

**Brothers in Arms: Congress, the Reagan  
Administration and Contra Aid, 1981-1986**

**Michael Holm  
Department of History  
McGill University, Montreal**

**August 2007**

**A thesis submitted to  
McGill University in partial fulfillment of  
the requirements of the degree of  
Master of Arts**

**© Michael Holm  
2007**



Library and  
Archives Canada

Published Heritage  
Branch

395 Wellington Street  
Ottawa ON K1A 0N4  
Canada

Bibliothèque et  
Archives Canada

Direction du  
Patrimoine de l'édition

395, rue Wellington  
Ottawa ON K1A 0N4  
Canada

*Your file    Votre référence*  
*ISBN: 978-0-494-38452-7*  
*Our file    Notre référence*  
*ISBN: 978-0-494-38452-7*

**NOTICE:**

The author has granted a non-exclusive license allowing Library and Archives Canada to reproduce, publish, archive, preserve, conserve, communicate to the public by telecommunication or on the Internet, loan, distribute and sell theses worldwide, for commercial or non-commercial purposes, in microform, paper, electronic and/or any other formats.

The author retains copyright ownership and moral rights in this thesis. Neither the thesis nor substantial extracts from it may be printed or otherwise reproduced without the author's permission.

**AVIS:**

L'auteur a accordé une licence non exclusive permettant à la Bibliothèque et Archives Canada de reproduire, publier, archiver, sauvegarder, conserver, transmettre au public par télécommunication ou par l'Internet, prêter, distribuer et vendre des thèses partout dans le monde, à des fins commerciales ou autres, sur support microforme, papier, électronique et/ou autres formats.

L'auteur conserve la propriété du droit d'auteur et des droits moraux qui protègent cette thèse. Ni la thèse ni des extraits substantiels de celle-ci ne doivent être imprimés ou autrement reproduits sans son autorisation.

---

In compliance with the Canadian Privacy Act some supporting forms may have been removed from this thesis.

While these forms may be included in the document page count, their removal does not represent any loss of content from the thesis.

Conformément à la loi canadienne sur la protection de la vie privée, quelques formulaires secondaires ont été enlevés de cette thèse.

Bien que ces formulaires aient inclus dans la pagination, il n'y aura aucun contenu manquant.

  
**Canada**

## **Table of Contents**

<b>Acknowledgements</b>	<b>i</b>
<b>Abstract</b>	<b>ii</b>
<b>Résumé</b>	<b>iii</b>
<b>Introduction</b>	<b>1</b>
<b>1. From Carter to Reagan: Contrasting Philosophies Over Central America</b>	<b>6</b>
<b>2. 1981-1982: Republicans Take Control, Democrats Struggle</b>	<b>20</b>
<b>3. 1983-1984: A Moderate Response from Congress</b>	<b>38</b>
<b>4. 1985-1986: The Administration Takes Control</b>	<b>60</b>
<b>Conclusion</b>	<b>85</b>
<b>Bibliography</b>	<b>91</b>

## **Acknowledgements**

Completing a thesis requires individual dedication and tireless support from colleagues, friends and family. I am particularly grateful to my supervisor, Gil Troy, for his support and guidance. His intellectual insights and precise commentary forced me to sharpen my analyses and further articulate my theories. For this I am sincerely indebted.

I would also like to thank the wonderful archival staff at the John J. Burns Library at Boston College in Boston, MA. While researching Thomas P. O'Neill's papers, the staff demonstrated tremendous knowledge and first-rate organization.

A special thanks to McGill Department of History Professors Elizabeth Elbourne, Laila Parsons and Griet Vankeerberghen. Even though they did not contribute to this research directly, they have all enriched my knowledge and appreciation for research and scholarship.

Finally, to my wife Valerie, whose loving support and insightful critiques made the completion of this work possible. Thank you my lady, I could not have done it without you.

## **Abstract**

From 1981 to 1986, the Reagan administration viewed Nicaragua's Marxist regime as a threat to regional and U.S. national security. The administration's support of the Contra rebels, who were actively fighting to overthrow Nicaragua's government, embroiled the U.S. in a "limited" regional war. While conventional scholarship has characterized this conflict as "Reagan's War", Congress played a significant role in keeping the Contra army active and intact. Caught between Reagan's strident anti-Communist ideology and the fear of a Marxist state in Central America, Congress attempted to establish a middle-of-the-road policy, first cautiously funding the Contras through covert operations and non-lethal aid, finally approving full military support in 1986. Despite opportunities to end U.S. involvement, Congress failed to curb both military escalation and Reagan's ideological ambitions. Ultimately, responsibility for U.S. involvement in the Contra war does not lie solely with the White House; this burden must also be shared by Congress.

## Résumé

Entre 1981 et 1986, l'administration Reagan considérait le régime marxiste du Nicaragua comme une menace à la sécurité de la région et à celle des États-Unis. Le soutien du gouvernement pour les Contras, qui luttèrent activement pour renverser le gouvernement du Nicaragua, a impliqué les États-Unis dans une guerre régionale 'limitée'. Bien que le savoir conventionnel parle de la «guerre de Reagan», l'armée des Contras a pu demeurer active et intacte en partie grâce au rôle important joué par le Congrès. Pris entre l'idéologie anti-communiste stridente de Reagan et la crainte d'un état marxiste en Amérique Centrale, le Congrès a tenté d'établir une politique centriste, d'abord en assurant un soutien financier prudent aux Contras par le biais d'opérations clandestines et d'aide militaire non-mortelle, ensuite en offrant son soutien militaire complet en 1986. Malgré les occasions de cesser l'implication des États-Unis, le Congrès n'a pas réussi à mettre un frein à l'escalade militaire ou aux ambitions idéologiques de Reagan. En fin de compte, la Maison Blanche n'est pas seule responsable de l'implication des États-Unis dans la guerre des Contras; ce fardeau doit également être partagé par le Congrès.

## Introduction

The 1979 Nicaraguan revolution brought to power the Marxist-Leninist Sandinista regime at a time when Americans were questioning the morality of U.S. foreign policy and the country's role in the world. Republican President Ronald Reagan's election to the White House in 1980 signaled not only a resurrection of American patriotism but also the revitalization of conservatism in U.S. politics. Reagan brought poise, self-confidence and an unwavering belief in American greatness to the Oval Office when the U.S. was reeling from doubt following the loss in Vietnam, the Watergate scandal and a struggling economy. Determined to prove that the United States had not lost its edge in international affairs, the Reagan administration sought to reestablish belief in American exceptionalism. Nicaragua, though by no means an innocent bystander, found itself caught in the crossfire.

President Reagan pursued an increasingly forceful policy toward Central America. He considered Nicaragua "a base camp for Communizing" the region and pledged to neutralize the spread of Marxism in the Western Hemisphere.<sup>1</sup> The administration's rhetoric and policies for regime change in Nicaragua were met with strong opposition from liberals in the House of Representatives. This was not because members of Congress disagreed with the administration's assessment that a change in Nicaraguan polity was in the best interest of the United States, nor that they questioned the idea of the U.S. remaining the leader of the free world; it was the *methods* over how to achieve these objectives that Congress questioned. From the end of World War II until the *Pentagon Papers* leak, foreign policy authority rested firmly with the White House. The President was, according to Reagan's first

---

<sup>1</sup> Ronald Reagan, *An American Life* (New York: Simon and Schuster, 1990), 299.

Secretary of State Alexander Haig, “entitled to indispensable courtesy” in the conduct of foreign affairs.<sup>2</sup> As American historian Arthur Schlesinger Jr. explains, during the 1970’s, this trust “went down in flames [and] discredited executive control over foreign relations as profoundly as Versailles and mandatory neutrality had discredited congressional control”.<sup>3</sup>

The ghosts of Vietnam haunted the political clash. Congressional members, including Speaker of the House Thomas (Tip) P. O’Neill (D-MA) and Congressman Michael D. Barnes (D-MD), directly linked policy toward Nicaragua to the lessons of Vietnam. From their perspective, lack of congressional oversight of the executive had allowed successive administrations to make unilateral foreign policy commitments resulting in war. These Democrats feared that the Reagan administration’s support for the Contras would commit the U.S. to a similar entanglement. On the other hand conservatives, including President Reagan and his foreign policy apparatus, attributed the loss in Vietnam to failed military strategies and lack of political resolve to finance and support the South Vietnamese government. They believed the war had been neither unjust nor destined to fail but that an overzealous Congress prevented a U.S. victory.

Events continued to unfold that would further highlight a White House and Congress at odds. In the fall of 1986, reports confirmed that the administration, contrary to public statements, was selling weapons to Iran. Moreover, diverting funds from these sales to supply the Nicaraguan Contra rebels in their fight against the Sandinista regime violated a congressional resolution. This evasion of the

---

<sup>2</sup> Alexander M. Haig, *Caveat: Realism, Reagan, and Foreign Policy* (New York: Macmillan, 1984), 80.

<sup>3</sup> Arthur Schlesinger Jr., *The Imperial Presidency* (Boston: Houghton Mifflin, 2004), 282-283.



Constitution's most basic check on executive power -- the ability of Congress to deny funding -- reflected the deep division that ran between the Reagan White House and Congress over the appropriate political response to the rising influence of Marxism in Nicaragua.

The turf war over authority played a central role in the joint House-Senate Committee hearings on the Iran-Contra affair in May 1987. While questioning Oliver North, who was a key administration official involved in the illegal covert operation, Vice Chairman of the Committee Senator Warren Rudman (R-NH) argued:

I want to point out to you, Colonel North, that the Constitution starts with the words "We the people." There is no way you can carry out a consistent policy if we, the people, disagree with it, because this Congress represents the people. The president of the United States...has tried for eight years to gain support for the Contras and failed; and this relatively obscure senator from New Hampshire has tried with no success at all...the American people have a constitutional right to be wrong. And what Ronald Reagan thinks or what Oliver North thinks or what anybody else thinks matters not a whit. There comes a time when the views of the American people have to be heard.<sup>4</sup>

Senator Rudman's underlying question was to what extent the legislature has the right, or even the responsibility, to conduct foreign policy independently of the executive when faced with mounting public discontent, and internal criticism of the presidency. Senator Rudman's observations exaggerated the extent to which Congress actively opposed the goals of the president between 1981 and the Iran-Contra scandal. Existing scholarship, whether conservative or liberal, places Congress in direct opposition to the Reagan administration's Nicaragua-policy. Even though congressional liberals and moderates disapproved of Reagan's

---

<sup>4</sup> Warren B. Rudman, *Combat: Twelve Years in the U.S. Senate* (New York: Random House, 1996), 143-144.

rhetoric and support of the Contra army, Congress was far more complicit in carrying out a pro-Contra policy than has been acknowledged.

Using records of congressional debates, media reports, political memoirs and polls conducted during the 1980's, this research will dispute the assumption that Congress, except for a brief period from 1983-1984, forcefully challenged the President on the issue of Nicaragua. In fact, Congress played a significant role in keeping Contra forces intact. While moderates opposed expanding the Contra war they continued to approve some degree of support for covert operations as well as non-lethal aid. In doing so, Congress could claim it had not caved to either foreign Marxists or to the President's aggressive rhetoric. This middle-of-the-road policy managed to neither support nor totally cut off aid to the Contras, which ironically led Congress to keep the proxy-army on 'life-support', allowing the Contras limited military capabilities as well as to train, organize and seek alternative channels of lethal aid. As the Nicaraguan government cracked down on opposition groups and President Reagan continued to press for more aid, the non-committal congressional stance made eventual support of Reagan's policies inevitable, largely because moderates were unable to provide any viable political alternative. While most members of Congress were uneasy with the Contra forces, they feared the repercussions of a Marxist beachhead in Central America even more. Congress eventually surrendered opposition and approved lethal aid to the Contras in June 1986, five months before the outbreak of the Iran-Contra scandal.

Chapter one will discuss U.S. relations with Nicaragua following the 1979 Sandinista revolution, as well as the liberal idealism behind the Carter

administration's foreign policy and the conservative ideology that motivated the Reagan administration. An understanding of these two dramatically divergent views of America's role in the world is vital to appreciating the equivocal position of congressional moderates and how this affected Nicaragua-policy of the 1980's. Chapter two examines Reagan's Nicaragua-policy from January 1981 through the 1982 congressional elections, a time when the administration firmly dominated Central America policy. Chapter three covers political debates over Contra aid from the spring of 1983 through the fall of 1984, when the Democrats went on the offensive. Motivated by increased media attention and concern that the administration could not be trusted to conduct the conflict within the limits set by Congress, the legislature managed to curb official U.S. involvement in Nicaragua temporarily, although the administration continued covert support of the Contras. Finally, chapter four addresses the acquiescence of House Democrats to the President's wishes from November 1984, culminating in the June 1986 congressional decision to approve military funding of the Contras.

These political developments and the questions they raise are important to understanding not only the historical relationship between Washington and Central America, but also the domestic struggle between the President and Congress over their respective roles in the execution of foreign policy in the post-Vietnam era. This tension within the federal government would have dramatic, long term implications for the conduct of U.S. foreign policy, particularly in times of crisis.

## **1. From Carter to Reagan: Contrasting Philosophies over Central America**

The stark contrast in approach between Carter's moralism and Reagan's reactionary ideology led to intense debates between liberals and conservatives over Central America. These debates have overshadowed the difficulties moderate Democrats and Republicans had striking a balance between the two philosophies. While moderates were highly critical of Carter's liberal "exemplarism", they showed equal concern for Reagan's "vindicationism". Whereas Carter's policies were conciliatory and sometimes contradictory, despite his firm belief in the protection of human rights, Reagan's outlook and approach were boldly aggressive. Where Carter appeared uncertain Reagan's confidence in American supremacy was resounding.

James "Jimmy" Earl Carter was elected to the presidency in 1976. His campaign platform advocated renewed moral purpose in foreign policy, universal human rights and non-intervention in the affairs of other countries. In his inaugural address, Carter stated: "Our commitment to human rights must be absolute, our laws fair, our natural beauty preserved; the powerful must not persecute the weak, and human dignity must be enhanced".<sup>5</sup> In spite of this declared mandate, the execution of Carter's Nicaragua policy lacked a clear strategy. The leftist rebel group *Frente Sandinista de Liberación Nacional* (FSLN) was involved in a civil war against long- time U.S. ally Anastasio Somoza Debayle. Carter despised Somoza's well- publicized human rights violations but was reluctant to support the Sandinistas even though they had broad public backing. The FSLN drew

---

<sup>5</sup> "President Jimmy Carter's Inaugural Address, January 20, 1977", *Public Papers of the Presidents of the United States: Jimmy Carter 1977* (Washington, D.C: U.S. Government Printing Office, 1977-1981), 1-4.

inspiration from Fidel Castro's 1959 overthrow of Cuban dictator Fulgencio Batista, and discovered in the theories of Karl Marx an explanation for the social and economic injustice prevalent in Central America.<sup>6</sup> Their leadership included Tomas Borge, Humberto Ortega and Daniel Ortega, who were all Marxist-Leninists but also distinctively nationalistic. The political consequences of a Sandinista victory were uncertain but the Carter administration, particularly National Security Advisor Zbigniew Brzezinski, feared it would lead to another Cuba in the region. Others within the administration believed that the principles of human rights and non-interventionism took precedence over all else in foreign policy and denounced the idea of supporting a brutal dictator. This indecision caught the administration flatfooted when the Sandinistas took power in July.<sup>7</sup>

On July 19, 1979, triumphant Sandinista rebels marched into Managua to claim power from deposed dictator Somoza Debayle. Somoza, his family and associates had boarded a plane to Miami only two days earlier, ending the longest continuous serving Latin American dynasty. The U.S. offer of safe haven to Somoza was symbolic of the historic relationship between the two countries. Since the 1920's, the Somoza family cooperated closely with Washington, first as guarantors of stability for U.S. investments and later as a Cold War ally. In return, the U.S. equipped and trained Nicaragua's military, ignored accusations of regime-

---

<sup>6</sup> "Nicaragua – The Strategy for Victory - Interview with Humberto Ortega, January 27, 1980" in *Sandinistas Speak*, ed. Tomas Borge, 53-84 (New York: Pathfinder Press, 1982).

<sup>7</sup> Excellent first hand accounts of Carter's policy toward Nicaragua can be found in: Anthony Lake, *Somoza Falling* (Boston: Houghton Mifflin, 1989). Lawrence Pezzullo & Ralph Pezzullo, *At the Fall of Somoza* (Pittsburgh: University of Pittsburgh Press, 1993). Robert A. Pastor, *Not condemned to repetition: The United States and Nicaragua* (Boulder, CO.: Westview Press, 2002). Mauricio Solaún, *U.S. Intervention and Regime Change in Nicaragua*. (Lincoln: University of Nebraska Press, 2005).

perpetrated brutality against its own citizens and provided considerable financial aid.<sup>8</sup>

Immediately after the revolution, Carter adopted a conciliatory approach toward the Sandinistas. Believing that the Eisenhower administration's hard-line policy toward Castro had pushed Cuba into the socialist camp, the Carter administration invited FSLN leader Daniel Ortega to the White House in September 1979. By the end of the year, the administration proposed a \$75 million aid package to stabilize and democratize Nicaragua.<sup>9</sup> The aid was in line with recommendations made by then U.S. Ambassador to Nicaragua Lawrence Pezzullo, who recognized that the FSLN was now firmly in control and believed that only U.S. economic and political support could prevent the "Cubanization" of the Sandinista revolution. Pezzullo also believed that it was unlikely the FSLN would let itself be dominated by outside forces, no matter if they originated in Washington, Moscow or Havana.<sup>10</sup>

U.S. conservatives were already dismayed that Carter in 1977 had "given away" the Panama Canal and protested the aid package vigorously, concerned that Washington was facilitating a regime allied with Moscow. Nicaragua's abstention from the UN resolution condemning Soviet intervention in Afghanistan, and a

---

<sup>8</sup> For analyses of the early years in the Somoza-U.S. relationship, see: Karl Bermann, *Under the Big Stick: Nicaragua and the United States Since 1848* (Boston: South End Press, 1986). Bernard Diederich, *Somoza and the Legacy of U.S. Involvement in Central America* (New York: E. P. Dutton, 1981). Morris Morley, *Washington, Somoza and the Sandinistas: State and Regime in U.S. Policy Towards Nicaragua, 1969-1981* (New York: Cambridge University Press, 1991). Thomas W. Walker, *Nicaragua: Living in the Shadow of the Eagle* (Boulder, CO.: Westview Press, 2003).

<sup>9</sup> Pastor, *Not Condemned to Repetition*, 8-10.

<sup>10</sup> "U.S. Embassy Managua to Sec. State, no. 03987, August 23, 1979", Digital National Security Archive (DNSA). <http://nsarchive.chadwyck.com/nsa/documents/NI/01063/all.pdf>. (Accessed May 14, 2007). "U.S. Embassy Managua to Sec. State, no. 04674, September, 27, 1979", DNSA. <http://nsarchive.chadwyck.com/nsa/documents/NI/01063/all.pdf>. (Accessed May 14, 2007). "U.S. Embassy Managua to Sec. State, 05013, October 17, 1979", DNSA. <http://nsarchive.chadwyck.com/nsa/documents/NI/01083/all.pdf>. (Accessed May 14, 2007).

cryptic speech by Humberto Ortega that appeared to nullify promises of free elections, only served to heighten their anxieties.<sup>11</sup> Congressional Republicans stalled Carter's aid package and in February of 1980, the House of Representatives went into a secret session for only the fourth time since 1812 to hear intelligence reports on Soviet-bloc influence in Nicaragua. The bill eventually passed both the House and the Senate but with a provision that the President must certify Nicaragua was not "aiding, abetting, or supporting acts of violence or terrorism in other countries". This stipulation was particularly directed at El Salvador, where the rebel group *Frente Farabundo Martí para la Liberación Nacional* (FMLN), similar in both zeal and ambition to the Sandinistas, was fighting another authoritarian regime.<sup>12</sup>

U.S.-Nicaraguan relations continued to decline as American suspicions over the revolutionaries increased. The platform adopted by the Republican National Convention (RNC) in 1980 was unequivocal:

... We deplore the Marxist Sandinista take-over of Nicaragua and the Marxist attempts to destabilize El Salvador, Guatemala, and Honduras. We do not support United States assistance to any Marxist government in this hemisphere and we oppose the Carter Administration aid program for the government of Nicaragua... We will return to the fundamental principle of treating a friend as a friend and self-proclaimed enemies as enemies, without apology.<sup>13</sup>

The RNC chose Ronald Reagan as the Republican presidential candidate in July. To Reagan, the 1970's was an era of political neglect and economic failure. He

---

<sup>11</sup> "FSLN Statement on the Electoral Process, August, 1980", in *The Central American Crisis Reader*, eds. Robert S. Leiken and Barry M. Rubin, 227-229 (New York: Summit Books, 1987). Daniel Ortega, "Nothing Will Hold Back Our Struggle for Liberation, September 1979" in *Sandinistas Speak*, 43-52.

<sup>12</sup> Cynthia Arnson, *Crossroads: Congress, the Reagan Administration, and Central America* (New York: Pantheon Books, 1989), 43-51.

