



Chapter 29

Donald P. Gregg

Donald P. Gregg in 1951 began a career of more than 30 years with the Central Intelligence Agency. That service included several overseas postings, including a tour in South Vietnam during the war. In 1979 Gregg was detailed by the CIA to the National Security Council staff, where his responsibilities included Asian affairs and intelligence matters. Following the election of Ronald Reagan in 1980, the new Administration requested that Gregg remain at the NSC. Until 1982, Gregg headed the NSC's Intelligence Directorate. In August 1982, he resigned from the CIA and accepted the position of national security adviser to Vice President George Bush, holding that position until the end of the Reagan Administration. In early 1989, President Bush nominated Gregg to be U.S. ambassador to the Republic of South Korea. Gregg was confirmed by the Senate for this position on September 12, 1989, and served as ambassador until 1993.

During the Vietnam War, Gregg supervised CIA officer Felix Rodriguez and they kept in contact following the war. Gregg introduced Rodriguez to Vice President Bush in January 1985, and Rodriguez met with the Vice President again in Washington, D.C., in May 1986. He also met Vice President Bush briefly in Miami on May 20, 1986. As a teenager, Rodriguez had participated in the ill-fated Bay of Pigs invasion of Cuba and remained, following that debacle, an ardent anti-communist.

In 1985 and 1986, Rodriguez worked out of the Ilopango air base in El Salvador, where he assisted the Salvadoran Air Force in anti-guerrilla counterinsurgency tactics. In late 1985 and during 1986, Rodriguez -- whose alias was "Max Gomez" -- became increasingly involved in the contra-resupply effort that was based at Ilopango at that time. Because of Rodriguez's close association with General Juan Bustillo, who headed the Salvadoran Air Force, Rodriguez was vital to Lt. Col. Oliver L. North's contra-resupply operation by coordinating flights based at Ilopango.

Following the shootdown of the contra-resupply aircraft carrying American Eugene Hasenfus on October 5, 1986, Rodriguez became a center of public and congressional attention. Because of Rodriguez's close friendship with Gregg and his three personal meetings with Vice President Bush, questions arose whether the contra-resupply operation was being directed by Gregg through Rodriguez. Questions also arose about when the Vice President's office became aware of Rodriguez's and North's active participation in the contra-resupply operation at Ilopango.

Both Gregg and his deputy, Col. Samuel J. Watson III, were investigated for possible false testimony regarding their denial of knowledge of Rodriguez's involvement in North's contra-resupply operation. OIC obtained Watson's immunized testimony in an effort to further its investigation. Despite unresolved conflicts between documentary evidence and the testimony of the principal witnesses, OIC determined that it could not prove beyond a reasonable doubt a criminal case against Gregg.

Gregg, Rodriguez and North

When Gregg assumed his position as assistant to the Vice President for national security affairs in August 1982, he consciously disassociated himself from former colleagues with whom he had worked during his CIA career. The exception to that rule was Felix Rodriguez. Gregg testified: "... I have made it a conscious decision really not to reach back into that part of my life to bring other people forward. Felix is the only exception I have made to that." 1 Gregg lost track of Rodriguez for a period of time after Vietnam and did not see him until the early 1980s, when Rodriguez came to

Washington sporadically and talked with Gregg about old times. Gregg was not certain what Rodriguez was doing at that time, and he did not inquire; however, they remained friends.²

1 Gregg, Grand Jury, 10/23/87, p. 18.

2 Gregg, Senate Foreign Relations Committee (SFRC) Testimony, 5/12/89, pp. 72-73.

Rodriguez visited Gregg in Washington in March 1983 and left him a proposal for helicopter anti-guerrilla operations in Central America.³ Gregg forwarded Rodriguez's plan with a favorable recommendation to Deputy National Security Adviser Robert C. McFarlane.⁴ McFarlane forwarded it on to North for his summary and recommendation.⁵ North did not recall what action, if any, he took in response to McFarlane's directive.⁶

3 Ibid., pp. 54-55, 73-74; Tactical Task Force Report, 3/4/82, AKW 027860-66.

4 Memorandum from Gregg to McFarlane, 3/17/83, AKW 027859-66 (attaching Tactical Task Force Report).

5 Ibid.

6 North, Grand Jury, 7/6/90, p. 17.

North first met Rodriguez on December 21, 1984.⁷ Subsequently, North solicited Rodriguez to assist him and retired Air Force Maj. Gen. Richard V. Secord in the contra-resupply operation based out of Ilopango airfield in El Salvador. What role, if any, Gregg played in the introduction of Rodriguez to North and whether Gregg was aware of North's intentions to recruit Rodriguez for the resupply operation was relevant to Iran/contra investigators and was a matter of concern to the Senate Foreign Relations Committee (SFRC) conducting confirmation hearings on Gregg's ambassadorial nomination in May 1989.

