

## CHAPTER FIFTEEN

# Sandinistas and Contras

*1984–1986*



IN MAY 1984, I attended the Jedburgh's fortieth reunion in Paris. Like all gatherings of old soldiers who had been thrown into battle together as young men, it was a mixture of frivolity and introspection. No one wanted to believe he was forty years older, or that his most vital decades had slipped away in an endless blur of days and nights, sunshine and snow, and all the forgotten punctuations of a lifetime.

Meeting men like George Thompson and Phil Chadburn in the bustling lobby of the Etape St. Honore was a pleasure tinged with sadness. It was strange to see the lively eyes of a cocky young paratroop lieutenant set in the craggy face of a man in his sixties. But there weren't only men at the reunion. Several British First Aid Nursing Yeomanry (FANY), veterans who had packed our parachutes and taught us code attended. In fact, Daphne Mundinger Friele, widow of American Jed Bob Mundinger, had helped organize the festivities. We all looked for the men who were not there. The list of "Deceased U.S. Jedburghs" on the reunion bulletin board was longer than we had expected. Tony Denneau, my Jed radio operator, did not make it. He had died several years before. Stew Alsop was gone, as were Bill Dreux and Larry Swank. Cy Manierre was among the dead; Bill Colby told me that Cy had never really recovered from the brutal treatment at the hands of his Gestapo interrogators.

Like me, several American Jeds, including Mac Austin and Bill Pietsch, had stayed in the Army after the war and had fought in Korea and Indochina. The British contingent at the reunion was smaller than either the American or French. My close friend Adrian Wise had gone on to a fine career in the



British army and had retired as a brigadier. But he had died suddenly in 1962. The Brits who did attend, however, were in good form. Tommy MacPherson, one of the legends of unconventional warfare, who had escaped from a Nazi POW camp to lead one of the first Jed teams into France, was just as self-effacing as always. The miniature Military Cross on the lapel of his tweed jacket was so tiny it could have been mistaken for a flaw in the weave.

The third day of the reunion we all piled on tour buses and drove out to the handsome Resistance Memorial on Mont Valerien. It was one of those ripe spring mornings in the Ile de France, with chestnuts in flower and the sky a deep, aching blue. Under the direction of a photographer from *Le Figaro*, we donned our green Commando berets and assembled on the broad flagstone pavement before the memorial wall. The photographer climbed a tall ladder, then coaxed and chided until we had lined up in the pattern of an open parachute, with columns of Jeds forming the suspension lines converging at the base of the ladder and two curved lines of Jeds forming the canopy.

While the pictures were snapped, I gazed up at the white pencil lines of jet contrails high above. I remembered the French sky that summer of 1944. But the airliners approaching Orly and Charles de Gaulle airports carried tourists and business executives, not bombs. Those contrails were not from Eighth Air Force B-17s en route to the Saar or Berlin. That war was long over. We had fought against the totalitarian dictators, and we had won. Young men like Adrian, Tony, Stew, and all the others had volunteered to risk capture, torture, and death to help defeat fascism, one of the great evils of this century. Others of us standing on this pavement with our jaunty green berets had continued the fight against the twentieth century's other great evil, totalitarian communism.

Ours had only been the first of several generations asked to face hazardous duty in the long battle against the dictators. I remembered the rows of fresh graves, each marked by a simple wooden stake in a shell-blasted Brittany pasture. I saw again the columns of young Chinese soldiers trudging across a frozen river in Manchuria. Then I saw the faces of my men, tense but determined in the yellow flarelight, as we ran up the slope toward the inferno of Outpost Harry. I could picture young ARVN Rangers, slinging their packs into a chopper as the red dust of the Highlands swirled around some long-forgotten LZ, leaving on yet another operation on the Trail. I remembered General Stilwell's face at Kimpo Airport, a mask of controlled outrage, as we saluted the departing coffins of the two American officers murdered in the DMZ. And I could see again the stoic peasant face of that Salvadoran soldier, bleeding on the lurching deck of the Huey.

The picture session ended, and we adjourned for a festive luncheon,



hosted by Jacques Chirac, the mayor of Paris, at the Hôtel de Ville. That night, the celebration continued late. Bill Casey was there, as was Bill Colby. And the reunion was probably the first time a serving and former director of Central Intelligence got a snootful of champagne and cognac and joined their raucous colleagues in a posh hotel bar to chant, "*Quarante-huit, quarante-neuf . . . quelle merde!*"

Amid the hustle of meetings, luncheons, and formal dinners at the British and American embassies, I did manage some time with Jacques de Pengilly, Jacques Martin, and Michel de Bourbon. They had all finished the war with more dangerous covert assignments while I was training guerrillas in southern China. Now Jacques Martin was the number-two man in the Direction Politique of the French Foreign Ministry.

We had a quiet breakfast one morning discussing the current strategic balance in the world. Like many educated Europeans, Jacques had originally been wary of Ronald Reagan. But Jacques now admitted that the first Reagan administration had restored the global strategic balance by blunting the most flagrant and dangerous Soviet military expansion since World War II. This being an election year, Jacques and his French colleagues wanted my opinion on Reagan's chances for reelection.

"The Democrats will probably pick Carter's vice-president, Fritz Mondale," I said. "And he's got about as much chance as a snowball in hell."

Jacques Martin tilted his face in a classic expression of Gallic skepticism. "*Eh bien, Jack,*" he said, "but what about this business in Nicaragua?"

I had to admit Jacques had a point. Congressional Democrats, under the leadership of House Speaker Tip O'Neill and his close friend Massachusetts congressman Edward Boland, were determined to transform covert American support for anti-Communist Nicaraguan "Contra" resistance groups into a major election-year issue. Press accounts that spring had exposed CIA involvement in the mining of two Nicaraguan Pacific coast ports used for transshipping weapons and supplies to FMLN guerrillas in neighboring El Salvador. The White House was forced to admit the Agency's role in the operation. The news media stressed the "illegality" of the mining, but downplayed the role of Nicaragua in the arms flow to the Salvadoran Communists. Democrats were publicly outraged that the House and Senate intelligence committees had not been properly informed on the operation. But these politicians refused to admit that their staffers had repeatedly leaked details of sensitive covert operations in the past.<sup>1</sup>

At Boland's behest, the House had already greatly restricted American covert aid to the Contras. His 1982 amendment attached to the Defense appropriations bill barred the CIA and the Pentagon from providing any aid that might be used for "the purpose of overthrowing" the Sandinista government. The next year, Boland managed to limit American military aid



to the Contras to \$24 million. And by the summer of 1984, he and O'Neill were determined to stop all aid to the Nicaraguan Democratic Resistance, thus giving the Reagan administration its first major foreign policy defeat at the height of the presidential election campaign. Boland evolved a legislative strategy that skirted direct debate on the issue. His "amendments" were exactly that, last-minute tag-on additions to important legislation that usually had nothing to do with Central America. Unless the House was prepared to vote down vital appropriations bills, the members had to pass Boland's amendments.<sup>2</sup>

So the entire CIA covert operation funding the Contras was threatened with defeat, not in the jungle mountains of Central America, but in the back rooms of Capitol Hill. The last night of the Jed reunion, I managed to get Bill Casey alone for a few moments at the British embassy reception.

"What the hell's going to happen, Bill?" I asked. I'd heard there was a shortfall of over \$20 million that summer alone and the prospects for continued aid in fiscal year 1985, which began on October 1, 1984, were exceedingly dim.

Bill Casey was normally one of the world's great optimists, who always managed to see beyond the immediate emergency to the long-term prospects of any operation. But that night in Paris, among the liveried footmen and crystal chandeliers of the embassy, he was subdued. He gazed down at his wine glass. "It's bad, Jack," he said, "and it's just going to get worse."

Neither of us, of course, realized he was voicing prophecy, not simply the understandable pessimism of a tired bureaucrat under siege.

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BY LATE summer, I was also pessimistic about American aid to the Nicaraguan resistance. The CIA program had been a successful example of the Third Option. But now its future was in doubt. It was clear the Democratic majority in Congress was determined to completely eliminate American support for the Nicaraguan resistance. And, once again, this funding cut would be a unilateral American action that required no concession from the Sandinistas or their Soviet sponsors. Indeed, Soviet and Cuban military aid to Nicaragua had reached alarming proportions. Regular Cuban troops were now deployed in Nicaragua. Hundreds of Cuban advisers were training the Sandinistas in the use of 150 Soviet T-55 battle tanks, 200 armored personnel carriers, and multi-barrel mobile rocket launchers. More ominously, the Soviets had begun shipping their Mi-24 Hind attack helicopters, the so-called flying tank that carried a devastating array of rockets and automatic cannons. Any second lieutenant at Fort Benning could tell you these weapons were hardly "defensive," as the Sandinistas had claimed two years before when the buildup began.<sup>3</sup>



Knowledgeable conservatives I dealt with were convinced any cutoff of official American aid to the Contras would be an election-year aberration that the Congress would surely reverse during the next session.

