad we not compromise it in any way here at home. You and others have urged consistency in our policies, you have said repeatedly that if we are not consistent our allies and other nations will question our reliability. That is a real concern. But if it's bad to change policies, it's worse to have two different policies at the same time: one public policy and an opposite policy in private. It's difficult to conceive of a greater inconsistency than that. It's hard to imagine anything that would give our allies more cause to consider us unreliable than that we say one thing in public and secretly do the opposite. And that's exactly what was done when arms were sold to Iran and arms were swapped for hostages.

. . . You talked about your background and it was really very compelling, and is obviously one of



the reasons why the American people are attracted to you.

Let me tell you a story from my background. Before I entered the Senate, I had the great honor of serving as a federal judge. In that position I had great power. The one I most enjoyed exercising was the power to make people American citizens. From time to time I presided at what we call naturalization ceremonies; they're citizenship ceremonies. These are people who came from all over the world, risked their lives, sometimes left their families and their fortunes behind to come here. They had gone through the required procedures, and I, in the final act, administered to them the oath of allegiance to the United States, and I made them American citizens. To this moment, to this moment it was the most exciting thing I've ever done in my life.

Ceremonies were always moving for me because my mother was an immigrant, my father the orphan son of immigrants. Neither of them had any education, and they worked at very menial tasks in our society. But because of the openness of America, because of equal justice under law in America, I sit here today a United States Senator. And after every one of these ceremonies I made it a point to speak to these new Americans, I asked them why they came, how they came, and their stories, each of them, were inspiring. I think you would be interested and moved by them given the views you have expressed on this country.

And when I asked them why they came they said several things, mostly two. The first is they said we came because here in America everybody has a chance, opportunity. And they also said over and over again, particularly people from totalitarian

societies, we came here because here in America you can criticize the government without looking over your shoulder. Freedom to disagree with the government.

Now, you have addressed several pleas to this committee, very eloquently. None more eloquent than last Friday when in response to a question by Representative [Richard] Cheney you asked that Congress not cut off aid to the Contras for the love of God and for the love of country. I now address a plea to you. Of all the qualities which the American people find compelling about you, none is more impressive than your obvious deep devotion to this country. Please remember that others share that devotion and recognize that it is possible for an American to disagree with you on aid to the Contras and still love God and still love this country just as much as you do.

Although he's regularly asked to do so, God does not take sides in American politics. And in America, disagreement with the policies of the government is not evidence of lack of patriotism.

... Indeed, it is the very fact that Americans can criticize their government openly and without fear of reprisal that is the essence of our freedom, and that will keep us free.

Now, I have one final plea. Debate this issue forcefully and vigorously as you have and as you surely will, but, please, do it in a way that respects the patriotism and the motives of those who disagree with you, as you would have them respect yours.

Source: Iran-Contra Investigation, Joint Hearings Part II, July 10, 13, and 14, 1987: Continued Testimony of Oliver L. North and Robert C. McFarlane, 31-46.

### **Interpret the Evidence**

1. Compare the 1982 and 1984 versions of the Boland Amendment (Document 28.5). How does the wording of the second version clarify Congress's original intent?
2. What, if anything, surprises you about the Freedom Fighter's Manual (Document 28.6)? Why would it focus on these specific activities, and do you think they were effective?
3. How politically effective was Reagan's explanation of his Iran-Contra involvement (Document 28.7)?
4. Why did Oliver North assume that President Reagan knew about his activities (Document 28.8)? How does his testimony compare with what Reagan says he knew (Document 28.7)? Can they both be right?
5. How does Senator George Mitchell (Document 28.9) define patriotism differently than Oliver North?

### **Put It in Context**

Compare the Iran-Contra affair with Watergate (chapter 27). How did Reagan's presidency survive such a scandal when Nixon's did not?