7 North's schedule card in his handwriting reads: "1545 Felix Rodriguez (will be seeing Gregg at 1600)." North Schedule Card, 12/21/84, AKW 003167.

One month before Gregg's confirmation hearings for the ambassadorship in May 1989, North testified at his trial that Gregg was the person who introduced him to Rodriguez.⁸ In discussing his formal solicitation letter to Rodriguez, dated September 20, 1985, North testified that "I believe that once I had talked to Mr. Gregg about it [the solicitation] I talked to Mr. McFarlane about it, about the fact that he [Rodriguez] would be able to assist in that country." ⁹

8 North, North Trial Testimony, 4/11/89, p. 7435.

9 Ibid.

During the confirmation proceedings, Gregg categorically denied North's trial assertions: "I am mentioned, by North, for the first time, on page 7,345 of the trial record, and he makes two assertions there, one, that I introduced him to Felix, and two, that he talked to me before he recruited Felix. And I regret to say that both of those are incorrect." ¹⁰ OIC obtained no evidence contradicting Gregg's denials; North did not back up his trial assertions with further evidence in the Grand Jury.

10 Gregg, SFRC Confirmation Hearings, 5/12/89, p. 122.

After the Rodriguez introduction became an issue at North's trial, William R. Bode, a former Department of State official, wrote an April 25, 1989, letter to Gregg based upon his review of his calendar entries. Bode's recollection was that he had referred Rodriguez to North on the occasion of their initial meeting on December 21, 1984.¹¹ This is corroborated by North's own notebook entry.

On December 21, 1984, at 10:30 a.m. North writes ``Call from Bill Bode." Underneath that entry is the name ``Felix Rodriguez." 12 Rodriguez said it was Bode who made the arrangements for him to meet North.

11 Letter from Bode to Gregg, 4/25/89, ASX 0000003.

12 North Notebook, 12/21/84, AMX 000267; North, Grand Jury, 7/6/90, p. 19.

Rodriguez also met with Gregg on that day and expressed his interest in going to El Salvador to work with the Salvadoran Air Force. Gregg recommended meetings with several other Administration officials.¹³

13 Statement by OVP Press Secretary, 12/15/86, ALU 012418 (attaching summary of Rodriguez contacts); Gregg, SFRC Testimony, 5/12/89, pp. 56-58, 75.

Gregg promptly reported to Vice President Bush after his meeting with Rodriguez. According to Gregg, he said, ``My friend Felix, who was a remarkable former agency employee who was a counterinsurgency expert[,] wants to go down and help with El Salvador. And I am going to introduce him to Tony Motley, Tom Pickering, and Nestor Sanchez and see if he can sell himself to those men." Gregg stated that the Vice President said ``Fine." ¹⁴

14 Gregg, SFRC Testimony, 5/12/89, pp. 75-76. Motley was the assistant secretary of state for inter-American affairs; Thomas R. Pickering was U.S. ambassador in El Salvador; and Nestor Sanchez, a former CIA official, was deputy assistant secretary of defense for international security affairs.

Although Rodriguez testified that his goal was to assist in the Salvadoran anti-guerrilla program during late 1984 and early 1985, the evidence shows that he was also interested in contra-related matters.

At North's request, Rodriguez in January 1985 met Robert Owen, an associate of North, at the Key Bridge Marriott Hotel in Rosslyn, Virginia.¹⁵ Owen wrote North a two-page letter regarding his meeting with Rodriguez, mentioning ``FR's project" and ``those who will be put under FR's care." The letter reports that Rodriguez wanted information on communications, command and control locations, which ideally would include ``primary and secondary targets, both military and civilian." ¹⁶ Rodriguez acknowledged that the letter recounts their conversation, which was based on problems Rodriguez had observed on visits to contra camps.¹⁷ Rodriguez testified that none of the projects he discussed with Owen were implemented because Rodriguez was mainly interested in El Salvador.¹⁸

15 Owen, Select Committees Testimony, 5/19/87, p. 201; Rodriguez, Select Committees Testimony, 5/28/87, pp. 119-21.

16 Letter from Owen to North, 1/27/85, AKW 016393-94.

17 Rodriguez, Grand Jury, 12/4/87, pp. 23-24.

18 Ibid., pp. 24-25.

Gregg arranged for Rodriguez to meet Vice President Bush on January 22, 1985. According to Gregg, the purpose of the meeting was to inform Bush that Rodriguez wanted to work in El Salvador against the guerrillas.¹⁹ The meeting occurred in the Vice President's Old Executive Office Building office. According to Rodriguez, he met briefly with the Vice President, showing him his photo album, discussing Rodriguez's experiences in the CIA and watching a television report on the Bush family.²⁰

19 Statement by Press Secretary attaching Summary of Contacts with Felix Rodriguez, 12/15/86, ALU 012418; Gregg, Grand Jury, 10/9/87, p. 52.

