ALAN D. FIER'S, GOVERNMENT WITNESS, PREVIOUSLY SWORN

DIRECT EXAMINATION (Continued)
so forth. It was -- and there were a lot of issues to be
ironed out there, relative to how the various groups would
place. We were clearly going to be the implementing agent or
agency, but DOD had a role. State Department had a major
role, and so there were some bureaucratic relationships to be
sorted out.

Also to be sorted out in continuing discussion was
the care, cleaning, feeding, and maintenance of the
resistance forces during the interim period. We go back to
the bridge period. That bridge period was still of concern.
There still was no one -- there still wasn't a program and
NHAO aid was over.

And in both of those meetings, the first one in
more detail than the latter, Oliver North detailed what he
was doing with the resistance. He went down through a list
of -- a list of activities.

In this particular meeting, the second, he was more
cursory, as I recall, in his historic perspective, what he
was doing. But he made a very strong suggestion that we --
as part of the conversation, that there needed to be a
resistance presence in the western part of Nicaragua,
particularly in Managua, where the resistance did not
operate. And he said, "I can arrange to have General Noriega
execute some insurgent or some -- some operations there --
sabotage operations in that area. It will cost us about a $1
million. Do we want to do it?" And there was significant silence at the table. And then I recall I said, "No. We don't want to do that." And there was not a lot of -- there was some cursory discussion of it, but not a lot, and then the meeting ended.

Q. Mr. Fiers, when you say for $1 million, was that money that was supposed to come from the United States Government, or from some other source?

A. No. It was clearly -- the implication was it would come from some other source.

Q. Would that be a source controlled by Colonel North, or by someone else?

A. It was not explicitly stated in the meeting, but it was certainly implied that that was -- was the mechanism. I vaguely recall something about saying I could go to London -- and saying, "I can go to London and I could -- we have that meeting and Alliance that."

It was clearly my understanding, and I don't know about the others in the room, that the money would have come from somewhere other than U.S. Government appropriated funds.

Q. I'd like now to chill into October of 1981 -- first of all, before we do that, did you tell anybody else in the CIA about this $1 million Noriega proposal?

A. I had only one further discussion about that, and that was walking out of the room with going back to our
offices with the Assistant Secretary of State and his deputy, and I said that was a crazy idea, we didn't want to do it. We wanted to stay light years away from it. We didn't just didn't want to touch that one. And after that, I didn't mention that to anybody until a year ago.

Q. When you say a year ago, is that when you began cooperating with the United States?

A. Yes.

Q. I'd like now to move into October of 1986, and I'll ask you if you became aware during October of 1986 of the news of a C-123 aircraft being shot down inside Nicaragua?

A. I did.

Q. Did you become aware of that on or about October the 5th, 1986?

A. I think that that was the date. It was a Monday, early in the morning, as I recall, and October the 5th -- yes. That's the date. Yes.

Q. I'd like to show you what is marked and entered as G-123 (sic). If you could review this, we'll just -- I'll ask you some questions about this one.

A. Okay.

Q. This is a CIA cable, dated October the 6th, '86, "Subject: Disappearance of a Southern Front supply aircraft." It discusses information, apparently, that there was a possibility that a private benefactor C-123 engaged in