I had already renewed my efforts to secure medical aid for the Salvadoran army. The program that Bob Brown and I had helped organize to send volunteer American veterans to train Salvadoran counterparts was running well. But I drew the line at encouraging free-lance soldiers to Central America. Some private groups were sending well-intentioned volunteers of sometimes questionable skills to fight alongside the Contras. Tom Posey of the Alabama-based Civilian Military Assistance was one of the most active. In fact, two of his men were killed that summer when their helicopter was shot down inside Nicaragua. As brave as these volunteers were, their presence gave the Sandinistas grist for their propaganda mill. After the shootdown, Managua stepped up its shrill campaign against American "mercenaries."<sup>4</sup>

In August, I attended the Dallas meeting of a conservative group that gathered regularly to discuss important national security issues. One of the government officials addressing the meeting was Ollie North. He'd been the National Security Council (NSC) officer who had organized my Third Option lectures several years before as a young Marine major on the NSC staff. Ollie was now a lieutenant colonel and one of the NSC's key officials, with geographic responsibility for Central America and functional responsibility for counterterrorism.

I'd had several dealings with Ollie in connection with organizing private humanitarian aid for the Salvadoran army. Over the previous months, it had become clear that North was now the administration's semi-public point man on aid to the Contras. I had no idea what his relationship was to the CIA on this issue, but he was becoming increasingly active as CIA funding for the Contra operation dried up. North had always impressed me as an intense, bright young officer willing to make hard decisions and work long hours to implement them.

Yet there was something about Ollie North's new responsibilities that bothered me. For one thing, he was only a Marine lieutenant colonel on loan to the NSC. And, as admirable as his gung-ho volunteer attitude was, he might be exposing himself out on a weak policy limb, which might suddenly break. North's superiors, National Security Adviser Robert "Bud" McFarlane and his deputy Rear-Admiral John Poindexter, were obviously aware of North's efforts. But by using a relatively junior officer as their point man, they were insulating themselves from any political flak his activities might draw from Congress. I was uneasy that North was playing in the big leagues lacking a minor league apprenticeship.

In Dallas, North brought me together with Adolfo Calero, one of the leaders of the Nicaraguan Resistance Directorate, whom I had met six months earlier in Scottsdale, Arizona, and with Rob Owen, a young Amer-



ican public relations specialist and dedicated Contra supporter who would serve as a private liaison channel between the Contras and American government officials.

We met at my hotel to discuss the problem of continued unofficial American support for the Contras should the Democrats actually manage to cut off all funding that fall. Calero was aware of my work raising private funds and in-kind contributions of medical supplies, boots, and uniforms for the Afghan Mujaheddin and the Lao resistance. He also knew of my success in organizing medical volunteers to work in El Salvador.

If the Contras were to survive as a fighting force through the pending funding cut, Calero said, they would need such medical volunteers as well as in-kind contributions of medicine, uniforms, and other clothing.

The current tragedy, he said, was that the Contra ranks were swelling just as American aid was about to be cut. "We are getting fifty or a hundred new volunteers into our base camps every day," Calero said. "They come in from the Nueva Segovia and Zeleña regions, and as far south as Managua itself."

He spoke earnestly, with deep conviction. Almost all these new Contra volunteers were *campesinos* who had been forced by repressive Sandinista policies to take sides in the conflict. Most of them had left their homes with few possessions and had trekked over the mountainous jungle for days or weeks. When they arrived in the Contra base camps in southern Honduras, their shoes and clothing were often shredded and they were riddled with dysentery and malaria. Yet they were perfectly willing to turn around and head back into the hills of Nicaragua to fight the Sandinistas.

"The clothes," Adolfo added, "do not have to be new. Old blue jeans and tennis shoes are better than what they have."

As long as we were being frank, I asked Adolfo and Ollie North how well the Contras were supplied with munitions.

"Someone else," Ollie said, "is handling that end."

Adolfo Calero nodded.

"At least for the moment," Ollie continued. "Their weapon supply line is intact. But they'll be short of ammunition within a few months."

This was an area I preferred avoiding, especially if the Agency had been wise enough to establish an efficient munitions supply for the Contras and to stockpile weapons and ammunition while the program was still officially funded.

I promised Calero I would do my best to provide the Contras private contributions of clothing and medical supplies. I also offered to help recruit volunteer doctors and corpsmen to come to their Honduran base camps and help train their own medics.

But the most pressing problem as I saw it was on Capitol Hill, not in the



Contra base camps. "We have to make a much better presentation to Congress," I told them. "And for that we need grass-roots support. Once people in this country know what's at stake in Central America, they'll put pressure on Congress to resume aid."

Ollie North nodded enthusiastically, but Adolfo Calero remained silent, his lips pursed, obviously uncertain of the support he might expect from his American ally.

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THAT fall, Calero's doubts certainly seemed justified. Led by Edward Boland, congressional Democrats managed to attach the divisive issue of renewed Contra aid to an omnibus federal spending bill. Bitter infighting over the issue in the House had delayed important appropriations bills past the beginning of fiscal year 1985 on October 1. And liberal Democrats threatened to continue their foot dragging as long as Republicans and conservative Democrats held out for any Contra funding. As in all presidential election years, the entire House of Representatives was also up for reelection. Members—especially moderate and conservative Republicans who had come into office with the Reagan administration—were anxious to return to the campaign trail.

Late on October 12, 1984, the overdue spending bill was finally passed with the latest Boland Amendment tagged on almost as an afterthought. The amendment prohibited the CIA, the Defense Department, "or any other agency or entity of the U.S. government involved in intelligence activity" from spending any funds to support, "directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group or organization, movement or individual."<sup>5</sup>

Two days later, congressional foes of Contra aid consolidated their victory by using one of the dirtiest weapons in the Washington political arsenal: the selective leak of sensitive information. Unnamed congressional staffers gave the Associated Press a copy of a Spanish-language guerrilla warfare training manual the CIA was preparing for the Contras. The booklet was a hastily assembled hodgepodge of unconventional-warfare techniques, including psychological operations. One section encouraged guerrillas to "neutralize" Sandinista leaders through the "selective use of violence." There was an immediate firestorm of scandal in the news media and Congress. Assassination programs, either direct or indirect, led by the CIA were officially forbidden. And the instant interpretation of the manual was that it contained CIA-inspired assassination methods. A front-page story in the *New York Times* led with the headline "CIA Primer Tells Nicaraguan Rebels How to Kill."<sup>6</sup>



The net result of this leak was a barrage of self-righteous protest that served to pin down any congressional candidates attempting to criticize the liberal Democrats for abandoning the Contras. As in all such scandals, the facts of the issue were soon obscure. But Bill Casey's internal investigation revealed that none of the Agency's senior officials had reviewed or approved the manual, that it had been hastily drafted in the field—a cut-and-paste job from guerrilla warfare manuals dating back to World War II—and that fewer than a dozen copies were ever distributed. The fact that most of them were never even read because the information was a gibberish of often contradictory instruction delivered in a clumsy Spanish 101 translation, however, never made it to the front pages. The "Assassination Manual" controversy served as the Democrats' principal weapon for the remainder of the election campaign. Democrats accused the CIA of sponsoring terrorism and called for a special prosecutor to investigate the matter. Reagan was forced into an awkward defensive position over the training manual during a televised debate with Walter Mondale. The well-timed congressional leak was paying dividends.<sup>7</sup>

But the political play hardly affected the outcome of the presidential election. The Mondale-Ferraro ticket carried Minnesota and the District of Columbia. Reagan and Bush carried the rest of the country. But the Democrats knew the emotional issue of aid to the Contras could be an effective weapon in congressional races. And powerful House Democrats like Tip O'Neill, Boland, and Jim Wright were confident the issue could eventually do real damage to the Republican White House.