20 Rodriguez, Grand Jury, 12/4/87, pp. 19-20. North's interest in Rodriguez continued. A 1/28/85 North notebook entry reflects a telephone call from Clair George, Director of Operations for the CIA: ``Felix R w/ V.P. feedback from Don." (North Notebook, 1/28/85, AMX 003918.) Gregg's telephone log indicates that he had a secure telephone conversation with George on January 24, 1985. (Gregg Phone Log, 1/24/85, ALU 022016.)

On January 24, 1985, Rodriguez first met General Adolfo Blandon, the Salvadoran military chief of staff, and on January 30, 1985, he met with General Bustillo, commander of the Salvadoran Air Force. Both approved Rodriguez's planned assistance. Bustillo told him he could stay at Ilopango Military Air Base outside of San Salvador and agreed to put him in contact with air force officers.²¹

21 Rodriguez and Weisman, *Shadow Warrior*, pp. 222-23 (1989) (hereafter, *Shadow Warrior*).

As Rodriguez was completing his consultations with U.S. and Salvadoran officials, Thomas R. Pickering, the U.S. ambassador to El Salvador, learned of Rodriguez's planned mission. Pickering immediately raised a number of questions with a senior CIA field officer in Central America, who referred them to CIA headquarters. The field officer's January 31, 1985, cable says that Pickering wanted ``help in finding out who Felix Rodriguez is and what is behind his apparent mission to El Salvador." CIA officers also reported that Pickering had been told that NSC staff members Nestor Sanchez and Constantine Menges were sending Rodriguez there ``to `solve the insurgency problems.'" Pickering wondered whether this had been coordinated with CIA headquarters and, if not, Pickering wanted the CIA ``to learn about who is footing bill" for Rodriguez.²²

22 CIA Cable, 1/31/85, DO 166759.

On February 2, CIA headquarters responded to Pickering's questions about Rodriguez. Headquarters reported that Rodriguez had recently visited Langley, claiming that Salvadoran generals Blandon and Bustillo had welcomed his offer to help fight the guerrillas and stating that he had discussed this matter with Vice President Bush, Motley, North, Sanchez and Gregg. CIA headquarters also stressed, however, that ``Rodriguez' visit is totally unrelated to [CIA]. . . ." ²³

23 DIRECTOR 243316, 2/2/85, DO 166760.

The day the CIA answered his query, Pickering sent a cable to General Paul Gorman, chief of the U.S. Southern Command in Panama. Pickering summarized his knowledge of Rodriguez, his mission with the Salvadoran military and his high-level contacts in the U.S. Government. Pickering also reiterated his concern about Rodriguez's proposed mission in El Salvador and recommended that Gorman meet with Rodriguez to evaluate him and to clarify the U.S. approach in El Salvador.

On February 8, 1985, Gorman spoke with North about Rodriguez, the contras and U.S. assistance to Salvadoran anti-guerrilla forces.²⁴ In a subsequent cable to Pickering, Gorman reported that Rodriguez ``has been put into play by Ollie North, and, while well acquainted, does not have higher backing." Gorman also reported that North ``assures me that his intent was to focus Rodriguez on forces operating elsewhere in CentAm" and that, in response to Gorman's view that the Salvadoran Air Force was getting more than enough advice at the moment, ``Ollie rogered, and said that Rodriguez can be much more useful in other places, where aid and advice is much scarcer." ²⁵

24 North Notebook, 2/8/85, AMX 003963.

25 San Salvador 01792, 2/12/85, ALV 000148.

On February 14, 1985, Rodriguez met with Gorman in Panama City. They discussed Rodriguez's planned consulting role with the Salvadoran Air Force. Rodriguez also told Gorman of an immediate obligation to deliver equipment to contra forces, purchased with funds Rodriguez had received from contra leader Adolfo Calero. A few days later, Gorman told North that he had instructed Rodriguez to make the contras his priority.²⁶ Rodriguez later testified that his short-term priority during early 1985 was the delivery of security equipment to facilitate night supply drops to the contras, and that this must have been what Gorman was referring to in his conversation with North.²⁷

²⁶ North Notebook, 2/19/85, AMX 000466.

