Plea Heard Round the CIA

In Court, Fiers Opened Door to Major Probe

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One day in 1984, Alan D. Fiers, a rising star in the covert branch of the CIA, met some colleagues over lunch in an agency dining room. Fiers told them he had a new post—head of the Central American task force—but was worried. It was a potentially explosive assignment.

"I remember the concern," said one of those present, David D. Whipple, a national intelligence officer for Director William J. Casey. "Boy, this was going to be a hot one."

Whipple said he and the others tried to reassure Fiers, telling him, "Hell, you'll be working directly for the leaders of the agency—for Casey and the rest of them. You can't very well go wrong."

But last July 9, Fiers stood before a federal judge here, his CIA career in shambles. He had just pleaded guilty to two charges of unlawfully withholding information from Congress about his knowledge of the Iran-contra scandal and had agreed to cooperate with independent counsel Lawrence E. Walsh's investigation.

Fiers's decision gave new life to Walsh's probe, which is aiming directly at the role of the CIA in the Iran-contra matter. Never before has the agency faced the possibility of so many career officers being investigated by a grand jury and prosecuted. Even after the 1974-75 Church and Pike hearings exposed some of the agency's darkest secrets and led to creation of formal congressional oversight committees, only former director Richard M. Helms was charged—for failing to testify fully and accurately before Congress—and fined $2,000.

One retired intelligence officer who worked closely with Fiers for several years on matters unrelated to Iran-contra said the guilty plea has had a major psychological impact on current and former CIA operations officers.

"Alan Fiers was one of the penultimate warriors of the modern era of the agency, and when he fell, all of the soldiers had to quiver. If Alan

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Fiers was not safe, then no one is safe, simply because everything becomes a function of judgment. He was part of the institution and he was following Casey's guidance. You take your moral compass from your leader, and if he's not on true north the whole system becomes skewed."

The plea bargain and Fiers's statements at the time surprised many current and former officers. If Fiers is telling the truth now, it means others in the CIA have been lying about the Iran-contra affair, about what they knew of the sale of U.S. arms to Iran to win the release of Western hostages in Lebanon and the diversion of profits from those sales to the Nicaraguan contra rebels.

Fiers now says that he was told of the secret diversion of Iran arms sales funds to the contra operation in late summer 1986 and informed two superiors in the CIA, one of whom was Clair E. George, then-head of the operations directorate, who oversaw the CIA's clandestine work. Fiers's statement contradicts what George told Congress: That he did not learn of the diversion until late November 1986, about the time it was publicly disclosed by Attorney General Edwin Meese III.

George and Duane R. "Dewey" Clarridge, who ran the Central American task force before Fiers, have been informed that they are targets of Walsh's probe. One source said as many as 50 CIA employees have been called before a grand jury, and Walsh is continuing his investigation to determine how far the alleged coverup may have extended in the agency.

Some former officers, such as Ray Cline, a former deputy director for intelligence and a 20-year CIA veteran, criticize Walsh for going after agency executives. "In the old tradition of CIA, we felt that the senior staff officers should be protected from exposure. This new Walsh business is really very different. It's not controlled by anybody, and all they're trying to do is nail intelligence officers."

As Fiers himself told Iran-contra investigators in 1987 about the dilemma he faced: "I could have been more forthcoming to the committee but I frankly was not going to be the first person to step up and do that. You may call that a cowardly decision, some may call it a brave decision; it is a controversial decision. But so long as others who knew the details, as much as I, who knew more than I, were keeping their silence on this, I was going to keep my silence."

In his time as director, Helms accepted criminal responsibility for the acts of hundreds of CIA employees below him and was widely viewed as a martyr for the agency. Today, Casey is dead, former president Ronald Reagan denies complicity, and Robert M. Gates, formerly Casey's deputy and now White House deputy national security adviser, says he was out of the loop. (Senate hearings on Gates's nomination to head the CIA have been delayed because of the new developments in the Walsh probe.)

SEN. DAVID L. BOREN
. . . "a hostility toward oversight"

Said Helms: "What bothers me is the prospect—I don't say that it's going to happen—that Walsh will get one of these fellows, indict him, and then have other fellows from the operations directorate, his friends and colleagues and so forth, come in and testify against him . . . . I think it would be most unfortunate for the morale of the people working in this type of activity."

