

Military Life

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ANNALS OF JUSTICE

IRAN-CONTRA

IT has been three years since the first news of the Iran-Contra affair broke, and still the story is incomplete. New documents and new details continue to make their way into the public domain, now in scraps, now in volumes. The trial of Oliver North filled in several pieces of the vast puzzle. Yet by this time the public has grown weary; the audience drifts away. Every investigation, from that of the Attorney General to that of the Tower Commission to that of the congressional Iran-Contra committees, has raised expectations of an end to the story, and disappointed them. The North trial is but the latest in the series. A year ago, or even six months ago, it seemed by far the most promising from a dramatic point of view. North was, after all, the linchpin in the two covert operations, and a major figure whose story might make some sense of the whole bizarre scandal. Having sung the dramatic lead at the Iran-Contra hearings, he could fairly be expected to continue in the role of the helden-tenor and, in the end, leap through a ring of fire or bring down all of Valhalla in glorious musical flames. Instead, there was another anticlimax. At his trial, North played a mere mortal and left the stage tarnished and tacky. Now the story will go on without him, at the trials of John Poindexter, Richard Secord, and Albert Hakim.

The fact is that it was wrong to expect that the North trial would provide any dramatic ending. Unlike Watergate, the Iran-Contra affair has always been a modernist drama in its unfolding. The central narrative has always been under-

mined by the appearance of new subplots, new themes, and new characters. Even the subplots are rarely completed—at least, not within the classical dramatic unities. A story begins in one place—as in the Tower Commission report—and stops dead. Then it takes up when least expected in the testimony of someone who belongs to another story. As in a novel by Alain Robbe-Grillet, events have been shuffled and sequences lost. A name dropped in a newly released document may provide the answer to a riddle that you once longed to know the answer to but have now forgotten. The lawyers in each investigation questioned people for different purposes, so new stories are written on top of the old ones.

And there will be no end, for the Iran-Contra affair, as a modernist piece, has no single agent of causality, and has infinite ramifications. As in Einstein's universe, the simple, old-

fashioned questions cannot be answered directly, and the most serious questions have jokes for answers. The central issue has always seemed to be whether or not President Ronald Reagan authorized the diversion of funds to the Contras from the Iran arms sales. Yet even if Rear Admiral Poindexter produced a document showing that the President had approved the diversion the question of responsibility would remain unsettled and—given Reagan's uncertain relation to the decision-making process—open to endless scholastic exegesis.

Ever since Attorney General Edwin Meese revealed the diversion, in November of 1986, many observers have speculated that the diversion was itself a diversion: not from some deeper secret but from all the other issues of the Iran-Contra affair—all the other breaches of law and all the other culpable participants. Possibly so. Certainly

with each successive investigation the scope of the affair has widened. What once seemed to be a small, dark conspiracy among staff members of the National Security Council now appears to have been a vast, amorphous enterprise, involving, to one degree or another, dozens upon dozens of people throughout the national-security bureaucracy. Yet the more the affair expands, the less weight it seems to have, since there is progressively less that anyone can do about it. The Iran-Contra committees could hardly get through the scheduled hearings, much less follow up all the new leads they uncovered—or all the new people who lied to them. They lacked the political support to do it. Then, when they dropped the matter, the

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Burma outlaws privilege for ousted military men

By Chit Tun in Rangoon

THE STATE Law and Order Restoration Council of Burma has made it a criminal offence for ousted military servicemen to describe themselves as "retired", or to display the military rank they held while in service.

The law applies to all military personnel who were "removed, dismissed or cashiered or granted only a gratuity for their military service". It also applies to former military personnel who are convicted of criminal offences specified by the defence ministry.

Those found guilty face prison sentences of up to five

years and/or a fine of up to kyats 5,000 (\$679). The purpose of the law is to prevent disgraced military personnel from enjoying the prestige and respect normally shown to members of the armed forces by Burmese society.

U Tin U, president of the opposition National League for Democracy, will no longer be able to describe himself as a former general and a former chief-of-staff of the Burmese armed forces because of his involvement in a coup attempt soon after his retirement in 1976 and as a result of the seven-year prison sentence he received for this offence.

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circumference of responsibility widened again, this time to include Congress and the public at large.

Those who criticized the Iran-Contra committees for failing to get to the bottom of the affair looked to the independent counsel, Lawrence Walsh, for remedy. Not surprisingly, however, the independent counsel's office ran into somewhat similar difficulties. To prosecute any participant—below the level of the Presidency—Walsh and his team had to single him out from among the dozens of others and then extricate the particular actions or decisions he could be held responsible for. The central figures were the hardest to prosecute, because they knew the most about the involvement of others and, in their own defense, could threaten to expose all the plots and subplots leading off into the farthest reaches of the affair. The central figures had to come first, yet prosecuting them has taken so much time, energy, and money that Walsh may never get to the others. The North case presented extraordinary difficulties, for North had participated in a web of covert operations, including some that, though authorized and legal, crisscrossed the boundaries of the Iran-Contra affair.

In this regard, the North trial raised an issue of much larger dimensions than the guilt or innocence of Oliver North; that is, how, in principle, it is possible to prosecute high officials for crimes involving national security. In the realm of the law, the trial was as much a trial of the powers of the independent counsel as it was a trial of North himself. Specifically, it was a test of congressional legislation that had been passed to facilitate the prosecution of federal crimes committed by high government officials: on the one hand, the statute providing for an independent prosecutor outside the Attorney General's office and, on the other hand, the Classified Information Procedures Act.

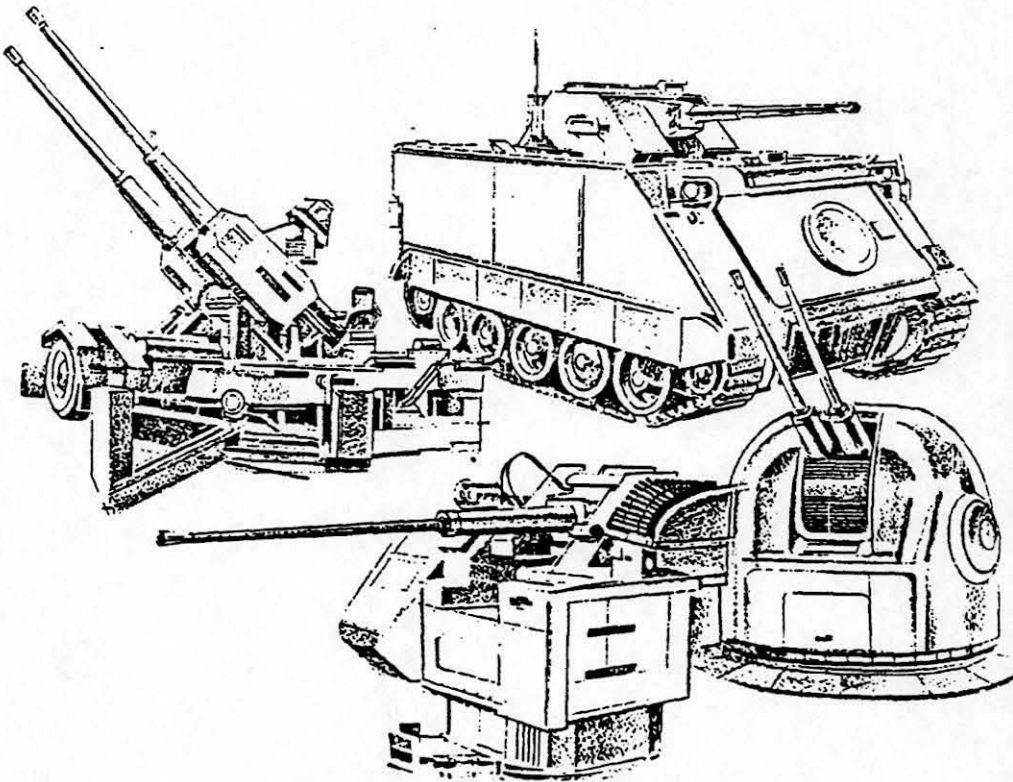
The second law, CIPA, was passed, in 1980, for the purpose of preventing "graymail"—the practice whereby defendants threaten to reveal important state secrets in the course of a trial and so force the government to drop its case. In federal criminal trials, the government, under CIPA, has the right, before a trial begins, to review classified material that the court has deemed relevant to the case, so that the prosecution can, if necessary, drop or trim its charges and proceed without fear of surprises. Under CIPA, the Attorney

General makes the final determination on what classified information can be disclosed for the case, the congressional reasoning being that, given his dual role, he is in the best position to weigh the interests of national security against those of justice. As a high Administration official, he is bound to protect important state secrets; as prosecutor and an officer of the law, he is bound to do battle with the national-security agencies, which are normally reluctant to reveal any classified information at all.

The CIPA law was designed to deal with espionage cases and the like, not with cases such as that of Oliver North. In spy trials, the government can usually frame its case so that relatively little classified information is involved. In the North case as it was originally framed—it included one count of conspiracy and one of theft concerning the diversion of funds from one covert operation to another—there were potentially thousands of classified documents at issue. Then, too, when a case is brought by an independent counsel, the dual role of the Attorney General is sundered: the prosecutor cannot control what is declassified, and the Attorney General cannot control the trial process. In principle, a clear

conflict arises in cases where an independent counsel must prosecute a high official from the Administration to which the Attorney General belongs. (An even clearer conflict would arise if he had to prosecute the Attorney General himself.) The North trial provides an example of how this might occur.

Addressing the problem of classified information, Judge Gerhard Gesell, of the Federal District Court in Washington, D.C., issued a series of pre-trial rulings that effectively fenced off, as irrelevant to the case, a great deal of documentary material that the defense had requested. Remaining categories of information from



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which defense requests for the disclosure of classified material would come were given over to the Attorney General's office. The judge said, however, that he would deal with most CIPA issues as they came up, rather than in advance, explaining that the normal procedures would not work in this case and that he could not agree to provide a script for the whole trial.

As for the problem of conflict of interest, it was merely fortuitous that Richard Thornburgh had replaced Edwin Meese as Attorney General by the time Lawrence Walsh was ready to go to court last fall. Thornburgh submitted the defense requests for the disclosure of classified information to a review panel composed of the heads of the various national-security agencies involved. The agency heads, in turn, passed the requests along to their subordinates and counsels. What this meant was that the disclosure requests went to Reagan Administration officials, some of whom had been in office during the period of the Iran-Contra affair, and some of whom may have generated and classified the information in the first place. Since Thornburgh accepted their recommendations, these officials effectively controlled what could and could not be put into evidence. At the end of this process, there was such a gap between what the defense required and what the review panel allowed that Walsh had to drop the two main charges against North. Recently, for the same reason, he has had to drop parallel conspiracy and theft charges against Poindexter and Secord. This means that no government official will be tried for the crime that lies at the very center of the Iran-Contra affair. Quite possibly, the diversion of funds from the Iran arms sales to the Secord enterprise was too deeply enmeshed with national-security secrets to be tried under any circumstances. But we will never know. Even if politics weren't involved, the prospect would be bleak, for the implication is that if national-security officials commit crimes that are important enough they cannot be tried for them. And if they commit only important crimes they cannot be tried at all.

As it was, of course, twelve charges remained against North: nine charges of lying to Congress and otherwise obstructing justice; a charge of tax fraud in connection with the funnel-

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Rabuka to leave Cabinet job

By Chris Sherwell in Sydney

MAJ GEN Sitiveni Rabuka, who led two military coups in the Pacific state of Fiji in 1987, has undertaken to return to barracks in December after two years serving in the country's interim government.

The undertaking was revealed yesterday by Ratu Sir Kamisese Mara, the 69-year-old Prime Minister in the interim government, who appears to have obliged Gen Rabuka to choose between civilian politics and continued command of the military.