²⁷ Rodriguez, Grand Jury, 5/3/91, pp. 54-55.

On February 15, 1985, Gorman sent Rodriguez by military jet to El Salvador, where he met Pickering and U.S. Army Col. James J. Steele, commander of the U.S. Military Group in El Salvador. Rodriguez briefed them on his proposed helicopter counter-insurgency operations and his short-term, higher-priority mission for the contras. In his reporting cable to Gorman and back to the Department of State, Pickering effectively approved Rodriguez's plan to work with Bustillo, under the close supervision of Steele and on the conditions that Rodriguez avoid civilian casualties and not fly combat missions.²⁸ Pickering also asked the State Department to "brief Don Gregg in the VP's office for me."

²⁸ US SOUTHCOM Cable, 2/14/85, AMY 001054-55.

Rodriguez immediately traveled to Washington to report on his meetings in Central America. On February 19, 1985, Rodriguez met with Gregg in his office and told him of his successful meetings with Gorman, Pickering and Steele.²⁹ Rodriguez also met with North, whose notes show they discussed specific types of U.S. military assistance for El Salvador.³⁰

²⁹ Shadow Warrior, p. 227; OVP Summary of Contacts with Felix Rodriguez, 12/15/86, ALU 012418.

³⁰ North Notebook, 2/19/85, AMX 000467. Although North and Gregg spoke on February 26, 1985, there is no record of the substance of their conversation. (Gregg Phone Log, 2/26/85, ALU 22034.)

In mid-March 1985, after first satisfying his obligation to deliver contra supplies to Honduras,³¹ Rodriguez relocated to Ilopango air base. The next month, he began flying anti-guerrilla helicopter operations with the Salvadoran Air Force.

³¹ Rodriguez, Grand Jury, 12/4/87, p. 31.

On April 20, 1985, after a helicopter operation succeeded in capturing a Salvadoran guerrilla leader and obtaining valuable intelligence information,³² Rodriguez wrote a letter thanking Gregg for his and the Vice President's support and asking Gregg to write a note thanking Steele for the support he had given Rodriguez.³³ On April 29, Gregg sent a letter thanking Steele "for giving Felix your confidence and support, without which he feels he could not have gotten things under way." ³⁴ On June 5, 1985, Rodriguez introduced Gregg to Steele at the Key Bridge Marriott Hotel in Rosslyn, Virginia.

³² Shadow Warrior, pp. 231-33, 242.

³³ Letter from Rodriguez to Gregg, 4/20/85, ALU 012402-05. On May 31, 1985, Rodriguez signed a similar note, which he sent along with a photograph of himself to Gregg in Washington. (Letter from Rodriguez to Gregg, 5/31/85, ALU 011618.)

³⁴ Letter from Gregg to Steele, 4/29/85, AKW 029991.

The September 10, 1986, Meeting

Congress in August 1985 authorized \$27 million for humanitarian assistance to be administered through a newly created State Department office, the Nicaraguan Humanitarian Assistance Organization (NHAO).

In September 1985, Rodriguez's name began to surface in Administration circles in the context of the contra-resupply effort.³⁵ Similarly, Gregg appeared to be involved in discussions concerning the contras. A North notebook entry at 4:30 p.m. on September 10, 1985, seems to reflect a meeting between North, Gregg and Steele relating to problems with contra resupply:

³⁵ See, for example, Abrams, Fiers, and Corr chapters.

1630 -- Mtg w/ Jim Steele/Don Gregg

Approached by

g008Mario del Amico

claims to be close to Aplicano

claims to be close to FDN [contras]

says radar coverage was prob.

for flights out of Aguacate [Honduras]

wants to use

Talked to Blandon who

said Tamarindo (near

la Union) [in El Salvador] could be used

Says Bermudez was prepared

to devote a special ops [operations] unit

astride FMLN [36] log lines.

³⁶ The guerrilla movement in El Salvador.

Introduced by Wally Greshiemg807LLitton

Calero/Bermudez visit to

Ilopango to estab.

log support./maint. for

-- Del Amico convinced Blandon to

give FDN 1K FN mags.

