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UNCLAS SECTION 01 OF 02

Dept. of State, RPS/IPS, Margaret P. Grafeld, Dir.
(Release) (Excise) (Deny) (Declassify)
Date 6/2/98 Exemption _____

USINFO

USIS PAO/ID FROM P/PFL CRUZ/QUINTERO

EO 12356 N/A

SUBJECT: WASHPOST ON NICARAGUA COVERT AID
(FOLLOWING FS MATERIAL NOT FOR PUBLICATION)
WASHPOST PUBLISHED 5/25 STORY HEADED: "WHITE HOUSE SEEKS
ACCORD IN DISPUTE OVER NICARAGUA" BY DON OBERDORFER.

(BEGIN TEXT)

THE REAGAN ADMINISTRATION HAS OPENED NEGOTIATIONS WITH HOUSE DEMOCRATS ON A PLAN TO AVERT A SHOWDOWN NOW ON U.S.-BACKED UNDERCOVER OPERATINS IN NICARAGUA BY PERMITTING CONGRESS TO VOTE ON THE OPERATIONS LATER THIS YEAR, INFORMED SOURCES SAID YESTERDAY.

THE DRIVE FOR A NEGOTIATED SETTLEMENT OF THE EXECUTIVE-LEGISLATIVE DISPUTE OVER THE ANTI-SANDINISTA FORCES WAS DESCRIBED BY A SENIOR MEMBER OF THE FOREIGN AFFAIRS COMMITTEE, REP. LEE H. HAMILTON (D-IND.), AS "IN VERY EARLY STAGE OF CONSIDERATION." HAMILTON SAID HE MET MONDAY WITH ASSISTANT SECRETARY OF STATE THOMAS O. ENDERS ABOUT THE PLAN, AND WAS CONSIDERING A WRITTEN PROPOSAL DRAFTED BY THE ADMINISTRATION. HE DECLINED TO GIVE ANY DETAILS AND SAID THAT AT THIS POINT HE DOES NOT KNOW WHETHER HE CAN SUPPORT THE IDEAS UNDER DISCUSSION.

THE ADMINISTRATION PLAN, AS REPORTED BY THE SOURCES, WOULD REQUIRE PRESIDENT REAGAN TO SEND CONGRESS A NEW OFFICIAL "FINDING" THAT THE SECRET OPERATION IS IN THE NATIONAL INTEREST, AND GIVE THE LAWMAKERS 30 DAYS TO VETO IT BY JOINT RESOLUTION OF THE TWO HOUSES.

CURRENT LAW REQUIRES THE PRESIDENT TO REPORT TO CONGRESS ANY COVERT OPERATION BUT DOES NOT GIVE CONGRESS A VETO POWER.

THE PROPOSAL -- WHICH APPLIES ONLY TO NICARAGUA -- IS SIMILAR IN SOME RESPECTS TO A PLAN ADOPTED MAY 6 BY THE SENATE SELECT COMMITTEE ON INTELLIGENCE. THAT PANEL AGREED TO FUND CIA COVERT OPERATIONS IN NICARAGUA UNTIL SEPT 30 BUT REQUIRED THAT A NEW "PRESIDENTIAL FINDING" BE APPROVED BY THE COMMITTEE TO CARRY ON THE OPERATIONS AFTER THAT.

IN ANNOUNCING THIS COMMITTEE ACTION, CHAIRMAN BARRY GOLDWATER (R-ARIZ) SAID IT WAS ACCEPTABLE TO REAGAN.

THREE DAYS EARLIER, THE HOUSE PERMANENT SELECT COMMITTEE ON INTELLIGENCE HAD VOTED A FLAT PROHIBITION ON U.S. INVOLVEMENT WITH GUERRILLA FORCES FIGHTING THE SANDINISTA REGIME. INSTEAD, THE HOUSE COMMITTEE AUTHORIZED 80 MILLION

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USINFO

USIS PAO/IO FROM P/PFL CRUZ/QUINTERO

EO 12356 N/A

A MARK-UP MEETING WAS POSTPONED LAST THURSDAY AFTER WRANGLING OVER WHETHER THE SESSION SHOULD BE PUBLIC OR SECRET. ANOTHER SHOWDOWN MEETING OF THE COMMITTEE HAD BEEN SCHEDULED FOR THIS MORNING, BUT WAS PUT OFF YESTERDAY BECAUSE OF PARLIAMENTARY OBJECTIONS BY REPUBLICANS.

A JOINT RESOLUTION REQUIRES PASSAGE BY BOTH HOUSES AND THE SIGNATURE OF THE PRESIDENT. FOR THIS REASON, SOME DEMOCRATS HAVE EXPRESSED DOUBT THAT THE ADMINISTRATION PLAN ACTUALLY GIVES CONGRESS THE RIGHT TO VETO THE "SECRET WAR" IN NICARAGUA, EVEN IF A MAJORITY IN BOTH HOUSES OPPOSES IT.

ANOTHER OBJECTION IS TO THE DELAY INVOLVED. THE LONGER THE CIA BACKING FOR THE ANTI-SANDINISTA FORCES CONTINUES, THE LARGER THE FORCE BECOMES AND THE MORE INTENSE THE MILITARY ACTIVITY IN NICARAGUA.

IN A RELATED ACTION, THE SENATE FOREIGN RELATIONS COMMITTEE VOTED TO RECOMMEND CONFIRMATION OF FORMER FLORIDA SENATOR RICHARD B. STONE AS REAGAN'S SPECIAL ENVOY TO CENTRAL AMERICA. SENATE ACTION IS EXPECTED LATER THIS WEEK.

(END TEXT)

(PRECEDING FS MATERIAL NOT FOR PUBLICATION)

ITEM

BT

#5982

29 MAY 1983

DOLLARS IN NEW AID TO FRIENDLY STATES IN THE AREA FOR OPEN
ACTIVITY TO INTERDICT THE FLOW OF ARMS TO LEFTIST
INSURGENCIES.

THE PLAN WAS ADOPTED BY THE COMMITTEE'S DEMOCRATIC
MAJORITY ON A 9 TO 5 PARTY-LINE VOTE. THE ADMINISTRATION AND
HOUSE REPUBLICANS HAVE BEEN DOING EVERYTHING THEY CAN TO
DEFEAT OR DELAY ANY BAN ON CIA AID TO THE UNDERCOVER ARMY,
NOW REPORTED TO NUMBER MORE THAN 7,000 MEN.

BECAUSE IT INVOLVED EXPENDITURE OF FUNDS FOR OPEN
INTERDICTION AID, THE HOUSE PANEL'S PROPOSAL WAS SENT TO THE
FOREIGN AFFAIRS COMMITTEE FOR FURTHER ACTIONS.

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