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CIA Impact Enormous

The Contras: How U.S. Got Entangled

By DOYLE McMANUS
and ROBERT C. TOTH,
Times Staff Writers

WASHINGTON—Col. Enrique Bermudez, a hard-bitten officer of Nicaragua's vanquished National Guard, had been fighting a lonely war against his country's leftist regime for two years when, in 1981, he heard news that seemed the answer to his prayers: The United States had secretly decided to back his rebel army.

Suddenly, as Bermudez recalled recently, "I could feel the steps of a giant animal."

The giant animal was the Central Intelligence Agency, and its impact on the ragtag opponents of Nicaragua's leftist Sandinista regime was enormous. Acting through a covert action officer with a penchant for quick action and a direct line to U.S. spy chief William J. Casey, CIA operatives took a scant 24 months to whip Bermudez's guerrillas into a well-equipped, aggressive army of more than 10,000 men, then sent the CIA's own paramili-

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tary experts—some of them Americans—into the thick of the escalating war.

CIA helicopters with American pilots, providing air cover for commando raids, battled Nicaraguan army units at the Pacific coast ports of Potosi and San Juan del Sur. Ecuadorean frogmen hired by the CIA slipped ashore from speedboats to plant bombs under Nicaraguan bridges. CIA transport planes flew deep into Nicaragua to drop supplies to guerrillas in the jungle. And a CIA "mother ship" in the Pacific launched seaborne commando teams to mine Nicaragua's harbors in an attempt to cut off the Sandinistas' overseas supply lines.

This whirlwind of action, directed by a man known to the insur-

gents by the code name "Maroni," is still lauded by some U.S. officials as a classic covert action that almost succeeded. But it also illustrates a problem that haunts U.S. policy-makers down to the present—a dilemma which, with the Reagan Administration now calling on Congress to renew its support for action against the Sandinistas, is more pressing than ever.

Reliance on Local Leaders

In the jungles of Nicaragua, as in Vietnam, Lebanon and other Third World trouble spots, U.S. policy often relies heavily on the cooperation of local leaders who may eventually prove both unsuited and unwilling to serve as instruments of American national interests.

In Nicaragua, the United States set out to forge a cluster of guerrilla bands, known as *contras*, into a weapon capable of coercing the Sandinistas into changing their leftward course, or even forcing the regime from power entirely. To succeed, however, that strategy rested on three crucial assumptions:

—That the anti-Sandinista rebels could unite their squabbling factions.

—That they could win broad political support among the Nicaraguan peasants.

—That they could achieve clear military victories over the revolutionary government in Managua.

The rebels fell short on all three. First, the *contras*' two largest factions, far from being united, were in fact led by archenemies: Bermudez was tied to the late Nicaraguan dictator Anastasio Somoza, while the other principle insurgent leader was Eden Pastora, a disaffected Sandinista hero.

Second, while Maroni—called Dewey since his school days but whose full name remains protected under federal law—considered the charismatic Pastora more likely to win political support in Nicaragua than Bermudez, Pastora refused to submit to the agency's demands. The agency sought tighter control over his operations, but the ex-Sandinista bristled instinctively at any hint of serving U.S. interests.

"I had only one problem with the CIA," Pastora said bitterly last week. "I didn't speak English well enough to say, 'Yes, sir.'" In the end, that meant the CIA was left relying on Bermudez, whose past service under Somoza drastically

limited the support that his guerrillas could hope to attract in the countryside.

No Convincing Victories

Finally, the *contras* were unable to win convincing military victories all by themselves. That drew the CIA ineluctably into a direct role in the war. Initially, the Administration had wanted to remain at arm's length but, by the beginning of 1984, American special-operations men were in the center of the *contras*' fight.

In Nicaragua as so often before, growing U.S. involvement in a distant country not only raised awkward questions about a supposedly covert war but soon triggered cries of alarm in Congress—cries that eventually brought the Administration's efforts to a standstill.