Blandon never paid for mags. . . .³⁷

37 North Note, 9/10/85, AMX 001726-27.

North's note appears to cast doubt upon Gregg's sworn testimony that he was unaware of North's involvement with contra-resupply prior to the summer of 1986. The notes mention an arms dealer in Central America, Mario Dellamico, who apparently claimed to be close to Honduran Col. Hector Aplicano and to the contras.³⁸ The notes reflect a discussion about the problem of Nicaraguan radar coverage of contra flights out of Aguacate, Honduras. The notes also reflect a discussion about the contras creating a special operations unit to interdict Salvadoran insurgents' supplies from Nicaragua into El Salvador. Apparently contra leaders Calero and Bermudez visited Ilopango to assess that location for logistical support for unspecified military activities. The notes apparently reflect that Dellamico convinced Salvadoran General Blandon to give the contras a thousand magazines for Belgian rifles, for which he was never paid.

38 For a more complete discussion of Dellamico's activities, see CIA Subject #1 chapter.

In addition to North's notebook entry, his September 10, 1985, schedule card reflects a handwritten entry at 4:30 p.m. for Gregg. North explained that the addition of his handwritten note to his already typed, prepared schedule would indicate that someone added a meeting with him at the last minute.³⁹

39 North, Grand Jury, 7/6/90, p. 73-74.

After reviewing his schedule card and notebook entry of the meeting with Steele/Gregg, North testified that this notebook entry appeared to reflect a scheduled meeting with Don Gregg at 4:30 p.m. on September 10, 1985.⁴⁰ North, however, did not specifically remember having this discussion with Steele or Gregg.⁴¹

40 Ibid., p. 75.

41 Ibid., p. 82.

Gregg disputed this North notebook entry. Gregg testified that he did not recall meeting with North and Steele about the matters presented in the notes. Steele also did not believe that he, Gregg and North had discussions about contra resupply. Steele said that following a meeting with Gregg in September 1985, he possibly met with North to discuss these matters, but Steele did not place Gregg in the meeting.⁴²

42 Steele, Grand Jury, 2/6/91, pp. 34-37. Steele's continued denial of Gregg's involvement in a September 10, 1985, meeting added credibility to Gregg's denials. Steele in lengthy interviews with OIC in 1990 and 1991 made incriminating statements about his own conduct. In light of Steele's candor about his own complicity in operational matters at Ilopango, his continued insistence that he did not remember a substantive meeting with North and Gregg seemed credible. On the other hand, Steele failed a polygraph question that squarely addressed Gregg's attendance at the September 1985 meeting with North. (Polygraph Report of Steele, 9/18/90.)

North Recruits Rodriguez

On September 20, 1985, North wrote a "Dear Felix" letter formally requesting Rodriguez's assistance at Ilopango to facilitate the operation of contra-resupply planes. In the letter, North asked Rodriguez not to inform CIA field personnel or Dellamico about his request, and to destroy the letter after reading it. North informed Rodriguez that he would be contacted by an individual who would identify himself as being sent by "Mr. Green." ⁴³

43 Letter from North to Rodriguez, 9/20/85, AKW 022740-43.

Rodriguez testified that when he met with North on October 17, 1985, in Washington, North told him not to reveal Rodriguez's assistance to the resupply to anyone on the "second floor," a reference to the Office of the Vice President. Rodriguez testified that he obeyed North's instruction and did not discuss contra-resupply with Gregg until August 8, 1986. Rodriguez said he did not reveal to Gregg the North letter of solicitation until December 1986.⁴⁴ North, however, denied telling Rodriguez not to tell Gregg about the "Dear Felix" letter.⁴⁵ Rather than attempting to hide his association with Rodriguez, contemporaneously created documents indicate that North willingly shared this information with other Administration officials. North's notebook of October 1, 1985, contains an entry which states: "Don Gregg: Maximo Gomez [Rodriguez] 27-31-59." ⁴⁶

⁴⁴ Rodriguez, Grand Jury, 5/3/91, p. 66.

⁴⁵ North, Grand Jury, 7/11/90, p. 22.

⁴⁶ North Notebook, 10/1/85, AMX 001787.

North did not remember whether this entry indicated that he obtained Rodriguez's Salvadoran phone number from Gregg, or that he possibly supplied Gregg with the number.⁴⁷ However, the entry shows that North was not reluctant to discuss Rodriguez and his alias "Gomez" with Gregg during this period. Indeed, during a RIG meeting the same day to implement the NHAO funding, North shared information regarding Rodriguez with other Administration officials from the Department of State and the CIA. The notes of Ambassador Robert Duemling, head of NHAO, reflect the following:

⁴⁷ North, Grand Jury, 7/11/90, pp. 15-17.