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As I campaigned for private support of the Nicaraguan resistance that fall, I began to grasp the dimensions of the Sandinistas' international propaganda program. It was now widely accepted in Western Europe and the United States that the Sandinista government was a coalition of moderate-left reformers struggling to eliminate the legacy of ignorance and poverty left by the Somoza dictatorship. The Contras were seen as right-wing "Somocistas," malcontents composed mainly of brutal ex-National Guardsmen, absentee landlords, and Christian fundamentalists, led by CIA-officer veterans of covert operations in Indochina. The Reagan administration was accused of distorting Soviet, Cuban, and East Bloc military involvement in Nicaragua, as well as Sandinista aid to the FMLN guerrillas in El Salvador. To a greater or lesser degree, this simplistic picture of the situation in Central America was espoused by leading American liberals, including veteran "peace" activists such as Noam Chomsky and William Sloane Coffin.<sup>8</sup>

It did not take much effort, however, to discover the real situation. The Nicaraguan government in 1984 was controlled by a nine-member Direc-



torate of dedicated Sandinista National Liberation Front (FSLN) Marxist-Leninist zealots. They were supported by a ten-member FSLN security and defense committee, also composed of Communists. The fact that these key Sandinista leaders were internationalist Communists rather than home-grown socialist reformers was obvious to anyone not blinded by Sandinista propaganda. Two of the inner circle were not even Nicaraguan. Directorate member Victor Manuel Tirado was a Mexican Communist trained in Cuba. His defense and security committee colleague "Renan Montero" was actually a Cuban named Andres Barahona, a member of the Central Committee of the Cuban Communist Party and *former* Cuban intelligence case officer in charge of Castro's aid to the Sandinistas. He was the key adviser to powerful Sandinista interior minister Tomas Borge, a former Nicaraguan law student who had joined the Moscow-line Communist Party in the 1950s.<sup>9</sup>

The Sandinistas successfully disguised their Communist leadership for several years. But once the harbor-mining political scandal broke in 1984, and they were confident American support for the Contras was in jeopardy, they were able to indulge themselves in discussions of the country's promising Communist future. Bayardo Arce, the Directorate's political coordinator, made a secret speech to the Nicaraguan Communist Party. He acknowledged that the Sandinistas had never truly intended to build a pluralistic society with a mixed economy and a nonaligned foreign policy. Promises to that effect, he said, had been politically expedient. The true goals of the FSLN, he concluded, were building a "dictatorship of the proletariat" within a Nicaragua aligned with Cuba and Moscow.<sup>10</sup>

The small cadre of nine Communist Sandinista leaders shared power with an FSLN assembly, composed of their handpicked representatives. This group of 103 Sandinista officers held multiple positions in the government and military, controlling over 200 of the key assignments in the Defense and Interior ministries, mass communication, and education. They were almost an exact parallel to the Cuban power structure, which in turn closely resembled the Central Committee of the Communist Party of the Soviet Union. This was a totalitarian power structure that allowed the Sandinista government token non-Communist officials, who, although visible, lacked any real power. The formation of this government was managed closely by Cuban advisers following the overthrow of Somoza. In effect, the Sandinistas had stolen the revolution and had forced out most of the non-Communists—including military heroes like Eden Pastora and conservative anti-Somoza leaders like Adolfo Calero—during the first years of the revolution. Now the Sandinistas were poised to reveal their true colors.<sup>11</sup>

Unfortunately for them, a Spanish reporter tape-recorded the speech and published Arce's text verbatim in the Barcelona newspaper *La Vanguardia*.<sup>12</sup>

The true face of the Contra was far different from that shown in Sandinista



propaganda. Adolfo Calero, for example, was hardly a right-wing Somocista. He was a thoughtful, urbane professional, a graduate of the University of Notre Dame, with a law degree from the University of Central America in Managua, where he later taught and served as a dean. Calero had been active in the anti-Somoza conservative party since 1958. As chairman of the local Coca-Cola franchise, he helped organize a managerial strike coordinated with a nationwide anti-Somoza insurrection, led by Pedro Chamorro, editor of the opposition newspaper *La Prensa*. Calero was jailed by Somoza in 1978 for helping lead a general strike, which was considered the real onset of the revolution. When Somoza fell, Calero resumed his business and teaching career and joined the new Democratic Conservative Party. But Interior Minister Tomas Borge soon forced him into exile in Honduras, where he organized the Nicaraguan Democratic Resistance (FDN) Directorate, and became its president and commander in chief.

In Costa Rica, the Contras were known as the Democratic Revolutionary Alliance (ARDE), which was mainly composed of former Sandinistas like Eden Pastora. ARDE leaders included Alfredo Cesar, a Social Democrat who had been president of the central bank under the Sandinistas, but was forced into exile when he protested the growing Communist control of the economy and the squandering of the nation's meager resources on the military buildup. Like Calero, Cesar had been a vigorous opponent of Somoza; he had joined the Sandinista ranks in 1977.

Colonel Enrique Bermudez, the commander of the Contras' northern front, had been a career army officer. He had graduated from the U.S. Army's Command and General Staff College at Fort Leavenworth and the School of the Americas. In 1965, he had been the deputy commander of the Nicaraguan contingent serving under Organization of American States leadership in the Dominican Republic. His highest position in Somoza's National Guard was as administrator of Managua's transit police. Because of his anti-Somoza sentiment, he was sent out of the country to first attend the Inter-American Defense College in Washington, then to serve as Nicaragua's defense attaché in the United States. He was well respected by the Carter administration as a professional soldier, untainted by the atrocities associated with Somoza's handpicked National Guard leaders. In 1978, when the Carter White House suggested to Somoza he should invite Bermudez back to take over the National Guard and thus prevent further human rights abuses, the dictator rejected the proposal. Bermudez was too professional for Somoza's liking.<sup>13</sup> In fact, the Sandinistas did actually invite Bermudez back to help organize their army in the early 1980s, and a Sandinista Defense Ministry official publicly noted that Colonel Bermudez had never been associated with the "war crimes" of the Somoza regime, which had occurred during his long tenure in Washington.<sup>14</sup>



Other Contra leaders came from the Miskito Indian groups and Creole communities of the Atlantic coast. These ethnic groups had been brutalized by the Cuban-led Sandinista cadres, who were hell-bent on organizing them into collective "cooperative brigades." Religious values were important to the Creoles and they rebelled early against the state-imposed atheism and the political indoctrination of their children in the Sandinista schools. When the Miskitos resisted similar Sandinista interference, they were brutally suppressed. As early as January 1980, anti-Sandinista Miskito and Creole refugees were gathering in isolated camps in southern Honduras.

Over the next two years they were joined by thousands of Spanish-stock *campesinos*. These small-hold farmers were not the downtrodden rural proletariat that the Sandinistas had learned about in Cuba. The peasants bitterly resisted the seizure of their small plots of corn and beans by Sandinista cooperatives, which took title of the farms in the name of land reform. And the peasants resented the forced mobilization of the rural population into work brigades of twenty to forty people, under the leadership of a Sandinista cadre, who was often a young city-bred zealot who knew nothing of farming.

These farmers had been used to working in family groups, who voluntarily shared resources and meager profits and protected each other during lean years. Now the Sandinistas were forcing them to band together in arbitrarily chosen work brigades that often cut across family lines. And the much-touted rural cooperatives became the monopoly buyer of all the crops, which were purchased at artificially low prices set by Managua. The peasants were outraged that the proceeds from their crop sales went directly to the political cadres in charge of the cooperatives, who distributed earnings among their favorites.

This collectivization of agriculture resulted in food shortages, and the Sandinistas used food rationing as yet another tool to spread their totalitarian control from the city to the countryside. But the stoic peasants, who had a deep attachment to their land, probably would have never fled to join the Contra resistance if the Sandinista military draft had not been so ruthlessly enforced. The Sandinista army began abducting young *campesinos*, some boys of twelve and thirteen, for military service. Those who resisted or helped hide youth were arrested, and many were executed. When traditional village leaders protested the land seizures and the arbitrarily enforced conscription, the urban Sandinista leaders simply harangued them with political cant.

By 1984, as Adolfo Calero told me, thousands of desperate young *campesinos* were streaming across the Honduran border and into the Contra base camps. An independent sociological study of the Contra soldiers commissioned by the U.S. government several years later concluded that the typical Contra fighter was "predominately a peasant who has voted with his



feet to flee what is essentially an urban-based, upper-class-led revolution." Forced collectivization of agriculture in the name of land reform, arbitrary Sandinista political control in the villages, and brutally enforced military conscription (*servicio militar patriótico*) were the main factors driving the thousands of *campesinos* from their land.<sup>15</sup>

So the myth that the Contras were basically vengeful National Guardsmen and disgruntled right-wing oligarchs was simply disinformation spread by the Sandinistas. In fact, when I looked into the makeup of the Contra military leadership, I found that less than a third had served in the National Guard. Almost a quarter of these Contra military leaders were actually former Sandinistas, and over a half had no military experience at all.<sup>16</sup>

Skillful Sandinista disinformation efforts, however, often convinced the American news media—and the U.S. Congress—that the Sandinistas were moderate socialist reformers, forced against their will to seek Soviet and Cuban military aid by vicious right-wing rebels supported by the CIA. As I traveled around the country that winter speaking out for private support of the Contras, I increasingly encountered well-organized Sandinista apologists in the town halls and school auditoriums where I spoke. They were often members of local "solidarity committees" whose members had visited Nicaragua on Sandinista-sponsored tours and were convinced beyond any reasoning that Nicaragua was being led by a broad-based democratic coalition that protected the interests of downtrodden peasants and workers.

The Sandinistas had begun their American propaganda campaign early, and by the mid-1980s the Network in Solidarity with the People of Nicaragua had chapters in hundreds of American cities and on college campuses nationwide. Few local chapter members realized the group could trace its lineage back to the American Communist Party's U.S. Peace Council. Nor did they realize the network had been started by two Nicaraguans, acting for the Sandinistas.<sup>17</sup> And perhaps this information would not have altered the impact of the "fact-finding" tours of Nicaragua on which they eagerly embarked, often led by an enthusiastic clergyman or academic guide who had been cultivated by the Sandinistas.