<sup>13</sup> "Republican Party Platform, July 15, 1980", *Congressional Quarterly Weekly Report*, July 19, 1980, 2030-2056. (Hereafter *Congressional Quarterly*).

insisted his predecessors had diminished the nation's greatness by undercutting America's values, heritage and national security. Throughout his campaign, Reagan attacked Carter's Central America policy. Democrats were aware that the Sandinista government was controversial, but believed diplomatic finesse and negotiation would not require any deeper U.S. commitment to address the rise of Marxism in Nicaragua. Reagan considered the Sandinistas allied with Moscow and Havana, and was appalled at the decision to provide aid to Managua.<sup>14</sup>

In November, Reagan swept ninety percent of the electoral vote and successful congressional elections ensured a Republican-controlled Senate for the first time since 1954. A change in policy was imminent. The incoming Reagan administration considered Nicaragua a clear and present danger to the region, requiring a firm American response. This difference in perspective over Nicaragua already indicated a dramatic disparity between the human rights-based idealism of Jimmy Carter and the conservative ideology of Ronald Reagan. Reagan reserved particular scorn for Carter's lack of vision and defeatism, which he felt allowed moral self-doubt to supplant the American dream. In his acceptance speech at the 1980 RNC, Reagan was clear to underline that these failures were not the fault of the American people but of Washington's failure to lead:

The major issue of this campaign is the direct political, personal and moral responsibility of Democratic Party leadership – in the White House and in

---

<sup>14</sup> In reality, there is little evidence of any Soviet support at this stage. The 1992 defection of senior KGB archivist Vasili Mitrokhin provided the first comprehensive insight into Soviet intelligence operations and influence in Latin America. He made it clear that although contact between the FSLN and the KGB had occurred early during the Cold War, it had always been limited. Already in 1974, Moscow considered the Sandinistas a lost cause and the KGB played no role in the overthrow of Somoza. A deeper Soviet commitment did not evolve until much later. See Christopher Andrew and Vasili Mitrokhin, *The World Was Going Our Way: The KGB and the Battle for the Third World* (New York: Basic Books, 2005). Sharyl N. Cross, "The Soviet Union and the Nicaraguan Revolution" (Ph.D. Dissertation, University of California, Los Angeles, 1990).



Congress – for this unprecedented calamity which has befallen us...They say that the United States has had its day in the sun; that our nation has passed its zenith. They expect you to tell your children that the American people no longer have the will to cope with their problems; that the future will be one of sacrifice and few opportunities. My fellow citizens, I utterly reject that view.<sup>15</sup>

While this message was exactly what the public wanted to hear, it was much more than mere campaign rhetoric; the speech reflected Reagan's long publicized, optimistic belief in the United States as a special providence. He understood that Vietnam badly bruised the nation's pride but he flatly refused to accept that a conflict that had cost more than 50,000 American lives could be considered "an act of moral poverty". The war had been "a noble cause", imprudently carried out by politicians lacking resolve and commitment.<sup>16</sup> Reagan rejected the "guilt complex" and entered his presidency convinced that what Americans needed was "can-do, upbeat leadership after the traumas of the 1960s and anxieties of the 1970s".<sup>17</sup>

Reagan abhorred Communism and never wavered in his belief that freedom would triumph over evil. The fact that Presidents Nixon, Ford and Carter assumed normal relations with Moscow were possible, and even desirable, was unthinkable for Reagan. He viewed détente as inherently weak, tantamount to appeasement and detrimental to national security. "Détente: Isn't that what a farmer has with his turkey — until Thanksgiving Day?" he quipped.<sup>18</sup> At his first press conference, Reagan charged that the "only morality they [the Soviets] recognize is what will

---

<sup>15</sup> "Speech at the Republican National Convention, July 17, 1980" in Ronald Reagan, Davis W. Houck & Amos Kiewe, *Actor, Ideologue, Politician: The Public Speeches of Ronald Reagan* (Westport, CT: Greenwood Press, 1993), 158-166.

<sup>16</sup> "'State of the Union' Speech, March 13, 1980", in Ronald Reagan, *Reagan, In his own Hand*, 471-479 (New York: Free Press, 2001).

<sup>17</sup> Gil Troy, *Morning in America: How Ronald Reagan Invented the 1980s* (Princeton, NJ: Princeton University Press, 2005), 14-15.

<sup>18</sup> Jay Nordlinger, "Reagan in Full", *National Review*, February 19, 2001, 44-46.

further their cause, meaning they reserve unto themselves the right to commit any crime, to lie, to cheat, in order to attain that". According to Reagan the Communist goal remained a "one-world Socialist or Communist state".<sup>19</sup> From this perspective, Nixon's belief in détente and Carter's guarantee of non-interventionism were not only insufficient for promoting democracy but ethically reprehensible. Reagan set out to reverse both principles.

American scholar H.W. Brands has described Carter's passivity and Reagan's activism as the contrasting ideas of "exemplarism" and "vindicationism", both of which have guided U.S. foreign policy throughout the twentieth century. Historically, advocates of both principles have embraced the notion of a special American mission to better humanity. However, "exemplarists" believe in non-intervention and allowing America to shine as an example for others, while "vindicationists" like Reagan insist that in a world of danger, being a role model is not enough. America must be prepared to engage the enemy and defend its beliefs both at home and abroad. "Evil goes armed, and so must good".<sup>20</sup>

Vindicationist idealism resonated well with neo-conservatives, who emerged as an influential political force in the 1970's. Among the most outspoken and prominent of this group was Norman Podhoretz, who led the new intellectual charge against the Soviet Union as editor of the journal *Commentary*. Although Reagan only awkwardly fit the neo-conservative label,<sup>21</sup> his foreign policy was

---

<sup>19</sup> "The President's News Conference, January 29, 1981". *Public Papers of the Presidents of the United States: Ronald Reagan 1981* (Washington, D.C: U.S. Government Printing Office, 1982-1991), 55-62. (Hereafter *PPRR*).

<sup>20</sup> H.W. Brands, *What America Owes the World*, (New York: Cambridge University Press, 1998), viii.

<sup>21</sup> Politically, neo-conservatism was more a weak idea than a movement, a political counterforce rather than a united front. Many of its supporters were, like Reagan, former Democrats or,

conducted according to many of the guiding principles advocated by Podhoretz, Robert Tucker, Richard Pipes and others. They echoed Reagan's criticism of détente on the grounds that it legitimized the Soviet Union, elevating Communism to the same level morally as the U.S. Détente would prolong rather than hasten the end of the Cold War and would, in fact, "make the world safe for Communism".<sup>22</sup> Moscow was as active as ever, spreading influence across Africa and Latin America. Reagan's victory, Podhoretz insisted, represented a mandate for change in foreign policy. This notion was backed by scholars Daniel Yankelovich and Larry Kaagan who maintained that Reagan would "meet little public opposition in seeking to counter future Angolas". The conservative victory, they claimed, had exorcised Vietnam from American culture and "Americans are fiercely determined to restore our honor and respect abroad".<sup>23</sup> By 1981, this was a call Reagan was ready to heed.

The transition to a "vindicationist" president was immediately apparent from the staff Reagan gathered around him, and the manner in which they conducted foreign policy. Along with his three closest White House advisors, known as the "troika" - Michael Deaver, James Baker and Edwin Meese - Reagan gathered an entourage of conservatives who left a heavy mark on the administration's foreign policy: Alexander Haig as Secretary of State, Caspar Weinberger as Secretary of Defense, William Casey as Director of Central

---

according to one famous phrase, "liberals mugged by reality". See John Ehrman, *The Rise of Neoconservatism: Intellectuals and Foreign Affairs, 1945-1994* (New Haven: Yale University Press, 1995).

<sup>22</sup> Norman Podhoretz, "Making the World Safe for Communism", *Commentary* (April, 1976), 31-41.

<sup>23</sup> Daniel Yankelovich & Larry Kaagan, "Assertive America", *Foreign Affairs* 59 (1980-1981), 696-713.

Intelligence (DCI), Richard Allen on the National Security Council (NSC) and Georgetown Professor Jeane J. Kirkpatrick, who was named Ambassador to the United Nations. These changes represented, according to Haig, a stern warning to Moscow that “their time of unrestricted adventuring in the Third World was over”<sup>24</sup> and in the view of Henry Kissinger, symbolized “the formal end of the period of détente” in U.S.-Soviet relations.<sup>25</sup>

However, the zealous and overly ideological nature of Reagan’s advisors yielded an atmosphere of inflexibility that impaired their global judgment. They viewed the world through an East-West prism that eliminated all consideration of the North-South dichotomy, paralyzing the administration’s understanding of regional affairs, particularly in Latin America. In contrast to Carter, who micromanaged much of his presidency, Meese describes Reagan as “a big picture man”, with “a true vision of what he wanted and how to accomplish it”. He “believed strongly in cabinet government, using this forum as his primary means of obtaining policy advice and information”.<sup>26</sup> NSC advisor Richard Pipes insisted that Reagan, cared less about how his “objectives were realized; he was concerned with the ‘what’ not the ‘how’”.<sup>27</sup> This one-dimensional approach laid the foundation for a simple and at times reckless foreign policy.

The administration’s foreign policy philosophy was heavily influenced by a 1979 essay published by Kirkpatrick in *Commentary*. Kirkpatrick argued that

---

<sup>24</sup> Haig, *Caveat*, 96.

<sup>25</sup> Henry Kissinger, *Diplomacy* (New York: Simon & Schuster, 1994), 767.

<sup>26</sup> Edwin Meese III, *With Reagan: The Inside Story* (Washington D.C.: Rengery Gateway, 1992), 22, 34.

<sup>27</sup> Richard Pipes, *VLXI: Memoirs of a Non-Belonger* (New Haven: Yale University Press, 2003), 164.

defeating communism remained Washington's main objective and in order to achieve this goal, cooperation with authoritarian governments was necessary. She accused Carter of comprehensive failure in the Third World, using antagonistic language that harkened back to Republican charges against President Harry Truman after the "loss of China". Carter's inability or unwillingness to curb global Marxist influence had eroded American credibility and allowed so-called friendly governments to fall. According to Kirkpatrick, relations with "authoritarian" governments were rationalized on the basis that they would democratize once leftist radicalism had dissipated. Somoza and the Shah of Iran fell into this category of government. On the other hand, "totalitarian" governments, such as Nazi Germany, the Soviet Union, Cuba and Vietnam, were incapable of this process. There was little basis for Kirkpatrick's theories but the arguments resonated with Reagan and his approach to foreign affairs.<sup>28</sup>

The dominance of strong conservative voices was not exclusive to Reagan's cabinet. Concerned that the State Department would conduct foreign policy independently of the White House, Reagan staffed Assistant Secretaries, Under Secretaries, ambassadors and mid- and senior-level Foreign Service positions with people of unadulterated ideological beliefs to a far greater degree than previous presidents. Regional experts were removed, while others of questionable commitment were demoted or moved to non-essential representations abroad, their positions frequently filled by conservatives with no regional experience. Meese defended these changes by claiming the Foreign Service was incapable of adapting

---

<sup>28</sup> Jeane J. Kirkpatrick, "Dictatorships and Double Standards", *Commentary* (November, 1979), 34-45. Brands, *What America Owes the World*, 274-276.

to the ideological change that took place from Carter to Reagan. According to Pipes, historically the State Department was too protective of its turf, often reluctant to share information with the NSC and the president because they considered them ignorant in foreign affairs.<sup>29</sup>

The administration never fully understood the broader implications of a wholesale change in staff. Reagan's intense ideological focus discouraged open discussion and frank analyses. Congressional viewpoints were dismissed as uninformed or unpatriotic. As Elliot Abrams, who first served first as Reagan's Assistant Secretary of State for Human Rights and Humanitarian Affairs and later as Assistant Secretary of State for Inter-American Affairs, insisted: "We had a policy. We arrived in office with this policy. Over time tactics changed but the fundamental policy did not change. We had a theory about Soviet foreign policy...and a theory about the Sandinistas".<sup>30</sup> In the face of such confidence and fearing for their careers, Foreign Service Officers refrained from criticizing policies they considered unwise. As a result, foreign policy was driven by tunnel vision, focused on desired outcomes with no input from regional experts to question whether a course of action was politically likely, diplomatically possible or overly simplified.<sup>31</sup> In this ominous light of Cold War ideology, every Third World crisis was a test of global will.

---

<sup>29</sup> Meese, *With Reagan*, 94-99. Pipes, *VIXI*, 153-162.

<sup>30</sup> Elliot Abrams and J. Edward Fox, "Public Opinion and Reagan Policy: Administration Commentaries" in *Public Opinion in U.S. Foreign Policy: The Controversy Over Contra Aid*, ed. Richard Sobel, 105-119 (Rowman & Littlefield, 1993).

<sup>31</sup> The declining number of "Dissent Cables" from U.S. representations abroad questioning policy was an indication of these developments. During Carter's last year in office, 28 cables were sent. During Reagan's first year that number declined to 15 while in 1983 it dropped to five. Kai Bird, "Ronald Reagan's Foreign Service", *APF Reporter*, 7, # 3.  
<http://www.aliciapatterson.org/APF0703/Bird/Bird.html>. (Accessed, May 5, 2007).

It was through this prism of new conservatism that Reagan became convinced Moscow was gaining a foothold in Nicaragua. In his memoirs, he twice quoted Lenin's design on world revolution:

First we will take over Eastern Europe, then we will organize the hordes of Asia...then we will move to take over Latin America, once we have Latin America, we won't need to take the United States, the last bastion of capitalism, because it will fall into our outstretched hands like overripe fruit.<sup>32</sup>

In actuality, Lenin never made this statement and Reagan poorly interpreted Soviet ambitions in Latin America. Historian John Lewis Gaddis has made clear that recent research from Russian archives illustrates Soviet operations in the Third World during the 1970's were not "a coordinated strategy to shift the global balance of power [but] more like absence of any strategy at all".<sup>33</sup> Regardless, Reagan's emphasis on "Lenin's" words illustrates the President's state of mind. He discerned a clear pattern in Moscow's foreign policy and believed the Sandinista revolution proved his suspicions. Following the theories of Kirkpatrick and Podhoretz, conservatives rejected the notion of regional or national communism, insisting on Soviet or Cuban involvement. It demanded a firm response to prevent the dominoes from falling. Later defined as the "Reagan Doctrine", this response was a deeper commitment to anti-communist counterinsurgents, intended not only to contain, but to roll back communism wherever possible.<sup>34</sup>

Later in his presidency, Reagan would combine this doctrine with a more traditionally liberal call for regional democratization that would prove effective in gathering the support of Congressional moderates. Although by 1981, policies in

---

<sup>32</sup> Reagan, *An American Life*, 239, 474.

<sup>33</sup> John Lewis Gaddis, *The Cold War: A New History* (New York: Penguin Press, 2005), 214.

<sup>34</sup> James M. Scott, *Deciding to Intervene: The Reagan Doctrine and American Foreign Policy* (Durham, NC: Duke University Press, 1996), 1-7.

support of counter-insurgents and a skyrocketing defense budget led to charges of “war-mongering” and brinkmanship. Reagan actually abhorred war, a point of view he elaborated on considerably in his diary and memoirs. He understood that the Cold War was largely psychological and was convinced that tough public oratory would alter the conflict in Washington’s favor. Determined to make the communists understand his convictions, Reagan mused in his diary: “Intelligence reports say Castro is very worried about me. I’m worried they can’t come up with something to justify his worrying”.<sup>35</sup> Reagan did not need to be concerned. As numerous memoirs and recently released files testify, Moscow and Havana were actually disconcerted. Anatoly Dobrynin, the long-serving Soviet Ambassador to Washington insisted: “The White House sought to damage the Soviet Union at every opportunity and obsessively...restricting American foreign policy to a gross and even primitive anti-Sovietism. In any case, that was the impression in Moscow”.<sup>36</sup>

At home, a considerable number of U.S. Congressmen and Senators were gravely concerned by the new administration’s ambitions. Domestically, Democrats were infuriated by conservative political programs that appeared to wipe away years of progress from the New Deal, while abroad they feared that Reagan’s ideologically based convictions would disregard the post-Vietnam legislation placed on the executive. These concerns set off a debate between liberals and conservatives that has greatly influenced how Reagan is remembered by the

---

<sup>35</sup> Ronald Reagan, *The Reagan Diaries* (New York: HarperCollins, 2007), “Wednesday, February 11, 1981”, 4.

<sup>36</sup> Anatoly F. Dobrynin, *In Confidence: Moscow’s Ambassador to America’s Six Cold War Presidents (1962-1986)*, (New York: Random House, 1995), 481.



American public. Supporters, often assuming the role of hagiographers, hail his achievements, crediting Reagan with ending the Cold War and saving America. They brush aside mistakes, laying most of the blame on staffers like Haig and later Chief of Staff Don Regan.<sup>37</sup> Opponents, on the other hand, particularly liberal academics and journalists, insist that Reagan's successes are grossly exaggerated. To detractors, he represents the worst of the 1980's: image over substance. One journalist insisted that Reagan was simply "sleepwalking through history", while even Tip O'Neill considered him to be the worst post-war president, unknowledgeable about even "his own programs" and lacking "most of the basic management skills a president needs".<sup>38</sup>

This passionate debate over Reagan has prevented Americans from objectively discussing his presidency.<sup>39</sup> During much of the 1980's and 1990's, writers appeared more interested in praising or condemning the man as ideologue, rather than analyzing his policy successes and failures. Reagan seems "easier to lionize, or demonize, than analyze".<sup>40</sup> While recent analyses have shown less bias, Nicaragua, inevitably tied to the Iran-Contra scandal, remains deeply polarizing. Reagan's strongest liberal opponents maintain that he launched an illegal war in

---

<sup>37</sup> Martin J. Anderson, *Revolution: The Reagan Legacy* (Hoover Institution Press, Stanford University, 1990). Peter Wallison, *Ronald Reagan: The Power of Conviction and the Success of His Presidency* (Oxford: Westview Press, 2003). Peter Schweizer, *Reagan's war: The Epic Story of His Forty-Year Struggle and Final Triumph over Communism* (New York: Doubleday, 2002).

<sup>38</sup> Haynes B. Johnson, *Sleepwalking Through History: America in the Reagan Years* (New York: W.W. Norton, 2003). Jules Tygiel, *Ronald Reagan and the Triumph of American Conservatism* (New York: Pearson Longman, 2006). Lou Cannon, *President Reagan: The Role of a Lifetime* (New York: Public Affairs, 2000). Tip O'Neill and William Novak, *Man of the House: The Life and Political Memoirs of Speaker Tip O'Neill* (New York: Random House, 1987), 360.

<sup>39</sup> Good discussions on Reagan's legacy can be found in: William Pemberton, *Exit with honor: The Life and Presidency of Ronald Reagan* (Armonk, NY.: M.E. Sharpe, 1997). Troy, *Morning in America*, 349-356.

<sup>40</sup> Troy, *Morning in America*, 4.

Nicaragua. Others claim his support of the Contras should have led to impeachment but the administration was rescued by legal technicalities, with immunities and pardons enabling a cover-up. Conservatives play down these issues as much as possible, directing the blame toward an overzealous NSC staff and a Congress unwilling to recognize the clear Communist threat to the region.

These starkly contrasting reflections on Reagan's presidency indicate the polarizing nature of his own rhetoric. While the real Reagan may have been less of an ideologue than liberals accuse and more of a centrist than conservatives will admit, his powerful rhetoric and the force with which he delivered his message both attracted and repelled audiences. Moderates rejected the idea of an American show of force in Nicaragua but simultaneously, they dismissed liberal non-intervention as weak and dangerous. They wanted to prevent another Cuba but not at the cost of another Vietnam. They approved of the congressional activism of the 1970's but they also wanted a stronger president than Carter had been. Nothing highlighted moderate indecisiveness better than the debate over aid for the Nicaraguan Contras in their fight against the Sandinista government. It would have a devastating impact on the implementation of foreign policy.

## **2. 1981-1982: Republicans Take Control, Democrats Struggle**

When Ronald Reagan took office, he and his cabinet found themselves restricted by several pieces of legislation intended to reign in the ability of the executive to formulate and implement foreign policy. The reverberations of the Vietnam War had been felt both psychologically and politically throughout the United States. In

response, Congress enacted the War Powers Act in 1973, limiting the President's ability to deploy troops abroad. They also passed the 1974 Hughes-Ryan Amendment to the Foreign Assistance Service Act, restricting presidential prerogative over foreign military sales and foreign assistance, and the 1975 Senate Select Committee to Study Governmental Operations with Respect to Intelligence, increasing oversight of the intelligence community. The Hughes-Ryan Amendment specifically prohibited all CIA operations abroad unrelated to intelligence gathering, "...unless and until the President finds that each such operation is important to the national security of the United States and reports, in a timely fashion, a description and scope of such operations to the appropriate committees of Congress".<sup>41</sup>

A new Nicaragua-policy developed slowly. Senior advisors in the Reagan-administration suspected Castro of trying to destabilize Central America, but disagreed over how to counter this influence in the region. As quoted in the Washington Post, Alexander Haig, along with several conservative staffers at the State Department and the NSC, recommended dealing with the problem "at its source".<sup>42</sup> However, suggestions of either a blockade or limited military strikes against Cuba were rejected out of hand by the troika, who did not want uncertain foreign policy adventures to derail the President's domestic program. While

---

<sup>41</sup> "Hughes-Ryan Amendment to the Foreign Assistance Service Act", cited in, John Tower, "Congress versus the President: The Formulation and Implementation of American Foreign Policy", *Foreign Affairs* 60, (1981/1982), 229-246.

<sup>42</sup> "Reagan Sends A Message to 'Moscow' via El Salvador", *Washington Post*, March 9, 1981. Pastor, *Not Condemned to Repetition*, 194. Haig, *Caveat*, 98-100, 117-140.