The two-year term of the interim government is due to expire in December, and Ratu Mara had been asked by Ratu Sir Penaia Ganilau, the President, to postpone his planned retirement and continue leading the country through to elections under a new constitution.

Ratu Mara agreed provided 41-year-old Gen Rabuka made a decision about his future. Last week Ratu Mara told a foreign journalist he felt his authority as leader had been undermined by Gen Rabuka's dual role as military commander and Cabinet minister in charge of security.

Reports from Suva, the Fiji capital, say Ratu Mara gave Gen Rabuka three choices: to return to barracks as military commander, to be in Cabinet with limited responsibilities relating only to the armed forces while retaining military command, and relinquishing military command to become one of two deputy Prime Minis-

ters.

After talking with his officers and others, Gen Rabuka appears to have taken the first option, sticking with his known power base. At the same time he is said to have pledged his support and loyalty to the President, Prime Minister and interim government.

His decision is expected to quell growing anxiety about Fiji's future and the possibility of further military intervention beyond December. In effect, it entails an extension to the life of the interim government, during which a proposed constitution will be finalised and elections organised. These are expected in 1991.

Ratu Mara was Fiji's first Prime Minister following independence from Britain in 1970. But in April 1987 his government was defeated by a coalition of Fijian and Indian groups led by Dr Timoci Bavadra. Gen Rabuka, then a colonel, toppled Dr Bavadra in May, removed its replacement government four months later, and declared Fiji a republic.

In December 1987 Gen Rabuka handed power back to Ratu Ganilau, now President but previously Governor General. He made Ratu Mara interim Prime Minister, and Gen Rabuka became Home Affairs Minister. Progress towards agreeing a constitution entrenching ethnic Fijian interests has since been slow and difficult.

ling of military aid to the Contras through a nonprofit organization; a charge of illegal conversion of traveler's checks for personal use; and a charge of receiving an illegal gratuity in the form of a security system for the North household. Yet, peripheral as these charges might seem to matters of national security, the case very nearly did not come to trial—much less to a verdict—because of the CIPA problems still involved. Because of Gesell's refusal to follow the CIPA procedures to the letter, and rule entirely in advance, document by document, the Attorney General went to court on the day the jury was to have been sworn in to demand that any time North's lawyers sought to introduce classified information that had not gone through the review process, the judge stop the trial and notify the Justice Department. The move was a direct challenge to the independent counsel's right to try the case. It was only because Walsh succeeded in negotiating a compromise over the CIPA procedures to be used that the Justice Department allowed the trial to go forward. The battles over information went on throughout the trial, and continue now in the case of a

C.I.A. official involved in the Iran-Contra affair. The House Intelligence Committee has taken note of Walsh's difficulties, and is now reviewing the CIPA law.

As the North trial proceeded, it became clear that some of the classified information that the Justice Department was threatening to stop the trial to protect—what became known as "the drop-dead list"—had appeared in the press at one time or another. Such information as the names of some of the third countries that had contributed to the Contras was classified even though it was not secret. Other items on the drop-dead list turned out to be entirely trivial. A week into the trial, the lawyers fought for a whole afternoon over the name of a former Costa Rican official. A private research library, the National Security Archive, immediately turned up the fact that the name had been revealed in a civil lawsuit a few months before. Clearly, the Attorney General had allowed the bureaucratic tropism of the State Department and other agencies to go unchecked.

Then, interestingly, the Justice Department released some of the material

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that it had at first put off limits, such as the names of countries, and grew more flexible about defense requests for the release of information. Possibly, the Attorney General and his staff had initially been worried about the willingness of Walsh's office to guard against defense disclosure of government secrets and had become more confident about this as the trial proceeded. Possibly, as time went on, their interest in the case increased—to the point where they were willing to conduct their own review of the material and to wrest what they could from the national-security agencies. Possibly both. Legal historians will have to note, however, that a new Administration was inaugurated just as the trial began. In all likelihood, that had nothing to do with the Justice Department's change of heart, for Thornburgh and his staff remained in office. All the same, the coincidence illustrates the trickiness of the problems involved in trying high officials for crimes involving national security.

That the case came to trial at all is a testament to the experience and the skill of Walsh and of Judge Gesell. Then, the fact that the trial went all the way to verdict was a triumph for Walsh's prosecuting attorneys, John Kecker, Michael Bromwich, and David Zornow. Because of all the drop-dead material that the defense still possessed, the prosecutors had to fight two separate contests at the same time and in the same space. While questioning witnesses for the purpose of making their argument, they had to negotiate an obstacle course invisible to the jury: an evidentiary minefield in which one wrong move would allow the defense to blow the case out of court. What was more, they could not use the immunized testimony that North had given the Iran-Contra committees; indeed, in order not to taint their case, they had had to remain completely ignorant of it. For the attorneys, this had meant a strange two years of not listening to radio or television news, of having their newspapers redacted for them, and of not listening to any conversation

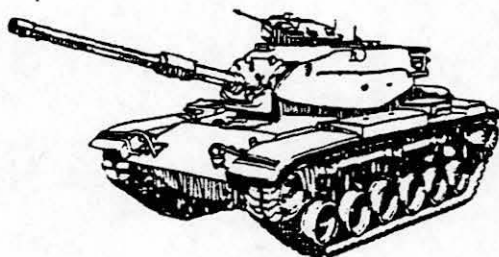
about the Iran-Contra affair. Then, too, they faced jurors who, as a condition of their service, knew virtually nothing about the Iran-Contra affair. There was therefore little chance that any of the jurors knew very much about foreign policy or the workings of national-security agencies, either. In practice, the jurors turned out to be a group of hardworking people, few of whom had had the time to watch the Iran-Contra hearings, and who, as black middle-income or low-income Washingtonians, had probably contended with so much violence in their own neighborhoods that it tended to obscure the conflict in Nicaragua.

The North trial was thus on one level a normal courtroom contest, in which the opposing lawyers presented two different versions of events. On another level, it was in itself a modernist drama, for no two groups in the courtroom had the same pool of information at their disposal. The jurors knew only what they heard. The prosecuting attorneys possessed a great deal of secret information they could not reveal or use, but they did not know certain things that the reporters covering the trial knew. Before the trial, they did not know, for example, that North had destroyed his ledgers with all the money transactions in them. The defense lawyers, Brendan Sullivan and his team, did not know everything that the prosecution did, but they knew

what North knew, and they produced documents that neither the Iran-Contra committees nor the prosecutors had ever seen before.

For spectators, the visible courtroom contest was absorbing in itself. Walsh had chosen as lead prosecutor John Kecker, a star criminal-defense and business-litigation attorney from California, who, with his law partner, had written a book on the examination of witnesses. A graduate of Yale Law School, Kecker had clerked for Chief Justice Earl Warren after Warren left the Supreme Court, and had served as a federal public defender before going into private practice. Kecker, who was forty-five years old—or about the same age as North—had, like North, served in the Marines in Vietnam in the sixties and, like North, had been wounded leading an infantry platoon into combat. Examining witnesses, he was fast and aggressive, and as poised as an athlete. Nothing about his task was easy, but perhaps the most difficult part of it lay in the examination of his own witnesses, for most of them were, of necessity, either members of Secord's Contra operation or Reagan Administration officials who had in one way or another been involved in the Iran-Contra affair. Most were loath to see North convicted, and under cross-questioning by Brendan Sullivan most of them proved to be character witnesses for North.

On the stand, Fawn Hall, North's former secretary; Lieutenant Colonel Robert Earl, his deputy; Robert Owen, his trusted courier; and many other figures in the Iran-Contra hearings gave testimonials to North's hard work, dedication, and patriotism. This testimony turned out to weigh with the jury. After the trial, one juror, for example, said he remembered Adolfo Calero, the Contra leader, testifying that he would like to raise a statue to North. As for North's superiors—against whom he had presumably sinned—these witnesses became evasive when they were asked to assign any blame to him. Meese said that North was under "no legal compulsion" to answer



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when Meese and other Justice Department lawyers interviewed him at the Justice Department about the diversion of funds. Robert McFarlane, Reagan's national-security adviser, became almost incoherent on the stand. He had previously pleaded guilty to four charges of withholding information from Congress, but those were misdemeanors—not felonies, such as North was charged with. McFarlane had once said that North was like a son to him. Unwilling now to blame North, yet unwilling to take responsibility for the lies that North had concocted for him to tell Congress, he gave testimony that Judge Gesell thought so “equivocal and confusing” that it “could not be probative of much.”

The underlying problem was that so many government officials—both defense witnesses and prosecution witnesses—spoke out on North's behalf that for the prosecution to make its case it had to convince the jurors that the United States government was filled with people who at least condoned criminal activity. Then, too, because the legality of the diversion of funds was not at issue, Keker could not point out that a great deal of the money North handled was siphoned off by middlemen and never got to the “freedom fighters” at all.

What Keker and the prosecution team had going for them was excellent evidence—most of it in the form of documents—that North had done just about everything he was charged with in the way of overt acts. There was plenty of evidence to show that North had made false statements to Congress, or had provided the information for McFarlane to make them, on three occasions in 1985. Other evidence showed that North had made false statements to the Attorney General; that he had altered, destroyed, and removed N.S.C. documents; that he had helped provide military aid for the Contras through tax-exempt organizations in the United States; and that he had allowed Richard Secord to pay for a security system for his house and had tried to cover up his own failure to pay for it by composing phony, backdated letters. Most of the facts of the case were not in dispute, and when Sullivan took the risky decision to put North on the stand North had to admit to them. Then, once North was on the stand, Keker introduced new evidence, suggesting that North had made no clear

distinction between government funds and his own petty cash.

According to the N.S.C. administrator who handled expense accounts, North was chronically short of cash for taxis, gasoline, and other small expenses until the middle of 1985—until the time that Secord took over the Contra accounts. After that, North had plenty of cash on hand. Indeed, in October of 1985 he bought a car, putting down five thousand dollars in cash and paying the balance, of three thousand dollars, in cash a few days later. On the stand, North explained that he had a steel box in his closet containing a cash fund for the family. He had begun this fund with an insurance settlement in 1964, he said, and had been putting the change in his pockets in it every Friday ever since. By the end of 1985, he said, there was fifteen thousand dollars in cash in the box. But no, he did not know how much cash was in it now. The story not only seemed unlikely—the Norths had bank accounts, after all—but also failed to explain why he had bought the car with two separate cash payments. The prosecutors showed that he had stopped off at Secord's office after making the first payment. All in all, a very fishy smell was coming from North by the time Keker finished with him.

Sullivan's decision to put North on the stand seemed to some at the time a desperate act. But by then the trial rested on the question of intent. Sullivan's strategy was to show that North was a loyal foot soldier who had made some mistakes but had followed orders and had been turned into a scapegoat by his superiors. And who could persuade a jury of this better than North himself? In his civilian clothes, North appeared small and slight—much smaller and slighter than Keker—and on the stand he looked up at the judge and up at the jury. He spoke softly and

modestly. Sometimes, under Keker's rapid-fire questioning, he became petulant and quibbled over words in a way that suggested a close reading of the law. Most of the time, he seemed less stoical than pathetic—the habitual catch in his throat suggesting that he might at any moment break into tears.

Over Keker's objection, North was allowed to give the famous briefing he used to give right-wing private donors on the plight of the “freedom fighters” and the Communist threat to the Americas. In this rendition, the United States seemed to be as vulnerable as he himself appeared on the stand. The Soviet Union threatened America's control of the Caribbean. Cuba had diesel submarines more effective than Hitler's at the beginning of the Second World War and the largest intelligence complex in the Western Hemisphere. Nicaragua had an army large enough to overwhelm the combined forces of all its neighbors; it was building an airstrip twelve hundred and eighty feet long, which would be “the largest airfield south of the Rio Grande River and north of Argentina”; its tanks waited “on the main attack corridor into Honduras,” clearly poised for invasion. “As an infantry officer, a person in the military, I can tell you that there is never a situation where you deploy armor as a defensive measure,” North said. Slides accompanied the briefing, and the last one showed a grave with a simple wooden cross over it. The resistance fighters, North said, were the only soldiers in Nicaragua who were buried with a cross over them.