When President Reagan secretly approved aid to the *contras* in November, 1981, the idea of overthrowing the Sandinistas seemed far-fetched. Bermudez' Nicaraguan Democratic Force (known as the FDN, for its Spanish initials) had been fighting since 1979, when the colonel and other National Guardsmen fled the Sandinista revolution, but it had accomplished little more than raids on farms in southern Honduras and northern Nicaragua.

Miskito Indian resistance groups also fought for control of their homeland along the Caribbean coast, and former Sandinista hero Pastora was organizing his own guerrilla force in southern Nicaragua. But the *contras*, divided and ill-organized, did not seriously threaten the Managua regime. One skeptical Administration official dismissed them as "insects buzzing around the Sandinistas' ankles."

Hard-Liners Back Contras

Yet hard-liners in the Administration wanted to see the Sandinistas overthrown and insisted that, with enough U.S. support, the *contras* could do the job. State Department officials said that objective was unattainable, arguing instead for using the *contras* to wring concessions from the Sandinistas.

Casey, reportedly skeptical at first, came in time to agree with the hard-liners, officials say. So while the Administration officially disclaimed any such intention—"We are not doing anything to over-

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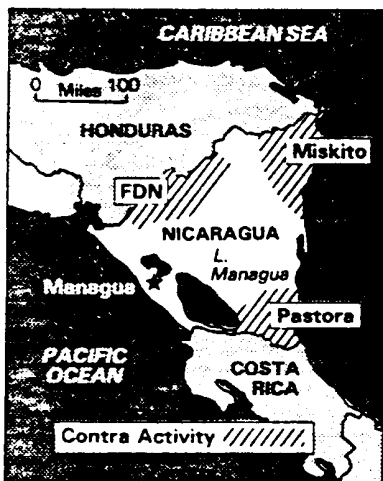
throw the government of Nicaragua." Reagan would say—most of the men actually running the war agreed that the goal was to topple the regime. By 1983, "Casey made no bones about it," as one senior State Department official remembers it.

But even the so-called soft-liners agreed that the CIA should build the contras into a credible threat—so Maroni's mission either way was the same.

"Different people had different objectives, but none of this was Dewey's problem," another official said. "He wasn't hired to make that kind of distinction. He just carried it out."

Almost immediately after Reagan signed a directive committing the United States to the guerrilla war on Nov. 23, 1981, the CIA station in the Honduran capital of Tegucigalpa grew to about 25 officers under a new station chief who rented a handsome suburban home near the airport for his staff, mostly military supply experts and accountants. Maroni and CIA Director Casey made frequent visits to the area.

The new station's first tasks were to arm the contras' growing ranks, to make certain the subsis-



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tence budget of \$1 per day for each recruit was not skimmed by their officers and, in the words of a former FDN leader, to "get our officers out of Tegucigalpa, where they wanted to stay, and into the countryside where they could fight."

By those lights, Maroni's effort was remarkably successful. When Bermudez's FDN carried off its first major operation inside Nicaragua, blowing up two bridges in the north of the country in March, 1982, "there was great enthusiasm

in the CIA and in the Administration," an intelligence source recalled. "We were finally bringing pressure to bear on the Sandinistas."

Maroni's political mission was another story. The CIA recognized from the outset that Bermudez, as a former officer in the hated National Guard, would have trouble winning

followers in a country that had only recently cast off Somoza's rule. And officials were worried about reports that contra units routinely killed civilians and stole livestock.

So, early in 1982, Maroni met secretly with Pastora, a disillusioned one-time Sandinista combat commander who was organizing his own guerrilla force in Costa Rica. Maroni and other U.S. officials were captivated by Pastora's charisma; they reported to Washington that the socialist-leaning revolutionary, not the rightist Bermudez, was the real political threat to Sandinista rule.

Pastora would long deny that he took any help from the CIA. But in fact, the ex-Sandinista accepted U.S. money from the start—on condition that he have absolute "deniability" because his credentials as a nationalist would be weakened if his CIA ties were revealed. As a result, CIA guns and money were delivered to Pastora through an elaborate network of Latin American intermediaries—the funds sometimes in plain brown envelopes.