Reagan was sympathetic to Haig's enthusiasm, he would not allow Central America to develop into another Vietnam.<sup>43</sup>

Across the political aisle, the Democratic Party was in shambles. The combined loss of the White House, the Senate and thirty five seats in the House left the Democrats bereft of identity and direction, particularly in foreign affairs. Some of the most powerful liberals of the 1970's, including the symbol of Vietnam War opposition George McGovern (D-SD), Birch Bayh (D-IN) and Frank Church (D-ID), were all ousted. Conservative Democrats like Daniel Moynihan (D-NY) and Henry Jackson (D-WA) retained their seats, illustrating that the country had veered to the right and the days of Carter's idealism were indeed over. These political changes left moderate Democrats in an uncomfortable position. While they were antagonized by Reagan's aggressive "evil-empire" rhetoric, they were equally unwilling to return to Jimmy Carter's non-interventionism, believed by many to have placed the U.S. in a disadvantageous global position. This inability of Democrats to unify under one foreign policy strategy seriously hampered any ability to effectively challenge the Reagan administration's policy on Nicaragua. An aide to Tip O'Neill, the only remaining top-ranked Democrat in House, conceded shortly after the election: "...things will be a little less focused...[there] will be a lot of rearranging of ambitions".<sup>44</sup> The *Washington Post* declared the liberals "badly battered" but also that the House would become "the National Democratic Party to the extent it exists as a combat force".<sup>45</sup> The retreat of

---

<sup>43</sup> Reagan, *An American Life*, 239. Pemberton, *Exit With Honor*, 118.

<sup>44</sup> "Licking Wounds Dazed Democrats Seek Lesson of Their Loss And a Way to Regroup", *New York Times*, November 6, 1980.

<sup>45</sup> "House Democrats Retain Power, but with Limits", *Washington Post*, November, 6, 1980.

liberalism was underlined by several Democrats' softened opposition to the new administration. House Majority Leader Jim Wright (D-TX) made clear that "Central America is probably more vitally important to us than any other part of the world. Our response...requires a bipartisan, unified approach"<sup>46</sup>. To a far greater extent than has been recognized, this was exactly what the Democrats delivered.

El Salvador remained the immediate challenge to regional stability. As Carter had done, Reagan focused on the Cuban supply of weapons to Salvadorian leftist rebels, most of which arrived via Nicaragua. Attempting to eliminate this source, the administration continued to suspend aid to Nicaragua. In February, Ambassador Pezzullo, one of the few senior-ranking liberals to survive the new administration's purge of the State Department, informed Daniel Ortega that the cessation of assistance to Salvadorian rebels would have a positive impact on U.S. policy. Haig confirmed this, announcing that the U.S. was not "proceeding with public tests of manhood or deadliness but rather a very careful assessment of what remedial steps the government of Nicaragua is taking".<sup>47</sup> Encouraged by Nicaragua's progress, Reagan confirmed in a March interview with Walter Cronkite that "there's been a great slow-down" [of arms deliveries].<sup>48</sup>

Despite this public praise, the administration suspended aid permanently on April 1, 1981. In a paradoxical statement, the State Department acknowledged that arms shipments had been halted and propaganda support activities curtailed, but the

---

<sup>46</sup> *Congressional Quarterly*, February 21, 1981, 359.

<sup>47</sup> "Haig Calls Arms Smuggling to El Salvador 'No Longer Acceptable'", *Washington Post*, February, 28, 1981.

<sup>48</sup> "Excerpts from an Interview with Walter Cronkite of CBS News, March, 3, 1981". *PPRR 1981*, 191-202.

possibility of reinstating direct aid would only be considered at a later point.<sup>49</sup> This upset Pezzullo, who had insisted since the revolution that economic aid was the only long-term leverage that could prevent Nicaragua from falling to socialism. He told Haig in no uncertain terms: “You are throwing away your chips”.<sup>50</sup> Realistically, a resumption of aid was never likely. Pezzullo “had come up against the limits of the new administration: given Reagan’s campaign rhetoric and the Republican Party Platform, there was simply no way the administration could have renewed aid”. Conservative historian Robert Kagan, who joined the State Department Bureau of Inter-American Affairs in 1985, insisted that the termination of aid “was not a turning point but a way-station on a journey already underway”.<sup>51</sup>

Even before Reagan’s election, conservative think tanks berated Nicaragua as communist. The Heritage Foundation called for U.S. support of anti-Sandinista groups, while the Committee of Santa Fe insisted that the “Americas are under attack...the Caribbean rim and basin are spotted with Soviet surrogates and ringed with socialist states” in a much publicized 1980 report. On Cuba, the Santa Fe Committee authors called for “a war of national liberation” and more generally for the U.S. to assume leadership in the Western Hemisphere. If the U.S. failed, “a *Pax Sovietica* or a worldwide counter-projection of American power is on the offering”.<sup>52</sup> Parts of the report were dismissed as overly ideological even by right-

---

<sup>49</sup> “U.S. Economic Aid to Nicaragua Suspended but May Be Resumed”, *Washington Post*, April, 2, 1981. “U.S. Suspends Economic Aid to Nicaragua”, *Department of State Bulletin* (hereafter DSB), May, 1981, 71.

<sup>50</sup> Christopher Dickey, *With the Contras: A Reporter in the Wilds of Nicaragua*, (New York: Simon & Schuster, 1987), 105-106.

<sup>51</sup> Pastor, *Not Condemned to Repetition*, 192. Robert Kagan, *A Twilight Struggle: American Power and Nicaragua, 1977-1990* (New York: Free Press, 1996), 178.

<sup>52</sup> Cleto DiGiovanni Jr. “U.S. Policy and the Marxist Threat to Central America”, *Backgrounders*, Heritage Foundation (October 15, 1980). (Accessed June 30, 2007).

wing conservatives. Nevertheless, three Santa Fe Committee members went on to occupy influential advisory positions in the Reagan administration, where naturally they pursued their stated goals.

In August 1981, newly appointed Assistant Secretary of State Thomas Enders met Daniel Ortega in Nicaragua, providing brief hope for a diplomatic agreement. Critics later charged that the initiative was intended to fail from the start<sup>53</sup>, and that the administration's threats of "going to the source", "drawing a hard line against Communism" and refusing "to rule out the use of U.S. force" was evidence of Reagan's imperviousness to diplomacy.<sup>54</sup> This appears to be a conclusion drawn after the fact. Shortly before their first meeting, a classified "instruction" from Haig went out to all U.S. representations in the Americas informing them that the period between August and November was crucial "for assessing GRN (Government Nicaragua) willingness and abilities to respond positively to our approach".<sup>55</sup> While some hardliners within the administration may have wanted this overture to fail simply because they refused to negotiate with Marxists, Enders' mission appears to have been genuine.

Given the contrasting ideologies on either side of the negotiating table, an agreement was never likely. The Enders proposal called for a complete cessation

---

[http://www.heritage.org/Research/LatinAmerica/upload/86978\\_1.pdf](http://www.heritage.org/Research/LatinAmerica/upload/86978_1.pdf). Committee of Santa Fe, "A New Inter-American Policy for the Eighties" in *Vital Interest: the Soviet Issue in U.S. Central American Policy*, ed. Bruce D. Larkin, 11-48 (Boulder, CO.: L. Rienner, 1988).

<sup>53</sup> Holly Sklar, *Washington's War on Nicaragua* (Boston: South End Press, 1988), 90-94.

<sup>54</sup> "Drawing a Hard Line Against Communism", *Washington Post*, February, 22, 1981. "U.S. Action 'Possible' In Cuban Arms Flow, Reagan Aide Says", *Washington Post*, February, 23, 1981. "Reagan Developing 'Caribbean Basin Initiative'", *Washington Post*, May 25, 1981.

<sup>55</sup> "U.S. Department of State to All American Republic Diplomatic Posts, no. 224287, August 22, 1981", DNSA. <http://nsarchive.chadwyck.com/nsa/documents/NI/01373/all.pdf>. (Accessed June 7, 2007).

of supplies to Salvadorian rebels and a guarantee that the Sandinistas would not incite regional instability. In return, Washington pledged not to interfere in Nicaraguan domestic affairs and refrain from intervention. Enders warned: "You can do your thing, but do it within your borders, or else we're going to hurt you". His tactics illustrated the new administration's lack of diplomatic pragmatism. While Washington's proposal was unimpressive, promising no more than a willingness to abide by international law and existing treaty obligations, the Sandinistas overreacted. Ortega denied aiding and abetting the Salvadorian rebels and refused to abandon his encouragement for revolution beyond their borders. The Sandinistas considered Washington's approach arrogant and accusatory. Their reply was similarly antagonistic: "All right, come on in, we'll meet you man to man. You will kill us but you will pay for it. You will have to kill us all to do it".<sup>56</sup> It is difficult to imagine a conversation of this nature taking place if Carter's State Department officials had still been in charge. The failed mission reflected the collision of two diametrically opposed visions, neither willing to negotiate in good faith.<sup>57</sup> It was the price of having ideologues doing the work of diplomats. Frustrated, Pezzullo resigned his ambassadorship and retired from public service. The fact that it would be seven months before a replacement was appointed clearly indicated that diplomatic efforts effectively had come to an end.

---

<sup>56</sup> David Ryan, *US-Sandinista Diplomatic Relations: Voice of Intolerance* (New York: MacMillan, 1995), 18-21.

<sup>57</sup> Roy Gutman, *Banana Diplomacy: The Making of American Diplomacy in Nicaragua, 1981-1987* (New York: Simon and Schuster, 1988), 73.



The stalemate left Reagan in an unenviable position, where all “choices were politically and...even strategically unattractive”.<sup>58</sup> While he rejected the notion of any military operation as politically impossible, the administration’s earlier strong rhetoric eliminated the possibility of not acting at all. On November 16, the National Security Council drew up National Security Decision Directive 17 (NSDD 17) that outlined covert action against the Sandinistas. Shortly thereafter, Reagan approved almost 20 million dollars in intelligence support and authorized the CIA to finance, equip and train 500 Contra rebels as part of the *Fuerza Democrática Nicaragüense* (FDN). The operation that would eventually lead to the Iran-Contra scandal was underway.

Holly Sklar, Peter Kornbluh and other scholars have interpreted NSDD 17 as launching the Contra war.<sup>59</sup> However, recent scholarship on the Contras reveals that war between the rebels and the Sandinistas had been ongoing since 1979 without U.S. assistance.<sup>60</sup> More importantly, records indicate that the administration expected the Contra option to be a limited commitment, to be used primarily as an asset for negotiation and forcing a halt of arms supplies to El Salvador. In retrospect, this only underlines the poor understanding administration officials had of Third World countries and the overestimation of their own ability to control events on the ground. It also forces scholars to rethink the forethought that triggered the path to Iran-Contra, if not only the illegalities committed by

---

<sup>58</sup> Kagan, *A Twilight Struggle*, 176.

<sup>59</sup> Peter Kornbluh, *Nicaragua: The Price of Intervention: Reagan’s Wars Against the Sandinistas* (Washington, D.C.: Institute for Policy Studies, 1987), 22-23. Walter LaFeber, *Inevitable Revolutions: The United States in Central America* (New York: W.W. Norton, 1993), 285. Ryan, *US-Sandinista Diplomatic Relations*, 21-22. Sklar, *Washington’s War on Nicaragua*, 98-100.

<sup>60</sup> Timothy C. Brown, *The Real Contra War: Highlander Peasant Resistance in Nicaragua* (Norman: University of Oklahoma Press, 2001).

individuals. NSDD 17 did not call for an overthrow of the Nicaraguan government, but for “defeating the insurgency in El Salvador, and to oppose action by Cuba, Nicaragua or others to introduce into the region trained subversives or arms and military supplies for insurgents”.<sup>61</sup> Reagan’s diary entries following NSC meetings in November and December 1981 were dominated by El Salvador, rather than Nicaragua. This appears to confirm that no decision was made, even indirectly, to escalate the Contra option, and that the overthrow of the Sandinista government only became policy much later.<sup>62</sup>

Until the end of 1981, congressional involvement in Nicaragua-policy was limited. However, as required by the Hughes Ryan Amendment and the 1980 Intelligence Oversight Act, Director of Central Intelligence William Casey briefed the congressional intelligence committees on the planned covert operations in December. Casey’s plan called for U.S. support in the form of money, logistics and arms, mostly supplied through third-party countries, while Contra operations were “carefully limited [to]...the Cuban support structure in Nicaragua”. It was intended “to ‘force’ the Sandinista leaders to look inward rather than exporting revolution”.<sup>63</sup> While some concern was raised over the use of covert operations, it does not appear that either members of the intelligence committee or the administration seriously considered how difficult it would be to control Contra operations once the rebels were unleashed inside Nicaragua.

---

<sup>61</sup> “National Security Decision Directive 17”, <http://www.fas.org/irp/offdocs/nsdd/23-1554t.gif>. (Accessed June 28, 2007).

<sup>62</sup> Reagan, *The Reagan Diaries*, “Monday, November 16, 1981”, 49-50 and “Tuesday, December 1, 1981”, 52.

<sup>63</sup> U.S.-Backed Nicaraguan Rebel Army Swells to 7,000 Men”, *Washington Post*, May 8, 1983. Kagan, *A Twilight Struggle*, 204-207.

At the time of the Iran-Contra investigation, members of Congress insisted they had been deceived by the administration, arguing that the Contra operation had been characterized by “pervasive dishonesty” from the very beginning.<sup>64</sup> The administration certainly had been less than forthcoming, also taking care to loudly voice their disapproval of congressional oversight. However, congressional inaction indicates that the decision to use moderate force was not originally a great concern to members of Congress. At the end of December 1981, the *New York Times* published several stories on anti-Sandinista forces training in Florida, New Jersey and California, preparing to overthrow the Nicaraguan government. This was a violation of U.S. Neutrality Acts, which prohibit training, participation and organization of paramilitary operations against nations that have peaceful relations with the United States. Failure to take legal action against these forces was also a violation of the Rio Charter and a 1970 U.N. resolution. In spite of these revelations, Congress remained quiet, accepting at face value a Department of Justice evaluation that claimed “officially, we are not aware of any military maneuvers taking place in Florida”.<sup>65</sup> It was not until March 1982 that liberal Congressman David Bonior (D-MI) challenged the administration over its neglect to respond to the existence of training camps, but the matter died on the House floor. While most liberals and moderates may have genuinely believed the Department of Justice failed to respond appropriately, there was no interest in pursuing the issue.

---

<sup>64</sup> Peter Kornbluh and Malcolm Byrne, *The Iran-Contra Scandal: The Declassified History – A National Security Archive Document Reader* (New York: New Press: W. W. Norton, 1993), 1.

<sup>65</sup> “Latins’ Training Grounds in U.S. Raises Questions of Criminal and International Law”, *New York Times*, December 24, 1981. “Florida’s Lawless Armies”, *New York Times*, December 28, 1981. “A Not-So-Neutral Neutrality Act”, *New York Times*, January 19, 1982.

The American public was first alerted to direct U.S. involvement in February 1982, when information leaked to the press revealed covert operations in Nicaragua.<sup>66</sup> The administration's position of neither confirming nor denying the reports did little to quiet the Washington press corps, who had been drawing parallels between Vietnam and the events in Central America since Reagan's inauguration. The leak highlighted why Haig had originally opposed clandestine operations. Not only could government-sponsored paramilitary operations no longer be kept secret in the manner of the 1950's, the Contra war was the wrong war. Haig considered arming the Contras to be a "Vietnamization" of the conflict. Nicaragua was the middle man, not the source of the problem. While the proxy-war might be politically attractive in the short term, Haig predicted that it would only force the administration to commit "ever larger resources to a small objective" or result in a loss of credibility.<sup>67</sup> In reality Haig, like many neo-conservatives, misinterpreted Reagan's bellicose campaign rhetoric. Regardless of public White House intimations, large scale military operations were politically impossible in the post-Vietnam era.

On March 14, any intentions the administration may have had for using the Contras as a negotiating asset evaporated. In one of their first successful operations, rebels destroyed two strategically important bridges in northern Nicaragua. The event confirmed how anti-Sandinista forces under American supervision had evolved from a ragtag group of rebels into a well-equipped, well-

---

<sup>66</sup> "Political, Paramilitary Steps Included", *Washington Post*, February 14, 1982.

<sup>67</sup> Alexander M. Haig, *Inner Circles: How America Changed the World: A Memoir* (New York: Warner Books: 1992), 549-551. Haig, *Caveat*, 115. According to media reports in 1985, Haig and his deputy at the State Department Robert McFarlane believed that the decision to arm the Contras was a consequence of no strategy. See, "A Plan Gone Awry", *Los Angeles Times*, March 3, 1985.

trained and well-organized force. Inside Nicaragua, the regime predictably tightened its grip on power. A national emergency was declared, civil rights were suspended, the press was censored and military build-up escalated. Foreign Minister Miguel D'Escoto told the *Washington Post*: "We cannot discard the possibility of this being only the beginning of what could be an imminent invasion".<sup>68</sup> A number of moderate Nicaraguan politicians, already skeptical of the regime's apparent unwillingness to hold elections, left the country, effectively leaving only the Sandinistas with any political influence.<sup>69</sup>

Following the bombings in March, Bonior, along with the liberal Chairman of the House Sub-Committee on Western Hemisphere Affairs Michael Barnes, charged the Reagan administration with attempting to oust the Nicaraguan government and refuted any existing evidence linking Managua with smuggling weapons to Salvadorian rebels.<sup>70</sup> Despite the growing opposition at home and the mounting evidence linking the Contras to the Reagan administration, liberals remained in the minority. If anything, concerns over the Sandinistas increased during the spring, as U.S. media reported the arrival of Soviet tanks and military helicopters to boost the Sandinista army, by now the largest in Central America. The military buildup was well within Nicaragua's sovereignty and given the Contra threat, understandable. Nevertheless, pictures of Soviet-made weaponry on the front page of U.S. publications were disconcerting to American politicians and the public. In March, developments in Nicaragua caused the *Wall Street Journal* to

---

<sup>68</sup> "Nicaragua Sets State of Emergency", *Washington Post*, March 16, 1982. "Nicaragua Places Forces on Alert", *New York Times*, March 17, 1982.

<sup>69</sup> Pastor, *Not Condemned to Repetition*, 196-197.

<sup>70</sup> "Covert-Action Bar in Nicaragua Urged", *Washington Post*, March 16, 1982.

declare, “Nicaragua, like Poland, has finally made it official: It has declared itself a police state”.<sup>71</sup> While most members of Congress questioned the timeliness of covert operations, they flatly distrusted the Sandinistas. Since no member of the intelligence committees with access to classified information backed Barnes’ and Bonior’s claims, they must have been convinced that Nicaragua posed a threat to regional security.

The only indication that members of House Intelligence Committee were becoming concerned was a classified amendment to the 1983 Intelligence Authorization Act. The amendment prohibited U.S. support for “the purpose of overthrowing the Government of Nicaragua or provoking a military exchange between Nicaragua and Honduras”. According to Committee Chairman and sponsor of the amendment Congressman Edward P. Boland (D-MA), the committee had “considered, but rejected, motions to strike all aid funds [for the Contras]”.<sup>72</sup> Scholars have generally considered the Boland Amendment a firm warning to the president, a confirmation that Congress denied Reagan free reins in Central America.<sup>73</sup> In reality, the law was the first sign of the weak, middle-of-the-road policy moderates in Congress would pursue throughout the conflict.

---

<sup>71</sup> “The Nicaraguan Picture”, *New York Times*, March 11, 1982. “Nicaragua Makes It Official”, *Wall Street Journal*, March, 19, 1982.

<sup>72</sup> “Amendment to The Intelligence Authorization Act for Fiscal Year 1983 – U.S. House of Representatives, 98<sup>th</sup> Congress, 1<sup>st</sup> Session”. Thomas P. O’Neill Papers, Boston College, MA. Kirk O’Donnell Files, (Hereafter KODF).

<sup>73</sup> Philip Brenner and William M. LeoGrande, “Congress and Nicaragua: The Limits of Alternative Policy-making” in *Divided Democracy: Cooperation and Conflict Between the President and Congress*, ed. James Thurber, 219-253 (Washington, DC: CQ Press, 1991). James Scott, “Interbranch Rivalry and the Reagan Doctrine in Nicaragua”, *Political Science Quarterly* 112, (Summer 1997), 237-260. Stephen Kinzer, *Blood of Brothers: Life and War in Nicaragua* (New York: Putnam, 1991), 97-98. Arnson, *Crossroads*, 103-104.

Between March and June, the Falkland War, the crisis in the Middle East and presidential elections in El Salvador overshadowed the situation in Nicaragua. The Salvadorian elections provided a particularly welcome boost for Reagan, who had been under pressure from Congressional liberals and human rights groups for his support of the right wing-regime. As hundreds of thousands of people lined up to vote in defiance of leftist rebel threats, the situation appeared to confirm Kirkpatrick's 1979 argument: the need to support an authoritarian government in the face of communist aggression.<sup>74</sup> This optimism would soon cool as violence returned to El Salvador but the propaganda value of promoting democracy, something conservatives had stoutly refused during the Carter era, was not lost on the administration. Eventually, this would prove to be an effective method for wooing moderates on Nicaragua as well.

On June 25, 1982, Haig resigned as Secretary of State following a long public tussle with other administration officials over policy coordination. Personality differences also played an important role in his decision to resign. Reagan chose the more cautious and less ideological George Pratt Shultz as Haig's successor. Shultz, who had served in Cabinet positions under Nixon, had a reputation of being loyal but with a limited interest in Central America. In the months following this changing of the guard, Nicaragua policy-making veered away from the State Department and into the hands of the National Security Council, laying the groundwork for Iran-Contra.