(North) can use --

Mr. Green said to call --

Maximo Gomez [Rodriguez]

273159 in San Salvador

Will airlift the stuff from Salvador.⁴⁸

⁴⁸ Duemling Note, 10/1/85, GP 0025170-78.

Duemling's note reflects that Gomez (Rodriguez) would be awaiting a call from a representative from Mr. Green, as North had indicated in the "Dear Felix" letter. Additionally, the Duemling note reflects the same telephone number attributed to Rodriguez in the earlier North notebook entry. North testified that he had no reason to conceal from other Government officials his knowledge of Rodriguez's alias, his telephone number, or the fact of his availability.⁴⁹

⁴⁹ North, Grand Jury, 7/11/90, p. 31. In the Grand Jury, North did not recall whether he asked Gregg whether he could utilize Rodriguez in resupply efforts, contrary to his own trial testimony. (North, Grand Jury, 7/6/90, pp. 117-18, 122; North, Grand Jury, 7/11/90, pp. 31-32.)

In mid-December 1985, Rodriguez received a call from Rafael Quintero, an associate of Secord. Quintero said he was calling on behalf of "Mr. Green." Rodriguez and Quintero had known each other for some time but had a falling out because of Quintero's relationship with former CIA officer and convicted felon Edwin Wilson, and with Thomas Clines and Frank Terpil, who had been involved with Wilson.⁵⁰ As a result of Quintero's call, Rodriguez arranged for the landing of a 707 aircraft from Europe that brought weapons to Ilopango for the contras.

50 Quintero, Grand Jury, 1/6/88, pp. 192-97; Quintero, North Trial Testimony, 3/2/89, pp. 2915-16; Rodriguez, Grand Jury, 5/3/91, pp. 119-21.

Following news media coverage in October 1985, Honduras prohibited direct humanitarian aid flights for the contras from the United States to Honduras. Arrangements were made permitting the supplies to be flown to Ilopango in El Salvador and ultimately delivered to the contras. A number of U.S. officials flew to Ilopango and attended a meeting on December 30, 1985, to discuss the logistics of providing the NHAO aid. Among others, North, CIA Central American Task Force Chief Alan D. Fiers, Jr., State Department official William Walker, NHAO official Cresencio Arcos and U.S. Ambassador to El Salvador Edwin G. Corr met with Bustillo at Ilopango air base. Rodriguez also was present.

After receiving a mid-December 1985 State Department cable reflecting concern over the Honduran situation, Gregg's deputy Watson bracketed for Gregg a segment of the cable addressing alternative means of moving essential supplies to the contras. At the top of the cable Watson wrote: "Don -- Suggest you read carefully -- could have serious effect on our supplies to Contras." 51

51 State 388960, 12/23/85, ALU 011860.

Rodriguez's resupply efforts became more concentrated in January and February 1986. In January, Rodriguez met Richard B. Gadd, a Secord associate, at Ilopango. Gadd became responsible for advising Rodriguez of the arriving planes.⁵² By this time, Rodriguez's use of the alias "Gomez" was being openly discussed in Washington within the Restricted Interagency Group (RIG), which focused on Central American issues. During late January and early February 1986, Rodriguez's coordination of NHAO flights and his involvement with lethal-resupply activities became an issue of concern to the CIA and Department of State officials. There is no documentary evidence, however, that links CIA and State Department concern about Rodriguez to Gregg or to any other member of the Office of the Vice President.⁵³

52 Rodriguez, FBI 302, 12/29/86.

53 Gregg and Watson were not regular members of the RIG, which often specifically discussed contra-related matters. Although Watson, as an Office of the Vice President representative, had asked to attend RIG meetings, Abrams denied him access. (Gregg, Grand Jury, 10/23/87, p. 25.) Abrams nevertheless told the FBI that he believed that he told Gregg about Rodriguez's activity in the private resupply network. (Abrams, FBI 302, 6/15/88, p. 2.)