The brief tours of Nicaragua were centered on ministry offices and show-place factories and schools in Managua, followed by day trips out to selected nearby model agricultural cooperatives. Because of "security problems," the American pilgrims were rarely allowed to travel unescorted.

Sandinista defectors, however, revealed that these tours were actually carefully staged propaganda shows. For example, Interior Minister Tomas Borge, a dedicated Communist, prepared himself for visits by foreign religious organizations by studying the Bible and extracting relevant passages to salt his conversation and informal speeches. While foreign groups were in his office, he also provided *spontaneous* visits to the ministry by selected



impoverished workers or sick peasants, during which he would personally arrange financial or medical assistance for the unfortunate supplicant.<sup>18</sup> But one of the most cynical and revealing devices Borge used to delude credulous foreign delegations was the decor of his own office. This was how Sandinista defector Alvaro Jose Baldizon described Borge's deception:

To impress foreign religious groups that visit Nicaragua, Borge has decorated his Ministry of the Interior office with large pictures of poor children and prominently displayed religious objects such as crucifixes, tapestries with religious motifs, a large wooden statue of Christ carved by local artisans, and a Bible. Borge has another office, his favorite, in the Reparto Bello Horizonte where he conducts most ministerial business and where he also lives. This office contains pictures of Marx, Engels, Lenin, Augusto Cesar Sandino, and Carlos Fonseca and there are no religious objects to be seen. Copies of the *Communist Manifesto*, *Das Kapital*, *The State and the Law*, and various volumes of Marxist/Leninist philosophy are in evidence.<sup>19</sup>

Faced with such skillful manipulation, it was easy to understand how well-meaning and gullible young Americans would believe Sandinista propaganda. But I had a hard time grasping how experienced members of Congress like Ron Dellums of California and Pat Schroeder of Colorado could campaign for financial aid for the *good works* conducted by men like Tomas Borge. The Sandinistas took full advantage of their powerful American allies. In Comandante Bayardo Arce's secret speech, he stressed the importance of winning public opinion in the United States and bragged that the Sandinista propaganda campaign there was achieving "some degree of domestic neutralization."<sup>20</sup>

All this, of course, was reminiscent of the well-orchestrated peace campaign against American involvement in the Vietnam War. But I could only hope the American people had matured enough not to be deceived again.

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I MET with Adolfo Calero several times that winter during trips around the country. Although he never revealed details of the earlier CIA support for the Contrás, he made it clear that Agency funding had been adequate, but that the actual management of the Contra operations and training of their troops had often been clumsy and ineffective. I'd heard rumors about inept CIA trainers and covert operations officers working with the Contrás and ascribed the problem to the previous gutting of the Agency's covert action staff by Stansfield Turner. Now, Adolfo said, the problem of funding was critical. The Contrás had been able to make up some of the shortfall at the end of fiscal year 1984 by soliciting funding from anti-Communist govern-



ments elsewhere in Latin America and private American individuals and corporations. In fact, Adolfo revealed, the FDN's accounts in overseas banks had received over \$10 million from foreign governments and private individuals.<sup>21</sup> Because I had good contacts in the Republic of China on Taiwan and in South Korea, I offered to consult with those governments about a possible contribution to the Contra cause. Adolfo gave me the number of the FDN Directorate's account in a Panama bank, which, he said, was used to purchase military supplies.

Before I undertook the mission, I carefully read the U.S. Neutrality Act and the complete text of the latest Boland Amendment. The Neutrality Act prevented private citizens from buying war matériel in the United States and shipping it from America to an overseas conflict. But there was nothing in the act preventing private citizens from making contributions overseas that the Contras could use to purchase needed supplies. And it also seemed clear to me that the Boland Amendment certainly did not apply to private individuals like myself.

As for the authority of the Boland Amendment within the U.S. government, it seemed ludicrous that its proscriptions should apply to the National Security Council, a branch of the Executive Office of the President. I met with Ollie North in his OEOB office that winter and told him my views on the matter.

"If the intent of the amendment," I said, "is to prevent the President from carrying out his responsibilities to conduct foreign policy, it's definitely unconstitutional."

Ollie had acquired the sunken-eyed pallor of an overworked and harassed bureaucrat. His boyish face was creased now and his dark eyes were somewhat furtive, as if his responsibilities were becoming intolerable.

"Believe me, General," he said, "we've looked into it. But we can't get two lawyers to agree one way or the other. So we just have to assume the amendment does apply to the NSC, and conduct ourselves accordingly."

The Boland Amendment, he reminded me, stated that during fiscal 1985 no CIA or DoD funds or funds available to any other government intelligence "entity" could be used to support the Contras. As Ollie North read the law, the NSC was not prevented from helping others assist the Contras.

I decided that I could best help the Contras raise funds for weapons by trying to solicit government funds from Taiwan and Seoul. In Washington, I paid a call on the South Korean ambassador and on Freddy Chien, the director of the Taiwan government's Coordination Council for North American Affairs, who represented Taiwan in Washington after Jimmy Carter had cut diplomatic relations at the demand of Peking. They were both interested in helping, but they urged me to raise the matter directly with their governments during my upcoming trip to the Far East.

I didn't have any U.S. government guidance on this initiative, but I knew



I wasn't breaking or even bending any American law. And after the Boland Amendment went into effect, I certainly couldn't get my activities approved by the CIA. Bill Casey had made his position on the Boland Amendment very clear. There could be no doubt whatsoever that the law applied to the CIA. I dropped in to see him at his Langley office that winter to bring him up to date on USCWF efforts in support of anti-Communist resistance groups overseas. Casey listened to my presentation, nodding and voicing approval with his distinctive growl. But when I brought up private contributions to the Contras, Casey raised his big hand like a traffic cop.

"Jack," he said sternly, "if you even mention the word 'Nicaragua' again, I'll throw your ass out of my office."

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IN TAIWAN, I met with Foreign Minister Hsu Fu-shun to discuss a Taiwan government contribution to the Contras. Minister Hsu had been the Republic of China's ambassador in Seoul when I had served there. And I knew him to be a staunch friend of the United States. I explained that the FDN needed an immediate \$10 million to purchase arms and equipment for the thousands of *campesino* recruits streaming across the Honduran border.

The Minister said he understood the predicament, but he stressed that this was a sensitive matter. Nicaragua was one of the few countries retaining full diplomatic relations with the Republic of China on Taiwan, a matter of great importance to Hsu's government. Any leak of a contribution to the Contras would jeopardize those relations. Nevertheless, he asked specifically what the Republic of China could do to help.

I suggested a \$5 million contribution. The donation, I said, could be a confidential matter. His government could make a direct deposit into the Contra bank account in Panama. I placed a three-by-five card on Hsu's desk that listed the account number. If that was unacceptable, I said, I would be willing to meet his representative any place in the free world and personally receive a letter of credit, which I would then have deposited in the Contras' account. I added that the Contras would provide an exact independent audit account of how the funds were spent down to the last penny. There was no question here of "commissions" or profits for middlemen. A third alternative that would completely conceal Taiwan involvement would be to structure the contribution within a pending Taiwan purchase of supplies or equipment from a major U.S. or multinational corporation. I was naively hopeful that we could arrange to package part of a Taiwan payment and channel it to the Contra bank account.

"Minister Hsu," I said, "you may want to determine that I am not acting totally independent of U.S. policy."

Hsu was silent, but his smooth, ageless face acquired an expression of



calm intensity that betrayed the concern that Asian politesse had prevented him from voicing. I had to prove to him I wasn't just a con man.

"I believe I can arrange some kind of signal from an official of the administration in Washington that will indicate knowledge of my visit to you and that they support my efforts on behalf of the Contras."

"General," the Minister said, "that might become necessary." The faintest of smiles crossed his seamless face. That was about as close to a commitment as I was going to get. "I will raise this matter with my government," Minister Hsu replied.

In Seoul, I met with a senior ROK general, now a key official in the Korean Central Intelligence Agency, who I knew had a direct channel to President Chun Doo-Hwan. Again I made the case for a \$5 million emergency contribution. Again, I was assured the matter would be considered.<sup>22</sup>

Upon my return from the Far East in January 1985, I flew on to Washington where I briefed Ollie North on the trip. As always, he listened intently, but did not reveal very much. I had the feeling he was becoming a more experienced covert operator, at least in regard to sensitive transactions of this type. But as his responsibilities increased, he also had become something of a name dropper, often alluding to his direct access to the President. I knew he was working impossibly long hours, trying to keep the Contra cause alive until congressional funding might resume, so I could excuse a little bit of self-aggrandizement. I told him about my meetings in Taipei and Seoul, and said that an appropriate signal from the administration might be required before either government would make a contribution.

"Thank you, General," Ollie said, with his habitual courtesy. "I will take care of it."

Later I learned that he had in fact sent Gaston Sigur, an NSC officer with good contacts in the Far East, to assure Freddy Chien that the White House had no objections to my fund-raising for the Contras.