---

<sup>74</sup> "Administration Hails Large Voter Turnout", *Washington Post*, March 30, 1982. "Statement by the Secretary of State (Haig) at the Department of State Daily Press Briefing", *American Foreign Policy Current Documents 1982* (Washington, D.C.: 1985). 1435. (Hereafter *AFPCD*)

Nicaragua resurfaced as a political issue between June and August, this time tied to events in Honduras. Over the summer, Contras operating from bases in Honduras had stepped up attacks against Nicaraguan infrastructure and Sandinista forces. In response, a coalition of liberal congressmen attempted to halt U.S. military sales to Tegucigalpa. However, except for a small core opposition group, the Contras remained a minor inconvenience to Congress. The proposals were overwhelmingly rejected in both the House (280-109) and the Senate (65-29).<sup>75</sup> On record, the vote appeared to be about Honduran national security. In reality, it represented a de-facto approval of a covert war that by then was a public secret.

Liberal congressmen did not surrender their quest to halt U.S. operations. They continued to fear, along with several reporters, that the administration was in the process of “a slow-motion Bay of Pigs invasion...to destabilize Nicaragua”.<sup>76</sup> These fears appeared to be confirmed when in early November, an investigative report in *Newsweek* presented evidence that the level of U.S. involvement had escalated and FDN leaders were publicly declaring it their goal to overthrow the Sandinista government.<sup>77</sup> Boosted by strong mid-term elections, liberals attempted to use these revelations to permanently end Contra support. On December 8, Congressmen Tom Harkin (D-IA) and George Miller (D-CA) took the House floor. They called for a complete suspension of Contra aid and to abandon any goal involving the overthrow of the Nicaraguan regime. In effect, they challenged the Reagan administration: “You are now on notice”, Miller charged, “This is not speculation about another Vietnam. This is the first step out of Vietnam. Some of

---

<sup>75</sup> *Congressional Quarterly*, July 3, 1982, 1587. *Congressional Quarterly*, August 14, 1982, 1962.

<sup>76</sup> “Blundering into Nicaragua”, *Washington Post*, August 6, 1982.

<sup>77</sup> “A Secret War for Nicaragua”, *Newsweek*, November 8, 1982, 42-53.



us came here to stop Vietnam. And here is a chance to stop a new one.” Harkin meanwhile, insisted that it was hypocritical of Washington to charge Nicaragua with subversion in El Salvador, while U.S.-backed rebels were committing similar acts from Honduras.<sup>78</sup> These Congressmen had relatively limited support but their message was powerful. This group of young, post-Watergate era Democrats was charging the Democratic leadership with either having surrendered to Reagan’s ideology or of being too afraid to challenge it.

Edward Boland took the floor to counter Harkin. He assured members of the House, who were unaware of the classified decisions made in April, that the intelligence committee “does understand its obligations to rein in activities which can get out of control or which could threaten to involve this nation or its allies in a war”. As evidence, Boland made public the classified language from the secret annex to the Intelligence Authorization Act, confirming that the United States was not involved in the overthrow of the Nicaraguan government. This was good enough for the House. In place of the language suggested by Harkin and Miller, members approved the original language of the Boland Amendment 411-0. It was signed into law by President Reagan on December 21.<sup>79</sup>

The Boland Amendment was one of the laws administration officials were later found to have violated, and it has wrongfully been hailed as a forceful piece of legislation.<sup>80</sup> This disguised the law’s inherent weak language, which did little to

---

<sup>78</sup> *Congressional Record*, 97<sup>th</sup> Congress, 2<sup>nd</sup> Session, December 8, 1982. Microfilm.

<sup>79</sup> *Ibid.*

<sup>80</sup> The Boland Amendment passed in 1982 (Boland I) was one of several passed while he was chairman of the Intelligence Committee. Technically, it was the Boland Amendment passed in 1984 (Boland II) that administration officials were found to have violated during the Iran-Contra investigations but the language remained largely the same.

actually prevent covert operations from continuing. It represented a toothless compromise, deliberately avoiding any real restrictions on the administration. The fact that this was intentional was underlined by the dismissal of a last minute proposal brought forward by Harkin before the final vote. After his original attempt to halt funding had been overruled by Boland, Harkin suggested that at the very least, Congress should insist funding be withheld from all groups whose declared goal was the overthrow of the government. No vote took place on Harkin's proposal. Presumably, it was rejected by the Democratic leadership. It generated no further discussion on the House floor. These events clearly indicated that regardless of the strong reservations many members of Congress continued to harbor over the Contras, only a few were willing to stand up for what was widely believed to be an ally of the Soviet bloc.

The debate and passage of the Boland Amendment underlined why Congress is ill-equipped to formulate and implement a coherent foreign policy. The House and the Senate are deliberating bodies; they reach agreements based on compromise and speak with many voices, reducing the decisiveness and credibility necessary for conducting foreign policy. The Boland Amendment was evidence of this. The bill's language was vague enough to satisfy both the administration and conservatives in Congress, but strong enough that moderates and liberals could show they had not allowed the President to lead America on the path to war. Boland in particular, insisted that the law limit the conduct of a "secret war". In an interview with the *New York Times* he proclaimed: "It's pretty plain and simple...If there was any effort to use funds for that purpose [overthrowing the Sandinista

Government], the administration would have to justify it, and I don't know how they would".<sup>81</sup>

Unsurprisingly, reality would prove quite different from what Boland thought. The law assumed that the government, despite all historical evidence to the contrary, would be able to control both the actions of its own intelligence agencies and the foreign fighters they were training. It allowed Contra support to continue on the highly questionable presumption that the rebels would operate only with the purpose of interdicting weapons between Nicaragua and El Salvador, in essence ignoring their stated claims of seeking regime change. The ambiguity of the language allowed the administration to interpret the law quite differently from what Boland apparently anticipated. Insisting that as long as it was not the *administration's* stated goal to overthrow the Sandinista regime, funds could legally continue regardless of the rebels' expressed aim. This was clearly not within the spirit of the law but experienced Democratic lawmakers, who for two years had been concerned by the ideological determination of the new administration, should have foreseen the limitations of their own creation.

As 1982 came to a close, Democrats continued to conduct business in the same passive manner as they had earlier in the year over the issue of the training camps. Democrats found themselves in a void in the post-Carter era, illustrated by the Boland Amendment. They continued to believe that Congress could, and should, challenge the executive over the implementation of foreign policy, but they struggled to redefine an identity for their own foreign policy platform. Concern remained that Reagan administration ideologues would drag the country into war

---

<sup>81</sup> "Congress Renews Curbs on Actions Against Nicaragua", *New York Times*, December, 23, 1982.

and the covert operations they approved in December would escalate, but the fear was not overwhelming enough to inspire renewed calls for Carter's non-interventionism. This congressional indecision would prove fatally destructive to both Nicaragua and policy making at home. Despite the fact that the Democrats had overwhelmingly strengthened their grip on the House of Representatives, they did not cast a vote to end the war but rather to guarantee its continuance, much as it had throughout 1982.

### **3. 1983-1984: A Moderate Response from Congress**

Between January 1983 and the presidential election in November 1984, Congress adopted an increasingly active role in policymaking on Nicaragua. This did not indicate any less concern about the danger the Sandinistas posed to the region, but a growing congressional conviction that the administration was not conducting the covert war within the limits of the law. Media reports over human rights violations in Central America, public concern and fear that the Reagan administration was placing the country on a path to war, led Congress to first limit and then, for a brief period in 1984, halt U.S. funding of the Contras. The administration viewed Congress' initiatives as a gross overreach of its constitutional mandate and in 1983, Reagan took the issue of Contra aid directly to the American public in an attempt to turn the tide in his favor. Behind the heated debates between Congress and the President was the fact that the legislature continued to compromise. Little was done by Congress to effectively alter the course already put in motion by the administration.

American media reported escalating violence in Nicaragua during February and March of 1983, much of it perpetrated by the Contras. There were also indications that the original force of 500 approved the previous year had mushroomed into an army of several thousand. The escalation concerned Congress because it appeared that the White House was not acting in good faith, and raised questions about the administration's adherence to the Boland Amendment. These concerns intensified after a visit by liberal Senator Patrick Leahy (D-VT) to Central America in early 1983 on behalf of the Senate Intelligence Committee. His meetings with CIA operatives in Honduras, from where the Contra operation was being run, raised suspicions that Congress was not being appropriately informed.<sup>82</sup> Congressman Michael Barnes elaborated on March 3 that "Congress intended to prohibit the administration from trying to take paramilitary action" and that Reagan "had ignored" the law.<sup>83</sup>

Ideologues within the administration perceived congressional criticism as a personal affront, rather than cause to rethink their tactics. Even six years after Iran-Contra, Elliot Abrams still insisted that Congress had deliberately undercut Reagan, claiming that what moderates and liberals were doing to the administration was "constitutionally illegitimate in addition to being wrong with respect to Central America".<sup>84</sup> In an attempt to address the rising criticism, Reagan went on the offensive. On March 10, he delivered his first major speech devoted exclusively to Central America. The President's entrance into the public arena raised the stakes

---

<sup>82</sup> Bob Woodward, *VEIL: The Secret Wars of the CIA 1981-1987* (New York: Simon and Shuster, 1987) 252-257.

<sup>83</sup> *Congressional Quarterly*, April 9, 1983, 703-704. This was an overstatement. The Boland Amendment had not intended to halt covert action, only to limit certain end goals and policies.

<sup>84</sup> Abrams and Fox, "Public Opinion and Reagan Policy: Administration Commentaries", 105-119.

over Nicaragua for both the administration and its critics. It was one thing to challenge the CIA, whose credibility was already damaged after congressional investigations during the 1970's; it was a whole different proposition to go after Reagan, whose approval ratings were consistently high, particularly when compared with his recent predecessors. In his speech, Reagan focused on the threat to the United States, rather than legal technicalities. He continually hammered home that El Salvador "is nearer to Texas than Texas is to Massachusetts... the strategic stakes are too high, for us to ignore the danger of governments seizing power there with ideological and military ties to the Soviet Union." After all, "It isn't nutmeg that's at stake in the Caribbean and Central America; it is the United States national security."<sup>85</sup> This was classic Reagan. Known as the "Great Communicator", he possessed an uncanny ability to reach Americans that few politicians have mastered. Over the coming years, this would have a tremendous impact on Congress' response to presidential requests for Contra funding.

Despite the President's speech, liberals in the House were not ready to supply further aid to the Contras. They believed that the White House or the CIA was violating the law, if not in practice then at least in spirit. On March 24, a coalition of liberal Congressmen expressed their concern about CIA operations in Central America in a letter to Reagan: "...these activities [that] include the support of anti-Sandinistas based in Honduras...is a violation of the Boland amendment".<sup>86</sup> Signed by less than ten percent of House members, the letter was hardly the

---

<sup>85</sup> "Remarks on Central America and El Salvador at the Annual Meeting of the National Association of Manufacturers, March 10, 1983", *PPRR 1983*, 372-377.

<sup>86</sup> Letter, "House of Representatives to the President, March 24, 1983", (signed by 37 members of Congress). Thomas P. O'Neill Papers, KODF.

forceful challenge indicated by some scholars. Nevertheless, the liberal accusation was relevant, even if based on circumstantial evidence: either the administration was actively pursuing the overthrow of the Sandinista government, violating the Boland Amendment, or the CIA was unable to control Contra forces. Since the Contras publicly proclaimed their goal of overthrowing the government, the Reagan administration could not deny their inability to control the Contras without admitting to violating the law. Riding this momentum, a group of young, post-Watergate elected liberals reclaimed Barnes' language and again pushed for an airtight ban on Contra aid. They distrusted the "old liberals", believing that the previous generation of Democrats had "allowed the country to go to war in Vietnam, had allowed the CIA to become a 'rogue elephant' in Latin America, and would allow the Reagan administration to carry out its covert war against the Sandinistas".<sup>87</sup> Led by Barnes and David Bonior, this younger group was not satisfied with compromise.

Feeling the pressure, the moderate Edward Boland somewhat reluctantly "joined the chorus of those denouncing the administration's lack of compliance" with the law and on April 13 admitted to the *New York Times* that "the evidence is very strong".<sup>88</sup> Boland pressed the administration by inviting National Security Advisor William Clark and Secretary of State Shultz, rather than Casey, before the House Intelligence Committee.<sup>89</sup> This unusual step underlined that the committee did not trust Casey and signaled that although the Contras were a CIA operation,

---

<sup>87</sup> Kagan, *A Twilight Struggle*, 265.

<sup>88</sup> Arnsson, *Crossroads*, 121. "Key House Member Fears U.S. Breaks Law On Nicaragua", *New York Times*, April 14, 1983.

<sup>89</sup> "Nicaragua Activities Questioned", *Washington Post*, April 7, 1983.

the White House would be held responsible. Conservatives thought Democrats were out of line. In a preview of the House-Senate showdown that would transpire in the near future, Chairman of the Senate Intelligence Committee Barry Goldwater (R-AZ), proclaimed that the administration “was not violating the letter or the spirit of the law”, and that critics’ statements were “political” and “irresponsible”.<sup>90</sup> Reagan reiterated this sentiment during a press conference, insisting that: “We aren’t doing anything to oust the Sandinist [*sic*] Government”.<sup>91</sup> The divide that persisted within Congress over how to address these discrepancies was highlighted by Senator Howard Baker (R-TN): “I am never going to support an effort by this or any other administration to subvert the law...But I also won’t stand idly by and let Cuba and Russia have a free hand in Central America. It would be disastrous for this country to roll over and play dead”. It was a statement repeated time and again by members of Congress struggling to produce any legislative coherency.

On April 27, in a rare address to a joint session of Congress, Reagan reiterated that there were no plans to send troops to Nicaragua. In a veiled reference to the Contras, he also stated that:

We should not, and we will not, protect the Nicaraguan Government from the anger of its own people...I do not believe that a majority of the Congress or the country is prepared to stand by passively while the people of Central America are delivered to totalitarianism and we ourselves are left vulnerable to new dangers...This is not a partisan issue. It is a question of our meeting our moral responsibility to ourselves...Who among us would wish to bear responsibility for failing to meet our shared obligation?<sup>92</sup>

---

<sup>90</sup> *Congressional Quarterly*, April 23, 1983, 775-776.

<sup>91</sup> “Transcript of President Reagan’s Conference With Reporters”, *New York Times*, April 15, 1983.

<sup>92</sup> “Address Before A Joint Session of the Congress on Central America, April 27, 1983”, *PPRR* 1983, 601-607.



To Reagan's great frustration, his address, which was broadcast live on national television, did little to sway Congress or the American people in the short term. The American public opposed both the President's handling of the conflict and sending aid to the Contras, fearing a deeper U.S. commitment in the region.<sup>93</sup> In his memoirs, Reagan conceded that "one of my greatest frustrations during those eight years was my inability to communicate to the American people and to Congress the seriousness of the threat we faced in Central America"<sup>94</sup>

Regardless of public disapproval and the pressure from liberals, no reversal of Nicaragua policy emerged. Moderates would not allow this to happen. The polarization was most evident among Democrats, although it was not exclusively a partisan issue. The conservative congressman Henry Hyde (R-IL) succinctly summed up the congressional divide:

...there are members of the House and Senate who do not believe that Communism in Central America is a grave threat to peace and freedom that requires an active and vigorous response from the United States; there are Members who concede the threat in the abstract, but wish to do little about it beyond talking; and there are Members who acknowledge the threat and wish to challenge it, forthrightly.<sup>95</sup>

Liberals wanted an equal partnership among nations in the hemisphere and proposed increased OAS influence in the region. They wanted negotiations to avoid war at any cost. Moderates, on the other hand, wanted negotiations to end the current conflict but would not make concessions or accept a pro-Moscow government. Wyche Fowler (D-GA) conceded that everyone "agrees with the

---

<sup>93</sup> For an excellent overview of polls on Central America conducted during the Reagan administrations see, William M. LeoGrande, *Central America and the Polls* (Washington Office on Latin America: 1986).

<sup>94</sup> Reagan, *An American Life*, 471.

<sup>95</sup> United States Congress, *Report of the Congressional Committees Investigating the Iran-Contra Affair: with Supplemental, Minority, and Additional Views* (Washington, D.C., 1987), 668. (Hereafter *Iran-Contra Report*).

objectives of the President. We don't like communism. But it's the methods he's chosen to achieve the objectives that we are questioning".<sup>96</sup> Nobody wanted to be seen backing policies that might be interpreted as support for the Sandinistas. Congressional conservatives, including Hyde, wanted to avoid all negotiations with Marxists because they could not be trusted to confer in good faith. Reagan agreed. As Robert McFarlane told Kagan in a 1991 interview, the administration opposed a settlement: "They preferred to lose [a vote in Congress], blame the Democrats for losing Central America and come back to fight another day".<sup>97</sup>

Given this atmosphere, reaching consensus on Nicaragua policy proved impossible. In May, moderates threw out language suggested by Barnes to end Contra aid and introduced a new initiative. Sponsored by Boland and chairman of the House Foreign Relations Committee Clement Zablocki (D-WI), the Boland-Zablocki bill would suspend aid to the Contras but simultaneously approve \$80 million worth of military aid to Honduras, El Salvador and Guatemala. When the bill reached the House floor in July, the political schisms came out in full force. In a letter to Tip O'Neill, George Shultz pleaded with the Speaker "not to impose restrictions on" Contra aid, which the Secretary of State was convinced would "undermine the cause of peace and democracy that we all support". O'Neill was not persuaded and applied pressure on several of his colleagues to vote for the bill.<sup>98</sup> Nevertheless, less than two weeks before the vote, Zablocki conceded to the *Washington Post* that "we don't have the votes as of today", and Barnes also agreed

---

<sup>96</sup> Arnson, *Crossroads*, 123.

<sup>97</sup> Kagan, *A Twilight Struggle*, 277. Casey agreed with McFarlane, see George P. Shultz, *Turmoil and Triumph: My Years as Secretary of State* (New York: C. Scribner's Sons, 1993), 292.

<sup>98</sup> Letter, "The Secretary of State to the Speaker of the House of Representatives", July 18, 1983. Thomas P. O'Neill Papers, KODF.

he “saw no sign of progress”.<sup>99</sup> A complete halt to Contra aid seemed unlikely. When Reagan announced the establishment of a blue-ribbon commission charged with assessing the situation in Central America, it appeared certain that Boland-Zablocki would be struck down. Congressional moderates welcomed the initiative, seeming to sideline liberals once again; they could only weakly accuse the bipartisan commission, chaired by Henry Kissinger, of merely being created to confirm the President’s policies.<sup>100</sup>

Ironically, despite the oratorical abilities of the so-called “teflon President”, the administration had a knack for committing public blunders that handed ammunition to its critics. This tendency of the administration to act as its own worst enemy revealed the danger of having ideologues, rather than pragmatists, so intimately involved in policy-making. The administration possessed little understanding of how Congress, the public or the media would respond to their policy initiatives. Only a day after the announcement of the Kissinger Commission and less than ten days before the vote on Boland-Zablocki, the U.S. revealed plans to conduct a five-month long series of military exercises off the coast of Nicaragua and inside Honduras. Codenamed “Big Pine II”, the exercises involved more than 5,000 U.S. troops, clearly intended to intimidate the Sandinista regime. However, they were, according to Shultz, militarily irrelevant.<sup>101</sup> At home, Big Pine II set off a firestorm of criticism aimed at the administration. Senator Christopher Dodd (D-CT) requested an urgent meeting of the Senate Foreign Relations Committee to

---

<sup>99</sup> “Reagan-Hill Compromise on Nicaragua Is Seen as Unlikely”, *Washington Post*, July 14, 1983.

<sup>100</sup> “Kissinger Will Head Latin Panel”, *Washington Post*, July 18, 1983.

<sup>101</sup> “National Security Decision Directive 100, July 28, 1983”, DNSA.

<http://nsarchive.chadwyck.com/nsa/documents/NI/01781/all.pdf>. (Accessed, June 30, 2007).  
Shultz, *Turmoil and Triumph*, 314-315.

consider whether Reagan had violated the War Powers Act and if Congress could suspend the deployment.<sup>102</sup> Although the initiative failed, it underlined the growing congressional conviction that control of the nation's military did not rest exclusively with the Commander in Chief. On July 28, Speaker O'Neill and Senate Minority Leader Robert C. Byrd (D-WVA) criticized the administration in a letter to the President, because "it did not foresee the need to consult with the Congress prior to initiating such serious action".<sup>103</sup>

There is no indication that Big Pine II was preparation for an intervention, but the size and cost of the initiative made, as William LeoGrande emphasizes, Reagan appear "two-faced – feigning moderation to avoid an aid cut-off, while secretly planning a massive escalation of the war".<sup>104</sup> Shultz agreed. Reflecting the extent to which the NSC and the White House had wrestled authority over Central America policy away from the State Department, Schultz had been unaware that Big Pine II was even being planned. In his memoirs, he underlined the "bizarre" nature of the administration's policy, which seemed "to take any means to avoid the *actual* use of American military power but every opportunity to *display* it".<sup>105</sup> It was hardly surprising that members of Congress were worried an invasion was being planned, let alone the Nicaraguans and the American public. Feeling blindsided, a frustrated Shultz tendered his resignation. The situation was

---

<sup>102</sup> "Administration: Part of Exercises", *Washington Post*, July 26, 1983. "Pentagon Details Honduras Action", *New York Times*, July 26, 1983.

<sup>103</sup> Letter, "The Speaker of the House to the President, July 28, 1983". Thomas P. O'Neill Papers, KODF.

<sup>104</sup> William M. LeoGrande, *Our Own Backyard: The United States in Central America, 1977-1992* (Chapel Hill, NC: University of North Carolina Press, 1998), 320.