Only one witness, Steele, told Independent Counsel that Gregg may have known of Rodriguez's assistance to the contra-resupply effort during the January 1986 period. Steele recalled that during a visit to Washington in January 1986, he dropped by briefly to say hello to Gregg. At the end of the conversation, Gregg asked Steele "Is Felix taking a lot of risks flying?" or "Is Felix still flying a lot?" Steele responded, "Felix is not doing a lot of flying because he's spending a lot of time helping the contras." 54

54 Steele, FBI 302, 2/5/91, p. 2.

The Watson February 1986 Memorandum

In mid-January 1986, the Vice President's deputy national security adviser Watson went to Central America to familiarize himself with the region. For a portion of his trip, he was escorted by Rodriguez.⁵⁵ Both men denied that they discussed Rodriguez's involvement in contra resupply. Nevertheless, on February 4, 1986, Watson wrote a memorandum regarding his trip to Honduras and El Salvador and the state of the contras. Watson's memorandum for Vice President Bush was channeled through Gregg. In his memorandum, Watson noted that he "visited the DFR's [contras'] main aerial re-supply base [at Aguacate, Honduras] and looked at their DC-6 (not the best for

infiltration and flying in between mountains), their parachuting packing and rigging facilities and their ammunition and supply warehouses." Gregg marked the memorandum for Bush, noting at the top: "Good report from Sam." 56

55 Watson schedule, 1/86, ALU 025485-86.

56 Memorandum from Watson to Bush, 2/4/86, ALU 25448-50.

One portion of the Watson memorandum, concerning the contras, particularly drew Gregg's attention:

What is lacking is our ability to provide outright logistical support, advice, planning, or even direction of cross-border operations. As you know, we are proscribed by Congress from any of these more active measures.

Gregg underlined the portion of the paragraph which read "to provide outright logistical support, advice, planning, or even direction of cross-border operations." In the margin of the memorandum Gregg wrote, "Felix agrees with this -- It is a major shortcoming." 57 Gregg testified that he and the Vice President never had a discussion about the logistical problems that the contras faced, reiterating that he had never discussed contra-resupply with the Vice President.⁵⁸

57 Ibid. Gregg, SFRC Testimony, 5/12/89, pp. 107-8.

58 Ibid., p. 109. Rodriguez testified in 1991 that he did not discuss the topics reflected in Watson's memorandum with either Gregg or Watson, and that until August 8, 1986, he did not discuss any of those subject matters with Gregg. (Rodriguez, Grand Jury, 5/3/91, pp. 194, 196.)

An additional Office of the Vice President document appears to contradict Gregg's testimony that he never discussed contra-resupply with Rodriguez or with the Vice President. On March 6, 1986, Watson attached to a memo for Bush a note and a December 21, 1985, cable from the U.S. Embassy in Managua, Nicaragua, regarding consolidation of Sandinista power. On the first page of the Embassy cable Gregg wrote:

A sober analysis of the Sandinistas' hold on power. The means suggested to counter this hold will not be enough. The central point is that Contra actions + internal political opposition need to be coordinated. Felix says we are doing nothing to direct the Contra planning. . . .⁵⁹

59 Briefing Memorandum, 3/6/86, ALU 025418-22.

The May 1, 1986, Rodriguez/Bush Meeting: "Resupply of the Contras"

On April 11, 1986, Rodriguez assisted in the flight of an L-100 aircraft from Ilopango to drop lethal supplies to contra forces on the southern military front in Nicaragua. This was the first lethal-resupply flight to the southern front forces.

Rodriguez, however, was becoming disenchanted with his role in Salvador and on April 16, 1986, he called the Office of the Vice President to request a meeting with Vice President Bush. That call resulted in the production of a scheduling memorandum detailing the purpose of Rodriguez's meeting with Bush -- which ultimately took place May 1, 1986 -- as a discussion regarding "resupply of the Contras." This memorandum, which Gregg revealed to investigators in December 1986, cast doubt on testimony that Rodriguez did not discuss contra-resupply with the Vice President.⁶⁰

60 Gregg brought this note to the attention of the investigators and focused on it during his initial FBI interview on December 15, 1986. Although this note creates concern about the veracity of

portions of Gregg's testimony, it is noteworthy that the document was produced and focused upon by Gregg early in the investigation.

Rodriguez called the Office of the Vice President on April 16, 1986, and spoke with secretary Phyllis Byrne. Byrne's shorthand notes of that conversation translate as follows:

Felix: -- El Salvador

503 27 1996 late night or early morning

7-9:30 a.m.

Late p.m. -- 235566

Dinner -- stay 2-3 hours

Sleep at air base.