Pastora now admits that he met with Casey and Maroni, but he says that money was never explicitly discussed. "Officially, the United States never committed itself to me," he said, "but I can't say that the United States never came through for me."

When he met with Casey, Pastora complained, the CIA chief dozed off during his passionate spiel.

As early as July, 1982, Maroni was pressing Pastora to ally with the FDN, but the prickly ex-San-

dinista refused—and charged publicly that the CIA was trying to force him to join up with "Somocists" and "criminal mummies." It was only the first spat in a relationship that was destined to be stormy; later, the CIA would cut off Pastora's funding because he was "unmanageable"—a charge the guerrilla leader cheerfully admits. Eventually, the U.S. effort would be concentrated almost entirely on the FDN in the north.

Maroni also struggled to change the FDN's Somocist image. CIA officers combed the Nicaraguan

exile communities in Miami, Honduras and Costa Rica for attractive figures to replace the National Guard-dominated leadership. At a December, 1982, news conference in Miami, the FDN unveiled its new "directoriate," a board of six leaders including a former Jesuit named Edgar Chamorro, a former Sandinista named Indalecio Rodriguez—and Bermudez.

"It was done in a great hurry, in a week," recalled Chamorro, who has since broken with the FDN. "We complained about this. They were just improvising, reacting to things. They said . . . they had to repack-age the program in a way to be palatable to Congress."

A few months later, to emphasize the idea of non-Somocist control, the FDN named a new "commander in chief"—Adolfo Calero, a former chairman of the Coca-Cola bottling company of Nicaragua who had been jailed by Somoza for leading a faction of the Nicaraguan Conservative Party into opposition.

Despite the title, directorate member Alfonso Callejas said, Bermudez's men often treated the civilians as mere front men. "Some of them still refer to us as 'the political branch,'" he said ruefully.

There were fights over the rebels' conduct, too. The Americans pressed the contra leaders to get rid of officers with bad reputations, among them Ricardo (Chino) Lau, Bermudez's counterintelligence chief, who has been accused of murdering Honduran dissidents.

Like Pastora, Bermudez resisted pressure; U.S. officials say they were assured by rebel leaders in 1983 that Lau had been removed, only to find that he had merely been shifted to a less visible position in the FDN. Today, Bermudez refuses to say whether Lau is still in the organization or not.

"If he has committed a crime," the colonel said, "let the proof be brought forward."

"The Americans were very strong on human rights," Chamorro said. "Bermudez was critical of some of them on that. He felt they were trying to find out too much."

Maroni and his aides sternly instructed the new leaders never to call openly for the overthrow of the Sandinistas but gave conflicting advice on military strategy, Chamorro said.

"The problem was they told us different things at different times," he recalled. He quoted one CIA officer as "always saying the President of the United States wants you to go to Managua. . . . But the station chief in Tegucigalpa was

more realistic. He said we didn't have the strength to march to Managua, and we should plan for a long guerrilla presence in the mountains."

Large-Scale Attacks

With CIA-supplied small arms and manpower swelling its ranks from some 5,000 in early 1983 to as many as 8,000 in midyear, the FDN began launching large-scale attacks. In March, 1983, a column of rebels nearly reached Matagalpa, a provincial capital only 65 miles northeast of Managua, before it was beaten back. Other rebel units roamed increasingly freely in the northern provinces of Nueva Segovia and Jinotega, attacking Sandinista military posts but destroying economic targets as well.

Maroni's men in Tegucigalpa were optimistic: "We'll be in Managua by December," one of them told a visiting congressman.

But the fighting turned out to be inconclusive.

Chamorro and other FDN officials, complaining that the CIA simply wasn't giving them enough resources to do the job, asked for bigger guns. "They were paying us to fight, but they weren't letting us win," Chamorro said. "It didn't correspond to the purposes that Maroni and others were talking about. If you wanted us to take cities, we needed machine guns and mortars. But we weren't getting anything near that; we were getting bolt-action rifles."

At home, the Administration was in no position to step up its aid. For one thing, the change of government in Argentina which followed its defeat in the Falklands war brought an end to Argentina's role as a third-party surrogate for the United States in funneling aid to the contras in Nicaragua.

