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U.S. Mercenaries Pose Problem in Nicaragua

By WILLIAM C. REMPEL, Times Staff Writer

WASHINGTON—The camouflage-suited men in the Miami motel room had a bold plan: Slip into Nicaragua, steal a Soviet helicopter gunship and fly it out to collect an advertised bounty of \$1 million.

One of the leaders, the man armed with the German PPK .38 automatic handgun who called himself "Col. Flaco," advocated a second objective. On the way home, he said, the commandos should swoop down on a "lightly guarded" Nicaraguan gold mine and loot the mine for the needy war effort of the Nicaraguan *contras*.

Operation Pegasus, as its leaders called it in January, 1985, was to benefit everyone: America first, then the rebel "forces of democracy" in Nicaragua and, of course, the soldiers of fortune willing to risk their lives on the improbable mission.

'Trying to Make a Buck'

"You've got a U.S.-financed revolution down there [in Nicaragua] and everyone's trying to make a buck on it," said one who attended the Pegasus meetings at a Howard Johnson's Motel in Miami.

But some, like the Missouri man called "El Tirador" (the marksman), insisted that they simply wanted "to be part of history," to do whatever could be done to "keep this thing going until the U.S. invades" Nicaragua.

Whatever their motives, this little band of mercenaries was one of the byproducts of the White House campaign to generate private support for the *contras* after Congress cut off public funds late in 1984.

Marine Lt. Col. Oliver L. North, a member of the White House National Security Council staff until his dismissal last November, is accused of encouraging and coordinating private efforts to aid the *contras* during the two years when governmental military assistance was illegal. According to published reports, his high-placed allies in the Reagan Administration included former CIA Director William J. Casey.

'A Bunch of Rambos'

Those same Reagan Administration efforts, as Operation Pegasus makes clear, also encouraged offers of direct help from private soldiers all over the country—men whom some critics deride as "a bunch of Rambos."

The State Department has estimated that as many as 200 American adventurers remain active in Central America. Some have been killed or jailed there. Others are targets of criminal investigations in the United States over violations of weapons and neutrality laws.

"Most of them are just trying to help people that we should be helping," said a source who has traveled with the mercenaries. But he added: "They've all got weapons, and some of them are crazy."

They are, in fact, a motley mix of zealots and thrill-seekers, patriots and profiteers.

And they pose a problem for traditional foreign policy agencies. They ran afoul even of the unorthodox operations managed by North, who, sources said, insisted that the Pegasus helicopter heist be abandoned when he learned about the Miami meeting.

"I guess it was too far out for Ollie," said a source who claimed that he kept North informed of the meetings. "He wanted to call in the FBI."

Even the Nicaraguan rebels, eager as they are for U.S. assistance, have grown wary of the American mercenaries after some bad experiences in the field. In February, 1985, for example, a patrol of American volunteers clashed with *contra* soldiers over food supplies and command decisions, and each side placed the other under arrest. *Contra* sources have told The Times that mercenaries generally are no longer welcome in the battle zones.

Although no apparent attempt was ever finally made to steal the Soviet helicopter gunship—the object of a \$1-million standing reward offer by *Soldier of Fortune* magazine "to any Cuban or Nicaraguan military officer who would fly one out"—plenty of other schemes are constantly being plotted in motels and barrooms from Florida to Texas.

There was, for example, a failed assault two years ago on the "lightly guarded" Sisin Bridge near the Honduran border. After days of marching through swamps and jungle, the mercenaries found the bridge to be heavily defended and they elected to abandon their explosives in the brush and withdraw without firing a shot.

Another scheme by the Pegasus group—not yet attempted—involved a plot to invade a small Nicaraguan island, declare it independent and ask for official U.S. recognition. Miskito Indians displaced by the Nicaraguan regime would be invited to use the island as a refuge. Pegasus officers discussed among themselves selling

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the island to a Texas oilman and charitable supporter of the Indians.

And a Southern California fire-bombing suspect on trial for allegedly blowing up the cars of two schoolteachers prepared a formal proposal to government officials two years ago seeking a contract to blow up Soviet helicopters on the ground in Nicaragua for "a bonus per helicopter" of \$50,000, plus expenses.

Documents obtained by The Times from mercenary sources indicate that Pegasus, the code name for a commando unit to be composed of about 12 U.S. volunteers and 50 or more contra trainees, was conceived in the spring of 1984 during a fund-raising dinner in Alabama attended by contra representatives and private supporters.

According to a report prepared a few months later by Franklin J. Camper, the operator of a mercenary training camp in Alabama and now a defendant in a Southern California bombing-for-hire trial, Camper proposed the idea to former Nicaraguan Vice President Alfonso Callejas. They talked about attacking and disabling a hydroelectric power station, Camper wrote.

By the end of 1984, however, Pegasus was under the direction of Tom Posey, now 41, an Alabama produce company owner, ex-Marine, Little League coach, father of two and outspoken anti-communist.