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A FEW weeks later, I made my first trip to inspect the Contras' military forces in their Honduran base camps. Before the Boland Amendment, the CIA had established operating procedures with the Honduran government that gave the Contras a base camp area in the jungle mountains of the Cordillera Entre Rios, about 120 miles east of Tegucigalpa, the capital. The Contras had cut timber and set up their camps along uninhabited ridges they named Las Vegas for the cleared garden plots of the refugee families accompanying the Contra fighters.

One of Enrique Bermudez's officers met me at the airport, and we left for the base camps in a mud-splattered Toyota Land Cruiser. Tegucigalpa



is on a high plateau surrounded by extinct volcanoes. The paved highway out of the city was good by Third World standards, but beyond Danli we left the asphalt road. For the next leg, we climbed up a reasonably good gravel track wide enough to handle careening timber trucks and overcrowded buses jammed with *campesinos* bound for village markets. After a few miles on this road, we turned off onto a rutted dirt washboard that snaked even higher into the hills of scrub jungle. At a flyblown little town on the Rio Guayambara, we took a break for one last cold beer, then crossed a shaky log bridge and began the climb up the steep ridge toward Las Vegas.

Now the road was little more than a bulldozed track through increasingly dense brush. Luckily, it was dry season, because I saw the combination of washboard and deep chuck holes would have been impassable in a good rain. As it was, the jolting ride was about as bad as any I'd experienced in three wars. After three straight hours of this punishment, we swung along a relatively straight stretch of deforested ridgeline. I noticed mud-crusting concrete markers at regular intervals and shouted over the engine roar to ask my escort what they were.

"Nicaragua," he yelled, grinning. He pointed past me out the open right window toward several sandbagged bunkers poorly hidden with dead brush 100 meters to the south. "Sandinistas," he added.

Here the road marked the actual border between Nicaragua and Honduras. And the Sandinistas had set up machine-gun bunkers to cover the road.

"Do they ever shoot?" I felt an urge to tell him to speed up.

"Some days, yes," he said, grinning again. "Some days, no."

I didn't feel like asking him about the last time the Sandinistas had fired on a Contra vehicle.

We reached Enrique Bermudez's headquarters camp just before sundown. I had met Bermudez on several occasions at fund-raisers in the States, and he had encouraged me to visit his troops. Now he seemed inordinately pleased that I was actually there. No doubt a lot of well-meaning Americans had promised to come but never managed to actually make the trip.

Bermudez was dressed in reasonably clean fatigues, and his two bodyguards toting Uzi submachine guns appeared alert and well disciplined. He apologized that he couldn't offer a decent dinner. His troops were down to two meals a day: rice and beans mid-morning, and beans and rice mid-afternoon. Enrique and his staff ate the same fare, except as it was occasionally augmented by gifts brought in by visitors who knew how a few cans of meat or some fresh vegetables could enhance the menu. Luckily, Bermudez could offer a mosquito net in the small bunk room adjoining his hut. His operations center and commo room had the only electric lights in the camp, powered by a small chugging generator. But their fuel supply was



low. By the time I lay down to sleep, the entire camp was in darkness. Here and there, sputtering fires marked the rows of plastic-tarp squad huts scattered among the trees.

I'd seen no trenches, bunkers, or sandbagged guard posts, only a few sentries on the perimeters. The bunk room I slept in smelled of mildew and wood smoke. I could see stars through the cracks in the corrugated roofing. As I fell asleep, I hoped the sentries at the checkpoints we'd passed through on the road in were still awake.

The next morning, Enrique took me on an inspection tour of his camps and showed me some of his troops. His units were divided into task forces of 500 to 1,000 men, each with its own base camp. The camps were well placed along the ridges. But there was a dirty, rundown feel to them, more like refugee settlements than military installations. The setup was the same in each of the three camps I visited. There were long, corrugated-plastic and tin-roofed sheds of rough local lumber housing a mess hall and dispensary, a headquarters hut with a commo room, an armory hut, and a supply hut. The troops were housed in the small, ubiquitous thatched squad shelters with plastic roofs, which had obviously seen better days. About a third of the men I saw had complete uniforms with jungle boots, fatigues, web gear, and hats. Others wore fatigue trousers and T-shirts, while newly arrived recruits were dressed in threadbare shirts and jeans and wore sandals.

Enrique showed me the disposition of his forces inside Nicaragua. At that time he had about ten task forces operating in the mountains to the north and east of Managua. Some were fairly close to the border with Honduras, but many were about a ten-day trek to the southeast. They were all in contact with Sandinista patrols and one had recently ambushed and defeated a large Sandinista relief convoy bound for a besieged village near Siuna.

Despite this limited success, the overall mood in his headquarters was confused pessimism. It had been six months since the Boland Amendment. And the CIA officers managing the Contras' military operations were sorely missed. During this period, the Contras' ranks had been swollen with new volunteers, and several shipments of assorted weapons and ammunition had arrived. But the Contra forces lacked the discipline and cohesiveness of an effective combat unit.

As Enrique and I discussed the situation late that afternoon, I began to see a familiar syndrome. The CIA personnel, who included American Army and Marine veterans on contract, had taken too much operational responsibility. They had provided armorers, mechanics, commo men, and medics. They had trained Contra troops in these base camps, but had not prepared any Contra counterparts to take over training when the Americans packed up their bags and left. To be fair, however, how could anyone have anticipated such irrational behavior by the Congress?



Equally unfortunate, the CIA operation had relied too heavily on air resupply of Contra forces inside Nicaragua. The Agency had established an air base at Aguacate in a valley north of Las Vegas. While the Agency ran the operations, they functioned well, with contract civilian pilots flying helicopters and fixed-wing cargo planes into the Nicaraguan mountains to keep the Contra task forces supplied and to provide them medevac for their sick and wounded. And the vital secure radio communication links that made this operation possible were all managed by the Agency. Now the Americans were gone and the Contras were orphans, unable to manage the equipment. Nevertheless, fresh volunteers still took the dangerous trek across the Honduran border to Las Vegas. Enrique had over 6,000 troops in these camps, and most were eager to fight the Sandinistas. For many the motive was revenge; special troops of the Sandinista Interior Ministry (MINT) had executed their fathers or brothers for resisting conscription or protesting forced collectivization of farmland.<sup>23</sup>

The earlier overdependence on air resupply was obviously a fundamental flaw. Apparently the Agency had simply dusted off their operational plans from the long years of the war in Laos, during which the CIA's Air America had maintained aerial bridges from Udorn air base to the scattered islands of Hmong and Meo resistance forces operating in the NVA-controlled North. But the CIA in Laos had never had a Boland Amendment to contend with.<sup>24</sup>

Enrique went to his large operations map and showed me his supply drop zones in Nicaragua. One task force, he said, would have to be extracted within a week, because the one operating Contra airdrop plane was down with mechanical trouble in Aguacate. Without aerial resupply, he added, what was left of the dry season offensive would have to be canceled.

I thought for a long time before I commented. In a way, the funding hiatus of the Boland Amendment might prove to be a godsend for the Contras, weaning them from too strict American control. From what I had gathered, the CIA advisers had been inflexible, often doctrinaire, and above all patronizing. They had not encouraged initiative among the Contras. In effect, they were treating these Central Americans much as they had treated Montagnard mercenaries in Indochina, like "native" troops. But there were other lessons of Indochina that were more germane.

"Enrique," I said, going to the map, "the Vietcong and the North Vietnamese army did *not* have air resupply. They carried everything they used on their backs or on bicycles down the Ho Chi Minh Trail." I was ignoring, of course, the massive use of trucks by the NVA, but I had a point to make. "Driving up here I saw peasants carrying supplies on mules. I remember years ago in Burma when entire Allied divisions in the jungle were supplied by mule train. If you need mules or mule skinnners, we can get them."



Enrique Bermudez smiled and shook his head. "My men do not need to be taught how to handle mules," he said.

"The war you are fighting now," I told him, "can be supplied with men carrying packs and with mules. If you need ammunition, there's plenty of it available in the Sandinista camps and on *their* supply convoys."

Enrique Bermudez nodded agreement. He realized there were many Americans willing to help, but the burden of leadership was now on his own shoulders.

When we discussed the issue of weapons, I saw that the CIA had given little consideration to equipping the Contras to perform specific tactical objectives. In other words, serious mission planning to establish objectives and tactics had not preceded the equipping and training phases of the operation. Now the Contras were armed with a hodgepodge of different weapons, including American 5.56mm M-16s and 7.62mm M-14s, NATO-standard FALs, FN's, and G-3 automatic rifles, American M-60 machine guns, and some 40mm American M-79 grenade launchers. The Sandinistas, of course, had 100 percent Soviet-bloc arms, AK-47s and RPD and RPK light machine guns, as well as RPG rocket-propelled grenade launchers. Their ammunition supply problems were simple, whereas the Contras had the logistical equivalent of the Tower of Babel.

