George Called Both Liar, Honorable as Trial Opens

Defense Targets Primary Accuser Fiers

By George Lardner Jr. and Walter Pincus Washington Post Staff Writers

A prosecutor assailed former CIA
Spymaster Clair E. George yesterday as a man who lied repeatedly to
spherical investigations of the Iranscentra scandal while his lawyer defended him as "a man of honor"
falsely accused by a dishonest subordinate.

In opening arguments at George's trial in U.S. District Court here, chief defense attorney Richard Hibey told the jury they would have to choose between believing either his client or Alan Fiers, another former CIA official who has become George's chief accuser.

"The choice is between this man of honor and responsibility on the one hand and a witness who on the "other is an admitted liar," Hibey

Ton. George's trial, which is expected 10 last five weeks, will put the spotnlight not just on the CIA, but also on independent counsel Lawrence E. Walsh's 5½-year, \$32 million investigation.

For Walsh, this is the first of a final series of trials aimed at getting to the bottom of the coverup that took place after Congress started looking into the scandal in the fall of 1986.

The initial inquiries were triggered by public disclosure of secret U.S. aid to the Nicaraguan contras at a time when military assistance had been barred by Congress. They escalated following discovery that the Reagan administration had undertaken covert arms-for-hostages dealings with Iran.

Disclosure that profits from the arms sales were diverted to support the contras led to Walsh's appointment as a special prosecutor.

As many as 50 witnesses may be called to testify, including CIA Director Robert M. Gates, former CIA director William H. Webster and former White House aide Oliver L. North, a central figure in the

scandal whose three-count conviction was overturned.

At yesterday's opening session, Hibey vowed to convince the jurors that Fiers, former chief of the CIA's Central American Task Force, is not only "a perjurer" but a devious bureaucrat who may have staged his diversion of funds from outside sources to pay for a secret project in Nicaragua that members of Congress opposed.

Details of this project were not spelled out in the courtroom. However, sources familiar with covert programs for Nicaragua rejected by Congress during the mid-1980s say it may have been one that involved the CIA attempting covertly to provide money to support the work of Archbishop Miguel Obando y Bravo, head of the Catholic Church in that country.

Fiers pleaded guilty last year to two misdemeanor counts of withholding information from Congress about the Iran-contra scandal and named George as the one who ordered him to do so.

But in his opening argument, Walsh's chief prosecutor, Craig Gillen, sought to emphasize that the government's case goes well beyond Fiers's testimony.

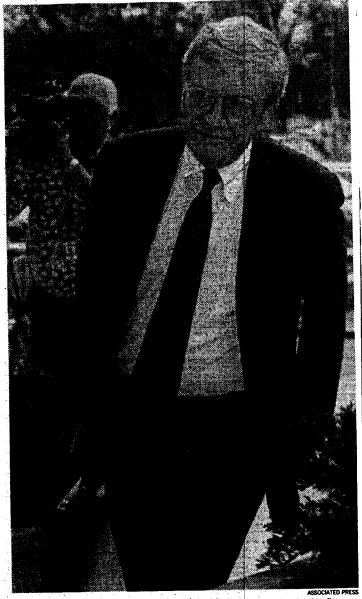
George has been charged with perjury and obstruction in connection with testimony before Congress and a federal grand jury investigating the Iran-contra scandal.

Gillen told jurors yesterday that one key document George allegedly lied about was retrieved last year from the safe of the CIA's deputy director of operations, the post George held from 1984 to 1987. FBI agents found George's finger-prints on the document, Gillen said.

The document was the subject of federal grand jury questioning of George in April 1991. It was a draft of an opening statement George made before the Senate Foreign Relations Committee on Oct. 10, 1986, five days after the crash in Nicaragua of a contra resupply plane that was part of a White House-directed weapons network.

Fiers, who testified at the same Senate hearing, has said he wanted to include in the statement information about an air base in El Salvador that was part of the network, but that George told him not to disclose this or certain other facts because it would "turn the spotlight" on the administration and reveal the leading role of North.

According to the indictment



George is trailed by a camerman as he arrives for trial in U.S. District Court.

against George, the information about the air base was crossed out of the draft with the notation "deleted by DDO." But when asked about it at last year's grand jury appearance, George said he did not recall editing it and did not know who did.

Hibey scoffed at the notion that George should have been expected to remember details about a 1986 draft statement when asked about it five years later.

Sen. John F. Kerry (D-Mass.), first witness for the prosecution, took the stand yesterday and accused George of lying to him at an Oct. 10, 1986, hearing about individuals involved in the contra network such as Felix Rodriguez, a former CIA operative with ties to then-Vice President Bush.

Had George and the CIA told the truth about Rodriguez and his connections to the White House, Kerry said, "You would have had a totally different attitude in the Congress" toward a controversial \$100 million aid package for the contras then awaiting final action in a Senate-House conference committee.

The conferees met on the bill containing the aid package on Oct. 10, 1986, the same day George testified. Congress passed the measure Oct. 17.

Hibey contended that Kerry and other critics of the Reagan administration knew about North's network, but Kerry said that "none of it was confirmed. All of this was allegations."