Virtually every statement North made in the briefing was either factually inaccurate or wildly misleading. (North could not have got out of officer training believing that tanks could not be used defensively.) Yet such was his attitude of sincerity and quiet concern that it was hard not to be drawn into his invented world.

Later in his testimony, North admitted that he had knowingly made false statements to Congress, and that he had altered, shredded, and removed N.S.C. documents. But he had done all this in the service of his country, he said, and under authorization from his superiors; he knew that it was wrong to lie, but he did not know that it was a crime. He was, after all, only a poor lieutenant colonel, a mere “pawn in a chess game played by giants.” (Keker



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asked if in the fall of 1986 he still considered McFarlane a giant, but the irony seems to have been lost on the jury.) He admitted that he had accepted the security system from Secord and had tried to conceal the fact that he had not paid for it; that, he said, was "one of the dumber things" he had ever done.

The jury found North guilty on three of the twelve counts: the charge that he received an illegal gratuity (the security system) and two charges of obstruction of justice having to do with the alteration, destruction, and removal of documents in November of 1986. Those jurors who later spoke to reporters made it clear that they and the others had largely accepted North's version of events. They even believed his story of the metal box. Some thought he was a good man; some thought that, as one put it, he was neither "all that bad" nor "all that good"; but all thought that he had been made a scapegoat by and for his superiors. "He wasn't the boss," Denise Anderson, the jury foreman, said. "Basically, on the counts of 'not guilty,' he was following orders. And there were a lot of people's orders. I think Reagan should stand up and give an accounting for what he did. . . . I think he knew a lot about what was going on."

Judge Gesell had denied Sullivan's motion to compel Ronald Reagan to appear as a defense witness, on the ground that there was no trail of evidence suggesting that Reagan had ordered North to commit the specific violations he was being tried for. In a sense, however, it was a pity that Reagan did not have to appear, for if he had appeared the jury would have had to choose between two great portrayals of aggrieved innocence.

The television reporters at the courthouse on the day the jury announced its verdict found the choices the jury had made among the nine charges of obstruction of justice inexplicable. In the reporters' well-informed opinion, some of the other obstruction charges had been far more clearly etched by the prosecution. The following day, the jurors explained that they had convicted North of those things which he seemed to have done for his personal benefit—such as removing documents from the N.S.C. for his own protection—rather than in the service of his superiors. There was, in other words, a moral logic to what the

jurors decided. And, if one believed the polls, it was a logic that many, if not most, Americans thought appropriate to the case. It was not, however, the logic that Judge Gesell had ordered them to follow. In his instructions he had warned the jurors not to concern themselves with others who might have committed crimes, because some of those had pleaded guilty, some were awaiting trial, some had been given immunity for testifying, and some were dead. He said that they should not draw the notion of authorization broadly; authorization, he said, "requires clear, direct instructions to act at a given time in a given way." But even acting on orders would not excuse a crime, he said, for "neither the President nor any of the defendant's superiors had the legal authority to order anyone to violate the law." Many of the jurors, however, held low-level civil-service, clerical, and technical jobs, and they put North in their position. How, one juror asked, could a secretary be held responsible for a letter her boss had her type? Their view of the matter was wholly understandable. Yet by ignoring the judge's instructions they failed to consider the principle of individual responsibility for crimes committed under orders or in the name of the state. This, as Keeker pointed out in his closing argument, was the principle of Nuremberg.

TO some degree, the verdict reflected North and Sullivan's success in producing evidence to show that a great many people in government knew a great deal about North's activities. Given the particular charges against North, most of the evidence had to do with the Central American side of the affair—the solicitation of third-country support for the Contras, and the delivery of military aid and intelligence. New evidence that the defense brought forward alters somewhat the picture of the Contra affair that emerged from the Iran-Contra hearings. For one thing, it shows that the President and other members of the National Security Council put considerable time and energy into evading the congressional restrictions on Contra aid.

The Iran-Contra hearings had left some doubt about the role played by William Casey, the director of the C.I.A. North had testified that Casey had given him a good many of his instructions, but Casey died May 6,

1987, and in many instances there was no corroborating evidence. At the trial, however, the Justice Department released a document stipulating that for the purposes of the trial certain facts were true. One of the facts was that in 1983, and again in 1984, Casey obtained through the Defense Department at virtually no cost several hundred tons of infantry weapons that the Israelis had confiscated from Palestine Liberation Organization forces. The C.I.A. reported both transactions to Congress (they were known as Operations Tipped Kettle and Tipped Kettle II) but did not say that most of the weapons would be going to the Contras, and thus made it possible for the C.I.A. to evade the congressional ceiling on Contra aid.

That was not out of character for Casey. The Contras were, after all, largely his creation. The C.I.A. had begun financing and training the guerrillas in late 1981, and when they proved incapable of performing the tasks he envisioned for them he sent C.I.A. agents or UCLAs—"unilaterally controlled Latino assets," in intelligence jargon—to do the job. Then, too, Casey had never been entirely meticulous about giving the congressional intelligence-oversight committees the information that the law required. For example, he did not spell out the fact that it was his UCLAs who in January and February of 1984 mined three Nicaraguan harbors and damaged several foreign ships. His neglect in this instance precipitated the whole Contra affair, for when the operation was exposed, in April, Senators Barry Goldwater and Daniel Patrick Moynihan flew into high dudgeon. In June, Congress refused to appropriate supplemental aid to the Contras, and in October it passed the Boland amendment to an omnibus funding bill for fiscal year 1985, prohibiting the Defense Department, the C.I.A., and all other American agencies involved in intelligence from expending any funds, directly or indirectly, for military or paramilitary operations in Nicaragua.

That April, McFarlane, probably with Casey's approbation, sent a National Security Council staff member to ask Israel if its government would consent to finance the Contras while the Administration faced a "temporal shortfall." The Israelis refused, not wishing to damage their relations with Congress. At around the same time,

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Casey—according to one of the former C.I.A. officials who appeared as witnesses for the defense—convened a meeting in his office which included Adolfo Calero and Oliver North. Speaking on behalf of the President, Casey said that he wanted to assure the resistance leadership that the United States government would find a way to support the resistance even if the Boland amendment passed, and that Colonel North would be the point of reference. During the weeks that followed, Duane (Dewey) Clarridge, who was then the chief of the C.I.A.'s Central American Task Force, arranged further meetings between North and Calero, and in May he accompanied North on a trip to Honduras to present him to the Contra commanders.

North testified before the Iran-Contra committees that it was Casey who suggested Richard Secord to him, in the fall of 1984, as the man to buy arms for the Contras. Evidence produced at the trial made the Casey-Secord connection clearer. According to the stipulation document, Secord had negotiated with an Israeli major general for the first shipment of P.L.O. arms in February of 1983. Secord was at the time a major general in the Air Force and Deputy Assistant Secretary of Defense. A specialist in covert air operations and in arms procurement, he had spent a good deal of his career in Iran and elsewhere in the Middle East. In May of 1983, he retired under a considerable cloud after it was discovered that he had had dealings with the C.I.A. renegade Edwin Wilson, who had been convicted that February of shipping terrorist weapons to Libya. Wilson's secretary said that Secord was a silent partner, with Wilson and Tom Clines, another former C.I.A. official, in a company that made huge profits by overcharging on the shipping of American arms to Egypt. That he was a partner in the company was never proved, but, as Deputy Assistant Secretary of Defense, he had helped to arrange the deal. Then, too, during the same period Wilson had lent him his

airplane and had bought him out of a bad real-estate investment that Clines had sold him.

On the stand, North testified that Casey told him in 1984 that bringing Secord into the Contra-resupply operation "would be a good way to rehabilitate him": an old cloak-and-dagger phrase that, when said with a smile, meant its precise opposite. North also brought Secord into the Iran arms deals during the messy Hawk-missile transaction of November, 1985. Casey knew this immediately, because North had the Iran operation, beginning with the Hawk deal, tracked by National Security Agency intercepts—that is, surveillance reports. In 1986, those intercepts, addressed to Defense Secretary Caspar Weinberger and the assistant to the chairman of the Joint Chiefs of Staff as well as to Casey, showed anyone who knew the actual cost that North or his intermediaries were marking up the price of the arms sold to Iran. Since the C.I.A. was not receiving the profit, Casey had evidence of a diversion of funds for the Contras. On the other end, he knew that Secord was providing the Contras with arms. At the trial, Sullivan produced proof that North and Casey had frequent contact in 1985 and 1986. It is therefore extremely difficult now to doubt North's testimony that Casey knew all about the Secord enterprise.

At the trial, Norman Gardner, a former C.I.A. official, described a bizarre evening he spent with Casey on November 19, 1986—less than a month before Casey was felled by a cerebral seizure. The Contra operation had been exposed, and the future of the policy was uncertain. But Casey had just gone off on a madcap two-day trip to Central America. (He reported to the President that he had found the guerrillas "in high spirits and ready to go.") Because Casey was to testify to the Intelligence Committees of Congress on November 21st about the Hawk deal, Gardner flew to Central America with the briefing papers, and flew back with Casey on a military cargo plane. In his compartment on the plane, Casey set aside the draft testimony Gardner had brought him and began composing a draft of his own, in longhand. His handwriting was virtually illegible, so after a while he decided to look for his tape recorder. It was not in his briefcase, so he and Gardner went to the cargo hold to pull

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out his suitcase. They pulled, and all the bags fell down around them. Back in his compartment, Casey opened the bag and dumped all his clothes on the floor—but still no tape recorder. It turned out that one of the security guards had it. Through the night, Casey dictated the lies he would tell the Intelligence Committees the next day.

The trial produced no evidence that President Reagan knew about the diversion of funds, but it did show that he knew a good deal more about the secret assistance to the Contras than had been previously revealed. Nicaragua, it seems, was one of the few foreign-policy issues that attracted the attention of Ronald Reagan, and, in fact, it engrossed him. "The President put probably more time into this issue than any other issue on his foreign-policy agenda, '82, '83, '84," McFarlane told the North jury. When Reagan was questioned by the Tower Commission in January of 1987, he said he did not know that the N.S.C. staff was secretly helping the Contras between 1984 and 1986. But a few months later, just after McFarlane testified to the Iran-Contra committees, Reagan told the press, "I was very definitely involved in the decisions about support to the freedom fighters. It was my idea to begin with." Under Keizer's examination, McFarlane said, "We had discussions, the President and I and his other senior advisers, often in the spring and summer of 1984, and the President was at the same time speaking publicly about his own support for the freedom fighters. . . . He let us know very clearly . . . that we were to do all that we could to make sure that the movement, the freedom fighters, survived."

In March of 1984, McFarlane went to the Saudi Ambassador in Washington with a request for funds, and in July the Saudis began depositing a million dollars a month in Adolfo Calero's bank account. At the trial, McFarlane said that before he saw the Saudi Ambassador he had discussed with the President the idea of going to other countries for money, and that he had informed the President when the Saudis agreed. He said that his action was perfectly legal, because it was taken before the Boland amendment was passed. Here McFarlane was making an interesting distinction: in his view, North's solicitation of funds after October violated the Boland amendment, for, as he saw it, the amendment

applied to N.S.C. staff members. In practice, however, it was President Reagan who made much the most effective solicitation after Boland: following his meeting with the King of Saudi Arabia in February of 1985, the Saudis stepped up their deposits to Calero's account to two million dollars a month. But then, McFarlane said to the Iran-Contra committees, the President "had a far more liberal interpretation" of Boland "than I did."