"When the Argentines pulled out in 1983, as a result of the Falkland events, . . . the contras supported by the United States zoomed up by maybe 5,000 who had been supported by the Argentines. The whole Argentine crowd suddenly belonged to us," one intelligence

official said. "When they (the Argentines) left, the U.S. fig leaf was gone, and the size and scope of the U.S.-supported contra effort changed radically."

An even bigger problem for the Reagan Administration was the rising complaint from Congressional Democrats that the covert program seemed out of control and

aimed at overthrowing the Sandinistas instead of intercepting arms.

In May, 1983, the Democratic-controlled House Intelligence Committee voted for the first time to cut off the contras' funds entirely; the Republican Senate later restored the money, but the funding level remained modest.

Casey and Maroni visited the contras in Honduras again that summer, FDN and U.S. officials say—Casey to assure them that the Administration would stay with them, Maroni to deliver a less cheerful message.

"Maroni told us Pastora's guerrilla tactics were a good approach, and he criticized our conventional tactics," Chamorro recalled in an account confirmed by others. "He said we should go more to guerrilla war. He praised Pastora as one who knew how to fight. We resented that, because it seemed the CIA was supporting (Pastora's) liberal socialists while we, the conservatives, were carrying the brunt of the fighting."

CIA Contract Employees

To go with the new emphasis on guerrilla warfare, Maroni brought in a CIA contract employee to write a manual of "psychological operations" for the FDN's officers. He also told the contras that they should avoid destroying economic targets, under the theory that such actions would only alienate the Nicaraguan peasantry, Chamorro said.

But later in 1983, contra leaders and U.S. officials say, the Administration decided on a fateful new escalation of the guerrilla war: sabotage raids on such targets as oil supplies and port facilities, to hamper the Nicaraguan military effort. Some of the attacks would be carried out by the FDN, but most would be launched by the CIA itself, with both U.S. personnel and Latin American agents.

"There were questions about the competence of the contras . . . whether they could conduct effective (sabotage) operations," an intelligence source recalled. "So the CIA went out to contract employees."

One U.S. official said the tactic was borrowed directly from the leftist guerrillas in El Salvador. "We had seen how effectively sabotage could divert an army's energy into static defense," he said.

At the end of August, 1983, the FDN launched another offensive in the north. This time, the Sandinistas

found themselves fighting on several fronts at once, with attacks suddenly coming from the air and sea as well as on land.

From the south, Pastora launched a pair of Cessna light airplanes to bomb Managua airport—an attack some U.S. officials said they never approved. (Pastora lost half of his two-plane "air force" when one of the Cessnas crashed into the airport control tower; after that, he complained, the CIA cut off his aircraft supplies.)

The next day, an airplane bombed the Nicaraguan port of Corinto. Credit for that raid was claimed by the FDN, but it was actually carried out by the CIA, according to congressional sources and contras. Speedboat-borne commandos landed at night to blow up bridges, sabotage oil pipelines

and destroy a Sandinista arms depot—all under the direct control of the CIA, rebel leaders and U.S. officials have since said.

"There were some operations that we didn't even know about until afterwards," said Chamorro. "Calero didn't have any part in it at all. Bermudez went once to blow up a bridge, but he wasn't taking an active part; he was just a guest in a boat. He told me the man doing the job was an Ecuadorean who almost drowned and never found the target. The sun was coming up, the frogman wasn't back yet and everyone in the boat was very nervous. The man finally showed up at the last minute and they grabbed him and ran north. Bermudez was very critical; he said, 'Why don't the North Americans just give us the money and let us do it?'"

Bermudez tersely confirmed the account. "That was at Paso Caballo," he said. "It didn't succeed."

Despite such criticism, many of the other sabotage operations were remarkably successful. On Oct. 14, 1983, a team of CIA-sponsored commandos went ashore at Corinto and set Nicaragua's largest oil-storage facility afire; the resulting blaze burned for several days and forced the Sandinistas to evacuate 25,000 people from their homes.

The ground offensive was more successful than earlier campaigns. But it slowed to a halt, U.S. officials