

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA)	
)	Criminal No.
v.)	
)	Violations:
ALAN D. FIERS, JR.,)	2 U.S.C. § 192.
)	
Defendant.)	

GOVERNMENT'S STATEMENT OF
THE FACTUAL BASIS FOR THE
GUILTY PLEA

COUNT ONE

From October 1984 through November 25, 1986, ALAN D. FIERS, JR., was the Chief of the Central Intelligence Agency's ("CIA") Central American Task Force, which managed CIA operations in Central America. MR. FIERS worked closely with Lt. Col. Oliver L. North on Central American issues and, in particular, on matters relating to the activity of the Nicaraguan resistance fighters, known as the Contras.

During the period from October 1984 until November 25, 1986, Lt. Col. North was detailed by the United States Marine Corps to the National Security Council ("NSC") staff, where, among other things, Lt. Col. North engaged in certain activities with respect to the Contras, counter-terrorism, and a United States initiative involving the sale of arms to elements in Iran.

Beginning with the overthrow of the Shah of Iran on or about January 16, 1979, and the seizure of the United States Embassy in Iran and its staff on November 4, 1979, relations between the United States Government and the Government of Iran were characterized by mutual hostility and tension. At all times relevant to this Information, the United States Government imposed an embargo on shipments of arms to Iran. In January 1984 the Secretary of State designated Iran a sponsor of international terrorism and, thereafter, the United States Government actively urged its allies not to permit the shipment of arms to Iran, in part because of its sponsorship of international terrorism and the continuation of the Iran-Iraq war.

Despite the embargo on arms shipments to Iran and the effort to urge United States allies not to permit Iranian arms shipments, a United States Government initiative involving sales of arms to elements in Iran and efforts to obtain the release of American citizens held hostage in Lebanon was undertaken in the latter part of 1985 and continued in 1986. Millions of dollars from the proceeds of arms sales to Iran were generated and secretly used for various purposes, including the purchase and delivery of military weapons and supplies for the Contras. The use of proceeds from these arms sales to assist the Contras became known as "the diversion."

During the early Spring of 1986, Lt. Col. North told ALAN D. FIERS, JR., that Israel was selling weapons to Iran and "kicking dollars into the Contras' pot."

Shortly after receiving this information from Lt. Col. North, ALAN D. FIERS, JR., told his superior, the Chief of the CIA's Latin American Division, of North's revelation. Shortly after this conversation, the Chief of the Latin American Division was routinely reassigned and the new Chief of the Latin American Division (hereinafter referred to as C/LAD #2) began his duties in the Spring of 1986.

By late Summer of 1986, Lt. Col. North told ALAN D. FIERS, JR., that the United States was selling arms to Iran and using proceeds from the sales to aid the Contras. MR. FIERS reported this information to his superior, C/LAD #2. C/LAD #2 instructed MR. FIERS to report this information immediately to Clair E. George, the CIA's Deputy Director for Operations.

Shortly thereafter, MR. FIERS informed Mr. George that Lt. Col. North had told him that the United States was selling arms to Iran and using proceeds from the sales to assist the Contras. Mr. George informed MR. FIERS that, "Now you [Fiers] are one of a handful of people who know this."

On November 25, 1986, President Reagan held a press conference and announced that on November 21, 1986, he had become concerned about whether his national security

apparatus had provided him with a complete factual record with respect to the implementation of his policy toward Iran. President Reagan stated that he had directed Attorney General Edwin Meese III to review the matter. President Reagan introduced Attorney General Meese and asked him to brief the media on his preliminary findings. Attorney General Meese described arms transactions to Iran involving the United States and stated that the preliminary inquiry revealed that proceeds from those arms transactions had been deposited in bank accounts under the control of the Contras.

Later that day, ALAN D. FIERS, JR., and Assistant Secretary of State for Inter-American Affairs Elliott Abrams appeared before the United States Senate Select Committee on Intelligence to give it a briefing on Nicaragua.

During the briefing, but prior to addressing specific questions on Nicaragua, Committee members asked about the revelation by Attorney General Meese regarding the diversion. Assistant Secretary of State Abrams and the defendant, ALAN D. FIERS, JR., were asked to comment on events of the day.