The President apparently had a more liberal view of the tax laws as well, for, according to McFarlane, he once or twice suggested that a foundation be set up to channel private money to the Contras for military supplies as well as food and medicine. Presumably, McFarlane told him that such a thing would be illegal, for the foundation was never set up. However, the non-profit National Endowment for the Preservation of Liberty, which had been set up, by Carl (Spitz) Channell, to raise money to advance conservative foreign-policy goals, did just what the President envisioned, and Reagan had numerous meetings with the private donors to the N.E.P.L., some of whom gave only in order to provide military supplies. There is no evidence that Reagan knew they were giving money for weapons; on the other hand, the possibility would clearly not have disturbed him, since it was his idea to begin with.

Where the Contras were concerned, Reagan appears to have led a far busier life in the White House than he has generally been given credit for. Just in the matter of solicitations, he spoke with the Saudi King, he spoke with private donors, and he spoke with the Costa Rican Security Minister, who was protecting the existence of a resupply airstrip on the Nicaraguan border which had been built by Secord. He also spent a good deal of time pleading with the President of Honduras on behalf of the Contras. He may even have talked to Prime Minister Margaret Thatcher to ask her to authorize the transfer of some of Britain's Blowpipe surface-to-air missiles to the Contras. What is more, he acted in a more manipulative fashion than most people thought him capable of.

Among the documents produced at the trial were the minutes of a National Security Planning Group meeting that took place on June 25, 1984. The

subject of the meeting was Nicaragua, and the main topic was negotiations with the Sandinistas—or, rather, how the Administration had to appear to be negotiating in order to get congressional support for Contra aid. As the President had worked it out for himself: "If we are just talking about negotiations with Nicaragua, that is so far-fetched to imagine that a Communist government like that would make any reasonable deal with us, but if it is to get the Congress to support the anti-Sandinistas, then that can be helpful."

Toward the end of the meeting, there was an argument about the legality of soliciting money from third countries. Secretary of State George Shultz quoted James Baker, then the White House chief of staff (he was not present at the meeting), as having said that trying to get money from other countries would be "an impeachable offense." Casey replied that it was perfectly legal if the intelligence-oversight committees were informed. (That was apparently something on his mind.) Defense Secretary Weinberger said that it was perfectly legal, period, since the United States would not be spending any money. (That was Reagan's view.) Edwin Meese, then the deputy chief of staff, said that if they were to request the opinion of the Justice Department, as Shultz had suggested, they should do so in the form of a request to find a legal basis for the United States to solicit third-country support. "You have to give lawyers guidance when asking them a question," he explained. At the end of the discussion, Vice-President Bush, making his first contribution to the meeting, said that such a solicitation would be legal as long as it was not a matter of American funds' passing through a government—and there was no quid pro quo involved. Bush seemed to be the only one who knew the law. In his summary, McFarlane proposed that there be no authority for anyone to seek third-country support until the Justice Department gave a legal opinion, and that the very discussion of it should be kept behind closed doors. President Reagan then added, "If such a story gets out, we'll all be hanging by our thumbs in front of the White House until we find out who did it."

It is not clear whether Reagan thought that the trouble would be legal or purely political, but he knew that

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there would be trouble and that someone would have to be blamed. Not surprisingly, he did not tell the assembled company that McFarlane on his behalf had already solicited funds from Saudi Arabia. Later, the word got out, but only to those who would have approved of it—to Casey, who may have known in any case, and Weinberger, but not to Shultz. There must also have been rumors of this solicitation floating around right-wing circles, for eight months later, at a meeting of the members of the House Intelligence Committee, Representative Henry Hyde asked McFarlane why he didn't raise money for the Contras from Saudi Arabia and Taiwan—a curious choice, except that Saudi Arabia was already contributing large sums, and Taiwan was about to do so.

Admiral Poindexter told the Iran-Contra committees that the President

had known in some general way about North's role in supporting the Contras, but that N.S.C. staff members had never gone into any detail except on one occasion, when he himself briefed the President on the construction of the resupply airstrip near the Costa Rican border. The President, he said, forgot about that later. At the trial, however, the defense produced a memo from North to McFarlane with the words "President approved" in Poindexter's handwriting and with Poindexter's initials at the bottom. In this memo, dated October 30, 1985, North asked McFarlane to get the President's approval for U-2 and other surveillance flights to obtain intelligence on arms deliveries to the Sandinistas. At the end of it, he wrote, "You should also tell the President that we intend to air-drop this intelligence to two Resistance units deployed along the Rio Escon-

dido, along with two Honduran-provided 106 recoilless rifles which will be used to sink one or both of the arms carriers."

The memo suggests, of course, that, far from being removed or insulated from the secret operations, Reagan was told in interminable detail about the efforts his staff was making on behalf of the Contras. Possibly the President and his staff did not see Boland as a sharp dividing line. On the one hand, there was the President's "liberal view" of Boland; on the other hand, there was the fact that, because of the political problems involved, Administration activities on behalf of the Contras had always had a penumbra of secrecy about them.

At the trial, the defense produced a section of the minutes of a National Security Planning Group meeting held on September 11, 1984—one month before the Boland amendment was passed. The discussion centered on the question of what to do about five L-39 military jets that, according to intelligence, were on their way by ship from Bulgaria to Nicaragua for the Sandinistas. Casey discussed at some length the attack plans made by the Nicaraguan Democratic Force (F.D.N.)—Calero's troops, based in Honduras, as opposed to the ragtag guerrillas of the southern front, along the Costa Rican border. The F.D.N. commanders, he reported, believed that "the most feasible option" was to attack the aircraft while they were still in their crates, at the port of El Bluff or en route from the port to Managua. The commanders were considering strafing the boats or the transport convoy with their three Cessna airplanes, he said, or ambushing the convoy with their ground forces. The operation, he concluded, was "a very 'iffy' thing"; still, in his view the C.I.A. should provide the F.D.N. with intelligence and operational guidance, since it would be blamed for doing so in any case. A few moments later, Reagan asked, "How would the F.D.N. take them out?" Casey repeated himself. Secretary Weinberger and United Nations Ambassador Jeane Kirkpatrick then suggested that a public outcry be raised about the arrival of the military jets. Reagan demurred, because his last speech about military deliveries to the Sandinistas had had little public impact. "After the F.D.N. acts, we can

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Defense Minister Urges Italy Not to Further Strip Military

By ALESSANDRO POLITI
Defense News Correspondent

ROME — Although faced with budget austerity and difficult public relations, new Italian Defense Minister Mino Martinazzoli underscored the need for a healthy defense as North-South frictions rise, and endorsed military reforms.

Speaking at a Christian Democrat party congress last Tuesday, Martinazzoli said public and political indifference — or hostility — toward military problems has focused more attention on Italian defense questions.

"One of the results of this congress has been to give more attention to defense questions. The idea that defense policy problems are just nuisances reserved to a casually chosen minister is a very poor one," he said.

Even if East-West tensions are lessening, strains will emerge and shift inside the North-South relationship because of the disparity in energy consumption and demographic trends, he said. "The Mediterranean region is the nearest North-South border and this concerns us," he said.

The reorientation of Italy's strategic focus from forward defense of its northeastern borders to a stronger presence in the Mediterranean basin means significant improvements are needed to Italy's aeronaval and rapid deployment forces.

Martinazzoli's speech also implied support for the continuation of a surveillance satellite program and probably the development of a national military communication satellite.

Regarding military relations with society, Martinazzoli said:

- Logistical reorganization will be conducted, and old barracks and arsenals will be closed.

- Proliferation of high-ranking officers will be stopped in favor of commissioned and non-commissioned captains and lieutenants.

- Civil and military service will have equal rights and burdens, but soldiers will not have civil and environmental protection duties, except for great disasters.

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raise it with the public and the press," he said. James Baker added what was surely on the President's mind—that now was the worst time to try to arouse public opinion over Central America. (It was two months before the Presidential election.) In the end, McFarlane summarized the discussion by saying that the C.I.A. would provide the F.D.N. with the necessary intelligence, and that the heads of the oversight committees would be told about the arriving aircraft but not about any operation by the F.D.N.

AS it happened, this risky little decision need never have been made. The whole meeting was based on faulty intelligence. The L-39s never arrived—possibly because they were not bound for Nicaragua to begin with. (The Sandinistas were never given military jets.) Moreover, if they had arrived the F.D.N. could have done nothing about them, because it lacked the military capability. North found this out a few months later—after a shipment of Czech HIND helicopters arrived in Nicaragua—for Calero had to admit as much. North hired David Walker, a British mercenary, to destroy the HINDs. Walker failed to get the job done, however; and on a subsequent mission for North, to blow up a Sandinista arsenal, he and his team managed to set fire to a military hospital as well, injuring not only soldiers but women and infants in the maternity ward. Walker was a poor substitute for the UCLAs. But nothing North did ever worked out very well—a fact that was not disclosed to the jurors, or to Reagan, for that matter.

To listen to North talk and to read the memos he sent to McFarlane, the jurors would have had to conclude that North did a splendid job for the Contras and that they grew mighty under his tutelage. On the stand and in the memos, North described a scene of total disarray at the F.D.N. base camps when the C.I.A. moved out, in the fall of 1984. The Contras had no staffing and no logistical capabilities, and thus no food, medicine, or bullets. They also seemed to have no idea how to fight a guerrilla war. Much of this was true. The C.I.A. had supplied the Contra camps and provided the F.D.N. commanders with an entire superstructure of logistics, communications, and

intelligence. Take this superstructure away and what was left was an old-fashioned Central American guerrilla army—a loose coalition of *comandantes* with their peasant troops. Yet some of the Contras were operating far inside Nicaragua and living off the land, as guerrillas are supposed to do.

In the spring of 1985, nine months after North took over responsibility for the Contras, he sent McFarlane a dazzling progress report: the F.D.N. had nearly doubled its personnel—from ninety-five hundred to sixteen thousand—and, with the money it possessed, would reach a strength of twenty-five thousand by midsummer. Its commanders had responded well to guidance on how to build a staff and how to conduct guerrilla warfare; included was a list of close to seventy successful operations, in which the Contras had killed an impressive number of Sandinista troops.

The F.D.N. commanders later said that 1985 was the worst year they had ever had. According to a cable from John Negroponte, the United States Ambassador to Honduras, half of the Contra forces were based in Honduras by early spring. There were morale problems following the cutoff of American aid. Also, in early 1985, the Sandinistas, having completed a major military reorganization, went on the offensive in the northern provinces. Their campaign, which included the resettlement of whole villages from the contested areas, was so successful that the Contra supporters in those provinces were forced to flee into Honduras. Thus the number of Contras in Honduras increased, but the actual strength of the F.D.N. diminished. In any case, North wildly exaggerated their numbers—unless by "personnel" he meant family members and refugees as well as fighters. Was North writing himself a good report card or was he actually deceiving himself?

A more subtle answer was suggested at the trial, first by North's own "briefing" and then in testimony given by Fawn Hall and Glenn Robinette, a former C.I.A. officer, who, on Secord's instructions, had installed the security system for North's house. Hall and Robinette kept talking about "original" documents or "real" letters or bills when what they were referring to were documents they had faked for North. Each of them seemed genuinely

puzzled when Keker pointed this out. Hall tried to make Keker distinguish between "new originals," or "altered originals," and actual originals, written the year before—while Robinette maintained that a bill he had sent North was "real" because he had typed it. "O.K. It's real," Keker acknowledged. "In a philosophical sense, it's real. But what it talks about is not real." Finally, Robinette took the point.