And, as I had learned commanding SOG teams on the Trail, the distinctive sound of a weapon was a critical factor in small-unit jungle warfare. The AK-47 and RPK machine gun certainly had a characteristic report no one could mistake, as did the M-16. Tactically, it was important for Contra ambush teams not to expose their position to enemy mortar and rocket fire using weapons with distinctive sounds. I therefore convinced Enrique he had to think through the tactics of small-unit warfare and build his future arsenal accordingly. We spent many hours in his command hut working on these requirements.

First, the cumbersome task force unit had to be broken down into basic hundred-man companies, and then to ten-man squads. Naturally, each man would have an AK-47. And each squad would need an RPD light machine gun that fired the same ammunition as the AK. Each squad would also be supported by a Soviet-designed RPG grenade launcher. Each company would have at least one 82mm mortar. Using mobile squads and companies that carried their own basic ammo loads as building blocks, he could assemble strike units specifically tailored for particular objectives. Best of all, these units could resupply from captured Sandinista armories, thus reducing their dependence on airdrops. The Sandinistas were developing a good radar network and were known to have SAM-7 anti-aircraft missiles, which made the future of airdrops risky even when congressional funding was resumed.



Bermudez told me that unnamed "Americans"—his euphemism for Ollie North's contacts—had promised a large supply of Soviet-designed weapons several months before, but that these guns had never arrived. He was clearly discouraged. When I left Enrique's base camps, I took with me a basic list of his future weapons requirements to discuss with Adolfo Calero in Florida.

But before departing Honduras, I flew aboard a small Contra plane from Tegucigalpa to Rus Rus on the savannah of eastern Honduras where the Miskito Indian resistance had their base camps. The Miskitos had combined forces with the Suma and Rama Indian tribes, who felt similar hatred toward the Sandinistas and their Cuban advisers. The acronym of this coalition was appropriately MISURA. The conditions in the MISURA camps made Enrique's Las Vegas encampment seem like Fort Benning. Many of the Miskito troops were poorly dressed; few had boots. When the CIA left, they were in even worse shape than the FDN fighters because very few Indians had served in the military under Somoza. Yet their morale was high, fueled to a large degree by bitter hatred of the Sandinistas. More than any other ethnic group inside Nicaragua, the Miskitos had received especially brutal treatment from the Sandinista "land reformers," who had descended on their territory soon after the revolution. Over the next two years, the Miskitos had been singled out for collectivization. When they resisted, MINT troops had introduced "special measures." Hundreds of Miskito Indians had been abducted, tortured, and executed; hundreds more had been shipped to a penal colony in the south. Miskito villages were raided by MINT troops and women and girls raped in front of their families. In some cases, men had been buried alive as an example of what happened to those who resisted Sandinista control.<sup>25</sup>

The night I spent in the Rus Rus camp was memorable. These savannah plains, especially along the rivers, were the haunt of Central America's notorious vampire bats. The local Miskito commander, whose nom de guerre was Chico, kindly gave me the only mosquito net in the sleeping hut we shared. When he rolled out of his hammock at dawn, his feet were streaming blood. Vampire bats had visited in the night; their saliva contained a natural anesthetic and anti-coagulant. Sleeping prey never felt the bite of the clinging bat, and the blood continued to flow hours after the bats had fluttered off.

I made a note to add mosquito nets to the supplies the MISURA needed.

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I DECIDED to see what I could do about a reliable source of Soviet-design munitions for the FDN. The year before, I had agreed to serve on the advisory board of GeoMiliTech Consultants Corporation (GMT), a Washington-based consulting firm specializing in the sale of military equipment.



GMT's president, Barbara Studley, had for several years run her own radio talk show in southern Florida. Her conservative views led her into covering the Central American wars, organizing medical relief for El Salvador, and, in turn, coordinating the delivery of transportation equipment. As a consultant to GMT I was able to introduce the firm to my military contacts around the world and to bring into GMT some truly outstanding retired general officers to expand its areas of expertise.

In 1983, Barbara Studley had been in Lebanon with the Israeli Defense Forces (IDF) and knew of the enormous quantities of Soviet weapons captured by the IDF. She arranged for me to go to Israel in April 1985 to raise the issue of an Israeli arms contribution to the Contras. Israel had good reason to help defeat the Sandinistas, who had allied themselves with Libya and radical factions of the Palestine Liberation Organization, and who had launched a virulent pogrom against Nicaragua's small Jewish community soon after the Somoza overthrow. The case of the Oscar Kellerman family was well known in Israel. Kellerman, a small businessman, like many Nicaraguan Jews, had been a refugee from the Nazis. He had almost died when a Sandinista mob had barricaded a Managua synagogue and set it afire. Later Sandinistas looted his home and his family was forced into exile beside hundreds of other Nicaraguan Jews.<sup>26</sup>

Through Barbara Studley's friend General Ephraim "Froika" Poran, I asked Israeli Defense Ministry officials to give the Contras some of the mountain of munitions they had captured in Lebanon two years earlier. They replied that they already had made such a contribution and that they now considered these weapons a national asset that they would sell but not give away.

Any Soviet-bloc arms I helped acquire for the FDN would have to be paid for, cash on the barrel head. Retired Lieutenant General Dan Graham was also a consultant to GMT. Since he had once been a deputy director of the CIA and had retired as the director of the Defense Intelligence Agency, Barbara approached him with the problem of locating an honest international arms broker who could provide the Soviet-bloc equipment the Contras needed. Dan came back with the name of "Sam," a Western European who had provided high-quality Soviet-design weapons of East European origin to the Defense Department and our intelligence agencies in the past. Dan agreed to introduce Barbara to Sam the next time he came to town. Before Barbara met with Sam and without mentioning the forbidden word "Nicaragua," I asked Bill Casey to check Sam's background. Some days later, he called to say that Sam was indeed a man of high integrity with no shady dealings on his record.

In order to comply with the Neutrality Act, any weapons purchase would have to be arranged overseas, using only foreign banks and transportation.



Barbara Studley had agreed to do the necessary traveling to handle that part of the transaction if Sam were able to get the munitions we needed.

When Sam next came to Washington, Danny Graham introduced him to Barbara. She, in turn, arranged for him to meet with Adolfo Calero and me in the Palm Court of the Sheraton Carlton Hotel. Sam was a suave, open-faced man with a calm demeanor and a good sense of humor. As he perused the shopping list I had drawn up with Enrique Bermudez, Sam nodded calmly and made notes on a pad with a gold mechanical pencil. He might as well have been pricing out a plumbing job. Sam looked up and said he could procure brand-new, high-quality Polish AKMS-47 assault rifles in quantity for only \$135 each. If we purchased more than 200 RPK light machine guns, he could get them for \$250 each. As for RPG-7 grenade launchers, he could get them from the same source for \$1,650 each. Replacement rocket grenades would cost \$185 apiece. Ammunition for the assault rifles and machine guns would be \$110 per thousand rounds. Finally, he said, he could procure brand-new SAM-7 Mark-2 shoulder-fired anti-aircraft rockets at \$164,000 per set, which included a launcher and three missiles.

Barbara and I looked at each other. We had learned that AK-47s normally retailed for between \$200 and \$300 on the international arms market. These were the lowest prices we had ever heard quoted.

"This is new equipment?" I asked.

"New from the factory," Sam assured us. "This is even better than Soviet manufacture."

"Why are the prices so low?" Barbara asked.

Sam shrugged. "I'm a good client." He didn't have to elaborate.

"But what about profit?" I asked. "Is your commission in these figures?"

"In this case," Sam said, "I keep my profits at the minimum, just to cover costs."

Adolfo Calero explained that he had roughly \$5 million remaining in his overseas banks to procure weapons. He, too, was astounded at the low cost and high quality that Sam had promised to deliver. The price of \$135 per AK-47, he said, shaking his head, was indeed less than half what he had paid in the past. "We'd better talk to Ollie North about this," he said.

That afternoon, we went to North's office in the OEOB. I was surprised that Ollie invited retired Air Force Major General Richard Secord to attend the meeting. Over the past few months I had heard reports that Secord had been brought in to manage the Contras' air resupply system after the CIA pulled out. His presence at this meeting was confirmation that he was directly involved with more than just buying some surplus airplanes.

Secord was a stocky, fireplug of a guy, a former fighter pilot with the worldly confidence of an international businessman. Judging from his easy



and friendly manner, Secord was obviously familiar with Adolfo. And he was certainly affable toward me. But I was uneasy. I had met him years before at a coordination meeting at a Thai air base when I commanded MACV/SOG. Secord had been a major serving as the liaison officer between the CIA and the U.S. Air Force involved with the war in northern Laos, which was not part of my operational responsibility. Since then he had served in our military assistance mission in Iran, and had held a variety of Pentagon assignments, before retiring under a cloud of scandal. In the intelligence community, Dick Secord had the reputation of being something of a rogue, a mercenary agent available to the highest bidder. This all stemmed from his association with Ed Wilson, the former CIA officer now serving a life sentence in federal prison for aiding Libya's Moammar Khaddafi by establishing and operating a terrorist training center for him. Wilson's firm had also supplied tons of C-4 plastic explosives to Khaddafi's terrorists to enable them to conduct their attacks using the best U.S. technology. A minor Wilson conviction involved his attempt to murder the federal prosecutor investigating him. Secord had been one of several Pentagon and serving and former CIA officials tainted by association with Wilson.

