Witness Against Spy Chief Admits Lying to Hill About Iran-Contra

Fiers Pleaded Guilty to 2 Misdemeanors of Withholding Data

By George Lardner Jr. and Walter Pincus

Former CIA official Alan D. Fiers grudgingly admitted under cross-examination yesterday that he lied repeatedly about the Iran-contra affair, then last year made a deal with special prosecutors to avoid facing felony charges.

Fiers, the chief prosecution witness at the trial of former clandestine services chief Clair E. George, said he realized his plea bargain would force him to turn on old colleagues but protecting his future was more important to him.

"So you can't afford to be branded a liar and a felon, can you?" George's chief defense lawyer, Richard A. Hibey, demanded on the first day of cross-examination in U.S. District Court here.

Fiers said the issue of his being a liar was "moot" because he had just been forced to admit it on the witness stand. As for being branded a felon, he said that was a label he could not afford and would not accept without a struggle.

Former chief of the CIA's Central American Task Force and now a lobbyist for W.R. Grace & Co., Fiers was allowed to plead guilty last July to two misdemeanor counts of withholding information from Congress after promising to cooperate with prosecutors in any future proceedings.

Now in his third day of testimony as George's chief accuser, Fiers, 53, responded stiffly at first to Hibey's suggestions that he agreed to incriminate colleagues and higher-ups to save his own skin.

"You understood that it would not be enough for you simply to say that I, Alan Fiers, lied. You had to give somebody up, didn't you?" Hibey pressed.

"It's a fairly crass way to put it," Fiers replied. "I knew I had to tell the truth. I knew in the process of telling the truth, I would be giving

people up ... friends and colleagues. It was not an easy decision. It came down the way it came down."

The defense lawyer also hit hard at Fiers's deep-seated reluctance to admit that he had "lied" about his knowledge of the Iran-contra affair in front of various groups of investigators, including House and Senate committees, the Tower commission appointed by President Ronald Reagan, the CIA inspector general's office, and, until 1991, the office of independent counsel Lawrence E. Walsh.

Before yesterday's session, Fiers had emphasized in public appearances and with reporters that he had pleaded guilty only to withholding information from Congress, not to lying, even though the withholding incidents cited in his plea agreement had involved telling lies.

On the witness stand yesterday, he at first tried to take that same tack, going only so far as to concede making statements that were "not true."

Hibey, facing the jury as he spoke, focused on one of the counts to which Fiers pleaded guilty, involving a Nov. 25, 1986, appearance before the Senate intelligence committee. Fiers was asked at the time whether he knew about the 1986 diversion to the contra rebels in Nicaragua of profits from the sale of U.S. arms to Iran. Fiers told the committee that "the first I knew of it" was that morning when it was publicly disclosed by the Reagan administration,

"Is that more than withholding testimony? Or is that a lie?" Hibey asked.

"It was not a true statement," Fiers replied.

"You have difficulty accepting the word, 'lie'?" Hibey pressed.

"Yes," Fiers acknowledged. "It's a very hard word to accept. That is not a true statement, and if you want to describe it as a lie, yes, I'll face reality. I'll accept that word."

Hibey pointed out yesterday that Fiers submitted a statement in court last July saying that he told George in the late summer of 1986 about the diversion of Iranian arms sales profits and that George responded, "Now you are one of a handful of people who know this."

The account suggested that George was aware of the diversion. But at a Senate hearing last September and again in court yesterday, Fiers said he understood George to be referring only to the covert arms sales to Iran and not to the diversion.

In a dramatic exchange, Hibey began by getting Fiers to recount how Ohio State University's legendary football coach, the late Woody Hayes, was "a guiding light" in Fiers's life. Once a player and briefly a coach under Hayes, Fiers described him as "my coach, my friend and my mentor," and a man who had "an abject hatred of defeat."

Hibey, attempting to expand on the image, reminded Fiers that his "guiding light" had once struck an opposing football player after intercepting a pass that cost Ohio State the game.

Chief prosecutor Craig E. Gillen jumped up to object before Hibey could finish his thought with a question, and U.S. District Judge Royce C. Lamberth ruled the subject out of order.

Hibey pressed on, asking Fiers if he considered it "a victory not to stand convicted of a felony."

"I don't consider anything connected with Iran-contra a victory," Fiers shot back. "I consider it a tragedy, personally and otherwise."

George is standing trial on nine counts of lying, perjury and obstruction of congressional and grand jury investigations. Yesterday's questioning was cut short by closed-door debate over declassification of a stack of documents turned over to the defense Wednesday night.