After Assistant Secretary of State Abrams explained his lack of knowledge of the diversion prior to the November 25, 1986 press conference, MR. FIERS expressed his purported lack of knowledge by stating:

[MR. FIERS]: No, I don't have anything to add to it except to add the footnote that the Agency was in the same boat, and the first I knew of it was on CNN today,

and that that is the first that I know that the Agency knew of it at that point in time.

. . .

[SENATOR EAGLETON]: Back to you, Mr. Abrams. Are you speaking for the sum totality of the State Department or are you speaking just of your own personal knowledge? As to who knew what and when they knew it.

[MR. ABRAMS]: Well, I am speaking for the State Department. That is, that I think that I can say with some degree of confidence that the Secretary and others who would be expected to know if I knew, or maybe even if I didn't know, were not aware that money was going into this. I think it is -- you know, I haven't asked everybody individually, but I am pretty certain in saying that there was nobody in the Department of State who knew about this Iranian business.

[SENATOR EAGLETON]: All right. How about, Mr. Fiers, you said the Agency -- could you give the same all encompassing answer with respect to the Agency?

[MR. FIERS]: Yeah. Everyone that I have talked to in the Agency, and that goes -- over time, I am fairly confident didn't know that this was going on. I certainly know that people below me and immediately above me didn't.

COUNT TWO

ALAN D. FIERS, JR., was aware generally from November 1984 through November 25, 1986, that Lt. Col. North was actively involved in coordinating lethal assistance for the Contras. During this period, the United States Government, and specifically the CIA, was prohibited by the Boland Amendment from providing lethal assistance to the Contras. MR. FIERS coordinated the Central American Task Force's activities with Lt. Col. North's to facilitate North's efforts to provide Contra assistance. MR. FIERS endeavored, however, to keep the Task Force's activities within his understanding of the scope of the Boland Amendment.

MR. FIERS became aware by February 1986 that Lt. Col. North was involved specifically in coordinating flights carrying lethal supplies to the Contras from Ilopango air base in El Salvador. He learned this from Lt. Col. North and from his interactions with two individuals involved in the resupply operation: Richard Gadd and Felix Rodriguez.

MR. FIERS met Mr. Gadd in February 1986 at Charley's, a restaurant in McLean, Virginia. The meeting had been arranged by Richard Secord, at the suggestion of Lt. Col. North. At this meeting, Mr. Gadd described the C-7 airplanes that would be used by the operation to deliver supplies to the Contras. Mr. Gadd also told MR. FIERS that, in addition to his operations as a contractor of the

Department of State's Nicaraguan Humanitarian Assistance Office ("NHAO"), he had also arranged for aerial deliveries of lethal supplies for the Contras to Central America.

MR. FIERS had a confrontation with Mr. Rodriguez at Ilopango air base in February 1986. MR. FIERS had become aware of Mr. Rodriguez' involvement in NHAO operations from Lt. Col. North and from intelligence reports. The confrontation occurred because Mr. Rodriguez had authorized a resupply flight that would have compromised United States Government objectives in the region. Mr. Rodriguez informed MR. FIERS that Lt. Col. North had authorized the flight. MR. FIERS spoke to Lt. Col. North by telephone in Mr. Rodriguez' presence and told Lt. Col. North that the flight would have to be cancelled. Later in the call, Lt. Col. North spoke to Mr. Rodriguez in MR. FIERS' presence and told Mr. Rodriguez to cancel the flight.

MR. FIERS became aware during March and April 1986 that the planes managed by Mr. Gadd were carrying lethal supplies to the Contras. Mr. Fiers also was aware that in April 1986 a Southern Air Transport L-100 airplane used for NHAO deliveries had been used to drop lethal supplies to Contra forces operating in southern Nicaragua. Lt. Col. North had informed MR. FIERS of the potential for such a delivery before the L-100 drop took place.