For North, the real guerrillas may have been the "freedom fighters" he described in his briefings and memorandums. These were, of course, the guerrillas his superiors wanted to hear about. As McFarlane recalled at the trial, North's task in 1984-85 consisted not merely of resupplying the Contras but of persuading them to bring in credible political leaders, to adopt an appealing political platform. It was also to have them demonstrate that they had real military potential. In sum, North was to create a respectable political-military force, so that Congress would resume its funding. The task was an impossible one for North; after all, the entire C.I.A. had already failed at it. But since the purpose was to persuade Congress to vote more aid to the Contras, appearances were more important than the reality. North himself said that to Calero on one occasion—in reference to rumors of corruption. Because appearances were what counted, North himself created a political front for the Contras, wrote out a political platform, and exaggerated military successes. Thus, in April of 1985, when the White House was ready to do battle for Contra aid again, the President had his selling points for Congress. (It was at this juncture that Reagan compared the Contras to the Founding Fathers of the United States.) The trouble was that the President now "knew" a good deal about the Contras that simply was not true. With all the detailed briefings, the thing no one ever seems to have told him was that the Contras had no hope of defeating the Sandinistas on the battlefield.

Along the way, it would not have been surprising if North himself had begun to lose some track of reality. Not only was he writing the promotional material for the Contras but he was also making the pitches and raising money for them. In a period of three years, by his own account, he gave dozens upon dozens of briefings to con-

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servative groups around the country. In the spring of 1985, with the help of Spitz Channell and the National Endowment for the Preservation of Liberty, North orchestrated a public-relations campaign for the Contras with ninety-five scheduled events. He also gave individual briefings to wealthy people targeted to contribute to the Contras through the N.E.P.L. Before such a briefing, Channell would decide how much the prospective donor was good for, and North would give Channell a list of items—trucks, planes, munitions—that added up to the prescribed amount. After the briefing, Channell would hand the person the list of what were then described as “desperately needed” supplies. The backward logic of this classic fundraising technique applied to all North’s activities on behalf of the Contras. In the White House, the Contras had, by the summer of 1985, become half imaginary—a function of the President’s desire to get aid for them.

Later, a new solipsism crept in on top of the old one. According to McFarlane, the President, as time went

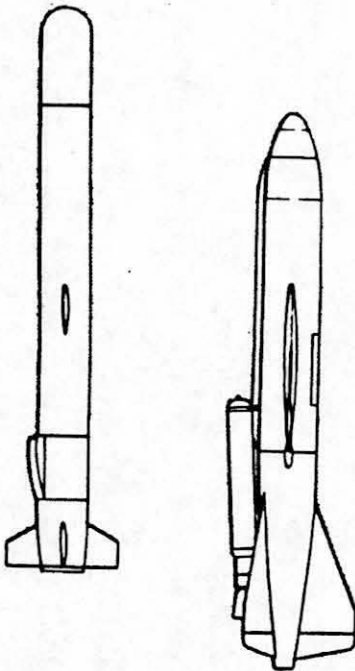
on, began to think that the Democrats in Congress were holding up Contra aid at least partly in order to show that he was politically vulnerable. He therefore determined to get the aid bill passed partly just to show the Democrats who was boss. He succeeded in the summer of 1986, but in the meantime a great many high-level Administration officials had violated all kinds of laws for the sake of a half-imaginary guerrilla force.

At one point in the trial, the defense produced a sheaf of documents showing that in the spring of 1985 the Reagan Administration, in violation of the Boland amendment, had offered the government of Honduras a quid pro quo for helping the Contras. The news caused a stir in Congress, for those documents had not been handed over to the Iran-Contra committees, and in 1985 Shultz had assured at least one congressional committee that American aid to other countries was not being used to provide direct or indirect support to the Contras. Also, one of the documents suggested that Vice-President Bush may have personally delivered the conditions of the quid pro quo to President Roberto Suazo Córdova of Honduras. When the trial was over, Bush vehemently denied this. “There was no quid pro quo,” he said. “There has been needless, mindless speculation about my word of honor.”

According to the documents, however, there was a quid pro quo, and, unlike the general understandings offered to countries such as Israel and Saudi Arabia, it was an extremely specific one: if the government of Honduras would continue to give sanctuary and assistance to the Contras, the United States government would release thirty-five million dollars in economic-support funds, expedite the delivery of military aid, and supplement certain C.I.A. programs. The deal was designed on February 7, 1985, by the so-called Crisis Pre-Planning Group—a body that included officials from the national-security agencies up to the assistant-secretary level—and was later approved by Secretaries Shultz and Weinberger. On the recommendation of these officials, President Reagan sent President Suazo a letter asking that the Honduran government do all in its power to help “those who struggle for freedom and democracy.” The talking points drafted to accompany the letter made the deal perfectly ex-

plicit. And in the two months following the delivery of the letter the funds and the munitions arrived. The only question was who had delivered the talking points. Normally, the bearer of talking points is the American ambassador to the country concerned, but from one of the documents it is clear that North and another National Security Council staff member had argued that it would not be wise for Ambassador Negroponte to deliver them, because he was soon to come up before the Senate for confirmation to another post, and he might be asked if the United States had made any such arrangements with Honduras. (In this memo North showed a sensitivity to the Boland amendment that he never admitted to at the hearings. But he was not on trial for violating Boland.) North and his colleague recommended that a secret emissary be sent to Suazo. Apparently, their recommendation was turned down, and apparently Ambassador Negroponte was sent a less explicit set of talking points to deliver. Vice-President Bush was due to visit Honduras in the near future, however, and across one memo to the State Department concerning the Reagan letter Poindexter scrawled, “Add that we want the VP to also discuss this matter with Suazo.” According to the trial stipulation, Bush did meet with Suazo, and informed him that President Reagan was expediting the delivery of military, economic, and C.I.A. assistance to Honduras. In other words, he presented the quid, while Reagan’s letter clearly indicated the quo.

Why George Bush would deny that there had been a quid pro quo is mysterious in most respects. In the first place, the United States had always compensated Honduras for the use of its territory for the F.D.N. bases. Now that Congress had cut off Contra aid, the Hondurans faced the distinct possibility that the Contras might lose, leaving Honduras with a lot of hungry riflemen wandering about the country. The Hondurans thus required an assurance of continuing support from the Administration—or they would simply have made an accommodation with the Sandinistas. In the second place, the entire relationship between the two governments was made of such transactions. In Honduras, a country yet untouched by postmodern forms of accounting, the quid pro quo was the normal form of exchange, and the



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buyer had to pay up front. While individuals paid for tangible goods, such as residence visas, the United States government often paid for abstract items, such as economic and political reform. The reason the economic-support funds had not already been disbursed was that the Honduran government had failed to carry out economic reforms that Washington had asked for. Therefore, the United States had a quid left over and could expend it for a different quo. Actually, there was a total of a hundred and seventy-four million dollars in unexpended economic-support funds, so by releasing only thirty-five million dollars for Contra support the United States had something left over in case it needed to persuade the Honduran government of something else that year—and, predictably, it did. A month or so before the Honduran elections, the new American Ambassador, John Ferch, held up the remaining funds to insure that they were not misappropriated, and that Suazo (who by law could not succeed himself) would leave them to the winner of the election. By then, however, Honduran officials had once more held up the Reagan Administration on the Contra issue.

On April 24, 1985, following a negative vote on Contra aid in Washington, Honduran officials threatened once again to deny the Contras sanctuary in Honduras, and actually detained a shipment of munitions to a Contra base camp. The next day, Reagan called Suazo to assure him that he would continue to press Congress for Contra funds and to ask him to see that the shipment got through. Suazo agreed to insure that the shipment would go through. In early May, according to Ambassador Negroponte's cables, two companies of Sandinista troops attacked F.D.N. positions several kilometres inside Honduras; and a few days later Sandinista troops attacked a Honduran border unit, killing one soldier and wounding four others. A thousand Honduran villagers fled temporarily to safety. As a result of these attacks, the Honduran military decided to relocate the F.D.N. base camp.

When President Suazo visited Washington, on May 21st, McFarlane—from the evidence of the documents—objected to the relocation of the base camp to a "remote and untenable" site. The same day, Suazo met in the

Cabinet Room of the White House with President Reagan, Vice-President Bush, Weinberger, Shultz, Baker, and others. In his briefing paper for the President, McFarlane asked Reagan to reiterate "the importance we attach to his continued cooperation in enabling the F.D.N. to remain a viable element of pressure on the Sandinistas," and he added, "Without making the linkage too explicit, it would be useful to remind Suazo that in return for our help... we do expect cooperation.... In this regard you could underline the seriousness of our security commitment, which the Hondurans seem to regard as the main quid pro quo for cooperating with the F.D.N." If Reagan followed McFarlane's instructions, as he normally did, then he laid out the whole quid pro quo himself, in the presence of George Bush, Caspar Weinberger, George Shultz, and James Baker, the present Secretary of State. This, it might be assumed, was heavy enough pressure on Suazo to insure his cooperation. But it was not—or not for long. Again, a few months later the Honduran government banned all transshipments of aid to the Contras in retaliation for the embarrassment it suffered when Mario Calero, Adolfo's brother, brought a TV camera crew in with one of the shipments. The ban was not lifted until after Suazo left office, in January of 1986.

Honduras was not the only Central American country to be offered a quid pro quo for supporting the Contras after the passage of the Boland amendment. Indeed, the trial documents revealed that the Administration had to offer inducements to all of them. In exchange for help in getting weapons to the Contras, senior Guatemalan military officers gave North a shopping list of weapons they wanted from the United States. North and McFarlane

lobbied the national-security agencies to fulfill the order—though they gave the Cabinet Secretaries other reasons for sending the military aid. President José Napoleón Duarte of El Salvador was extremely leery of helping the Contras, lest Congress find out, but since the Administration kept increasing aid to his government he had to allow his Air Force chief to provide logistical support. In the fall of 1985, the Minister of Security of Costa Rica signed off on a deal, approved by President Luis Alberto Monge, permitting the construction of a Contra-resupply airstrip in exchange for C.I.A. assistance. The Minister of Security was also rewarded with a trip to the White House and a photograph taken of himself with President Reagan. A new President, Oscar Arias, was elected in the spring of 1986, and his government abrogated the deal and made public the existence of the airstrip. The N.S.C. called for the cancellation of a scheduled meeting of Arias with Reagan. North wrote Poindexter, "We should insist that Arias demonstrate his good will toward the resistance through practical steps *before* he is welcomed in the Oval Office." Such was the tenor of American diplomacy in Central America during the period 1984-86.

Even worse might have happened if the secret Contra-resupply operation had not been exposed, in October of 1986. That summer, according to the stipulation document, a representative of General Manuel Noriega, of Panama, proposed to North that if the United States would lift its ban on military sales to the Panamanian Defense Forces and help to "clean up Noriega's image" in the United States, Noriega would assassinate the Sandinista leadership. North explained that assassinations were against American law. But he responded more positively to the representative's next proposal, which was that Noriega would use his numerous assets in Nicaragua for a campaign of sabotage. North reported this conversation to Poindexter and added that Noriega had the assets he proffered. Poindexter responded that such assets would be helpful in terms of sabotage, and recommended that North speak directly with Noriega. In late September, North reported that he had met with Noriega in London and Noriega had promised to try to take immediate action against Sandinista targets, the pri-



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orities including an oil refinery, an airport, and a dock.