<sup>105</sup> Shultz, *Turmoil and Triumph*, 311. Quotation italics in original.

remarkably similar to Haig's a year earlier, only this time, Reagan rejected the offer.<sup>106</sup>

Big Pine II pushed moderate Democrats over to the liberal camp on Boland-Zablocki. The bill was vigorously debated for two days, sparking some of the most heated discussions of the Reagan presidency. Conservatives insisted that the Boland Amendment was not being violated because, according to Hyde, the Contras "in no way can overthrow the government in Nicaragua".<sup>107</sup> Donald Ritter (R-PA) likened liberal policy to Chamberlin's appeasement of Hitler, while Robert Livingston (R-LA), echoing Norman Podhoretz' earlier work, accused liberals of "making the world safe for communism". Liberals insisted that covert action had worsened conditions in Central America, hurt America's image abroad and that the Contras were all former Somocistas, waiting to re-establish another dictatorship. Even the moderate Jim Wright, normally a supporter of the President's foreign policy, pointedly asked: "Do we postulate ourselves as a sort of hemispheric Lone Ranger...shooting silver bullets at people who misbehave from our point of view, or do we call on that organization [the OAS] which has been created for that exact purpose...I believe we do the latter". On July 28, in the first vote prohibiting aid to the Contras, the House approved the Boland-Zablocki bill with minor changes 228-195.<sup>108</sup>

---

<sup>106</sup> Shultz, *Turmoil and Triumph*, 311-312. Reagan's diary presents a slightly different version of events. According to the President, Shultz offered to resign because the Secretary of State felt that press stories about a turf war between the NSC and Shultz had left him "so tarnished that he was a liability to me". Reagan, *The Reagan Diaries*, "Monday, July 25, 1983", 169.

<sup>107</sup> *Congressional Quarterly*, July 30, 1983, 1537. Hyde's argument was incorrect; the Boland Amendment was concerned only with intent, not capability.

<sup>108</sup> *Ibid.*, 1537

As expected, Boland-Zablocki did not make it through the Republican-controlled Senate, ensuring continuation of Contra-aid until the expiration of the original Boland Amendment at the end of the fiscal year. As the bill never became law, it was possible for it to be hailed as another powerful Democratic statement shut down by conservative demagogues. This disguised the fact that moderates would have rejected the Boland-Zablocki bill without the \$80 million in military aid for Central American nations. William Bloomfield (R-MI) foresaw this outcome back in May, when he pointed out that the military aid attached to the bill illustrated “Democrats were having second thoughts about tying the President’s hands in Central America.”<sup>109</sup> A good portion of this aid was earmarked for Honduras, the nation from which most CIA Contra operations were run. While the law would have prevented Washington from directly funding the Contras, it would have had little affect on the continued existence of the rebels or their reliance on U.S. aid, except that the aid would have been delivered through the backdoor. Again, on the surface, moderate congressional action appeared forceful and comprehensive but in reality, it represented little more than a symbolic gesture in opposition to the President’s policy. Without a viable alternative to the Contras, there was no consensus for abandoning the rebels.

In spite of these weak congressional actions, the administration viewed the legislature as deeply adversarial on Nicaragua policy. The vote in the House was, according to Shultz, “the worst legislative defeat of the Reagan administration to that date”. While the bill would not have ended Contra support, it was a de-facto rejection of Reagan’s covert war, something the administration was unwilling to

---

<sup>109</sup> *Congressional Quarterly*, May 21, 1983, 1008.

accept. Nevertheless, in recognition of the uneasiness shown by Congress over the war, the administration changed tactics. In September, Casey and Shultz presented a new Presidential Finding to the Senate Intelligence Committee. In addition to restating their original promise not to seek the overthrow of the Sandinista regime, an addendum emphasized cooperation with foreign governments and the intention to bring the Sandinistas into meaningful regional negotiations.<sup>110</sup> Promises of negotiation and the pursuit of peace appealed to moderates. The Senate Intelligence Committee overwhelmingly approved the finding 13-2 and released \$19 million for fiscal year 1984 from emergency funds.<sup>111</sup> This was formally approved in the Senate in early November thanks to the oratory skills of Daniel Moynihan, who justified Contra aid on the basis of Nicaraguan violations of international law, as well as by Barry Goldwater who insisted that covert action was “working very well” and had “a good deal of popular support”.<sup>112</sup>

Opposition in the House persisted but was complicated by unrelated international events. On September 1, a Korean Airlines flight carrying over two hundred passengers, including 61 Americans and one Democratic member of Congress, was shot down over Soviet airspace. In October, attention turned to Beirut where terrorists killed 241 U.S. servicemen and then to Grenada, where U.S. forces invaded to protect American citizens perceived to be in danger following a coup d'état by a pro-Castro regime. These events caused a patriotic surge in

---

<sup>110</sup> “Ronald Reagan, Presidential Finding on Covert Operations in Nicaragua”, in Kornbluh and Byrne, *The Iran Contra-Contra Scandal*, 12-14. LeoGrande, *Our Own Backyard*, 322-325.

<sup>111</sup> *Congressional Quarterly*, September, 24, 1983, 2011.

<sup>112</sup> *Congressional Quarterly*, November, 5, 1983, 2294.

Reagan's popularity, as Americans rallied around the flag.<sup>113</sup> Most members of Congress, at first critical of the decision to invade Grenada, soon came around to supporting the President's policy and the attempt by seven Democratic members to seek his impeachment came off as petty and unpatriotic.<sup>114</sup>

In this atmosphere, Congress was unlikely to cut off Contra-aid completely. In December, a House-Senate Conference reached a compromise to continue support for the Contras but with a \$24 million cap for fiscal year 1984. Additional amounts could only be released following approval in both the House and the Senate. The only noticeable change was an attempt to hold the administration to a promise of regional negotiations and support for the Contadora group.<sup>115</sup> The administration was not pleased with the cap because like Boland-Zablocki, it questioned the direction of its policies, even if it did little to alter them. Nevertheless, there is little doubt that the White House received the better half of the deal, as Congress demonstrated a continued lack of will to cut funding. Reagan could now simply return for more in the new year. Congress had voted not to end the war, but to sustain it.

In January 1984, the bipartisan Kissinger Commission released its report after almost six months of research and visits to several Central American

---

<sup>113</sup> In the first two weeks following the invasion, public approval surged from 52% to 70%. See, LeoGrande, *Central America and the Polls*, 34-37.

<sup>114</sup> "Move for Impeachment is Begun by 7 in House", *New York Times*, November 11, 1983. For a discussion of the issue of impeachment in relation to the invasion see, Michael Rubner, "The Reagan Administration, the 1973 War Powers Resolution and the Invasion of Grenada", *Political Science Quarterly*, 100, (Winter, 1985-1986), 627-647.

<sup>115</sup> In January 1983, the foreign ministers of Panama, Venezuela, Mexico, and Colombia met on the Panamanian island of Contadora in search of a negotiated settlement to the conflicts in Central America. The Contadora Initiative gained the support of several liberals and moderates in Congress seeking a way to reduce American commitment and prevent a military solution. The negotiations continued throughout the 1980's with varying U.S. and Nicaraguan support.



countries. The report was weak, mostly supporting the administration's actions but symptomatic of the overall struggle for coherency, the Commission offered few alternative suggestions.<sup>116</sup> It recommended negotiations but also maintained that continued Contra support was vital to adequately pressure the Sandinistas to the negotiating table. As was the case in Congress, the Commission presented no recommendations for a middle path between support and opposition to the Contras.<sup>117</sup> Regardless, serious negotiations remained an unlikely course of action. John Horton, a former CIA official, argued that the Reagan administration believed:

agreements with Marxist-Leninists to be risky – as they indeed are – but it also finds them too distasteful and inconsistent with its own tough posturing position to be a serious option...it ideologically shackled its imagination and so was not free to use the informed pragmatism that enables a skilled diplomat to probe for solutions.<sup>118</sup>

This was what Reagan had insisted during his first press conference back in January 1981. Marxists were untrustworthy; they broke agreements and negotiated only to achieve a tactical advantage, making the consensus that the Kissinger report proposed unrealistic. The administration picked the recommendations it liked - support for the Contras - and discarded the rest. Congress should have recognized that the administration would not willingly come to the negotiating table but lacking the will to force action, allowed policy to continue as before.

---

<sup>116</sup> Reagan was pleased with the Commission. In his diary, he wrote: "Its darn good & and we'll push for its adoption. In fact, it really bears out what we have been pushing all along". Reagan, *The Reagan Diaries*, "Wednesday, January 11, 1984", 211. For the press briefing following the report's release see, "Report of the National Bipartisan Commission on Central America", *AFPCD 1984*, 1008-1013.

<sup>117</sup> William M. LeoGrande, "Through the Looking Glass: The Kissinger Report on Central America", *World Policy Journal*, (Winter, 1984), 251-284. "Kissinger Commission: Report on Central America" in, *The Central American Crisis Reader*, 556-562.

<sup>118</sup> John Horton cited in: Pastor, *Not Condemned to Repetition*, 203.

In Nicaragua, the intensifying situation left the Sandinista leadership increasingly worried. By early 1984, an estimated 6,000 rebel forces operating from about 20 bases in Honduras and Costa Rica were striking targets with increased frequency and efficiency. The launch of Big Pine II, the invasion of Grenada and the apparent U.S. public support that accompanied the invasion raised fears in Managua that Nicaragua was next.<sup>119</sup> On December 11, 1983, the Nicaraguan government published a full page declaration to the American people in the *New York Times*. It declared a wide amnesty for political prisoners and presented electoral decrees in preparation for the elections promised in 1979, now slated for 1985. In February, this was followed by an announcement that elections would be moved up to November 1984, only two days before the U.S. election. The symbolism was unmistakable. The Reagan administration remained unimpressed, interpreting the date change as a typical Marxist tactical maneuver and a sign of weakness. According to one official “the Sandinistas are on the ropes – keep the pressures on.”<sup>120</sup>

Buoyed by these events and Reagan’s rising approval ratings, this is exactly what the administration did. In a memorandum for his top advisors on February 21, Reagan highlighted that funding for the Nicaraguan Democratic Opposition, the Contras, was “a matter of the highest priority” and “essential to U.S. national interest”.<sup>121</sup> In March, the administration requested an additional \$21

---

<sup>119</sup> Roger Miranda, and William E. Ratliff, *The Civil War in Nicaragua: Inside the Sandinistas* (New Brunswick, U.S.A.: Transaction Publishers, 1993), 158. Sklar, *Washington’s War on Nicaragua*, 155-165. Kornbluh, *Nicaragua The Price of Intervention*, 141-155.

<sup>120</sup> Sklar, *Washington’s War on Nicaragua*, 164.

<sup>121</sup> “Memorandum from President Reagan to Shultz, Weinberger, Casey and Vessey, February 21, 1984”, DNSA. <http://nsarchive.chadwyck.com/nsa/documents/NI/01986/all.pdf>. (Accessed June 30, 2007).

million for the Contras. The Senate Intelligence Committee voted 14-0 in favor and the war looked set to continue. However, arrogance within the administration led it to either deliberately withhold information from Congress or fail to adequately explain its operations. On April 6, members of Congress learned about U.S. policy via the media rather than through proper channels. The *Wall Street Journal* reported that the CIA had been actively involved in mining Nicaraguan harbors since January. This was not only a breach of international law but an act of war. The mining itself was not a revelation. Since the beginning of the year, damage had been caused to a small number of international vessels, including one Soviet freighter. Additionally, both the House and Senate Intelligence Committees had been briefed on this issue in January and March respectively, but both committees believed the mining was being conducted by the Contras. Now, it was revealed that operations were run “from a ship controlled by the Central Intelligence Agency”. “It was one thing for Nicaraguans to be killing Nicaraguans...[another] for Nicaraguans to be blowing up Dutch sailors”, particularly if the U.S. was directly involved.<sup>122</sup>

In the same tone as the numerous media reports that followed, Congress responded furiously. Even conservative Goldwater insisted in a letter to Casey that he was “pissed off” that the President had approved the operation and failed to inform Congress appropriately.<sup>123</sup> Embarrassed, Moynihan who in December 1983 supported increased aid to the Contras because the Sandinistas were breaking international law, resigned his position as vice-chairman of Senate Intelligence

---

<sup>122</sup> “U.S. Role in Mining Nicaraguan Harbors Reportedly Is Larger Than First Thought”, *Wall Street Journal*, April 6, 1984. Arnson, *Crossroads*, 161.

<sup>123</sup> *Congressional Quarterly*, April 14, 831-833, 835. Woodward, *VEIL*, 361-368.

Committee, though he was subsequently convinced to remain after an apology from Casey. On April 10, the Senate voted 84-12 to condemn the mining. Two days later, the House followed suit 281-111. Moderates in the House, already skeptical over the Contra-war, rejected any immediate renewal of aid and the Senate funding bill passed in March never reached the House floor. Adding fuel to the fire, on the same day the mining scandal broke, Shultz informed the United Nations that to prevent Nicaragua from using the World Court for propaganda purposes, the United States rejected the Court's jurisdiction over Central America.<sup>124</sup> In a matter of days, the Reagan administration's Nicaragua policy was thrown into disarray.

Congress was also highly critical of the administration ignoring regional peace initiatives like Contadora and its seeming unwillingness to pursue negotiations.<sup>125</sup> This was not completely accurate but those within the State Department who favored negotiations had limited influence. Shultz agreed with most senior officials that something needed to be done about Nicaragua but much like moderates in Congress, he struggled to work out a sustainable plan that was acceptable to the rest of the cabinet.<sup>126</sup> From 1984 until the aftermath of Iran-Contra in 1987, negotiations were effectively thwarted by the NSC and the White House. McFarlane, who replaced Clark as National Security Advisor in October 1983, Jeane Kirkpatrick, Edwin Meese and Caspar Weinberger adamantly opposed

---

<sup>124</sup> "Note from the Secretary of State (Shultz) to the Secretary General of the United Nations (Perez de Cuellar), April 6, 1984", *AFPCD 1984*, 1071-1072. A December World Court ruling unanimously condemned the mining.

<sup>125</sup> *Congressional Quarterly*, May 12, 1984, 1094-1095.

<sup>126</sup> Shultz, *Turmoil and Triumph*, 415-421. In his memoirs, Shultz explains that Jim Baker and Vice President George Bush supported his suggestion of negotiations but neither had sufficient influence to dictate foreign policy. In an apparent attempt to shield the President from blame, Shultz indicates that ideologues within the administration frequently conducted Contra-policy without Reagan's knowledge. However, this underestimates the strength of Reagan's convictions and his drive to support the Contras.

negotiations and insisted on pursuing the Contra war. Fearing that Congress might suspend aid completely in the aftermath of the mining scandal, this clique supported the idea of seeking aid from third-party countries. The initiative was debated between Reagan and his top advisors during a two-hour National Security meeting on June 25. The meeting reflected a lack of agreement over the legality of third-country requests and the proper operating channels. Meese believed that the Department of Justice must be consulted, while Casey considered it legal as long as the intelligence committees were notified. The more cautious Shultz argued that it “was very likely illegal”. McFarlane concluded that no matter what, he hoped “none of this discussion will be made public in any way”.<sup>127</sup> It was a legal gray area but Reagan needed to consider alternatives if Congress chose not to renew Contra support. For the time being, aware of its own vulnerability, the administration reluctantly decided to hold off on further aid requests until the end of the 1984 fiscal year on September 30.<sup>128</sup>

In October, the administration returned with a renewed request for \$28 million from Congress. This time, the request was rejected both in the Senate and the House, spurring what would become known as the second Boland Amendment or “Boland II”. This was the first time the Senate had voted not to renew aid to the Contras. The statement from Congress to the President was, as Arnson portrays it:

---

<sup>127</sup> “National Security Planning Group Meeting, June 25, 1984, 2-3.50 pm – Minutes”, DNSA. <http://nsarchive.chadwyck.com/nsa/documents/NI/02127/all.pdf>. (Accessed, July 1, 2007).

<sup>128</sup> Another reason for the break in aid requests may have been that Reagan and McFarlane, unbeknownst to other top-ranking officials, had recently begun soliciting \$1 million a month in Contra aid from Saudi Arabia. Kagan, *A Twilight Struggle*, 312. Shultz, *Turmoil and Triumph*, 420.

“You didn’t keep your end of the bargain with us. Now don’t expect us to fight your battles for you”.<sup>129</sup> On October 10, the House passed Boland II stating:

No funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity involved...in intelligence activities may be obligated or expended for the purpose of or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement or individual.<sup>130</sup>

The House felt confident the war had been shut down. Nobody noted that what they had just passed was what Congressman Harkin had proposed back in 1982; however Boland II would soon prove to be far less comprehensive than Congress presumed. In fact, there was already a bill on the books that contained even more forceful language. In 1976, Congress passed the Clark Amendment to ban covert operations in Angola. While Boland II appeared to prevent operations from all agencies and entities involved in intelligence, it was less clear if this also covered the White House, under which the National Security Council operates.<sup>131</sup> It was this gap that would lead NSC officials, unsatisfied with the pace set by Congress, to continue secret operations after October 1984 and eventually divert U.S. funds to the Contras, violating the law. In any case, while Boland II put the war on hold, it had already reserved \$14 million that Reagan could request in early 1985, subject to approval by both chambers. Hailed as the end of the war by liberals, it was in fact little more than a mediocre repeat performance of the first Boland Amendment.

---

<sup>129</sup> Arnson, *Crossroads*, 167.

<sup>130</sup> *Congressional Record*, House 98<sup>th</sup> Congress, October 10, 1984, microfilm. The administration or individuals within the administration, later claimed that the National Security Council was not covered under the provision and could continue to support the Contras.

<sup>131</sup> For the conservative interpretation in favor of the legality of NSC operations see, “Minority Report”, *Iran Contra Report*, 489-501.

Congress still left itself vulnerable to outside influences, including incidents in Nicaragua and at home.<sup>132</sup>

By November, events were in motion that would change U.S. direction once again. On November 4, Daniel Ortega was elected President in what was essentially a non-contest. The only serious challenger, former Sandinista Arturo Cruz, pulled out of the election in October because the FSLN would not allow a level playing field. Liberals scholars like Holly Sklar and Walter LaFeber insist the elections were fair, while Thomas Walker claims it was the Reagan administration that pulled Cruz, hoping to prove fraud and motivate renewed congressional support.<sup>133</sup> These scholars emphasize that “Western European delegations observed and approved the election process” but ignore that only Holland was willing to send a government delegation. According to Canadian government sources, Ottawa rejected an invitation to be an observer nation because the “restrictions imposed by the Nicaraguan Government have not allowed a free and fairly contested campaign to develop”.<sup>134</sup> Sklar, Kornbluh and Walker also disregard the Sandinista refusal to allow international electoral supervision. Stephen Kinzer notes that this made it impossible “for outsiders to determine if the elections were genuine”. He insists that the Sandinistas censored every story on

---

<sup>132</sup> Another potential scandal arose on October 14, when it was revealed that a CIA manual appeared to support the “neutralization” of Nicaraguan government officials by Contras. Despite an initial congressional uproar and insistence that this was “repugnant to American values”, the House Intelligence Committee eventually found the manual to be the work of lower ranking CIA officials, accepting that “no laws had been broken and no executives orders violated”. *Congressional Almanac Quarterly*, 1984, 91. (Hereafter *Congressional Almanac*)

<sup>133</sup> Sklar, *Washington's War on Nicaragua*, 192-195. LaFeber, *Inevitable Revolutions*, 310. Walker, *Living in the Shadow of the Eagle*, 57.

<sup>134</sup> “Memorandum: Caribbean and Central American Relations Division”, October 24, 1984. Record Group 25, Vol. 12659, Library and Archives Canada, Ottawa, ON.

fraud and banned all references to the election that expressed “manipulation of figures, or lack of confidence in the election authorities”.<sup>135</sup>

Observers who claimed the elections lived up to international standards mostly came from human rights organizations, many of whom had a history of support for the Sandinista revolution. Many Westerners who supported the election results returned from Nicaragua with glorifying stories of improvements that were not always accurate. This phenomenon was not new. Like the “fellow travelers” who visited the Soviet Union in the 1930’s, and Cuba, Vietnam and Cambodia in the 1970’s, many who traveled to Nicaragua *wanted* to see the rosy future of the revolution and willingly altered their perceptions to bolster their cause, hailing the Sandinistas and condemning Reagan.<sup>136</sup> It is beyond the scope of this research to analyze the historical forces that ignited this admiration for a regime with a highly questionable human rights record, but it is undeniably a topic that deserves greater scholarly attention.

More serious Sandinista-critics were less forgiving. Carlos Andrés Pérez, the President of Venezuela and Vice President of Socialist International, declined to participate in Ortega’s inauguration. In a letter to the new Nicaraguan President “elect”, Pérez stated: “those of us who...have done so much for the Sandinista revolution feel cheated, because sufficient guarantees were not provided to assure the participation of all political forces. Sadly, the limiting in this way of true

---

<sup>135</sup> Kinzer, *Blood of Brothers*, 247-248.