On August 12, 1986, MR. FIERS attended a meeting in the office of Donald P. Gregg, national security advisor to

Vice President Bush, in which Mr. Rodriguez' complaints about the lethal resupply operation were discussed. Several other United States Government officials attended the meeting, including Lt. Col. Robert L. Earl, a Marine officer detailed to the NSC staff under Lt. Col. North, and the United States Ambassador to El Salvador, Edwin G. Corr.

At this meeting, the resupply activity at Ilopango was discussed. Ambassador Corr said that Mr. Rodriguez had been instrumental in this activity because of his personal friendship with the commander of Ilopango air base. MR. FIERS stated that the CIA was not interested in using the resupply assets at Ilopango once the CIA was authorized to provide lethal assistance to the Contras. MR. FIERS told Lt. Col. Earl that Lt. Col. North should be informed promptly about this meeting.

On October 5, 1986, one of the resupply operation's planes was shot down over Nicaragua. The plane carried arms and ammunition. The only survivor of the crash was Eugene Hasenfus, an American citizen. MR. FIERS learned of the crash on October 6, 1986. After the downing, but before October 10, 1986, MR. FIERS had a secure telephone conversation with Lt. Col. North regarding the downed plane. MR. FIERS asked Lt. Col. North whether the downed aircraft was Lt. Col. North's. Lt. Col. North told MR. FIERS that the plane was part of his operation, and that the operation was being dismantled.

During a press conference in Managua, Nicaragua, on October 9, 1986, Mr. Hasenfus, then in Nicaraguan custody, stated that he had made ten trips to supply the Contras and had worked with Max Gomez and Ramon Medina, who he alleged were CIA employees. Mr. Hasenfus stated that Mr. Gomez and Mr. Medina oversaw housing for the crews, transportation, refueling and flight plans. That same day, the United States Senate Committee on Foreign Relations and the United States House of Representatives Permanent Select Committee on Intelligence requested briefings from CIA officials on the circumstances surrounding the downed plane.

On October 9, 1986, MR. FIERS and Mr. George met to discuss briefing the committees. MR. FIERS and Mr. George agreed that Mr. George would read an opening statement prepared by the Central American Task Force, and that MR. FIERS would answer more specific questions, if necessary. MR. FIERS told Mr. George that the CIA would have to acknowledge that Felix Rodriguez was the "Max Gomez" named by Mr. Hasenfus because MR. FIERS knew that to be a fact. MR. FIERS also told Mr. George that they should describe how the NHAO operation at Ilopango metamorphosed into the lethal resupply operation.

Mr. George informed MR. FIERS that neither topic would be discussed. Mr. George stated that the CIA was still gathering information about Mr. Rodriguez and that, therefore, the Agency did not know conclusively who

Mr. Rodriguez was. Mr. George also stated that he wanted to avoid giving the level of detail suggested by MR. FIERS about the genesis of the lethal resupply program. Mr. George told MR. FIERS that the information should not be disclosed because it would "put the spotlight" on the Administration and thus reveal Lt. Col. North's involvement in the operation. MR. FIERS acquiesced to Mr. George's plan and had a draft of Mr. George's opening statement revised to delete the information identified by Mr. George as troublesome.

On October 14, 1986, Mr. George and MR. FIERS, accompanied by Assistant Secretary of State Abrams, testified before the House Permanent Select Committee on Intelligence, during which the following exchange occurred on the matter of the downed plane:

[MR. CHAIRMAN]: You don't know whose airplane that was?

[MR. GEORGE]: I have no idea. I read -- except what I read in the paper.

[MR. CHAIRMAN]: I understand, but you don't know?

[MR. FIERS]: No, we do not know.

[MR. CHAIRMAN]: There are a number of planes that take off there to supply the Contras regularly. You don't know who they are?

[MR. FIERS]: We know what the planes are by type, we knew, for example, there were two C-123s and two C-7 cargoes. . . . We knew in some cases much less frequently that they were flying down the Pacific air corridors into southern Nicaragua for the purposes of resupply,


but as to who was flying the flights and
who was behind them we do not know.

[MR. CHAIRMAN]: And you still don't?

[MR. FIERS]: No.

Respectfully submitted,

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