

Ex-CIA Covert Chief Indicted

10 Felony Counts Charge George With Blocking Iran-Contra Probes

9/7/91

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Clair E. George, former chief of the CIA's covert operations directorate, was indicted yesterday on 10 felony counts accusing him of lying and obstructing congressional as well as grand jury investigations of the Iran-contra scandal.

A federal grand jury returned the indictment after a closed session with prosecutors from Independent Counsel Lawrence E. Walsh's office that lasted almost six hours. The charges were leveled little more than a month before a five-year statute of limitations would have started to come into play, barring

prosecution of most of them. Each of the counts carries a maximum penalty of five years in prison and fines of \$250,000.

George, 60, is the highest-ranking CIA veteran to be indicted in Walsh's re-energized investigation into the involvement of agency officials in efforts to cover up the Iran-contra scandal.

In a statement issued by his lawyer, George, now a security consultant after 32 years at the CIA, vowed to contest the charges vigorously. Later, he appeared on the front lawn of his Bethesda house and called himself "a pawn in a continuous drama of political exploitation."

A major portion of the indictment rests on the testimony of Alan D.

Fiers, former chief of the CIA's Central American task force and a one-time top deputy of George. In July, Fiers surprised prosecutors when he agreed to plead guilty to two counts of illegally withholding information from Congress and pledged to cooperate fully in winding up Walsh's 4½-year investigation.

Prosecutors had hoped, in turn, to be able to get George's cooperation in moving against higher-ups who might have been involved in illegally covering up the Reagan administration's worst scandal. According to informed sources, George notified Walsh's office Thursday that he would not cooperate.

See GEORGE, A22, Col. 1

A22 SATURDAY, SEPTEMBER 7, 1991

THE WASH

Iran-Contra Grand Jury Indicts E

GEORGE, From A1

George's lawyer, Richard Hibey, said yesterday "this prosecution should never have been brought" and went on to describe George's past contributions to the nation's security. Hinting at the kind of defense he plans to make, Hibey said George has "risked his life" and "has not profited one iota" from his service with the CIA. Echoing a theme that has been raised before on behalf of other Iran-contra defendants, the lawyer asserted that George was a victim of "complex and tortuous policy differences between Congress and the Executive Branch."

Eight of the 10 charges against George stem from allegedly false

testimony he gave to three congressional committees that were investigating early elements of what turned out to be the Iran-contra scandal. The last two counts charge that George lied again in an appearance last April before the federal grand jury and thus attempted to obstruct justice.

As deputy director for operations, George was one of the agency's top four officials and had charge of the CIA's worldwide activities in covert action, intelligence collection and counterintelligence. A favorite of the late CIA director William J. Casey, he held the post from 1984 until December 1987 when he was allowed to resign following criticism of his Iran-contra

role by House and Senate investigating committees.

The first three counts against George involve a Senate Foreign Relations Committee hearing on Oct. 10, 1986, which inquired about the CIA's knowledge of the shoot-down five days earlier of an aircraft carrying military supplies for contra rebels operating in Nicaragua.

According to the indictment, George ordered Fiers the day before that hearing to make changes in a draft of George's opening statement in order to prevent disclosure of the role that then-White House aide Oliver L. North was playing in the contra resupply effort.

The grand jury also accused George of lying about his knowl-

Ex-Chief of CIA Covert Operations

edge of other Americans involved in the resupply effort, including retired Air Force Lt. Gen. Richard V. Secord, who played a role in both the resupply and the covert sale of U.S. arms to Iran.

Asked about U.S. citizens who were supporting the resupply flights for the contras, George told senators at the closed hearing that he was not aware of their identities. But according to yesterday's report, George told the House panel that he was aware of the names of the resupply pilots in the House report released from Dec. 29, 1986, and that he had provided information to the House panel.

The report also deals with George's appearance on Oct. 14,

1986, before the House intelligence committee which was also investigating the Oct. 5 shootdown. The indictment accused George again of obstructing a congressional inquiry and making two false statements about his knowledge of individuals involved in the resupply effort.

The third congressional hearing cited in the indictment was held Dec. 3, 1986, by the Senate intelligence committee. There, George was questioned specifically about Secord but said he could not tell the committee what role the general played in the resupply operation.

George's testimony said George had discussed Secord's involvement in the "Iran initiative" to both Casey and to the White House

national security adviser John M. Poindexter shortly after the Jan. 20 meeting with the general.

George is also charged with impeding the investigation by not disclosing that he knew of the diversion of Iranian arms sales profits to the contra cause before the diversion was publicly disclosed on Nov. 25, 1986. Piers in pleading guilty last July, said that he told George of the diversion in the late summer of 1986 after being told about it by North.

Another two counts against George involve his repeating to the grand jury some of the alleged false statements he had made at the Oct. 10, 1986, Senate hearing.

Staff writer Benjamin Weiser contributed to this report.