<sup>136</sup> Paul Hollander, *Anti-Americanism: Critiques at Home and Abroad, 1965-1990* (New York: Oxford University Press, 1992), 259-305.



political pluralism weakened the credibility of the elections”.<sup>137</sup> In a 1991 interview with Kagan, Humberto Ortega conceded: “The Great Majority of the FSLN...didn’t see the election as strategically significant. They only saw it as a game...The fact that we had elections in 1984 didn’t mean anything.”<sup>138</sup>

Two days after Ortega’s victory on November 6, Reagan was re-elected with a landslide victory. Despite strong public opposition to the Contra war, Reagan carried 49 states and almost 59 percent of the popular vote. This had a devastating impact on Congress and demonstrated that although moderates had sided with liberals in 1984 to temporarily stop Contra aid, this alliance was fragile. Reagan was weakened by his support of the Contras but the damage suffered by the Sandinistas, pertaining as it did to the legitimacy of the regime, was even greater.<sup>139</sup> A *New York Times* editorial proclaimed that “only the naïve believe that Sunday’s election was democratic or legitimizing proof of the Sandinistas’ popularity”, while a State Department briefing called it “an electoral farce”, “a lost opportunity...[and] a piece of theatre”<sup>140</sup> While it was unsurprising that the administration criticized the legitimacy of the elections, this opinion persisted throughout Congress as well. Nothing could disguise, as one Congressman pointed out six months prior to the election, that even though moderates “strongly oppose

---

<sup>137</sup> “Carlos Andrés Pérez: Regrets to Daniel Ortega (January, 1985)” in *The Central American Crisis Reader*, 300-302.

<sup>138</sup> Kagan, *A Twilight Struggle*, 336.

<sup>139</sup> The fraudulent election in Nicaragua was as a stark contrast to the congressional approval and support that followed the 1984 Salvadorian elections that brought José Napoleón Duarte to power. Arnson, *Crossroads*, 149-154.

<sup>140</sup> “Nobody Won in Nicaragua”, *New York Times*, November 7, 1984. “Transcript of the Department of State Daily Press Briefing, November 5, 1984”, *AFPCD 1984*, 1106-1108.

the use of covert action by the CIA to topple the government of a foreign country...the leftist government of Nicaragua is even more unpopular".<sup>141</sup>

According to Kagan, liberal excitement over Boland II disguised the fact that Reagan "ended 1984 far more powerful than he had begun it".<sup>142</sup> Congress did not have the ability to control the national debate the way the President did nor did any members of the legislature possess Reagan's persuasive character. Tip O'Neill, who was strikingly critical of Reagan, acknowledged in his memoirs that Reagan "would have made a hell of a King".<sup>143</sup> In this political atmosphere, the congressional will to suspend aid proved short-lived.

#### **4. 1985-1986: The Administration Takes Control**

From January 1985 to June 1986, Congress crossed the threshold from cautious non-military aid to lethal support of the Contras. Moderates abandoned the liberal position represented by Boland II and actively joined the President's policy against the Sandinista regime. There were several reasons for this change in position: increasing Nicaraguan repression; Reagan's strong political position following his re-election and the implications of opposing a popular president; change in the administration's policy from implied subversion to overt support for democracy; and the failure of Congressional moderates to develop their own alternative Nicaragua-policy. For four years, the division between liberals, conservatives and moderates had caused the legislature to treat the symptoms of the Nicaraguan situation but not the disease. In a display of its own deficiencies in foreign affairs,

---

<sup>141</sup> *Congressional Quarterly*, June 4, 1984, 1111.

<sup>142</sup> Kagan, *A Twilight Struggle*, 342.

<sup>143</sup> O'Neill, *Man of the House*, 360.

Congress deliberated and compromised, in the process avoiding the responsibility of a clear decision.

The passage of Boland II in 1984 created the impression that Congress was stronger than before. This notion has been nurtured by scholars who insist that the conspiratorial nature of the administration's policies resulted in political blackmail, public lies and violations of the law to change the national mood in favor of the Contras. While the administration was at times guilty of questionable behavior, including disinformation campaigns exaggerating the dangers of another Marxist state in the region, holding the White House solely responsible for the change in congressional policy toward Nicaragua oversimplifies the situation.<sup>144</sup> It also camouflages the frailty of the liberal-moderate coalition that supported Boland the previous fall. Between 1983 and 1984, moderates rejected Contra-aid primarily in defiance of the administration's arrogance and deception, not in support of the liberal cause. Even among themselves, moderates from both parties gave little indication that they were supporting the policy they thought was right. Their problem was similar to the ones the United States faced in Vietnam and after Somoza was deposed: how to find an indigenous third force of authentic nationalists, who are neither communists nor holdovers from a former dictatorship, to maneuver a moderate, democratic middle course. Lacking the capability to mobilize a third force, moderates were floating aimlessly. Congress managed to keep the Contra force in fighting form but it was never enough to actually defeat the Sandinistas. This state of "limited war" was always likely to favor Reagan's

---

<sup>144</sup> Kornbluh presents a broad, if biased, overview of the Reagan administration's propaganda machinery, intended to drum up support for the Contras. See, *The Price of Intervention*, 157-212.

patriotic “vindicationism” and by June 1986, congressional resistance was overcome.

Reagan understood that congressional opposition was vulnerable. He interpreted his re-election as validation of his Nicaragua policy and continued his spirited public relations campaign. Unlike liberals, who believed Boland II had terminated the war, Reagan viewed the bill as a temporary setback. Just like he believed the United States was destined to defeat Communism, he also believed that if he spoke eloquently enough, convincingly enough and long enough, the public would eventually come around to his viewpoint on Nicaragua. Boland II would be overturned by sheer force of effort. Reagan never questioned that he was right: “We must not break faith with those who are risking their lives...from Afghanistan to Nicaragua to defy Soviet-supported aggression...Support for freedom fighters is self-defense...the struggle [for democracy] is tied to our own security”, he proclaimed in his 1985 State of the Union Address.<sup>145</sup> The speech again highlighted that Reagan considered the Contra cause intricately tied to the broader Cold War struggle. The State of the Union was the first in a new series of public appearances intended to soften congressional and public opposition. The President’s crusade also carried the underlying message that there would be consequences for opposing the White House on Nicaragua. This message was forcefully promoted by White House Director of Communications Pat Buchanan, who alongside chief of staff Don Regan, joined the President’s staff in the new year. Their arrival coincided with the departure of the troika; Baker and Meese

---

<sup>145</sup> “Address Before a Joint Session of the Congress on the State of the Union, February 6, 1985”, *PPRR 1985*, 130-136.

took up cabinet positions and Deaver returned to private life. While several scholars have interpreted the post-election rotation in White House staff as a step toward more reckless policies, highlighted by Reagan's decision to trade arms for hostages with Iran,<sup>146</sup> policy toward Nicaragua was relatively unaffected by these internal changes.

Reagan's personal political efforts and populist appeals were needed. By January 1985, there remained little support for further U.S. operations in Nicaragua. Congressional opposition pointed out that covert operations were absurd, given that they had already been publicly exposed. The past year's revelations only intensified the distrust with the intelligence community, highlighted by the new Chairman of the Senate Intelligence Committee, David Durenberger (R-MN). The Chairman insisted that he would not provide support for "Bill Casey to have it end up as a floating manual down in the jungle in a balloon or a mine going off in the harbor".<sup>147</sup> Despite these misgivings, an overt campaign was not any more attractive. Although the idea of publicly declared Contra support had some backing in Congress because it would allow a greater degree of oversight, it was politically and legally complicated. Even George Shultz, who otherwise preferred keeping the CIA on a leash, felt that it would be counter-productive.<sup>148</sup> The administration was reliant upon Honduras for its operations, and the covert aspect allowed Tegucigalpa to retain a fig leaf of deniability in the international community. Without it, Honduras was likely to withdraw its support

---

<sup>146</sup> Tygiel, *Ronald Reagan and the Triumph of American Conservatism*, 194. Cannon, *President Reagan: The Role of a Lifetime*, 493-507.

<sup>147</sup> "U.S. Considers Alternative Aid to Contras", *New York Times*, January 25, 1985.

<sup>148</sup> Shultz, *Turmoil and Triumph*, 289-291.

or face charges in both the OAS and the UN. Additionally, a public affirmation would be tantamount to a declaration of war, for which there was no public backing.<sup>149</sup> Polls consistently showed the American public two to one against operations in Nicaragua. Reagan took solace in the fact that the polls also demonstrated public ignorance of Central America. As late as 1984, 37% of Americans polled were unable to place Nicaragua in Central America and between 50 and 75 % did not know if Washington was supporting the Sandinistas or the rebels.<sup>150</sup> This gave the administration hope that if it could convince the American public of the danger posed by Nicaragua, they might approve of their policies.

Reagan's initiative soon hit a stumbling block. Frequent melodramatic references to the Contras as "freedom fighters", "the moral equal of our founding fathers" and comparisons to Lafayette or Simón Bolívar, did not impress his audiences. Newspapers and magazines had been reporting on atrocities committed by both Contras and Sandinistas for years. If congress members had believed the Contras could be draped in moralism, they would have supported them much sooner.<sup>151</sup> Even Kagan accepted that it was "the contras policy, *de facto* if not always *de jure*, to treat civilians who helped the Sandinistas as combatants".<sup>152</sup> None of this thwarted the administration from its objective. For the first time on February 21, Reagan publicly called for the removal of the Sandinista regime "in

---

<sup>149</sup> *Congressional Quarterly*, January 26, 1985, 150.

<sup>150</sup> Richard Sobel, "Public opinion about U.S. intervention in Nicaragua" in *Public Opinion in U.S. Foreign Policy: The Controversy Over Contra Aid*. LeoGrande, *Central America and the Polls*, 29-34.

<sup>151</sup> There is little reason to think that Reagan was being dishonest. In his diaries and in classified meetings, he continually uses the term "freedom fighters". He believed that fighting communism automatically placed the Contras with the forces of good, as opposed to the Soviet Union, which was "an evil empire". His ideological convictions blinded him to the moralism and nuances involved but he never wavered from this fundamental belief.

<sup>152</sup> Kagan, *A Twilight Struggle*, 356.

its present structure” and denounced the Nicaraguan elections the year before.<sup>153</sup> Even Shultz agreed. Opposed by most of the cabinet, he had almost single-handedly supported diplomacy for over a year but felt “burned” by the Sandinistas, blaming Ortega for the collapse of the Contadora group negotiations in January. In a February speech, Schultz clearly stated that the method of regime change in Nicaragua would be “immaterial to us”.<sup>154</sup>

Despite these statements, there were indications of greater subtlety in the administration’s approach. In late February, Shultz shifted the administration’s foreign policy focus from anti-communism to a broader vision of pro-democracy. Schultz drew his inspiration from the favorable support that followed elections in El Salvador in 1982 and 1984. The major difference was that it was the first time the administration insisted it was a fundamental U.S. principle to support “human rights and peaceful democratic change throughout the world, including in non-Communist, pro-Western countries”. This was a refinement of previous beliefs and coincided with Kirkpatrick’s departure from the administration.<sup>155</sup> While the administration’s commitment to these changes should not be exaggerated, a shift was noticeable. Until 1985, Reagan had emphasized arms interdiction with a thinly veiled threat of regime change; now the focus was on Sandinista oppression. It was not a call to end the revolution, but for the revolution to retrace its original promises of freedom and pluralism. While Reagan could be both idealistic and

---

<sup>153</sup> “The President’s News Conference, February 21, 1985”, *PPRR 1985*, 197-204.

<sup>154</sup> “Address and Remarks by the Secretary of State (Shultz) Before the Commonwealth Club of California, San Francisco, February 22, 1985”, *AFPCD 1985*, 967-973.

<sup>155</sup> In addition to her theory on totalitarianism, Kirkpatrick, like many conservatives, dismissed the idea of promoting democracy as viable path to peace in the third world. See Jeane J. Kirkpatrick, “U.S. Security & Latin America”, *Commentary*, (January, 1981), 29-40.

cynical, these policy adjustments illustrated the pragmatism and complexity that were also part of Reagan's character. These changes proved popular with moderate Democrats and Republicans, who considered themselves strongly anti-communist but opposed the aggressive ideology that characterized Reagan's first four years in office.

The flaws of the Nicaraguan regime became more obvious following the election. Censorship had been eased to give the appearance of a fair election, but tightened again in 1985. This was accompanied by repression of several political opponents, many of whom had demonstrated their allegiance by running against Ortega. These changes were partly the result of Boland II, which Managua interpreted to mean that Washington was withdrawing and therefore, less reason to bear American expectations. This was a miscalculation. The majority of Congress blamed the January collapse of negotiations on Managua and was watching these developments with great concern. Senator Bill Richardson (D-NM), traditionally a strong opponent of the Contras, called Ortega nothing more than "a little Castro" while David Obey (D-WI) admitted to the *New York Times* that the U.S. needed to keep "the Sandinistas under pressure".<sup>156</sup>

In April, Reagan returned to Congress for more aid with a little more political savvy and a little less aggression. The administration renewed its fight with a call for \$14 million in aid, combined with a promise that if the Sandinistas

---

<sup>156</sup> "Administration to Press Congress for New Aid to Nicaraguan Rebels", *New York Times*, January 5, 1985.



agree to a ceasefire, the U.S. would only fund non-lethal aid.<sup>157</sup> While it was unlikely Managua would accept the proposal, it seemed like the administration was willing to reach a settlement. Liberals were not impressed. Senator Leahy considered the proposal nothing more than a “Central American Gulf of Tonkin Resolution”. Speaker O’Neill lambasted it as a “dirty trick” and denounced the idea of “humanitarian aid” to human rights violators.<sup>158</sup> Reagan was puzzled. He truly believed that the Contras were honorable. In his diary he mused: “Tip O’Neill & his cohorts are already bad-mouthing the idea [the ceasefire plan]. Indeed Tip sounds irrational”.<sup>159</sup>

The administration’s proposal garnered enough support for liberals to put forward a counter-proposal. The liberal plan was prepared by Michael Barnes and Lee Hamilton (D-IN), who replaced Boland as Chairman of the House Intelligence Committee. The plan called for \$10 million in humanitarian aid to non-combatants, released through international relief agencies instead of the CIA, and another \$4 million in support of regional peace initiatives. In order to gain support from moderates of both parties, the proposal also allowed Reagan to request additional Contra aid in the next fiscal year. By mid-April, it was evident Reagan’s proposal was not going to pass. In its place, House Minority Leader Robert Michel (R-IL) tabled an amended version proposing only humanitarian aid to the Contras, distributed through the Agency for International Development. The stage was set

---

<sup>157</sup> Reagan’s proposal was similar to a cease fire agreement Contra leaders presented on March 1, 1985. This had been rejected by the Nicaraguan government. See “Unity of the Opposition: San José Program (March 1985)” in *The Central American Crisis Reader*, 305-307.

<sup>158</sup> *Congressional Almanac*, 1985, 65.

<sup>159</sup> Reagan, *The Reagan Diaries*, “Thursday April 4, 1985”, 313-314.

for the extraordinary legislative process that would define the question of Contra aid for the next fourteen months.

On April 24, in a surprisingly narrow vote, the Michel Amendment was defeated 213-215. Once the administration's proposal was dead, liberal Democrats joined conservatives from both parties in an unusual coalition to defeat the Barnes-Hamilton humanitarian aid bill 123-303. Forced to choose between no aid and humanitarian aid, liberals chose no aid. They feared approving assistance would set an uncomfortable and possibly irreversible precedent.<sup>160</sup> Moderates were angry. Unlike liberals, moderates had *always* favored some form of assistance. Now, they were left with nothing. Dave McCurdy (D-OK) felt that their party loyalty had been uncompensated, leaving moderates feeling:

...a little betrayed, a little coopted. We had made a good faith-effort within the party to make regional policy...I had taken these guys [liberals] out on a limb...When they backed off, we said, the hell with them. That very night we were drafting the basis for the \$27 million [in humanitarian aid].<sup>161</sup>

The drama was not over. The next day, media reported that Daniel Ortega had left for Moscow to seek further Soviet aid. Jim Sasser (D-TN), who voted against aid, called it "an ill-timed, ill-advised trip", insisting that Ortega was either "naïve, incompetent, or not as committed to negotiations" as some liberals thought. Richardson believed that Ortega was "constantly undercutting" congressional opponents of Contra aid, while O'Neill proclaimed Ortega's actions had deeply

---

<sup>160</sup> *Congressional Quarterly*, April 27, 1985, 779-784. For voting records, see 804-806.

<sup>161</sup> Arnson, *Crossroads*, 184. The \$27 million refers to an aid package that passed in the House in June.

embarrassed liberals.<sup>162</sup>

Liberal scholars have downplayed the importance of Ortega's visit. The trip was already planned well in advance of the vote and the Nicaraguan President visited other countries on the same trip. Moreover, it was the eighth visit by a Sandinista leader to Moscow in five years.<sup>163</sup> However to lawmakers who had been trying to keep the Contras on a leash, the timing was humiliating. It also illustrated that the Sandinista leadership had a poor understanding of just how frail their support in Congress really was, or perhaps indicated how little they valued that support. Liberals were embarrassed but remained cautious; moderates demanded action. On April 29, moderates joined a conservative-backed Senate resolution condemning Ortega's trip. Two days later, they boldly supported an executive order placing economic sanctions on Nicaragua.<sup>164</sup> The course of economic pressure appealed to moderates because it fell between the liberal and the conservative positions. They did not realize that it was likely to push Managua further into the Soviet camp, increasing the need for more forceful action later. Rather than a defined "moderate" alternative, it was another step toward the administration's position.

The vacillating moderate position was becoming increasingly evident. On May 7, McCurdy introduced a new aid bill but unlike the April proposals, this outlined that if sanctions failed, the President could request more Contra-aid "in

---

<sup>162</sup> "Senator Objects to Trip", *New York Times*, April 25, 1985. *Congressional Quarterly*, May 11, 1985, 876. Ike Skelton, Mickey Edwards and Bill Richardson, "Public Opinion and Contra Aid: Congressional Commentaries", in *Public Opinion in U.S. Foreign Policy*, 241-265.

<sup>163</sup> LeoGrande, *Our Own Backyard*, 426-428. Sklar, *Washington's War on Nicaragua*, 265-266.

<sup>164</sup> "U.S. Senate Condemns Visit", *New York Times*, April 29, 1985. "Sanctions on Nicaragua Imposed by President", *Washington Post*, May 2, 1985. "The Message of Sanctions", *New York Times*, May 2, 1985. A good analysis of the comprehensive sanctions can be found in Kornbluh, *The Price of Intervention*, 123-156.

such amount and of such nature as the President deems appropriate.”<sup>165</sup> The gap between liberals and moderates had now widened to a ravine. Moderates had not swung completely over to the conservatives but there was as much distance between McCurdy and the liberal Barnes, as there was between McCurdy and the ultra-conservative Hyde, who had previously called the Sandinistas a cancer that needed “a little chemo therapy”.<sup>166</sup> McCurdy was essentially attempting to steer a moderate course between liberal, non-interventionist moralism and the anti-communist ideology of the administration. However, the moral call to fight communism through negotiation and pressure, rather than force, was an illusion. Over the next year, this moderate initiative only existed in the vacuum of Capitol Hill. Neither the administration nor Ortega was interested in a settlement that did not meet their goals, and McCurdy’s ambitious ideas disregarded these political realities.

In June, McCurdy’s bill comfortably passed 248-184, with 73 Democrats voting in favor. Twenty-seven million dollars in non-lethal aid to the Contras had been approved, committing the administration to seek political rather than military solutions. The McCurdy bill included provisions limiting Contra support to the agreed amount but in reality, the bill’s language contained no restrictions that could realistically prevent the Contras from spending the money on arms.<sup>167</sup> More importantly, the House handsomely defeated three liberal proposals to either limit or postpone aid, among them another Boland Amendment to replace Boland II, set to expire at the end of fiscal year 1985. The move toward full Contra support

---

<sup>165</sup> *Congressional Quarterly*, May 11, 1985.

<sup>166</sup> *Congressional Quarterly*, October 22, 1983.

<sup>167</sup> “A Consensus on Rebel Aid”, *New York Times*, June 14, 1985.

continued with the November passage of a new Intelligence Authorization Act allowing the provision of helicopters and communications equipment to the Contras, as long as none of it was modified to cause serious bodily harm. The bill also called for the CIA to provide intelligence and gave official approval to the administration to seek aid from third countries.<sup>168</sup> Congress had formally legitimized the Contras. Regime change in Nicaragua now appeared acceptable to a majority in Congress, as long it didn't come at the hands of the U.S. military or the CIA.

The intelligence bill was passed despite rising media suspicions that NSC officials were violating Boland II. In August, Barnes and Hamilton each contacted National Security Advisor Robert McFarlane to inquire about the alleged violations, but their efforts were timid and had little backing from House or party leadership. McFarlane, in confidential letters to both Congressmen, dismissed claims that his staff was violating the Boland Amendment and soliciting funds from third parties. The Intelligence Authorization Act, specifically authorizing third-party solicitation of funds, was not formally passed until four months later, well after the NSC was already engaged in these activities.<sup>169</sup> McFarlane also offered Barnes the opportunity to review classified documents, which Barnes declined. The matter withered away, dismissed as unsubstantiated rumors. It seems doubtful that Barnes and Hamilton, both naturally suspicious of the administration's policies, would have been convinced by McFarlane, but there was no momentum

---

<sup>168</sup> *Congressional Almanac*, 1985, 96-98.