Whether Noriega would have fulfilled his end of the deal is not altogether certain. He undoubtedly had contacts in Nicaragua, for he had sold arms to the Sandinistas when they were fighting Anastasio Somoza and, later, to the Salvadoran guerrillas, sometimes using airstrips inside Costa Rica. Whether he in fact had the assets was less clear: the only asset North seems to have known about was a Panamanian civilian ordnance expert, who had been part of the team, led by David Walker, that in attempting to blow up the arsenal had managed to set fire to the military hospital as well. Also, by then Noriega was well known for promising a lot but delivering very little to the Contras. On the other hand, his "image" in the United States was clearly in jeopardy, thanks to the brutal murder of a leading political opponent in 1985 and to articles by Seymour Hersh, published in the *Times* in June of 1986, exposing his drug-trafficking activities. According to a former senior intelligence official from Panama, who appeared before a Senate subcommittee, North and Noriega met at least twice in 1985, and the Udall Research Corporation, the Secord cutout that saw to the construction of the resupply airstrip, used a law firm in Panama that handled some of Noriega's business. So perhaps Noriega was making a serious offer. In any case, Poindexter's acceptance of the offer was an indication of just how obsessed the Administration had become by Nicaragua.

In making these secret arrangements with military officers throughout Central America, Administration officials were doing much the same thing that Casey did when he looked for his tape recorder—pulling down everything they had carefully constructed in Central America for the sake of something that did not exist; namely, an effective guerrilla opposition to the Sandinistas. For this illusion, they were sacrificing diplomatic leverage in the region, and they were undermining the civilian leaders they had put so much effort into shoring up in order to give legitimacy to the cause of anti-Communism. Of course, in the larger scheme of things—that of American security and the fate of the world—these losses were petty and inconsequential. Yet it was in the larger scheme of things that the obsession with Nicaragua looked the

most bizarre. At a time of enormous changes in China, the Soviet Union, and Eastern Europe, the White House was principally engaged with "rolling back Communism" in a nation of three and a half million people by the agency of a half-imaginary guerrilla force. In pursuit of this obsession, officials throughout the national-security bureaucracy were willing to lie to Congress and otherwise violate the laws of the land.

The Democrats in Congress were not without responsibility for the law-breaking. In four successive years, beginning in 1982, Democrats in the House, joined by a few Republicans, pushed through laws restricting aid to the Contras which they lacked the political strength or the political will to force on the Administration. The quid pro quo with Honduras, for example, lay virtually in plain sight; the continued existence of the Contra camps pointed directly to it. And by the summer of 1985 the major newspapers of the country had stories about Oliver North and the support of the Contras by private donors. Yet, rather than launch a congressional investigation, the chairmen of the relevant committees questioned Administration officials and left things at that—thus making it extremely tempting for those officials to lie to them. And official after official did lie, each one making it more difficult for the next to tell the truth. By the time the affair was exposed, so many had lied that the process continued. To cover for themselves or their colleagues, officials now lied to the Tower Commission, to the Iran-Contra committees, to the grand juries, and to the public at large. And the desire to protect their superiors made liars out of many honorable men.

DURING the 1988 Presidential campaign, George Bush said on several occasions that he hadn't known anything about North's Contra-resupply operation until the Iran-Contra affair came to light. There is no proof positive that he had. But Donald Gregg, his national-security adviser at the time, was a close friend of Felix Rodriguez, a key figure in the resupply operation. Both Gregg and Rodriguez were former C.I.A. men, and in 1976, when Bush was director of the agency, he had met Rodriguez and come to know Gregg. A chronology prepared by Bush's office in 1986 showed that

Rodriguez was in frequent contact with Gregg and had on occasion spoken with the Vice-President in 1985 and 1986, during the time when Rodriguez assisted the resupply from the Ilopango airbase, in El Salvador. In his deposition to the Iran-Contra committees, Gregg testified that he had never told Bush about the North operation and that he himself did not know about the delivery of lethal aid until August of 1986. Bush's own denial rested, in part, on Gregg's testimony.

This spring, a week after the North trial verdict was handed down, Gregg came before the Senate Foreign Relations Committee for confirmation as Ambassador to South Korea. Senator Alan Cranston led off the hearing by charging that Gregg had "systematically misled" the Iran-Contra committees "in order to cover up the truth and to limit embarrassment" to Bush. Senator Cranston was annoyed. Earlier in the year, he said, certain colleagues of his had dissuaded Bush from putting up Gregg for a top C.I.A. post. But now Bush had nominated Gregg for another job that required the consent of the Senate. Grilling Gregg about his knowledge of the Contra affair was the last thing the Democrats on the committee wanted to do at this point, yet, tucked away in the twenty-seven volumes of Iran-Contra depositions, there was such a distinct trail of evidence indicating that Gregg had lied to the Iran-Contra committees that Cranston felt he had no choice in the matter.

Gregg's performance that day did nothing to relieve the senators of their dilemma. Asked about a Vice-Presidential briefing memorandum of April 30, 1986, stating that Rodriguez would brief Bush on "the status of the war in El Salvador and resupply of the Contras," Gregg maintained that there had been no such briefing about the Contras, and that he had no idea how the word "Contras" could have appeared in the memo—except that possibly it was a garbled reference to "copters." This possibility was in fact almost nonexistent, for the word appeared on two memorandums; also, the professional slang for helicopters is "choppers." At the end of the day, the senators postponed the hearing. Clearly, the Democrats were loath to pursue a line of inquiry that might lead directly to the Oval Office—though the Republicans accused them of want-

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ing to do just that. The nomination hung in limbo for a month while, according to the *Washington Post*, the Democrats tried to persuade Bush to withdraw it. They failed, and when Gregg came up before the committee again, in mid-June, Senator Claiborne Pell, the chairman, and two other Democrats backed down and voted with the Republicans for the nomination. Cranston and six other Democrats voted in the minority against it.

The committee vote was a sign of the collective amnesia that was settling over the Iran-Contra affair. Another sign was the fact that few remarked on the connection between the Gregg hearing and the North trial, though the two proceedings took place within blocks of each other on Constitution Avenue. Of course, the connection was far from direct, but it would have appeared in the narrative that the senators would have had to construct linking Gregg to the resupply. That narrative is a story in and of itself; and, because the Iran-Contra committees did not focus on Bush's role in the Contra affair, it must be laboriously pieced together out of cables, memos, and bits of testimony from a score of witnesses. To follow the trail showing Gregg's involvement in the resupply operation, it is necessary first to plunge off into the underbrush of the Contra affair and encounter all kinds of new characters, including Salvadoran officers and Cubans from Miami. But eventually the trail winds back to Richard Secord and Oliver North. Rodriguez was, it turns out, the only independent witness to the inner workings of the organization that North and Secord created in Central America to deliver arms to the Contras. After being recruited by North, in September, he gradually came to see, from his vantage point in El Salvador, that the organization was filled with renegades and profiteers. Astonishingly, he and Gregg were the only ones to confront North about the corruption of the Secord enterprise and to warn of the danger it posed to the Administration. Thus, to show how Gregg "systematically misled" the Iran-Contra committees is, oddly, to gain the only contemporary perspective on the Contra operation which was remotely clear-headed. It is also to see a side of North

that his jurors, among others, never saw.

Felix Rodriguez, a.k.a. Max Gomez, was, and is, a character fit for a spy novel. Born in Cuba, he attended school in the United States and emigrated permanently in 1958, two years before his high-school graduation. From there he went directly to a C.I.A. training camp for Cubans, in Central America. He infiltrated Cuba two months before the Bay of Pigs invasion, and when the invasion failed he managed to escape through the Venezuelan Embassy in Havana. For some years, he worked out of the C.I.A. station in Miami, reinfiltrating Cuba several times during the various C.I.A. attempts to bring down the Castro regime. He worked in Central America, and later in Venezuela. In 1967, he went to Bolivia on a C.I.A. mission to track down Che Guevara, and was, as it happened, the only foreigner with the Bolivian patrol that found and shot the Cuban leader. He and Guevara had a two-hour conversation before Guevara died. They were men made of the same cloth—only with different ideological dyes—and Rodriguez to this day has Guevara's watch.

In 1970, he went to Vietnam, to serve as an adviser to the Vietnamese Provincial Reconnaissance Units, whose mission was to track down and "neutralize" Vietcong cadres. He spent three years in Vietnam, and while he was there he developed a new method of finding and destroying small guerrilla units. The method was simple, but not one that many would imitate: he would fly a very light helicopter at treetop level until he sighted guerrillas or until his chopper was fired on, at which point he would call in nearby helicopter gunships. The C.I.A. chief of the region around Saigon, where Rodriguez operated, was Donald Gregg. The two became friends, and Rodriguez would as a rule go and talk to Gregg after missions—particularly if there were casualties involved. It was, Gregg has said, a kind of "combat catharsis." As Rodriguez found a confessor in Gregg, so Gregg must have felt for him what a deskman feels for the soldier he sends into combat. To North's deputy, Lieutenant Colonel Robert Earl, it seemed that they had "a very strong personal bond . . . almost a

blood-brother relationship." In any case, the two continued to see each other after they left Vietnam, and even after Rodriguez left the C.I.A., with a disability pension, in 1976.

In 1983, Rodriguez visited Central America. Possibly he was bored with civilian life; certainly he felt he had a stake in the new anti-Communist struggles in the region. One stop was El Salvador, where he thought his helicopter tactics might be of some use; another stop was Honduras, where he visited the Contras as a representative of a medical-aid mission from the Cuban American community. At one point, he told Adolfo Calero he was considering joining up with the Contras. On his return, he met with Gregg, and, according to the chronology that Bush's office later provided, the two discussed "the general situation in Central America." The following summer, Rodriguez took another trip to the region, this time clearly looking for a job. He went to see General Paul Gorman, the chief of the United States Southern Command, with headquarters in Panama. Gorman brushed him off, not wanting any "amateurs" in his area. Gorman did not know Rodriguez.

On December 21, 1984, Rodriguez met with Gregg and asked him to use his influence to get him a job. Gregg made calls recommending his friend to Tony Modley, the Assistant Secretary of State for Inter-American Affairs; Nestor Sanchez, the Deputy Assistant Secretary of Defense for Inter-American Affairs; and Thomas Pickering, the United States Ambassador to El Salvador. He did not, however, call anyone in the C.I.A. By then, Rodriguez had so many associations in the netherworld of Cuban exiles in Miami that his former employers would not touch him.

While Rodriguez was in the White House (actually, the Old Executive Office Building), he dropped in to see Colonel North with an introduction from a friend. North, Rodriguez later testified, was very positive about his going to Central America. What he told North is not clear from the testimony, but both Gregg and Rodriguez told the Iran-Contra committees that

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they had discussed the possibility that Rodriguez might go to El Salvador—and nothing else. Perhaps this was the case. But Robert Owen, North's courier to the Contras, testified at the trial that he had met Rodriguez in late January of 1985, and at that time Rodriguez was facing a choice: he had not decided whether to go to El Salvador or to go to work for the Contras.

At the end of January, Rodriguez met the chief of staff of the Salvadoran armed forces in Washington and received at least a casual invitation from him. He was ready to depart for San Salvador when Ambassador Pickering told him to go see General Gorman first. According to a draft cable written by Colonel James Steele, the head of the United States Military Group in El Salvador, Pickering cabled Gorman on a back channel that Rodriguez was very well connected in Washington. He and Steele were worried, however, about having a "loose cannon" and a "no pay mercenary" around. On February 8th, a week later, Gorman cabled back: "Subject has been put into play by Ollie North. . . . Ollie assures me that his intent was to focus Rodriguez on forces operating elsewhere in CentAm. . . . I stressed our concern . . . that we really had enough advice for the ESAF. . . . Ollie rogered and said that Rodriguez can be much more useful in other places, where aid and advice is much scarcer." On February 14th, Gorman sent another back-channel cable to Pickering and Steele, saying that he had met with Rodriguez and could assure them that "Rodriguez' primary commitment to the region is in [Honduras], where he wants to assist the F.D.N." Gorman added, "I told him the F.D.N. deserves his priority."

