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Aiding the Contras

Why the Covert War In Nicaragua Evolved And Hasn't Succeeded

Mishaps and Bad Judgments Have Plagued Program, But Gains Have Occurred

The Umpire and the Salesman

BY DAVID IGNATIUS
AND DAVID ROGERS

Staff Reporters of THE WALL STREET JOURNAL

Jose Francisco Cardenal still has the dogeared index card that the Central Intelligence Agency man in Miami gave him before Mr. Cardenal's first meeting in July 1982 with "John," his CIA contact in Tegucigalpa, Honduras.

The card instructed the Nicaraguan exile leader to arrive at 7 p.m. at the Hotel La Ronda in Tegucigalpa and take the stairs—not the elevator—to Room 303. He should knock on the door and say, "I am early." The CIA man would respond, "No. You are exactly on time." The rendezvous went like clockwork, and it opened a direct channel between the then-leader of the Contras and the CIA station in Tegucigalpa.

The CIA's secret war against the Marxist Sandinista government in Nicaragua has rarely worked so smoothly. From its start in 1981, the agency's Contra program has been plagued by mishaps and political misjudgments. The troubled history of the program shows that, however adept the CIA may be at arranging secret meetings abroad, it has considerable difficulty trying to run a covert war from an open society like the U.S.

Gains and Losses

The Contra program has achieved some military gains. The often brutal covert war has hurt the Nicaraguan economy and put pressure on the Nicaraguan government to negotiate with the rebels and the U.S. It has also reduced the flow of arms into El Salvador. But there have been heavy political and diplomatic losses. Political problems in Washington, especially the CIA's strained relations with Congress, undermined support for the program and led

Congress to cut off funds last year, forcing the Contras to turn to private contributions.

"The Project," as CIA personnel dubbed the Contra program, will face intensive public scrutiny during the next few months as Congress debates whether to resume financing. Interviews with Contra leaders, Reagan administration officials, members of Congress and their aides, and U.S. intelligence officials may provide some lessons for the next round of American policy in Central America. They also reveal new details about how the CIA ran its first big paramilitary program in more than a decade. Some highlights:

—American goals in the Contra program were confused. The Reagan administration originally sold the program to Congress as a way to harass Nicaragua and to halt arms shipments to El Salvador, even though some U.S. officials and most Contra leaders from the beginning held the broader goal of removing the Marxist government in Managua. The official CIA position was a Catch-22: The secret war didn't violate a 1982 congressional ban against overthrowing the Sandinistas because the Contras weren't strong enough to win.

—The program got off to a bad start when the CIA turned to a surrogate, the right-wing military dictatorship in Argentina, to organize and train the Contras. The Argentines already had a small training program for the Contras in Honduras, and by working with them the U.S. shielded its own involvement. But the heavyhanded Argentine approach tainted the movement in the eyes of many Nicaraguans. The U.S. had few alternatives, since the CIA at the time didn't have any reliable paramilitary capability of its own.

—CIA planners, eager to show results once they began running the program directly, used aggressive military tactics that sometimes backfired politically. In addition to training the Contras, the agency used a separate and secret paramilitary force composed of what were called UCLA—unilaterally controlled Latin assets—to mine harbors and raid targets in Nicaragua. A U.S. official who helped run the program concedes that tactics were sometimes "overzealous."

'The Priest of Death'

A secret CIA document lists 19 such operations in early 1984, and the intensity of the attacks and the level of U.S. involvement are larger than previously reported. Americans flew—and fired from—a helicopter launched from a CIA "mother ship." A fixed-wing U.S. plane provided sophisticated radar guidance for the nighttime attacks. In the turmoil following one

attack, Nicaragua shot down one of its own C-47 planes, according to the CIA summary.

The CIA officers involved in the Contra program were enthusiastic and sometimes eccentric. One, a retired Army major who wrote a controversial CIA manual on psychological warfare, liked to dress entirely in black and called himself "the Priest of Death"; the Contras used a less pretentious name for him: "the Umpire." **Duane "Dewey" Clarridge**, the senior CIA official who ran the program, sported safari suits in the field and at home decorated his jeep with a post-Grenada bumper sticker that read: "Nicaragua Next."

From its first days in office, the Reagan administration viewed Central America as a test of U.S. ability to contain communism. The situation there seemed to be deteriorating fast in early 1981, as Nicaragua rushed weapons into El Salvador by the truckload. To the new administration the question wasn't whether to use American power against Nicaragua and its patron Cuba, but how—overtly or covertly.

An internal debate raged in early 1981 about what strategy the U.S. should adopt. Alexander Haig, then the secretary of state, argued that the U.S. should "go to the source" by pressuring Cuba directly. After Mr. Haig outlined a set of tough military options against Cuba at a National Security Council meeting in mid-1981, one NSC member turned to another and whispered: "Did you hear what I heard? This guy will get us into a war."