The prospect of Fiers taking the witness stand and testifying against his colleagues is hard for many to accept. The 52-year-old ex-Marine and former Ohio State football star was never considered a renegade or a cowboy. He was driven, talented and ambitious, could get things done. He served at a relatively young age in an important post, Saudi Arabia, then was Casey's personal choice for the critical Latin American job. Some have trouble accepting Fiers's allegations about a coverup because that would seem to validate Walsh's probe, and a few are said to believe that Fiers has betrayed his colleagues. Others are not so sure. Said Cline: "My feeling is that he was being essentially blackmailed by Walsh. I can understand the tough position he was in. He was just trying to save himself."

Several retired officers have created a legal defense fund out of concern that their colleagues lack the resources to mount an adequate defense. More than $40,000 has been donated in the first two weeks, treasurer William F. Donnelly said, and is being used to help cover the costs for current and former agency employees who have come under investigation.

A CIA spokesman said yesterday that the agency will announce Tuesday that employees are permitted to donate voluntarily to the legal defense fund, an issue that had been under review by CIA lawyers.

"Agency officers calling each other liars in a court of law is unprecedented, and it's going to have serious repercussions," said one retired station chief. "For a young officer today who's 30, 35 years old, and aspires to run a division—Latin America, Europe—to watch the guys who did that go down or be destroyed financially for the rest of their lives is a very depressing prospect."

Officially, the CIA maintains that Walsh's probe has had no impact on the agency. "As always, morale at the CIA is high," spokesman Mark Mansfield said. "While there is some concern about the allegations reported in the press, agency employees are continuing to focus on the substantive issues that affect this nation's security. This is particularly true when we are challenged with dramatic world events like we're facing now—that's what really excites the place."

"They are not on the line for carrying out policy; they are on the line for having lied about it," said Thomas Polgar, former CIA station chief in Germany who retired in 1981 after 40 years in U.S. intelligence and later worked for the Senate Iran-contra committee staff. "This is a great tragedy because these are all excellent people, wonderful people, friends, colleagues, intelligence officers. . . . It is not an acceptable premise that CIA people are outside of our legal or constitutional framework."

Vincent M. Cannistraro, who retired last year as CIA's chief of counterterrorism operations, said: "While every one of them is loyal in their own mind to the U.S. government and the Constitution, they don't put loyalty to the law as their first area of concern. It is loyalty to each other, and to the others working, which is kind of an attractive quality in many respects, but there is a very significant danger of betraying your own principles.

"The day of Helms pleading to a misdemeanor and getting slapped on the wrist is over. It may have been held up as a noble thing, but I don't think that it's a model to emulate for the present-day CIA officer," Cannistraro said.

After the Church and Pike investigations into agency assassination plots against foreign leaders, drug research on unsuspecting subjects and illegal spying on U.S. citizens, the CIA did prepare for major prosecutions. As many as 100 lawyers were found to act as volunteer defense attorneys, said Mitchell Rogovin, who was special counsel to then-Director William E. Colby.

But they weren't needed. The inhibiting impact on covert operations, however, lasted until after Casey was appointed in 1981, some officials said. Adm. Bobby Ray Inman, deputy director in 1981-82, said the agency had come under "extraordinary public scrutiny. . . . It is a period when they drew back: Don't make a mistake, don't do anything that will cause criticism. And I think it's a reasonably fair criticism that they also missed a lot of things as a result."

Has Walsh's probe had a similar effect? "It does have an effect," said one high-level official who recalled agency people saying, "Gosh, I can't do anything without a lawyer."

Adm. Stansfield Turner, CIA director from 1977-81 said that if officers are inhibited from taking necessary, operational risks, "then, yes, there is the potential for damage here if they carry their caution too far."

An intelligence source familiar with the covert side over the past decade said: "Morale in CIA is always a very delicate commodity. In an environment where you can't even take a medal home if you get it, or have your name attached to the wall in the lobby if you get shot, people know if they hazard themselves or put themselves in an ambiguous situation, they'll be looked out for."

David L. Boren (D-Okla.), chairman of the Senate intelligence committee, said that when "totally new" information comes along, such as Fiers's allegations, "you can't sit back and say, 'Well, we're not even going to ask questions about it.' " He said he thought Congress's role "is sometimes misunderstood by the old-timers at the CIA. They still feel a hostility toward oversight."

One who understands that hostility toward oversight is Whipple, who sat with Fiers at that lunch seven years ago and is now executive director of the 3,300-member Association of Former Intelligence Officers.

"To my mind, to disclose as little as necessary to Congress, if they can get away with it, is not a bad thing because it helps Uncle Sam," Whipple said. "We understand what they were doing. We hope that we would have tried to do the same thing ourselves. We're not paid to go out and blab our secrets around or we won't have any secrets anymore. I have trouble myself blaming any of those guys."

Staff researcher Lucy Shackelford contributed to this report.