Despite the subsequent failure of his produce business, Posey continues to run a volunteer contra support organization called Civilian Material Assistance, which, he says, has delivered more than \$4 million in supplies to the contras. It also lost two members who died in the crash of a supply helicopter in Nicaragua in the fall of 1984.

"We're grunts who live on the side of the road with the soldiers in the field; we try to help the poor soldiers," Posey said. "We're not the elite guys like Ollie North's people. We don't live in fancy hotel rooms. We're not making any money. We don't have gas money sometimes to drive a van load of supplies down to New Orleans."

Posey currently is the target of a Miami grand jury investigation into allegations that he illegally shipped arms to Central America and may have violated federal neutrality statutes that forbid private citizens from engaging in foreign policy. He denied the allegations in a recent telephone interview before leaving on a two-week trip to Honduras.

"I'm going south to help where I can," he said, conceding that he is troubled by the criminal investigation. "At least down there, I know who my friends are."

Another key Pegasus figure was Jack Terrell, 45, an ex-convict who became "military commander" of the group. Terrell, known as Col. Flaco, also was "war chief" of the Miskito Indians in Honduras and claimed to be connected to the CIA.

He ultimately led, but did not complete, the ill-fated assault on the Sisin Bridge. Colleagues said he spent most of his time trying to raise funds for a host of "wild missions." Some in the Pegasus group later dubbed him "Col. Wacko."

After a falling-out with contra officials that left him a staunch critic of the rebel leadership, Terrell became a staff investigator for a liberal foreign policy organization in Washington that has been critical of White House policy in Central America.

He told a reporter recently that "retired generals, ex-spooks . . . and high-rollers" were benefiting from U.S. aid to the contras while "the people on the ground, we don't get diddley."

And then there was Joe (El Tirador) Adams, 36, Terrell's second-in-command on the Sisin Bridge mission. When he met Posey and Terrell in Central America, Adams was a personal bodyguard of contra leader Adolfo Calero and was attracted by the promise of combat action.

"If they were going to fight, I wanted to go in with them," he said.

The body builder said he got his nickname, which means "the marksman," while training contras in the use of firearms. He said they complained about the weapons' being faulty until he fired seven rounds "into the same bullet hole" with one of the so-called faulty guns.

Today Adams nuns bail jumpers in St. Louis while waiting for chances to return to Central America. And like Posey he worries about the grand jury probe in Miami, where Adams said he was informed after testifying about six weeks ago that he has "a 50-50 chance of being indicted."

"I don't care what they say, they can't make me feel like a criminal," Adams said in a telephone interview. "As far as I'm concerned, we're working for the White House. I don't do it for money, or for the beans and rice. I'm doing it for my kids and your kids."

According to Posey, who stayed in Alabama, and Adams, who was on the scene, 14 volunteers went to Central America in February of 1985 to train Indian rebel forces in Rus Rus, Honduras, near the Nicaraguan border. They had been there for about 10 days when plans for the bridge assault came up. As usual, it was a Col. Flaco plan.

"It was pouring rain and I was eating a cold can of roast beef stew when Jack came by my hooch and said we were nearly out of food," Adams recalled. "He said we had to go raid a village, but I thought our Indians needed a lot of training yet and our guys still weren't acclimated. I thought it was a bad idea."

But Terrell had an even bolder plan. He proposed continuing on to hit what he called "the largest resupply bridge" across the Nicaraguan border.

"He wanted to knock it out before the rainy season really set in so they couldn't rebuild it," Adams said.

By most accounts, the mission was a fiasco. Preliminary intelligence reports suggested that the bridge was lightly defended. Instead, after a 125-mile hike, the commandos found more than 500 troops holding a mined and fortified perimeter. Where reconnaissance maps indicated surrounding hills or vantage points, the volunteers found swamps.

"We're lucky no one got killed," Adams conceded.

They abandoned hundreds of pounds of C4 plastic explosives in the jungle, and the team started the long walk back—already out of food.

Discipline broke down almost immediately, according to accounts by some of the volunteers. Security precautions were ignored in attempts to get fish by exploding grenades in ponds and by shooting game. Disputes over food and security between American volunteers, the Indian trainees and contra

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officers finally boiled into death threats between the factions.

Terrell, the mastermind of the mission, wasn't around for the angry squabbles. In fact, as an early victim of fatigue and an ulcer, he never even made it to the bridge. One member of the team told the Baltimore Sun that the last time he saw Terrell, "he was walking back up the trail with an Indian woman carrying his pack for him." But he wasn't the only one to drop out. Half of the original American volunteers never got to the bridge at Sisin.

When the remnants of the Pegasus unit returned to Honduras, they were promptly ordered out of the country.

Former U.S. Rep. Michael D. Barnes (D-Md.), past chairman of the House Foreign Affairs subcommittee on Western Hemisphere affairs, subsequently blamed President Reagan for encouraging such adventures by indicating that "he supports American citizens' taking action in Central America to support the contras and harass the Sandinistas."

Also contributing to this story was Times staff writer Bob Drogin in New York and Doyle McManus in Washington.