Instead of going to the source, the Reagan administration decided to go to the CIA. Officials viewed covert action as a sensible middle course between doing nothing and declaring war. But the precise strategy wasn't well-formulated. The CIA, says one U.S. official, became "a substitute for a policy."

The crisis nature of the program put pressure on the CIA to find a quick fix. The administration's immediate worry was to cut down arms shipments to leftist Salvadorans, and this put a priority on military action—rather than politics—in building the Contras as an insurgent movement. And although the administration talked repeatedly about developing a broad economic and political strategy in Central America, in practice the emphasis was on military pressure.

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President Reagan approved the basic elements of the program: In early 1981, he agreed to begin rebuilding the CIA's covert-action capability; a March 1981 decision authorized the agency to develop a broad political-action effort in Latin America; a November 1981 directive committed the U.S. to "assist" in developing an anti-Sandinista guerrilla army.

The political decision to conduct a covert war in Central America revived an old problem for the CIA. Agency officials don't like running secret armies because the programs usually don't stay secret and because U.S. political leadership often gets cold feet. From the outset, the Contra program carried these same risks and worried many career CIA officials.

Bad Track Record

The U.S. track record hasn't been very good: In Cuba, Indonesia, Laos and Kurdistan, the CIA has recruited guerrilla armies and then, when the political winds changed back home, abandoned them. One CIA paramilitary veteran, bemoaning the cutoff of funds to the Contras, says ruefully: "We leave them hanging every time."

A more immediate problem for the CIA was the lack of paramilitary skills at the agency. During the 1970s, CIA training camps and bases had been closed and the agency's paramilitary experts, derided by the brass as "knuckle-draggers," had been purged. A special covert-action unit, known as the International Activists Division, was little more than a shell, staffed by wary survivors of the 1970s.

"When we started up the program, you couldn't find five guys who knew what they were doing in terms of organizing a resistance operation," says a U.S. official who helped manage the program. To gain expertise quickly, the agency tried to lure back the old-timers, the "hairy-neck paramilitary types," offering them one-year contracts. The agency also began acquiring the assets—boats, airplanes, helicopters and Third World nationals—for the secret strike force that would later be used to mine Nicaraguan harbors.

La Tripartita

The structure of the program was known as La Tripartita. The idea was to combine American money, Argentine trainers and Honduran territory to create a guerrilla army known as the Fuerza Democratica Nicaraguense, or FDN. Later, the U.S. financed other guerrilla groups operating from Costa Rica.

The FDN embodied the political tensions that have plagued the Contras from the beginning. Founded in August 1981, the group combined a rightist military leadership, directed mostly by people who had been loyal to deposed Nicaraguan dictator Anastasio Somoza, with a moderate political leadership. It wasn't a comfortable marriage.

The head of the Argentine training mission in Honduras was Col. Osvaldo Ribeiro, known as Ballita, or the Little Bullet. He became a prominent figure in Tegucigalpa, living in a large house, distributing American money and dispensing what CIA officials viewed as unsound military advice. For example, since his own experience was in urban rather than rural combat, he advised the Contras to mount a program of urban terrorism. The CIA wanted to cultivate a popular insurgency in the countryside.

The Argentines also apparently tolerated a practice of killing prisoners. A former Contra official describes the informal rule for dealing with captives: If a prisoner has ammunition when captured, let him live, since he hasn't fought to the last bullet; if a prisoner hasn't any ammunition, kill him. (To stop the killing, CIA officers ordered in mid-1982 that all prisoners be brought back to base for interrogation.)

Coordination Difficulties

The CIA's goal was for the Contras to coordinate with insurgents inside Nicaragua, but that proved difficult. One U.S. official recalls: "The moderate opposition was in flight. We would make contact with people in Managua and ask them to help us and they would say, 'Can you get me a green card?' " to live in the U.S.

To supervise the expanding American effort, the director of central intelligence, William Casey, named Mr. Clarridge head of the Latin American division of the agency's directorate of operations. The Contra program to some extent had been thrust on the CIA, but Mr. Casey, who helped run covert operations during World War II, was determined to make it work. He seemed to have found a soulmate in Dewey Clarridge, an ambitious, hard-charging intelligence officer.

Mr. Clarridge impressed the CIA director as an activist in an agency that had become cautious and demoralized during the 1970s. He had served most recently in Rome, where he had won points by giving an elegant late-night supper for Mr. Casey in 1981. He had little background in Latin America but much enthusiasm.

"Dewey is more responsible than anyone for what success there was," says one U.S. official. "But Dewey cut corners and rammed things through. He crossed the line from being a professional intelligence officer to being an advocate."