Although Secord was never indicted, his close dealings with the so-called Ed Wilson Gang may have been responsible for Secord's early retirement from the Air Force. His last position had been a deputy assistant secretary of defense, responsible for the Middle East and Southern Africa. In this capacity, he was reputed to have taken kickbacks from Wilson for helping to arrange lucrative arms shipments to Egypt. Anyone who dealt with Ed Wilson was suspect in my book. And I hated to see the Contras involved with someone like Secord.<sup>27</sup>

But I kept my opinion to myself. Ollie North was in charge of the operation and I assumed he had vetted Secord with his superiors.

Adolfo spread out our cost estimate sheet and cited the price and quantity of the weapons Sam could supply. North and Secord were obviously impressed.

Like Barbara Studley, North found it hard to believe these were factory-new, high-quality weapons. I assured him they were. And I also passed on Sam's guarantee that the weapons could be delivered to Honduras within two months of order.

Secord seemed uneasy now. He repeatedly told North that there was no way that we could provide these weapons for the costs we were quoting. He zeroed in on the SAM-7 anti-aircraft missiles, which we could provide for only \$164,000 a set, including launcher and three missiles. "Those prices are hard to believe, Jack," he said.

I assured him that Sam's reputation for integrity was high, and that he promised to deliver.



At this point, Ollie intervened. "Well," he said, "Dick can provide the SAMs for \$180,000 per set and he can also provide men to train the troops in their use for that price."

I didn't ask the origin of his equipment or his trainers. In this business you didn't ask unnecessary questions. "Fine," I said, "that frees up quite a bit of money for other weapons."

Before we left the office, we agreed that Secord would handle the anti-aircraft missile purchase, and that we would concentrate on small arms, automatic weapons, ammunition, and rocket grenades. With the approximately \$5 million that Adolfo had available, we planned to buy 10,000 AKMS-47s, 250 RPK machine guns, 200 PRG rocket grenade launchers with 5,000 grenades, and 15 million rounds of 7.62mm ammunition. This would be enough to supply all of Bermudez's combat troops with high-quality, Soviet-bloc weapons.

Adolfo and I left the OEOP with Secord, who offered to give Adolfo a ride to National Airport. I came along because I wanted to work out the details of the arms order. We crossed Pennsylvania Avenue and strolled through Lafayette Square to a nearby hotel, where Secord had a shiny new sedan waiting. The man driving the car was Secord's business partner, Albert Hakim, a naturalized American whom Secord had met while serving in Iran. More silent alarm bells sounded in my head. I knew that Hakim had also been involved with people who were members of the Ed Wilson Gang. As we drove out 14th Street past the Mall, I noted casually to Secord that he seemed to be doing quite well in his retirement.

Yes, he noted, he and Albert had been very lucky in their overseas business dealings. At present, they had several contracts to provide aircraft revetments at air bases in the Middle East. There was a pretty good profit margin in that, he added.

"Yeah," I agreed, "I'm sure there is."

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BARBARA Studley traveled to Europe and arranged the bank transfer, shipping agents, and insurance, making sure no U.S. bank or shipping company, or any other American firm, was involved in the transaction. Sam took care of his end of the business with amazing efficiency. Within six weeks, a Greek freighter in an East European port loaded almost 500 tons of weapons and ammunition, being exported under an End User Certificate Sam had obtained from a well-placed Arab military official. Unfortunately, the perennial fighting in Lebanon flared up at that moment and the Greek crew almost staged a mutiny. Then Sam's agent aboard assured them that their true destination was Honduras, not the Middle East.<sup>28</sup>



While the weapons were en route, I received a frantic call from Ollie North. He stated that General Secord wanted to have the ship diverted to Portugal to pick up a load of munitions for the Contras that was stuck there. This was impossible. The Portuguese government would never have allowed a ship loaded with weapons from the East Bloc to land for any reason. Secord's request was troubling. Either he was so inept that he was unable to arrange transport for the arms he was assigned to acquire, or he was actually trying to sabotage our low-cost, high-quality shipment because it was too competitive.

The more I thought about the matter, the more convinced I was that probably both cases were true. Adolfo had recently complained bitterly that the earlier arms shipment Secord had arranged from Communist China had still not arrived. This "slow boat from China" had become a grim joke among the Contra leadership. And the question of Secord's profit was beginning to trouble several of us. Rob Owen, who had been Ollie North's unofficial liaison to the Contras, confided that he was deeply worried that the Contras "were being ripped off" and defrauded by Secord and his people.<sup>29</sup>

My suspicions about Secord's profits were confirmed that summer when I mentioned to North the issue of procuring light aircraft for the Contras. I was raising funds to purchase Heliocourier Short Take Off and Landing (STOL) airplanes for the FDN and hoped to get some supplementary money from North's sources. But he discouraged me, explaining that Secord had already arranged for the delivery of similar Maule aircraft, built in Georgia.

"Ollie," I said, "I don't know too much about the Maule, but I can tell you the Heliocourier is a superior plane." I explained that the Heliocourier had been combat-tested in Indochina; it was rugged, all metal (the Maule was partially fabric covered), and carried a heavier load than the Maule.

Ollie seemed uncomfortable. "Sir," he finally said, "my air adviser General Secord assures me the Maule is the better plane. And it's a lot easier to fly than that Heliocourier."

North said Secord had several Maules ready for delivery, and Ollie was looking for private donors to buy them. That was the end of the discussion. But I wasn't satisfied. I asked my friend Heinie Aderholt to look into the Maules. He went to the plant in Georgia and discovered the plane was available for \$40,000. But Ollie North was participating in the solicitation of wealthy conservatives like my friend brewer Joe Coors to contribute \$65,000 for each plane.

That meant Secord was making a profit of more than 50 percent. It was then that I began to suspect that Ollie North's motives in these complex transactions might not be as pure as he would have me believe.



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OUR arms shipment arrived in Honduras in early July. Adolfo Calero and the FDN had an arrangement with the Honduran military, who officially took possession of arms shipments and arranged their transport upcountry to the Contra base camps. Adolfo informed me that the 500 tons of munitions had arrived in perfect condition and invited me down to the Las Vegas camp later that summer.

Meanwhile, I intensified my fund-raising efforts. For direct and in-kind contributions we concentrated on humanitarian "non-lethal" aid—canned food, clothing (especially boots), and medical supplies and equipment. Moving up the contribution scale, I was able to raise funds for boats and outboard motors, which made the Contras' food-distribution system a lot more efficient, especially during the rainy season. Remembering the hungry vampire bats of *Rus Rus*, I made sure the MISURA fighters got some mosquito nets. Mario Calero, Adolfo's brother, managed FDN logistics in New Orleans. He had warehouses there to which we shipped food, medicine, and clothing, which was often carried south by rickety Honduran charter DC-4s.

Addressing small grass-roots audiences across the country, I urged them to prepare Freedom Fighter Friendship Kits, cloth ditty bags containing soap, toothbrushes, razors, insect repellent, and inexpensive personal sundries. These goods certainly would not win a battle, but the thousands of kits that came in from individual donors went a long way toward raising the morale of the Contra troops in the field. They were a tangible symbol that the American people had not turned their backs on the Contra cause, even if the Congress had.

At the highest end of the contribution scale, one of our largest individual contributors was Mrs. Ellen Garwood, a wealthy conservative from Austin, Texas. She contributed \$65,000 toward purchasing a used Huey UH-1 helicopter, which we had reconditioned as a medevac aircraft. When the chopper was ready for delivery, we made sure the name "Lady Ellen" was painted prominently on the nose. All of this successful fund-raising, of course, did not go unnoticed by the news media. By late summer, my name and picture were appearing almost daily in the press. And there were ominous media rumblings that unnamed White House officials were supervising the effort.<sup>30</sup>

That summer, Ollie North expressed concern about the amount of publicity my fund-raising for the Contras was generating. He was worried that my links to the NSC might be revealed. I told him that you couldn't raise money without publicity and that every time I gave a fund-raising speech I had to grant interviews to local TV and newspaper reporters. And the humanitarian aid and transportation equipment I was sending them were



vitally needed. In fact, Adolfo Calero had told me that my highly visible fund-raising efforts had helped raise morale among the Contras.

"Besides," I said, "having me so visible actually makes the rest of the fund-raisers a lot *less* visible." They could conduct their work out of the media spotlight.<sup>31</sup>

I had in mind men like former treasury secretary William Simon, Richard Viguerie, and *Soldier of Fortune* publisher retired Lieutenant Colonel Bob Brown. Bob was leading training missions to the Contra base camps—surviving barrages of Sandinista Katusha rockets in the process—and he didn't need extra publicity.