Gorman, who had no regard whatever for the military capabilities of the Contras, clearly hoped that Rodriguez could be fobbed off on the F.D.N. But when Rodriguez finally arrived in El Salvador he impressed Pickering and Steele and persuaded them of the value of his helicopter tactics to the counterinsurgency effort. He went to work on March 15th, and a month later he deeply impressed the chief of the Salva-

doran Air Force, General Juan Rafael Bustillo, by capturing one of the most important of the guerrilla *comandantes* on a helicopter sortie. Now he had a job, and Donald Gregg, at his request, wrote a proud letter to Steele about his friend's success.

Rodriguez worked hard in El Salvador, training pilots and flying more than a hundred missions himself in six months. His helicopter was hit at least fifteen times, and once crash-landed. The Salvadoran Air Force took all the credit for his success, for he wore a Salvadoran uniform and on occasion fooled American journalists into thinking he was a Salvadoran pilot. He was not paid by the United States or the Salvadoran government, but Air Force friends gave him a place to stay, and the American Embassy gave him a commissary pass, a radio, and, for a brief time, an armored car. The one luxury he seems to have allowed himself was dropping the names of his friends in high places. For six months, he was apparently doing nothing but flying in El Salvador. Yet Rodriguez cannot have been wholly cut off from the war in Nicaragua even then. There were Cuban exiles, including at least one buddy of his, fighting on both the northern and the southern fronts, and the Cuban-American community in Miami was contributing aid and assistance. There is evidence to suggest that Rodriguez was continuing to help out with the private Cuban efforts. He met with North on several occasions.

An entry in North's notebook for September 10th records a meeting with Donald Gregg and Colonel Steele and a discussion of a proposed visit by Adolfo Calero and Colonel Enrique Bermúdez, the F.D.N. commander, to Ilopango to set up a support base for logistics and maintenance at the airfield. Gregg has maintained that there never was such a meeting, but North's notebooks have proved to be a highly reliable source of information. In an entry for September 16th North wrote of a call from Steele, "What about Felix help for a/c maintenance?" Four days later, North wrote Rodriguez a letter asking him to obtain the consent of Salvadoran military officials for the establishment of a service space for two types of F.D.N. aircraft that would be used to supply the Contras on the

southern front. He warned Rodriguez that this was "a completely compartmented operation being handled by the Resistance," and that he should not tell the C.I.A.

At that point, of course, it was common knowledge that North had something to do with military assistance to the Contras. As the cables between Gorman and Pickering show, North's involvement with the Contras had been an open secret among senior United States officials in Central America for at least nine months. Now reports about North were turning up in the newspapers. Still, most American officials, including Edwin Corr, who in August had replaced Pickering as Ambassador to El Salvador, believed that North was involved with private American donors and mercenaries. They did not know where the funds were coming from, nor did they know that North controlled them, or that he was using Secord to buy weapons and conduct the resupply. Rodriguez himself did not know these things at the time.

On November 27th, Bush sent North an enthusiastic handwritten note wishing him a happy Thanksgiving and thanking him for his "dedication and tireless work with the hostage thing and with Central America." In fact, there were a lot of things North could have told Bush about the resupply effort without telling him anything that would have surprised United States officials in Central America.

Rodriguez easily obtained consent from General Bustillo to give the Contra-resupply planes space at Ilopango. North told him to wait for a call from a Mr. Green. When he received it, he knew the voice immediately: it was that of Rafael (Chi-Chi) Quintero, a former C.I.A. agent, whom he had known since the Bay of Pigs, and who he knew had been involved with Edwin Wilson. A day after the call, a Boeing 707 with Southern Air Transport markings arrived at Ilopango with a full cargo of ammunition; it was the first of five or six such planeloads. But the planes to transport the matériel into Nicaragua did not arrive for some months.

On December 20th, Rodriguez attended a Christmas party at Gregg's office and met other staff members,

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including Gregg's new military deputy, Colonel Sam Watson. In mid-January, Watson took a trip to Central America to acquaint himself with the region; he spent three days with Rodriguez in El Salvador and went on to Honduras to visit the F.D.N. base camps and an airstrip from which the Contras on the northern front were resupplied. In his deposition to the Iran-Contra committee lawyers, Watson said that he and Rodriguez had discussed El Salvador exclusively, and that he knew nothing about North's role in the Contra resupply.

By the end of April, 1986, Rodriguez had decided to leave El Salvador. According to his testimony, he told General Bustillo and Ambassador Corr that he was tired, had done enough flying, and wanted to go home. But the real reason was that he had begun to smell trouble in the Contra operation. At first, he had imagined that Quintero was working directly for North and for the Contras. But by February he had discovered that Richard Secord, whom he associated with Edwin Wilson, was directing the operation, and that Tom Clines was also involved. Clines had been his case officer in Miami during the early sixties, but when Clines went to work with Wilson, in 1979, selling arms to Libya, Rodriguez broke with him completely. Rodriguez might have countenanced "the Wilson people," as he called them, for the sake of the Contras, but by April he had reason to believe they were ripping off the F.D.N. Clines, according to his information, had sold Calero and Bermúdez three-dollar hand grenades for nine dollars apiece; and three of the four transport aircraft Secord had sent down—two Caribous and a C-123—were little more than rustbuckets. One of the Caribous had lost an engine on the flight from Miami, and the mechanic who was sent down to fix it drank anywhere from twenty-four to thirty-six beers a day and complained that he made better money working on drug planes.

On April 20th, North and Secord had flown to Ilopango to meet with Bermúdez and other F.D.N. officers. At the meeting, the Contra leaders had complained—justifiably, in Rodriguez's view—that the aircraft were too

old, too slow, and too small to fly resupply missions deep into Nicaragua. North had replied that he could do nothing about this, because the planes had been donated, and had added that if only he had the money he would buy them a C-130. North and Secord, of course, had plenty of money. Whether or not Rodriguez knew this at the time, it was this meeting that convinced him he should quit. Ten days later, he went to Washington to inform Gregg and others of his decision.

His first evening in Washington, Rodriguez met Sam Watson for a drink. The next morning, he had an appointment with the Vice-President and Donald Gregg. He went to the White House ahead of time and dropped by North's office to tell the Colonel that he was tired and would be leaving El Salvador. North did his best to persuade him to stay on—Rodriguez was his only link to Bustillo and the Ilopango airbase—but failed. Rodriguez went down to the Vice-President's office, where he was introduced, according to the May 1st briefing memo, as "a counterinsurgency expert" who was "visiting from El Salvador" and would provide "a briefing on the status of the war in El Salvador and resupply of the Contras."

Whatever the explanation for the phrase—and whatever it might have meant to Bush's staff at the time—"resupply of the Contras" was not discussed in any detail at the meeting, if, in fact, it was discussed at all, for Senator Nicholas Brady (now Secretary of the Treasury) was in Bush's office when Rodriguez went in, and a few minutes later an aide appeared and said that Ambassador Corr was in the outer office. When Corr, accompanied by North, was ushered in, Corr launched into a paean of praise for Rodriguez's work in El Salvador and said he hoped that Felix would stay on for as long as he was Ambassador. Clearly, North had brought Corr in to do just that—and possibly also to deny Rodriguez the opportunity to complain about the Secord operation to Bush and Gregg. He succeeded: Corr's accolade, delivered in the presence of the Vice-President, shamed Rodriguez out of declaring his intention to quit. In embarrassment—so he testified—he returned to his two jobs in El Salvador.

On June 25th, not quite two months

later, Rodriguez returned to Washington, at the request of North. About a month before, Colonel Robert Dutton, an old Air Force friend of Secord's and now a business associate, had flown to Ilopango to draw up an organization chart of the resupply operation in order to put a value on its assets. By then, the airlift to the southern front was under way, but, because of the condition of the planes, the crews, which were provided by Southern Air Transport, had managed to make only one successful drop, and that was with a leased plane. On a night flight, one of the planes, without working radar, hit the top of a mountain, lost an engine, and almost crashed. Rodriguez was furious. But so was North, for Secord had told him that there seemed to be a leak in the operation, and that Rodriguez—who had quarrelled with Dutton—was probably it.

Dutton was in North's office when Rodriguez arrived. At the meeting, North accused Rodriguez of violating operational security (or "opsec," as he liked to call it) by talking over open phone lines, and claimed that he could prove it. (Doubtless this had something to do with the fact that Rodriguez liked to boast about making phone calls to the Vice-President's office.) He then offered Rodriguez three thousand dollars a month for his continued services. The charge infuriated Rodriguez, and so did the offer of money; since North did not offer him further operational control, it seemed to be in the nature of a bribe. Rodriguez complained vehemently about the condition of the aircraft and protested that North was using Clines and others involved with Edwin Wilson; this, he said, could do more damage to the President than Watergate had done to Nixon. North assured him that Clines was a patriot.

Rodriguez then went down to the Vice-President's suite and talked to Sam Watson, Bush and Gregg being out of town that day. A few minutes later, North came into the office, stopping the conversation just as he had two months before.

Rodriguez returned to Ilopango, and two things happened. The first was that Rodriguez learned that North and Secord, looking ahead to October,

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when the C.I.A. would resume its role in support of the Contras, were planning either to sell the resupply aircraft or to lease the whole operation, pilots and all, to the C.I.A. The second was that Rodriguez took a trip to Miami and returned in a C-123 loaded with spare airplane parts, the mayor of West Miami, and fifteen hundred pounds of medical supplies that the mayor had donated to the Contras.

These two events brought the quarrel between Rodriguez and the Secord group to a head. Secord ordered the operation shut down and the planes returned to Miami. But Rodriguez and General Bustillo refused, threatening to impound the aircraft—unless Secord continued the resupply missions. Secord then threatened Rodriguez with a lawsuit for "air piracy." Opsec was now out the window.

Donald Gregg was not in Washington during this period, but Watson's notes reflect angry reactions from North and Earl. Gregg returned on August 5th, and the next day he called Rodriguez to say that North had approached him about a stolen aircraft and to ask if he knew anything about it. At this point, Rodriguez decided to go to Washington and tell Gregg the whole story. Rodriguez met with Gregg and Watson on August 8th, and Gregg took two and a half pages of notes on what his friend told him. The notes begin, "Using Ed Wilson group for supplies. Felix used by Ollie to get Contra plane repaired at [Ilopango]." In his testimony, Gregg said that the missing subject of the first sentence was "North." Clearly, the news to him was not that North was involved but that North was using the Wilson group. Farther along, the notes make reference to Secord, Clines, Quintero, Dutton, and Gadd (that is, Richard Gadd, Secord's airline contractor), and list Rodriguez's complaints. In the first paragraph, a notation reads, "A swap of weapons for \$ was arranged to get aid for Contras." When Gregg was asked what this note meant, he said, "I took that to mean that the proceeds which were coming from the public donations, et cetera, that I knew was going on had been effectuated and that the money was

being used to purchase in this case hand grenades." Curiously, the lawyers deposing Gregg did not seem to notice the inversion he had made, though clearly the notation suggested that the money behind the operation came from the sale of arms. During the hearings, Senator George Mitchell questioned Rodriguez about the notation and got the puzzling reply that, while everything else in Gregg's notes reflected what he had told Gregg, that one note did not.

According to Rodriguez, Gregg was surprised and angry when he heard that the Wilson group was involved. He called North's office and, because North was not there, got Earl on the phone. He told Earl that he wanted him to come down and listen to the outrageous report he had just heard. He used an expletive. Earl went down and heard Rodriguez out. According to Earl's testimony, Gregg was furious. He said that Clines was a sneak who would sell his own mother. Later in the day, Gregg made a special trip to Earl's office to say that the corruption was what really bothered him. He mentioned Clines and others.