The program was managed in Washington by a "restricted interagency group," or RIG. The group was headed by the assistant secretary of state for Latin America, initially Thomas Enders and later Langhorne "Tony" Motley. Other members were U.S. Army Gen. Paul Gorman, representing the Joint Chiefs of Staff, who was later replaced by Navy Vice Adm. Arthur Moreau; Lt. Col. Oliver North, a

Marine officer with extensive paramilitary experience who served on the NSC staff, and the CIA's Mr. Clarridge. All were, by temperament and background, aggressive risk-takers.

Leadership Recast

As the American role increased during 1982, the CIA decided to repackage the FDN leadership. The aim was to broaden the group's political appeal (and reduce the rightist Argentine aura) by bringing in well-known Nicaraguans with good anti-Somoza credentials. The head of the CIA's Central America task force visited Miami in November 1982 to interview candidates for the new FDN board of directors. He called himself "Tony Feldman."

(Mr. Clarridge has been identified in print previously by the Associated Press, the Washington Post and The Wall Street Journal as director of the CIA's Latin American division. Other CIA operatives discussed in the article are identified by the code names they used in dealing with Contra leaders.)

Edgar Chamorro, who joined the new leadership, remembers the pitch this way: "Feldman said that he was speaking on behalf of the U.S. government. He said that the president was interested in finding a solution to the problem. He said it was important to do it before the election year. He spoke in very confident terms. He said that the Sandinistas must go."

"I called him the Salesman," says Mr. Chamorro of the CIA official. He recalls that Feldman even promised that there would be a Lear jet to fly the Contra leaders from Honduras to Miami on the weekends to see their families. Not only was there never a Lear jet; the Contras waited nearly a year for the CIA to provide a simple cargo plane that could drop supplies to the fighters inside Nicaragua.

The Unveiling

The repackaged FDN was unveiled at a Dec. 7, 1982, press conference. To avoid awkward questions to Mr. Cardenal from reporters, a group that Feldman characterized as "sharks," the CIA asked the former FDN leader to get out of Miami for

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the day. The new FDN leader was a Nicaraguan businessman named Adolfo Calero.

CIA handlers arranged a public-relations tour for the new FDN directors. Mr. Chamorro says. They were packed off to the United Nations to meet with representatives of nonaligned countries, and in March 1983 they traveled to Europe to meet with non-Marxist European socialists. For the European trip the agency provided each director with \$150 a day in expense money, delivered in a bulging attache case.

The real action was taking place in Honduras, where the FDN was building a large guerrilla force. By early 1983, an estimated 7,000 FDN fighters were based in camps along the Honduras-Nicaraguan border, and they were beginning to operate overnight inside Nicaragua. The guerrillas did more than just harass Sandinista troops. They raided villages, burned crops, destroyed roads and blew up bridges. By CIA estimates they killed 55 Cuban advisers in 1984.

Boxes of Cash

The Americans provided the money—\$300,000 a month—and it arrived every two weeks in cash, in large boxes filled with U.S. dollars, Honduran lempiras, and Nicaraguan cordobas, according to Mr. Chamorro. The fighters were supposed to live on \$1 a day. The FDN directors, who mostly stayed in Miami, were receiving about \$2,000 a month.

The Contras never controlled their own weapons and logistics. The Americans supplied guns, ammunition, uniforms and most other military gear—apparently to make sure the guerrilla army didn't grow faster than Congress had authorized. When Congress cut off funds in 1984, the Contras suffered from their lack of logistics training.

"They didn't know how to buy rifles or webbed belts or any of the things they needed," says a U.S. official.

Mr. Chamorro gives most of the CIA operatives in the field high marks. "George," the CIA officer with whom he maintained daily contact, was "first-rate" and "a bright young man with liberal ideas," he says. The veteran officer who ran the training camp, "Col. Raymond," was "as good as you can find."

The Project was expanding rapidly in mid-1983, despite a 1982 congressional amendment specifying that CIA covert money couldn't be used to "overthrow" the Sandinistas. The amendment was a warning shot from Congress of its growing unease about the direction of the program.

Mixed Assessments

Within the CIA there were mixed assessments about the Contras' prospects. An internal planning memo prepared in 1982 had set out a timetable leading to the fall of Managua by Christmas 1983. Later, CIA officers encouraged the Contras to attack the Rama Road, a route for arms shipments from the port of El Bluff to Managua, and there were even dreams of

splitting the country in two and establishing a Contra shadow government.

But the optimism faded, at least officially. An internal report by the CIA inspector general in early 1983 concluded that the insurgency couldn't succeed at its current levels. A June 30 National Intelligence Estimate, representing the collective judgment of the intelligence community, was even blunter. It said the Contras would have difficulty holding large population centers, let alone toppling the Sandinistas.

Conservatives were angered by the intelligence estimate, but it also served Mr. Casey's purposes by giving him a shield against criticism that he was trying to overthrow the government. CIA officials recognized that they were running out of time and might soon lose congressional support for any paramilitary effort. So they began planning, in mid-1983, what would prove the decisive operation of the secret war: the mining of Nicaraguan harbors.