<sup>169</sup> Letter, "Robert McFarlane to Lee Hamilton, September 5, 1985", DNSA. <http://nsarchive.chadwyck.com/nsa/documents/IC/01512/all.pdf>. (Accessed, July 5, 2007). A similar reply to Barnes dates September 12.

for any further investigation. On October 1, the *New York Times* questioned whether Congress was “able or willing, to exercise its rights to oversee intelligence.” Hamilton, in response to direct charges that “Lieutenant Colonel Oliver North...an arm of the White House, might have given advice on fundraising and on military tactics [to the Contras]” weakly warned the “administration would be well advised not to push the law too far”.<sup>170</sup>

In early 1986, Congress seemed to have lost steam on Nicaragua policy and Reagan returned with a vengeance. Reagan asked Congress for \$100 million in both non-lethal and military aid for the “Nicaraguan Democratic Resistance”.<sup>171</sup> Details of the proposal were leaked early in the year and on January 17, Barnes, in his capacity as Chairman of the Hemispheric Sub-Committee, wrote the President urging him to give negotiations another chance.<sup>172</sup> Throughout February, O’Neill was spreading the fear that aiding the Contras would lead to an American intervention. Liberals received some support from the otherwise moderate House Majority Leader Jim Wright, who was lining himself up for O’Neill’s position after the Speaker’s planned retirement at the end of the year. Wright’s support of the liberal position attempted to appeal to both moderates and liberals within the Democratic Party. Until this point, Wright had often supported the President’s call for Contra aid, at least in principle. Now he was pointedly asking what would happen after the Nicaraguan government was overthrown: “The problems of Latin America would still be with us – problems of illiteracy, disease, joblessness”. It

---

<sup>170</sup> “Frustration, Resignation and the C.I.A.”, *New York Times*, October 1, 1985. *Congressional Quarterly*, November 16, 1985, 2388.

<sup>171</sup> “Assistance for Nicaraguan Democratic Force”, *AFPCD* 1986, 737-744.

<sup>172</sup> Letter, “Representative Michael D. Barnes to President Ronald Reagan, January 17, 1986”. Thomas P. O’Neill Papers, KODF.

was an excellent question, on which the administration remained silent. Reagan may have had a plan for the Contra war but it was unclear if he had a plan for a peace. With an eye toward gaining political capital in an election year, moderate Democrats and Republicans linked their questioning to domestic issues. Coinciding with steps to dramatically slash social programs, the war funding appeared ill-timed in the eyes of many.<sup>173</sup>

Even some conservatives were wary of crossing the threshold to military aid. On March 1, Senator Richard Lugar (R-IN) suggested that \$100 million be spent to ensure new and fair elections in Nicaragua.<sup>174</sup> Whether this proposal was intended to counter the liberal position of no aid, or if it was serious, is unclear. If the proposal was serious, it demonstrated a notable failure to understand the positions of both the Sandinistas and the administration. For Managua, a new election would be tantamount to admitting they rigged the November 1984 elections, something they steadfastly denied. For Reagan, it would mean abandoning the Contras for negotiations with persons he perceived as untrustworthy Marxists. The administration was unrelenting. Appearing before the Senate Foreign Relations Committee, Shultz insisted that military aid was vital and would:

...give [negotiations] a better chance to succeed, because it will give the Sandinistas an incentive to negotiate seriously...Absent a credible challenge to their militarized control...[they] have no incentive to negotiate a lasting political solution to the conflict in Central America.<sup>175</sup>

---

<sup>173</sup> "Reagan's Request for Contra Aid Meets Opposition in Congress", *New York Times*, February, 27, 1986.

<sup>174</sup> "Senator Lugar Says U.S. Should Offer to Cut Off Aid to Contras if Nicaragua Holds a 'Free Election'", *New York Times*, March, 1, 1986.

<sup>175</sup> George Shultz, "Will Democracy Prevail? Statement Before the Senate Foreign Relations Committee, February, 1986". *DSB*, April, 1986, 32-39.

The rhetorical and political shift the Secretary of State initiated a year earlier was remarkable. Military force now appeared to be a last resort, intended for use only as leverage in a negotiated settlement. According to White House Spokesman Larry Speakes: "We stood for democracy in the Philippines; we have to stand for democracy in Nicaragua and in Central America".<sup>176</sup>

Nevertheless, criticism was building. On March 5, the General Accounting Office (GAO), the non-partisan investigative arm of Congress, reported that the administration could not verify how all of the \$27 million approved for non-lethal aid in 1985 had been spent. Sensing a shift in momentum, O'Neill blasted the President's "gun boat diplomacy", his failure to "take the highroad" and, in a reference to the more popular developments in the Far East, called for Reagan to suspend his request for military aid and use "the magic of Manila in Managua".<sup>177</sup> This type of criticism did not sit well with Ronald Reagan. Throughout his political career, he seldom acknowledged being wrong and never over Nicaragua. In his diaries, Reagan frequently referred to any attempt to derail his policies as part of a conspiracy, "a great disinformation campaign", and the press as "a lynch mob" or "circling sharks in the water". In Reagan's view, propagandists had infiltrated the American media and turned the public away from the real dangers. Even if there at times was some degree of unwarranted criticism of the administration, Reagan's reactions were still more than a little paranoid. In response to the mounting criticism, the administration went on the offensive and in the process, off the deep end.

---

<sup>176</sup> Shultz Assails Nicaragua In Asking Aid for Rebels", *New York Times*, February 28, 1986.

<sup>177</sup> "Statement of Speaker Thomas P. O'Neill Jr., March 5, 1986". Thomas P. O'Neill Papers, KODF.



Evoking images of Truman, the administration proclaimed that withholding aid from natural allies against the Communist threat would be a strategic disaster. If the U.S. threw in the towel over Nicaragua, the rest of Central America would “Finlandize” and force the Contras’ collapse.<sup>178</sup> According to Secretary of Defense Weinberger, the U.S. would then be forced “to intervene...more directly in Central and South America”, effectively arguing that if Congress did not vote for the Contras to fight the war now, American boys would have to do it later.<sup>179</sup> The administration’s fear-mongering reflected a relapse to their earlier lack of pragmatism, reviving the arrogance and ideological rhetoric of Reagan’s first four years.

Instead of criticizing tactics, the administration turned to character assassination. On March 5, Pat Buchanan lambasted Democrats as unpatriotic in the *Washington Post*:

...by tying the President’s hands...[they had] become, with Moscow, the co-guarantor of the Brezhnev Doctrine in Central America...With the vote on Contra aid, The Democratic Party will reveal whether it stands with Ronald Reagan...or Daniel Ortega and the Communists.<sup>180</sup>

Similar aggressive statements came from conservatives Trent Lott (R-MS), Jesse Helms (R-NC) and Richard Cheney (R-WY), effectively arguing that Democrats refused to do what was right for America. Buchanan’s accusations made the debate partisan and this same type of rhetoric paralyzed policy in 1983 and 1984.

---

<sup>178</sup> “Finlandization” was a term frequently used by neoconservatives in the 1970’s. It described the policy of accommodation that Finland had been forced to adopt toward its much more powerful Soviet neighbor, essentially surrendering an independent voice in foreign policy.

<sup>179</sup> “Shultz Says Nicaragua Rebellion Will End if Aid is Denied”, *New York Times*, March 3, 1986. “Contra Aid Vital, Reagan Declares”, *New York Times*, March 4, 1986. “House Panel Bar Help for Contras”, *New York Times*, March, 5, 1986.

<sup>180</sup> Patrick J. Buchanan, “The Contras Need Our Help”, *Washington Post*, March 5, 1986.

However, the administration had learned nothing from this experience. Democrats, particularly the moderates who had voted with Reagan, were outraged. Buchanan had become the administration's ideological proselytizer, roles formerly held by Alexander Haig and Jeane Kirkpatrick. Although liberals and moderates had respectfully disagreed with the opinions of Haig, a decorated war hero, and Kirkpatrick, a Georgetown scholar, they considered Buchanan no better than a street fighter. Democrats charged him with red-baiting and spewing offensive nonsense, the "moral equivalent of McCarthyism". Moderate Nancy Kassebaum (R-KS) criticized the administration's "distortions" and lashed out at the idea that the Contra issue was somehow about "Republicans in white hats and Democrats wrapped in red banners".<sup>181</sup>

In a televised address to the nation on March 16, Reagan warned that Moscow was using Nicaragua "to become the dominant power" in Central America. Soon, they would "threaten the Panama Canal, interdict our vital Caribbean sea lanes, and, ultimately, move against Mexico...[then] desperate Latin peoples by the millions would begin fleeing north into the cities of the Southern United States".<sup>182</sup> It was vintage Reagan. An ABC poll showed a 12% jump in support of his Nicaragua policy but it was not enough to overcome the damage done by the attacks on the Democrats. A few days after his speech, Reagan wrote in his diary: "The pot is coming to a boil on Contra aid. Tip [O'Neill] is putting the squeeze on his gang as if this is a test of personal loyalty to him".<sup>183</sup> Reagan

---

<sup>181</sup> *Congressional Quarterly*, March 8, 1986, 536 and March 22, 1986, 650-651

<sup>182</sup> "Address to the Nation on the Situation in Nicaragua", *PPRR 1986*, 352-357.

<sup>183</sup> Reagan, *The Reagan Diaries*, "Wednesday, March 19, 1986", 399-400. Poll cited in Kagan, *A Twilight Struggle*, 427.

misunderstood the political mood. This was not about O'Neill; the party was his lifeblood and the administration had overstepped its bounds. McCurdy and other moderates agreed. They wanted Contra aid but not like this. In a private meeting, O'Neill promised McCurdy a chance for a new vote later on, if moderates voted with the leadership and liberals to defeat Reagan's military aid package. On March 20, the House struck down the aid package 222-210. It passed 53-47 in the Senate, the narrowest victory for Contra aid so far.

Behind the House vote was a more ominous reality. Of the 46 Democrats who voted for the bill, 39 were from states south of the Mason-Dixie line. While Southern Democrats were always more conservative than their Northeastern counterparts, changing political realities had forced them into the President's fold. Since their heavy Democratic defeat in the November 1984 elections, they worried about being seen as weak on defense and soft on Communism.<sup>184</sup> Publicly, they were under pressure from sophisticated public relations machinery, organized by private groups with the help of NSC staff, including Oliver North, and the State Department's Office of Public Diplomacy. Numerous publications were produced warning that a Soviet stronghold in Nicaragua would cause a flood of refugees into the vulnerable border states.<sup>185</sup> With Buchanan chanting about "red" Democrats, these political realities moved the Democratic south to the right. Despite later claims, the Contra issue clearly cannot be delineated solely along partisan lines.

---

<sup>184</sup> Arnson, *Crossroads*, 186-189. *Congressional Quarterly*, June 15, 1986, 1139-1140.

<sup>185</sup> Contra aid was one of several foreign policy issues on which Democrats moved closer to the administration's position. Others included MX-missile funding, aid to anti-Communist rebels in Cambodia and a repeal of the Clark Amendment, which had banned CIA operations in Angola in 1976. Kagan, *A Twilight Struggle*, 384.

What ideologues in Washington and Managua did share, was the ability to squander an advantage. On March 22, the Nicaraguan military attacked Contra forces inside Honduras. This was not the first time a raid had taken place, and it had nothing to do with the vote in Congress two days earlier. In the same manner as Ortega's Moscow trip, it highlighted how little attention Managua paid to the political climate in Washington. The administration, sensing an opening, angrily blamed the House vote for this "new found" Sandinista friskiness. Reagan responded to the incursion by supplying Honduras with \$20 million in emergency military aid. Moderates and liberals were equally incensed by the Sandinistas' actions. Speaker O'Neill called the attack "a tremendous blunder by Ortega."<sup>186</sup> Several scholars insist that the Reagan administration pressured Tegucigalpa to request the aid in order to exaggerate the seriousness of the Sandinista action. However in his diary, Reagan presented U.S. support as a straightforward response to a Honduran request.<sup>187</sup>

Even without the Nicaraguan incursion into Honduras, the defeat of Reagan's bill in the House did not fully reflect the political environment in Washington. Moderates would have supported the President by voting for aid in some form had ideology not gotten the better of the administration. The primary difference was that previously, moderates had voted only for non-lethal aid and covert operations. Now, Reagan had pulled that option off the table, offering only

---

<sup>186</sup> "White House Press Briefing, March 25, 1986. Under the law, the President is allowed to provide emergency military aid to friendly nations without consulting Congress first. "Speaker of the House Thomas P. O'Neill, Press conference, March 25, 1986". Thomas P. O'Neill Papers, KODF.

<sup>187</sup> Reagan, *The Diaries of Ronald Reagan*, "Monday, March 24, 1986" and "Tuesday, March 25, 1986", 401-402.

military aid. Their position's vulnerability had been overshadowed by the March vote but would prove to be temporary. On April 15, O'Neill's promise to McCurdy was fulfilled as the Contra vote returned to the House floor. The proposal drafted by McCurdy provided \$30 million in non-lethal humanitarian aid and another \$70 million in military aid, to be disbursed following a later vote in the fall. The purpose of a second vote was to give the Contadora initiative one more chance. As for a political alternative, this was as close as the moderates ever came. High on confidence, conservatives joined forces with liberals to reject McCurdy's bill. The administration did not want an aid package that was tied to congressional conditions, confident that moderates would support a more forceful bill later.<sup>188</sup>

As the next Contra vote was being prepared for early June, the administration was in total control of the debate. Once again, they received help from Ortega. On June 6, a Contadora Group deadline for the Sandinistas to sign an agreement that would lead to peace talks passed.<sup>189</sup> Managua had isolated itself and in the process, provided the administration with an opening. Three days later, Reagan declared in a speech at Georgetown University:

The Communists have made their decision...and now we must make ours. The choice is stark; the choice is unavoidable. We can help our neighbors in their struggle for freedom, or, by doing nothing, we can abandon them to a Communist dictatorship...If the House chooses to deny to the Nicaraguan resistance the help it needs and deserves, this will, in effect, grant permission

---

<sup>188</sup> *Congressional Quarterly*, April 19, 1986. There was another reason for the conservative rejection of McCurdy's bill. Speaker O'Neill had, to some extent, double-crossed his fellow Democrat. Rather than allow Contra aid to be voted on openly, he attached it to a supplemental appropriations bill which Reagan was expected to veto, leaving even less reason for the conservatives to vote in favor of it.

<sup>189</sup> Nicaragua rejected a peace treaty unless the U.S. withdrew its support for the Contras, which Washington would not do until Nicaragua expelled all foreign military advisors and troops. This merry-go-round of peace proposals that neither side would accept continued to turn. Serious negotiations were no closer than they had been before.

to the Sandinistas to ignore any negotiated settlement and pursue a military victory.<sup>190</sup>

O'Neill put up a strong fight against Reagan but this time, even the formidable influence of the liberal Speaker was not enough against the President's power of persuasion. Shortly before the vote, Don Regan informed the Speaker that Reagan wanted to address the House on Central America. "In other words, he wants to *lobby*. I can't allow that", O'Neill objected, insisting that there was no recent precedent for the President addressing only one chamber. O'Neill was right to deny Reagan. The request would have violated the separation of powers because it was intended for advocating passage of pending legislation.<sup>191</sup> A senior White House official claimed Reagan and his advisers "were flabbergasted...surprised and disappointed". The White House turned down an offer from the Speaker to have Reagan address the House, "if he would use the occasion to engage to participate in an open dialogue with members".<sup>192</sup> Reagan's new advisors may not have been as cautious as Baker and Deaver were, but they would never agree to those conditions. Reagan was a brilliant public speaker but engaging in a public debate on Nicaragua, broadcast live on C-SPAN, three days before a vote he expected to win, was probably a greater risk than the administration was willing to take.

---

<sup>190</sup> "Remarks to the Georgetown University Center for Strategic and International Studies on United States Assistance for the Nicaraguan Democratic Resistance, June 9, 1986", *PPRR 1986*, 737-739.

<sup>191</sup> O'Neill, *Man of the House*, 369. Speaker O'Neill's full legal explanation of his decision to reject the proposal can be found in: Letter, "Thomas P. O'Neill Jr. to Steven R. Ross (General Counsel to the Clerk), June 24, 1986". Thomas P. O'Neill Papers, KODF.

<sup>192</sup> "O'Neill Refuses Reagan Request for House Floor", *New York Times*, June 24, 1986. The administration's counter-argument rested on Article Two, Section Three of the U.S. Constitution, which allows for the President to address one chamber of Congress in extraordinary circumstances. The matter was not pursued any further.

O'Neill could not prevent the President from lobbying away from the Hill and Reagan probably did that better than any other President. His willingness to personally initiate contact with Senators and Representatives, his smooth and convincing way of engaging people and an overall approval rating above 65% was too much for some to resist. One Democratic Congressman who changed his vote conceded that it "was a real thrill to meet him...taking about 15 minutes of his [Reagan's] time was persuasive...to go along with him and trust his judgment". These were powerful words from a liberal. Another member revealed, "I never thought I was going to be in the Oval Office...He's the kind of guy you just want to help...I am proud to stand in his shadow".<sup>193</sup>

The new vote on \$100 hundred million, \$70 million of which would be military aid, took place on June 25. This time, there was much less contention than in previous years. Even a last minute GAO revelation that millions in non-military aid approved the previous year had been transferred to offshore banks, or was missing, went almost unnoticed.<sup>194</sup> Military aid passed 221-209. For the first time in connection with a major Contra vote, O'Neill chose not to speak. Liberals knew they were defeated. While few would publicly admit it, the vote signaled congressional acceptance that the Contras could forcefully remove the Sandinistas from power. A triumphant Reagan declared it "a step forward in bipartisan consensus... members of both parties stand united in resisting totalitarian

---

<sup>193</sup> Interviews with Carroll Hubbard (D-KY) and Larry Hopkins (R-KY) in Arnson, *Crossroads*, 198.

<sup>194</sup> "Millions in Contra Aid Traced to Off Shore Banks, Honduras", *Washington Post*, June 12, 1986. The final release of the GAO report in December 1986, confirmed that parts of the off-shore funds had been used for military supplies. *Congressional Almanac* 1986, 397.

expansionism and promoting the cause of democracy".<sup>195</sup> This was certainly an exaggeration. Congress was hardly united over a single course of action but they did agree that communism in the region was intolerable. On August 13, the bill passed in the Senate 59-41. Congressional limitations on the Contra war had effectively come to an end.

Aid was set to commence in October, when it would combine third-country support and the still secret diversion of funds run by Oliver North out of the NSC. On October 5, an airplane loaded with ammunition for Contra forces was shot down by a Soviet made surface-to-air missile. The only survivor, American Eugene Hasenfus, carried identification linking him to the CIA, as did one of the pilots killed in the crash. In Washington, the administration denied involvement. Several members of Congress were skeptical but like the previous year, when Barnes and Hamilton approached McFarlane, the matter generated little scrutiny. Given Reagan's forthcoming negotiations with Mikhail Gorbachev in Iceland and the upcoming congressional elections, the issue of illegalities by the NSC disappeared, but not for long. In early November, an ostensibly unrelated story broke. Lebanese media charged that the U.S., contrary to strong public denials, was selling weapons to Tehran in exchange for American hostages.<sup>196</sup> A less than convincing Reagan denied that he had traded arms for hostages but acknowledged that the sales had taken place. On November 25, Meese, who became Attorney General, announced that while investigating the arms sales, documents revealed

---

<sup>195</sup> "Statement on House of Representatives Approval of United States Assistance for Nicaraguan Democratic Resistance, June 25, 1986" *PPRR 1986*, 840-841.

<sup>196</sup> This operation commenced in August 1985 with Reagan's knowledge, though he conspicuously denied that it should be interpreted as a trade of arms for hostages.



between \$12 and \$30 million from these sales had been diverted to the Contras: the Iran-Contra scandal was official.

Investigations began immediately, and rumors of impeachment and comparisons to Watergate filled the press. While the Iranian issue was unpopular due to Iran's sponsorship of international terrorism, legally it was gray area.<sup>197</sup> This was not the case with the diversion of funds to the Contras, which was a clear violation of the Boland Amendment. In financial terms, the amount of diverted funds was minor and provided much less assistance than the aid solicited from third-party countries, such as Brunei and Saudi Arabia. It was the principle of the law that was being violated. In November, Reagan's approval ratings dropped from the high 60's to the mid 40's, the sharpest decline registered since polls were introduced. His failures, or those of his staff, embarrassed the nation and the administration. Nothing could disguise this responsibility. Over the next year, hearings and investigations revealed administration complicity, but at the same time confirming neither Reagan nor members of his senior cabinet had known of the diversion.<sup>198</sup> Only a few government officials appeared to have been involved in the conspiracy. DCI Casey's untimely death in December 1986 prevented full disclosure of his role, while National Security Advisors John Poindexter and his

---

<sup>197</sup> The sales appeared to violate an arms embargo, the Export Administration Act and the Intelligence Oversight Act. However, those laws contained clauses that gave the executive considerable legal maneuver room. For instance, the Intelligence Oversight Act called for the President to inform the Intelligence Committees "in a timely manner" of covert operations. Reagan could hardly claim to have done this, but Meese did not consider it a violation of the law. *Congressional Almanac*, November 22, 1986, 420-424. Meese, *With Reagan*, 264-271.

<sup>198</sup> There were three official investigations. A presidential commission, known as the Tower Commission, an investigation by Independent Counsel Lawrence E. Walsh and the Iran-Contra Hearings before Congress which began in the summer of 1987.

predecessor McFarlane, as well as Oliver North, were clearly involved.<sup>199</sup> Nevertheless, all congressional investigations and those of Independent Counsel Lawrence Walsh blamed Reagan's leadership and flawed management style. If the President did not know, he should have. It was ironic that the most serious crisis of Reagan's presidency was sparked by a man the president barely knew. It illustrated the trickle down effect of the ideological rhetoric Reagan brought to office. On the threshold of achieving one of the most definable goals of the Reagan presidency, victory in the Central American conflict, the administration's policy disintegrated. This was not due to a change in attitude among Representatives or Senators, but was the result of an administration inexplicably acting as its own worst enemy.