Earl was asked during his deposition how he felt about the Wilson crowd's being involved, and he told the lawyers, "Dirty problems require dirty people."

Yet less than a year later Gregg could not remember the vividness of his own reaction. He could not remember having called North's office to protest. In his testimony, he spoke indulgently of North and his choice of associates: North "was doing far more than any one man should do," he said, and "He went out into the world and found people who were ready, willing, and able to help, and they were not the best people... he was not in the best position to exercise quality control." Clines, he acknowledged, "was certainly a man capable of corruption," and knowing that Clines was involved made him think at the time that "there is a chance that there is corruption here." The year before, he would have used an expletive at such an account.

Gregg said that he did not tell George Bush what Rodriguez had told him, because it was not on the "Vice Presidential level," but that he had called a meeting of "the appropriate

people" in his office to hear the story. On August 12th, there was a meeting in his office attended by Colonel Sam Watson, Colonel Robert Earl, Colonel James Steele, and Ambassador Edwin Corr. Also present were William Walker, the Deputy Assistant Secretary of State for Central America; Ray Burghardt, of the N.S.C. staff; Alan Fiers, the chief of the C.I.A.'s Central American Task Force; and Gregg himself. Seven of those present gave testimony before the Iran-Contra lawyers (only Burghardt was not deposed), and their accounts of the meeting have a marvellous, Rashomon-like quality—only it is Rashomon in a stateroom with the Marx Brothers. Each of the participants, after all, had a different level of knowledge about the Contra-resupply operation, and a different set of interests to protect. Earl, who knew almost everything about it, was horrified to see people at the meeting who, as he put it, "weren't in the compartment." Fiers, for his part, was horrified to find himself at the meeting, because his job, as he saw it, was to keep his head in the sand about North's operation—and he already knew too much for his own good and that of the agency. Of all the participants, only Edwin Corr was really happy to attend; indeed, he thought he had called the meeting. In El Salvador, Rodriguez had told him a part of the story, and since Corr had to come to Washington anyway he had asked for a meeting of the Restricted Inter-agency Group on Central America, so that he could tell his colleagues about the sloppiness and venality of "the private organization." To look at the participants, this was a RIG meeting. Corr thought that he would be telling the others something they didn't know. Actually, because of his comparative innocence, he, like Walker, did not understand what was going on between some of the other participants. In effect, there were two meetings in a single room.

Testifying about the meeting, Donald Gregg said that he read from his notes of the conversation with Rodriguez, toning down Felix's rhetoric and

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omitting mention of North, but commenting that Tom Clines was "not a reliable person." Sam Watson testified that Gregg read from his notes and mentioned the names Secord and Clines. Watson also said that Fiers was quiet at the meeting, and that the question left open at the end of it was whether the C.I.A. intended to buy the Secord aircraft or not. He never heard anything further about the matter, and thus did not follow his usual practice of writing a report of the meeting for the Vice-President, because his information remained incomplete. Gregg, however, said that he did not ask anyone at the meeting to investigate the matter under discussion or to follow up—that his purpose had simply been to inform "the appropriate people" of what Rodriguez had told him.

The five other accounts of the meeting differ from those of Gregg and Watson in certain significant respects. Walker and Steele had the impression that the meeting was Corr's idea, for Corr opened the discussion and did a good deal of the talking. Corr recalled that he had begun by praising Rodriguez and repeating what Rodriguez had told him, and then had urged the others to use their influence to see that the airdrops continued and that the aircraft were given to the Contras, not taken back by the private group. The notes that Earl took at the meeting substantiate this account. Earl also recalled that Gregg vehemently attested

to the integrity and the credibility of Rodriguez. (This was for Earl's benefit but also for that of Fiers, given Rodriguez's reputation with the C.I.A.) Steele and Fiers recalled that Gregg had expressed concern about the members of the resupply organization, but neither they nor Corr nor Walker could recall his mentioning the names of the people involved. None of them thought that the names Secord and Clines had ever come up, and Earl said he just didn't remember. Fiers, for his part, remembered everyone's being rather reticent at the meeting. Still, it became clear to him that Gregg was anxious to have the C.I.A. think well of Rodriguez and to refuse to buy the planes from the resupply organization.

Fiers said he assured Gregg that the agency would not touch them. North, he testified, had offered them to him a month before, and at that time he had concluded that they were "hot cargo." Earl recalls Fiers talking vaguely about "disreputable characters" within "the Cuban-American community." And, according to Steele, who was, to use Earl's phrase, "in the compartment," Fiers also assured Gregg that the agency would not buy the planes.

From these five accounts, it seems that Gregg's purpose at the meeting was a fairly simple one—to warn the C.I.A. off North's resupply organization and its assets. Unwittingly, Corr had allowed him to do it without exposing his own knowledge of the operation or endangering the Vice-President. When Fiers indicated that he had been warned, Gregg must have thought his mission was accomplished: the C.I.A. would, after all, be taking over the Contra resupply in a couple of months; the Secord organization would have to fold up; and the potential for scandal would disappear. Gregg's only alternative at this late date was to expose the N.S.C. operation and to bring what he thought would be a scandal of Watergate dimensions down on the Administration.

On October 5th, less than two weeks before the bill containing funds for the C.I.A. to resume the Contra operation became law, a resupply plane with Eugene Hasenfus aboard was shot down over Nicaragua. Sam Watson was the first person in Washington to know, because Rodriguez called him as soon as he heard that the plane had gone down. Watson, in turn, called the White House situation room. In testimony, Gregg and Watson maintained that even then they did not know that Rodriguez was actively involved with the resupply operation. Gregg said that his friend did not tell him until mid-December of 1986—two months after the scandal broke. As the Iran-Contra committees' lawyers reconstructed it, that was just about the time that the Federal Bureau of Investigation called Gregg asking for Rodriguez's phone number, and that both were interviewed by the F.B.I. Thus was George Bush insulated from the Contra affair.

Actually, of course, the shooting down of the resupply plane was a disaster waiting to happen. Felix Rodriguez

had predicted that something of the sort would occur. Yet he himself was partly to blame. Secord and his men had determined to shut down the operation after the "hijacking" incident, and remove the traces of it by returning the planes to Miami. But Rodriguez and Bustillo impounded the planes and insisted that the flights be continued. While they were negotiating with the pilots, Secord gave in and agreed to go on financing the operation. Thanks to Rodriguez, however, the flights now went out with a Contra soldier armed with an AK-47 on board, to insure that the crews did not turn the planes around and fly to Miami. Still nominally in control of the planes—though unable to retrieve them—Secord, with North's help, renewed his attempt to get the C.I.A. to buy or lease the planes by going over Fiers' head. To prove the worth of the operation, Secord stepped up the flight schedules, and in September the crews made eight successful drops to the southern front. Given the age and the condition of the planes, they were taking far too many risks. On October 5th, a Sandinista soldier on a patrol in the jungle took a shot at the C-123 rumbling low overhead.

At the Iran-Contra hearings, Colonel North declaimed an epic tale of patriots and heroes who by their tireless devotion to the cause of the freedom fighters kept the flame of liberty alive in Central America during the dark days of apostasy in Congress. That was North's first real success in the whole affair. His second was in court, where he repeated the performance in a minor key, turning himself from hero into scapegoat and martyr. His great talent shone on these occasions. North was a briefer, a fantasist, an inspirational speaker—not an action officer. "Here comes Walter Mitty," a colleague reportedly once said as he walked into the room.

Given the trouble that North managed to cause, the remark seems in retrospect too charitable. Yet North's ambition was blind enough so that there seemed to be comic imagination at work somewhere. Instructed to do something, he would inevitably get it all backward. Sent out by Reagan to rescue the hostages, he found ingenious ways to sell arms to Iran and to hand

over money to con men in Beirut, thus giving terrorists reason to take more hostages than they released. Sent out to support the Contras, he and Secord managed to stop the freedom fighters from getting most of the money that they raised for them. First, under Casey's direction, North hired Secord to buy arms for the Contras, for far higher prices than Calero had been paying. Then he put Secord and Hakim in charge of the diverted funds and the other money raised for the Contras. The members of the Secord enterprise pocketed almost as much as they spent on the Contra resupply. Of a total of ten million dollars North and Channell managed to raise from private American donors, only a million and a half went to the Contras. Apparently, North just did not notice that Channell and his associates were not passing along the bulk of it. When Secord finally bought four miserable aircraft to supply the Contras, North lied to the Contra commanders about the planes, and then did everything he could to

sell the hot property to the C.I.A. for Secord's benefit. Instead of using "dirty people" to do a "dirty job," North was used by them, and the job remained undone. The Contras barely survived under his tutelage—indeed, Calero had to borrow money to tide the F.D.N. over from the summer to the fall of 1986. Meanwhile, the dirt rose up and drifted around the Administration.

On July 5th of this year, Colonel North came up for sentencing. He faced a maximum penalty of ten years in prison and seven hundred and fifty thousand dollars in fines. Judge Gesell let him off with a three-year suspended sentence, two years on probation, a hundred and fifty thousand dollars in fines, and twelve hundred hours of community service. Possibly, the judge was not impressed by North's seriousness as a criminal. In pronouncing the sentence, he reiterated the jurors' view that North was not a leader but "a low-ranking subordinate," who presumably was not entirely responsible

for what he did. Gesell did suggest, however, that, given a prison term, North might turn himself into a national martyr, and this would not do him, or anyone else, any good.

Like the hearings, and like the trial itself, the sentence was another perfect anticlimax to the Iran-Contra affair. It also contained an irony to top off the rest. Judge Gesell said he had thought long and hard about the particular community service he was assigning. North would be working for a drug-education-and-rehabilitation program in the inner city of Washington, D.C. The job would involve no fund-raising and no public speaking; it would be a complex administrative task that the judge said would call upon North's considerable "organizational and administrative skills." The punishment, in other words, fitted the crime in a way that not even Judge Gesell understood. Of course, for the sake of the inner city it was to be hoped that North would not get his mission backward again. —FRANCES FITZGERALD

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Argentine generals to debate future of rebel leader Seineldin

By Gary Mead in Buenos Aires

GENERAL Isidro Caceres, Argentina's army chief of staff, today meets other officers to decide the future of Colonel Mohamed Ali Seineldin, the country's most senior rebellious officer.

The meeting in Buenos Aires between Gen Caceres and generals on the army's Promotions Board is the most difficult decision for the chief of staff since he was appointed to the post by President Carlos Menem in July.

Last week Lieutenant Colonel Aldo Rico, another well-known rebel officer, was once more cashiered and expelled from the army on a decision by Gen Caceres.

Lt Col Rico led two military rebellions (in 1987 and 1988) to press home demands for a general amnesty for officers involved in the "dirty war" of the late 1970s. He was first cashiered for that insubordination but his rank was restored in order that he could stand trial.

However, none of the army rebels was brought to trial before President Menem's decision, at the beginning of October, to grant a complete pardon to all those involved.

That decision meant the formal sacking from

the army of Lt Col Rico (who still has two chances of appealing against his expulsion), and potentially all other rebels.

The most awkward case concerns that of Col Seineldin, who last December brought out the self-described "national army" in its third and most serious rebellion against the Alfonsín Government.

Unlike Lt Col Rico, Col Seineldin has maintained a strict silence since then and has eschewed involvement with political issues.

Moreover, although his indiscipline was the most flagrant example of a senior military officer refusing to subordinate himself to civilian control, Col Seineldin is a personal friend of President Menem's wife, Zulema.

Sources close to both government and Col Seineldin suggest that the army, far from deciding to force his removal from the army, may in fact promote him to the rank of brigadier general before the end of the year.

It is believed that President Menem wishes to see that promotion, against the views of other senior army officers who regard Col Seineldin as having seriously breached army discipline.