But there were other, less savory people raising funds for the Contras with whom Ollie North unwisely chose to associate, who would reflect badly on the cause if they became better known. Carl R. "Spitz" Channell was a conservative fund-raiser who ran an outfit called the National Endowment for the Preservation of Liberty. Because Channell and several of his close associates were supposedly homosexuals, media wags had already named them the "Lavender Bund" or Ollie North's "Fruit Loop." They were teamed up with Washington public relations executive Richard R. Miller to make huge profits by helping "aid" the Contras. To circumvent the Boland Amendment, Ollie North would attend lavish Washington fund-raising dinners they hosted, give an emotional presentation about the plight of the Contras, then leave. Channell and his colleagues would then put the bite on the wealthy guests. I heard disturbing reports that a lot of the money they were raising did not end up buying ponchos and jungle boots for the Contras, but supported an extravagant life-style for Channell and his dubious band of patriots.<sup>32</sup>

As a matter of fact, Spitz Channell later testified that he raised approximately \$10 million. Adolfo Calero claims that no more than \$1 million of that was ever made available to support the Contras. Considering the obvious and very painful need of the Freedom Fighters, who were dying for lack of food, medicine, and clothing, it has been very difficult to be charitable to this group.

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DURING a brief visit to the Contra base camps in August, I found conditions and morale vastly improved. Adolfo Calero and Enrique Bermudez proudly showed me the shiny new weapons from the shipment Sam had arranged. The AKMS had a folding metal stock, which made it very handy to carry in the deep brush. And the RPK machine guns were lighter and more reliable than the M-60s the Contras had used earlier.

But training the swelling ranks of new recruits was still a problem. Because of Sandinista propaganda that Somoza's National Guard was entirely made



up of "war criminals," the CIA and State Department had forbidden the FDN from actively recruiting former National Guardsmen. And now, even though the U.S. government no longer had direct supervision of the Contras, Adolfo and Enrique were leery of antagonizing the State Department by inviting former National Guardsmen now in exile in Florida to join the ranks of the FDN. I found this situation deplorable. I had been in contact with these exiles, who were eager to join the Contra ranks. They guaranteed that their group, made up of professional NCOs and officers like Enrique, had never taken part in the atrocities attributed to Somoza's Guard. I had to accept their word on this matter.

But it was obvious that the more than sixty pilots, air crew, and mechanics of the former Nicaraguan air force in the exile group called the Nicaraguan Aeronautical Organization were not war criminals. They were experienced military aviators willing and ready to fly for the Contras. Above all, they knew local flying conditions and had the skills needed to keep the small Contra air wing operating effectively. But the FDN leadership was too intimidated by its American mentors to accept the group into its ranks.

This reluctance was very unfortunate because the Contras needed all the military help they could get at that moment. With the Boland Amendment in effect, the Sandinistas were determined to wipe out the Contras. They had already attacked the Las Vegas base camps with rocket barrages that spring, using helicopters to transport multi-barrel 122mm rocket launchers right up to the Honduran border. More ominously, their Mi-24 Hind helicopter gunships were now deployed throughout the northern provinces. This was one hell of a weapon against the Contras' light infantry. It carried a fast-firing automatic cannon and a machine gun in the nose and over a hundred 57mm rockets slung in four pods. The Hind's heavy armor made it relatively invulnerable to small arms and light automatic weapons fire. And the Hinds were flown by Cuban pilots with combat experience in Angola. These gunships now protected the Sandinista outposts in the northern mountains and had forced the Contra task forces inside Nicaragua to move out of the open agricultural areas, where the *campesinos* provided them good support, into the heavily forested areas, where there was adequate concealment from aerial observation and attack. The area around La Trinidad north of Managua was an example of Contra territory lost to the Hind-D helicopter attacks.<sup>33</sup>

But by late summer, Secord's promised SAM-7 anti-aircraft missiles and the men to train the Contras in their use had not yet arrived. Privately, Adolfo expressed his doubts that he had made the right decision in ordering the vital missiles through Secord. In any event, he said, it was too late to order more because the funds he controlled were exhausted and Richard Secord was now in charge of weapons procurement.

The situation in the field soon became desperate. Sandinista helicopter



gunships were effectively strangling the Contras' new ground supply lines into their mountain outposts in northern Nicaragua. But the American news media scoffed at those of us sounding the alarm about the growing Cuban combat role. We were called crazy right-wingers who saw Cubans under every bed. Then the Contras shot down an armed Sandinista Mi-8 helicopter, killing its two Cuban pilots, and brought their ID cards back into the base camps. The media could no longer continue the myth that the Sandinistas were not Soviet surrogates.<sup>34</sup>

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THAT fall, I learned something about the kind of dirty hardball certain international arms dealers were willing to play in order to capture the lucrative Contra business. I was in Los Angeles, giving lectures at a conservative conference, when I received a call from a man in Miami named Mario Del'Amico, who said he had to speak to me urgently on a matter of great importance concerning the Contras. I arranged to meet him at my airport hotel at Los Angeles International.

He turned out to be a Cuban-American, almost a parody of a shady Graham Greene character, squat and paunchy, thick, dark glasses, and a sinister grin half-hidden by the smoke of his giant Honduran cigar. Mario said he represented certain interests in the United States and Honduras who wanted to "help" the Contras' cause of freedom by supplying them arms.

I cut his phony bromides short by explaining I knew he worked for Ron Martin, a Miami arms merchant with a somewhat unsavory reputation, including the unsubstantiated rumor, circulated by Ollie North, that some of his funding came from drug merchants.

Del'Amico explained that Ron Martin had established a huge arms "supermarket" in Honduras that contained every type of Soviet-bloc weapon and munition the Contras could possibly need. Sam had told me that Martin had a bankroll of unknown origin and was combing the arms bazaars of Europe and the Middle East for Soviet weapons. Del'Amico explained that their contacts with the Honduran government were so tight that there would be absolutely no problem with any arms transaction involving the Contras. Their prices, he said, were "very competitive."

"General," he said, "I'm here to get your assurance that any future arms you purchase for the Contras will come from us."

I stared at him without answering.

He reiterated how close his organization was to Honduran authorities and added that it was unlikely any arms we might try to bring in from the outside would make it through customs. This was obviously a threat.



"I'm more interested in bringing firepower to bear on the Sandinistas," I finally told him, "than in saving money." I didn't add that his prices were in fact *not* very competitive, when compared to Sam's. "But," I said, ending the conversation, "if your prices are competitive, we'll certainly keep you in mind."

Del'Amico gave me his most sinister "Miami Vice" frown and said it was regrettable I could not give him the assurances he needed.

It was obvious from this effort that Ron Martin was desperate. At one time, he probably had a good working arrangement with the CIA to provide arms to selected groups. In the case of the Contras, Martin may have been told that he would be the one to provide the weapons and ammunition for the whole Nicaraguan resistance program. Why else would a businessman tie up nearly \$20 million in inventory of Communist-bloc weapons? The only group that needed these arms was the Contras. The Sandinistas and the Cuban-supported FMLN guerrillas in El Salvador and Guatemala had their own sources. What Martin and probably the CIA did not count on was that Ollie North would turn over this lucrative business to his friend Richard Secord when Congress cut off Contra funding to the CIA. Martin probably concluded that I was the only other possible source of funding, so he wanted me as an ally, not a competitor in the provision of arms to the Contras.

Two weeks later, Mario Del'Amico went to an Eastern-bloc embassy in Washington and demanded that this government sell Ron Martin's company arms for the Contras at the same prices Sam had obtained. The diplomat he spoke with said this was illegal. At that point, Del'Amico handed over a full set of Xeroxed documents tracing our June arms shipment from the East European port to Honduras.

Twenty-four hours later, Sam was summoned by furious East European authorities in Switzerland. They were outraged that Del'Amico or Ron Martin might leak this information to the press, thus exposing internal procedures that, at best, were somewhat irregular. It took all of Sam's considerable diplomatic finesse (and probably a fair amount of hush money) to calm down the offended government officials.

We later discovered that Del'Amico had actually met our shipment at the Honduran port that July posing as the representative of the Honduran colonel to whom the shipment was consigned. Although he hadn't delayed the arms delivery to the Contras, he had obtained the file of documents to use in threatening those involved.

Despite his sinister bravado, however, Del'Amico was no warrior. Here's how Bob Brown described his encounter with Del'Amico the day Brown's training group returned from the Las Vegas base camps to Tegucigalpa: "This guy was something else: coke bottle sunglasses, some type of black



'Death from Above' T-shirt covering a belly that protruded over his belt, fat cigar and .45 auto in a fast-draw holster. A 'Mr. Combat'—arrogant, pompous, and fat. Bermudez told him to provide security for us back to Tegucigalpa, but he took off never to be seen again."<sup>35</sup>

It was unfortunate that sleazy parasites like this were in the picture, and that Ollie North's effort to force them out was more pecuniary than patriotic.