In the press and to members of Congress, the Contra war became "Reagan's war". This moniker overlooked the \$100 million Congress had just approved to fund the campaign. The fact that Contra support continued for the rest of Reagan's presidency was an undeniable indication of congressional approval of the Contra fight. During 1987 and 1988, Congress assumed a more aggressive role in Nicaragua policy that reflected Jim Wright's ascendance to the Speaker of the House position, as much as Iran-Contra itself. Publicly and politically, the scandal placed responsibility for the war solely on the administration. The previously political debate now became legal and later, partisan. Democrats re-took control of the Senate in November 1986, allowing them to lead both the House and the Senate investigations. They blasted the administration. Strong conservatives like Dick Cheney, Newt Gingrich, Henry Hyde and others formed a defensive circle around

---

<sup>199</sup> The National Security Advisor did know but because he or she is not confirmed by the Senate, the position is not considered part of the cabinet.

Reagan. In stark contrast to the “Majority Report” of the *Iran-Contra Report*, which came down hard on the administration, the “Minority Report” was lenient. Headed by Cheney, it admitted that mistakes were made but that no offenses were committed by the White House. It refuted the Majority Report’s conclusions as hysterical. If anything, Congress had abused its power when it attempted to modify Reagan’s Nicaragua policy. This was the basis of Oliver North’s defense as well.<sup>200</sup> The conservative refusal to accept responsibility and Reagan’s failure to apologize to Congress and the American people, amplified the already tense partisan atmosphere. Congressional responsibility, for the war, clearly highlighted by its actions throughout 1985 and 1986, went unnoticed. The media and members of Congress were more interested in the political fall-out of the Reagan administration, rather than acknowledging the political processes that had effectively laid the ground for scandal.

## **Conclusion**

The election of Ronald Reagan as President symbolized to Oliver North and his fellow conservatives “the final game of the World Series for Western civilization”.<sup>201</sup> Following the trauma of Vietnam and the weaknesses of Carter’s moralism, Reagan’s fiery anti-communist ideology sparked the partisan atmosphere that characterized the 1980’s and continues to shape the American political landscape. Conventional scholarship has presented the debate over Nicaragua as the epitome of national political polarization during Reagan’s presidency. As this

---

<sup>200</sup> “Testimony Oliver L. North”, *The Iran-Contra Puzzle*, (Washington D.C.: U.S. Government Printing Office, 1987), C-75-C97.

<sup>201</sup> Woodward, *VEIL*, 259.

essay has demonstrated, this perception is flawed. Reagan's trips up to the "Hill" seeking aid for the Contras may have been continual, but they were not the efforts of a modern-day Sisyphus.

Between 1981 and 1986, the majority of congress members steadfastly concurred with the administration's assessment that the Sandinista regime constituted a danger to the region and to national security. Congress cautiously demonstrated its agreement by consistently funding the Contra rebels. While restrictions were placed on the administration's use of these funds, they were fickle and often impulsive. The Boland Amendments were not intended to end the war, only to keep it limited. The slow maturation of the process that resulted in the passage of military aid in June 1986 reflected Congress' double-edged concerns, particularly for moderates. They worried about the consequences of another Marxist bastion in the Western hemisphere, yet were also concerned by Reagan's demagogic rhetoric. Members of both parties resented being blindsided by press revelations of military exercises, illegal mining of harbors and overzealous ideology. Boland II was a result of Congress lashing out at White House arrogance, rather than a policy reversal on the Contras. Before long, non-lethal and lethal aid was approved again. Clearly responsibility for the Contra war rests squarely with both Congress and the administration.

The ambiguity of congressional policy underlined the legislature's inability to manage foreign policy. The eagerness of Congress during the 1970's to increase its influence over foreign affairs caused it to overlook its own deficiencies. Foreign policy requires decisiveness, consistency and sometimes secrecy. If foreign nations

are to trust the United States, constant vote changing is not an option. One of the most common characteristics of Congress, especially in foreign affairs, is its circumvention of definitive measures that will leave the legislature responsible if policy fails. This indecisiveness was evident on the issue of Nicaragua. Despite controlling the purse strings, Congress lacked the strength either to end the war or to fund it in full. In the end, Congress provided limited funding for a war that eventually would cost between 30,000 and 50,000 lives. Congress acted according to its own natural limitations: it compromised and sacrificed.

The weak and indecisive congressional response to Contra aid raises another important issue. Between 1981 and 1986, Congress on several occasions ignored reports that warranted further investigation. As the 1984 mining scandal demonstrated, lawmakers only pressed for action when issues became publicly and politically explosive. Congress' failure to shut down Contra training camps and its unwillingness to cut off the rebels, instead funding them with non-lethal aid, created the reasonable expectation within the Reagan administration that it was only a matter of time before Congress came around to supporting their efforts. Historians should not engage in counterfactual analysis, however this does raise the question of whether Iran-Contra would have occurred had Congress taken a more forceful position.

The congressional Iran-Contra investigation could have uncovered the extent to which Congress had kept the Contras on life-support, and how the legislature's lack of determination abetted the war. Instead, the nature of the investigation obscured congressional complicity. It brought to center stage the

ultimate power struggle in American politics: an administration on trial before Congress. The mission of providing the public front row seats in a search for the truth was derailed by the committee's decision not to investigate policymaking, only the legal aspects of the affair. This refusal to put forward a referendum on Contra policy denied the country the opportunity to understand in full the political and legislative conditions that fostered the illegal transgressions.

The far more politically important question of Congress' role was swept aside and the legislature zeroed in on the failures of the executive office. The avoidance of any in-house review allowed members of Congress to duck responsibility. The focus on guilt turned the debate into a personal, and then partisan, process, destroying any chance of arriving at valuable policymaking lessons. Blame was placed squarely on the White House. An interesting parallel exists between Contra aid and the anti-communist crusade of Senator Joe McCarthy during the 1950's. At the time, many congress members believed McCarthy's warnings were real. It was his methods, not his patriotism they despised. Once McCarthy collapsed, those who had previously viewed the man with some admiration ran for cover. This scenario was repeated over the issue of Contra aid. Once the debacle turned public and partisan, most members of Congress withdrew into the cocoon of their party.<sup>202</sup> The Democratic Party's search for a smoking gun that might implicate the President, and the refusal of conservative Republicans to direct responsibility to the President, created a paralyzing political atmosphere.

---

<sup>202</sup> Three Republican Senators refused to sign the "Minority Report", instead siding with the "Majority Report's" harsher conclusions of the White House.

This tension also appears to have influenced scholarship on the Reagan era, causing both liberal and conservative historians and journalists to overlook Congress' complicity in the conflict. Reagan's critics have dismissed explanations that in any way exonerate the President. They view Congress as a victim of the administration's deceit and coercion, rather than as an accomplice. Reagan's supporters, on the other hand, agree that Congress was weak but interpret this as evidence the legislature acted outside of its constitutional authority, in the process derailing foreign policy. As a result, the question of congressional responsibility is absent from the historiography on Nicaragua policy, sacrificed to the intense struggle over Reagan's legacy that continues today.

Congressional complicity does not lessen the responsibility of those who took the law into their own hands. Nor does it remove the stain of Reagan's highly questionable policy to ally himself with the Contras, disregarding their horrendous human rights record and links to the former Nicaraguan dictatorship. Blind ideology, whether it originated in Moscow or Washington, bankrupted morality, erased nuances and addressed reality only in the abstract. In the case of Nicaragua, mutual resentment raised the stakes in Managua and Washington, causing both sides to skirt serious peace negotiations. In 1986 at a meeting with the Senate Foreign Relations Committee, one Senator mused: "I'd hate to think that we've reached a conclusion in Central America that the only choice here is between the Contras and the Sandinistas, and that we've abandoned our creativity".<sup>203</sup> That was exactly the point. Ideology had suppressed pragmatism.

---

<sup>203</sup> "Shultz Assails Nicaragua in Asking Aid for Rebels", *New York Times*, February 28, 1986.

At home, the rise of Reagan's impassioned ideology and dramatic rhetoric intensified the conflict between conservatives and liberals. While Reagan was more of a centrist than most critics are willing to recognize, his actions sowed the seeds for the partisan polarization that continues to impede the development of an appropriate role for Congress in the conduct of foreign policy. Ironically, as illustrated by this research, Contra aid was not the decisively partisan issue many researchers and lawmakers claim. Too many moderates from both parties flip-flopped on votes for it to be characterized in this manner. It was only after the fact, in the wake of the Iran-Contra scandal, that the issue became partisan, further deepening the divide between liberals and conservatives over Reagan's legacy. The aggressive rhetoric that accompanied Iran-Contra asphyxiated the final remnants of bi-partisanship on foreign policy. As Republicans questioned Democrats' commitment to American security, Democrats charged Reagan with war-mongering. It now appears evident that neither Congress nor the President, Democrats nor Republicans, can claim a monopoly on virtue over the Contra war.



## **Bibliography**

### Archives:

National Security Archive, Washington, D.C.  
*The Digital National Security Archive*  
<http://nsarchive.chadwyck.com/home.do>  
Nicaragua Collection  
El Salvador Collection  
Iran-Contra Collection

Thomas P. O'Neill Papers, John J. Burns Library, Boston College, MA.  
Library and Archives Canada, Ottawa, ON.

### Government Documents:

*Public Papers of the Presidents of the United States: Jimmy Carter 1977-1981*  
(Washington, D.C: U.S. Government Printing Office, 1977-1981).  
*Public Papers of the Presidents of the United States: Ronald Reagan 1981-1989*  
(Washington, D.C.: U.S. Government Printing Office, 1982-1993).

*Congressional Records*  
*Congressional Quarterly Almanac*  
*Congressional Quarterly Weekly Report*  
Congressional Quarterly inc. *The Iran-Contra Puzzle*. Washington, D.C.: 1987.  
U.S. Department of State, *Department of State Bulletin*  
U.S. Department of State, *American Foreign Policy Current Documents*

United States Congress. House Select Committee to Investigate Covert Arms Transactions with Iran. & United States Congress Senate Select Committee on Secret Military Assistance to Iran and the Nicaraguan Opposition, *Report of the Congressional Committees Investigating the Iran-Contra Affair: with Supplemental, Minority, and Additional Views*. Washington, D.C. 1987. 100<sup>th</sup> Congress, 1<sup>st</sup> Session.

### Media:

*Washington Post*  
*New York Times*  
*Wall Street Journal*

Books and articles:

- Anderson, Martin. *Revolution: The Reagan Legacy*. Hoover Institution Press, Stanford University, 1990.
- Andrew, Christopher M., and Vasili Mitrokhin. *The World Was Going Our Way: The KGB and the Battle for the Third World*. New York: Basic Books, 2005.
- Arnson, Cynthia. *Crossroads: Congress, the Reagan Administration, and Central America*. New York: Pantheon Books, 1989.
- Bermann, Karl. *Under the Big Stick: Nicaragua and the United States since 1848*. Boston: South End Press, 1986.
- Bird, Kai. "Ronald Reagan's Foreign Service". *APF Reporter*, 7, #3, (1984). <http://www.aliciapatterson.org/APF0703/Bird/Bird.html> (accessed, May 5, 2007)
- Borge, Tomás. *Sandinistas Speak*. New York: Pathfinder Press, 1982.
- Brands, H. W. *What America Owes the World: The Struggle for the Soul of Foreign Policy*. New York: Cambridge University Press, 1998.
- Brenner, Phillip and William M. LeoGrande. "Congress and Nicaragua: The Limits of Alternative Policy Making. In *Divided Democracy: Cooperation and Conflict Between the President and Congress*, edited by James Thurber, 219-253. Washington, D.C.: Congressional Quarterly Press, 1991.
- Brown, Timothy C. *The Real Contra War: Highlander Peasant Resistance in Nicaragua*. Norman: University of Oklahoma Press, 2001.
- Buchanan, Patrick J. "The Contras Need our Help". *Washington Post*, March 5, 1986.
- Cannon, Lou. *President Reagan: The Role of a Lifetime*. New York: Public Affairs, 2000.
- Cross, Sharyl N. "The Soviet Union and the Nicaraguan Revolution". (Ph.D. Dissertation, University of California, Los Angeles, 1990.
- Dickey, Christopher. *With the Contras: A Reporter in the Wilds of Nicaragua*. New York: Simon and Schuster, 1987.
- Diederich, Bernard. *Somoza and the Legacy of U.S. Involvement in Central America*. New York: E.P. Dutton, 1981.
- DiGiovanni Jr., Cleto. "U.S. Policy and the Marxist Threat to Central America", Heritage Foundation. *Backgrounder* (October 15, 1980). [http://www.heritage.org/Research/LatinAmerica/upload/86978\\_1.pdf](http://www.heritage.org/Research/LatinAmerica/upload/86978_1.pdf). (Accessed June 1, 2007).
- Dobrynin, Anatoliy F. *In Confidence: Moscow's Ambassador to America's Six Cold War Presidents (1962-1986)*. New York: Random House, 1995.
- Ehrman, John. *The Rise of Neoconservatism: Intellectuals and Foreign Affairs, 1945-1994*. New Haven: Yale University Press, 1995.
- Farrell, John A. *Tip O'Neill and the Democratic Century*. Boston: Little, Brown, 2001.
- Gaddis, John Lewis. *The Cold War: A New History*. New York: Penguin Press, 2005.
- Gilbert, Dennis. *Sandinistas: The Party and the Revolution*. New York, NY: Blackwell, 1988.

- Goldwin, Robert A., and Robert A. Licht (eds.). *Foreign Policy and the Constitution*. Washington, D.C.: AEI Press, 1990.
- Gutman, Roy. *Banana Diplomacy: The Making of American Policy in Nicaragua, 1981-1987*. New York: Simon and Schuster, 1988.
- Haig, Alexander M. *Caveat: Realism, Reagan, and Foreign Policy*. New York: Macmillan, 1984.
- Haig, Alexander M. and Charles McCarry. *Inner Circles: How America Changed the World : A Memoir*. New York: Warner Books, 1992.
- Hollander, Paul. *Anti-Americanism: Critiques at Home and Abroad, 1965-1990*. New York: Oxford University Press, 1992.
- Johnson, Haynes Bonner. *Sleepwalking through History: America in the Reagan Years*. New York: W.W. Norton, 2003.
- Kagan, Robert. *A Twilight Struggle: American Power and Nicaragua, 1977-1990*. New York: Free Press, 1996.
- Kinzer, Stephen. *Blood of Brothers: Life and War in Nicaragua*. New York: Putnam, 1991.
- Kirkpatrick, Jeane J. "Dictatorships and Double Standards. *Commentary*. (November, 1979): 34-45.
- . "U.S. Security & Latin America". *Commentary*. (January, 1981): 29-40.
- Kissinger, Henry. *Diplomacy*. New York: Simon & Schuster, 1994.
- Kornbluh, Peter. *Nicaragua, the Price of Intervention: Reagan's Wars against the Sandinistas*. Washington, D.C.: Institute for Policy Studies, 1987.
- and Malcolm Byrne. *The Iran-Contra Scandal: The Declassified History - A National Security Archive Reader*. New York: New Press: W.W. Norton, 1993.
- LaFeber, Walter. *Inevitable Revolutions: The United States in Central America*. New York: W.W. Norton, 1993.
- Lake, Anthony. *Somoza Falling*. Boston: Houghton Mifflin, 1989.
- Larkin, Bruce D. *Vital Interests: The Soviet Issue in U.S. Central American Policy*. Boulder, Colo.: L. Rienner Publishers, 1988.
- Latin American Studies Association. *The Electoral Process in Nicaragua: Domestic and International Influences: The Report of the Latin American Studies Association Delegation to Observe the Nicaraguan General Election of November 4, 1984*. Pittsburgh, Pa.: The Association, 1984.
- Leiken, Robert S., and Barry M. Rubin. *The Central American Crisis Reader*. New York: Summit Books, 1987.
- LeoGrande, William M.. *Central America and the Polls* (Washington Office on Latin America: 1986).
- . *Our Own Backyard : The United States in Central America, 1977-1992*. Chapel Hill, NC: University of North Carolina Press, 1998.
- . "Through the Looking Glass: The Kissinger Report on Central America". *World Policy Journal* (Winter, 1984): 251-284.
- Masis-Iverson, Daniel. "U.S. Argument over Central America 1981-1986: A Study of Congressional Debates over U.S. Policy toward Nicaragua". (Ph.D. Disstertation, The American University, 1992).

- Meese, Edwin. *With Reagan: The inside Story*. Washington, D.C.: Regnery Gateway, 1992.
- Miranda, Roger, and William E. Ratliff. *The Civil War in Nicaragua: Inside the Sandinistas*. New Brunswick, U.S.A.: Transaction Publishers, 1993.
- Morley, Morris H. *Washington, Somoza, and the Sandinistas: State and Regime in U.S. Policy toward Nicaragua, 1969-1981*. New York: Cambridge University Press, 1994.
- Morris, Edmund. *Dutch: A Memoir of Ronald Reagan*. New York: Random House, 1999.
- Nordlinger, Jay. "Reagan in Full". *National Review*. February 19, 2001: 44-46.
- North, Oliver, and William Novak. *Under Fire: An American Story*. New York, HarperCollins, 1991.
- O'Neill, Tip, and William Novak. *Man of the House: The Life and Political Memoirs of Speaker Tip O'Neill*. New York: Random House, 1987.
- Pastor, Robert A., *Not Condemned to Repetition: The United States and Nicaragua*. Boulder, CO: Westview Press, 2002.
- Pemberton, William E. *Exit with Honor: The Life and Presidency of Ronald Reagan*. Armonk, N.Y.: M.E. Sharpe, 1997.
- Pezzullo, Lawrence, and Ralph Pezzullo. *At the Fall of Somoza*. Pittsburgh: University of Pittsburgh Press, 1993.
- Pipes, Richard. *VLXI: Memoirs of a Non-Belonger*. New Haven: Yale University Press, 2003.
- Podhoretz, Norman. "Making the World Safe for Communism". *Commentary*. (April, 1976): 31-41.
- Reagan, Ronald. *An American Life*. New York: Simon and Schuster, 1990.
- . *The Reagan Diaries*. New York: HarperCollins, 2007.
- , Davis W. Houck, and Amos Kiewe. *Actor, Ideologue, Politician: The Public Speeches of Ronald Reagan*. Westport, CT: Greenwood Press, 1993.
- , Kiron K. Skinner, Annelise Graebner Anderson, and Martin Anderson. *Reagan, in His Own Hand*. New York: Free Press, 2001.
- Rubner, Michael. "The Reagan Administration, the 1973 War Powers Resolution and the Invasion of Grenada". *Political Science Quarterly* 100 (Winter, 1985-1986): 627-647.
- Rudman, Warren B. *Combat: Twelve Years in the U.S. Senate*. New York: Random House, 1996.
- Ryan, David. *US-Sandinista Diplomatic Relations: Voice of Intolerance*. New York: Macmillan, 1995.
- Sand, G. W. *Soviet Aims in Central America: The Case of Nicaragua*. New York: Praeger, 1989.
- Schlesinger Jr., Arthur. "Foreign Policy and the American Character". *Foreign Affairs* 62 (Fall 1983): 1-16.
- . *The Imperial Presidency*. Boston: Houghton Mifflin, 2004.
- Schweizer, Peter. *Reagan's War: The Epic Story of His Forty-Year Struggle and Final Triumph over Communism*. New York: Doubleday, 2002.
- Scott, James M. *Deciding to Intervene: The Reagan Doctrine and American Foreign Policy*. Durham, N.C.: Duke University Press, 1996.

- . “Interbranch Rivalry and the Reagan Doctrine in Nicaragua”. *Political Science Quarterly* 112 (Summer 1997): 237-260.
- Shultz, George Pratt. *Turmoil and Triumph: My Years as Secretary of State*. New York: C. Scribner's Sons, 1993.
- Sklar, Holly. *Washington's War on Nicaragua*. Boston, MA.: South End Press, 1988.
- Sobel, Richard. *Public Opinion in U.S. Foreign Policy: The Controversy over Contra Aid*. Lanham, Md.: Rowman & Littlefield, 1993.
- . “The Polls – A Report: Public Opinion About the United States Intervention in El Salvador and Nicaragua”. *Public Opinion Quarterly* 53 (1989): 114-128.
- Solaún, Mauricio. *U.S. Intervention and Regime Change in Nicaragua*. Lincoln: University of Nebraska Press, 2005.
- Tower, John G. “Congress versus the President: The Formulation and Implementation of American Foreign Policy”. *Foreign Affairs* 60 (Winter 1981/1982): 229-246.
- Troy, Gil. *Morning in America: How Ronald Reagan Invented the 1980s*. Princeton, NJ.: Princeton University Press, 2005.
- Tygiel, Jules. *Ronald Reagan and the Triumph of American Conservatism*. New York: Pearson Longman, 2006.
- Walker, Thomas W. *Nicaragua : Living in the Shadow of the Eagle*. Boulder, CO: Westview Press, 2003.
- Wallison, Peter J. *Ronald Reagan: The Power of Conviction and the Success of His Presidency*. Oxford, Westview Press, 2003.
- Weinberger, Caspar. *Fighting for Peace: Seven Critical Years at the Pentagon*. London: Michael Joseph, 1990.
- Westad, Odd Arne. *The Global Cold War: Third World Interventions and the Making of Our Times*. New York: Cambridge University Press, 2005.
- Woodward, Bob. *VEIL: The Secret Wars of the CIA, 1981-1987*. New York: Simon and Schuster, 1987.
- Yankelovich, Daniel and Kaagan, Larry. “Assertive America”. *Foreign Affairs* 59 (1980-1981): 696-713.