21st -- talk to the VP for a short time.⁶¹

61 Note and Transcription from Byrne, 6/16/87.

Byrne then prepared a scheduling proposal memorandum in Gregg's name for Debbie Hutton, an OVP employee. The memorandum requested a 15-minute meeting on April 22 or 23 for "Felix Rodriguez, a counterinsurgency expert visiting from El Salvador . . . [t]o brief the Vice President on the status of the war in El Salvador [sic] and resupply of the Contras." Byrne penned in the initials "DG" next to Gregg's name on the memorandum. The proposed meeting date range was altered by hand on the typed memorandum to read "April 28 to May 2." ⁶²

62 Schedule Proposal, 4/16/86, ALU 012415.

Rodriguez did not inform Byrne of the purpose of his meeting with the Vice President. When she was typing the proposed scheduling memorandum, she asked Watson what the purpose of the meeting would be. In response to Byrne's request, Watson provided her with the phrase "To brief the Vice President on the status of the war in El Salvador and resupply of the contras." ⁶³

63 Byrne, Grand Jury, 10/23/87, pp. 13-17.

Watson repeatedly denied supplying Byrne with the wording in this phrase. Byrne, however, was not familiar with the term "resupply" and she testified that she had never used it or heard it before she received the phrase from Watson for the scheduling memorandum.⁶⁴ Gregg speculated in congressional testimony that the phrase "resupply of the Contras" might actually have meant "resupply of the copters," and could have referred to needed supplies for helicopter operations for the Salvadoran Air Force.⁶⁵ However, in 1987, Col. Watson testified that as a military man, "resupply" was a technical term with a very specific meaning -- the provision of food, ammunition, batteries, water and bullets to troops, by way of truck, helicopter, airplane or on foot. Watson testified that he did not believe that the term "resupply" would apply to obtaining helicopters or helicopter parts.⁶⁶

64 Ibid., p. 20. Rodriguez testified that he did not mention resupply of the contras in his conversation with Byrne. (Rodriguez, Grand Jury, 5/10/91, p. 10.)

65 Gregg, SFRC Testimony, 5/12/89, p. 104. Gregg also referred to a June 1986 memorandum to the Vice President titled "Subject: Helicopters for El Salvador." The memorandum states that "Last month [May 1986] Felix Rodriguez raised with you a problem the Salvadoran Air Force was having

getting spare parts for their Hughes 500 helicopters. . . ." (Memorandum from Gregg and Watson to Bush, 6/3/86, ALU 012376.)

66 Watson, Grand Jury, 10/14/87, pp. 102-3.

Stephanie VanDevander, Watson's secretary at the time, remembered hearing Byrne ask Watson for language to use in the memorandum. She remembered Watson giving a response that she could not hear. However, following Watson's response to Byrne's question, Byrne typed the memorandum. Subsequently, VanDevander became aware of the conflict of Watson's and Byrne's recollection of this occasion. On the day she left the Vice President's office in February 1988, she informed Gregg that Watson had not been completely forthcoming on the matter of the scheduled proposal memorandum.⁶⁷

67 VanDevander, FBI 302, 11/30/90, pp. 7-9.

In spite of the direct contradiction between Watson's testimony and that of two of the support staff in the Office of the Vice President, Independent Counsel determined in the summer of 1991 that he would not seek an indictment against Watson but rather would compel his testimony before the Grand Jury through use immunity. This was not productive. During his appearances before the Grand Jury in 1991 and 1992, Watson's testimony was heavily laced with answers of "I do not recall" and "I do not remember."⁶⁸

68 The futility of the Watson Grand Jury examination was illustrated by his response of "I do not recall" when asked whether he ever chose deliberately to answer "I do not recall" to a question about the "resupply of the contras" memo prepared by Byrne. (Watson, Grand Jury, 1/24/92, pp. 112-16.)

Following his call to the Office of the Vice President on April 16, Rodriguez participated in a meeting on April 20, 1986, at Ilopango with North, Secord and others involved in the resupply operation. Rodriguez testified that he had misgivings about certain aspects of the resupply operation. He was concerned that the airplanes used in the resupply operations were being purchased at a considerable profit to the individuals involved, and he did not believe North's statement that the aircraft were actually donations from a European country. Additionally, Rodriguez was concerned about the role of Secord because he associated Secord with Quintero, Clines and Edwin Wilson. The linkage of those individuals with Qadhafi and Libya greatly disturbed Rodriguez.⁶⁹ A combination of factors led Rodriguez to inform Ambassador Corr on April 24, 1986, that he was tired, and because he had been separated from his family for a long time, he planned on leaving.⁷⁰

69 Rodriguez, Grand Jury, 5/10/91, pp. 43-59.

70 Ibid., pp. 43, 45, 87-88.

Watson remembered getting the briefing memorandum dated April 30 -- the day before the meeting with the Vice President -- which repeated its planned purpose: "Briefing on the status of the war in El Salvador, and resupply of the Contras."⁷¹

71 Watson, Grand Jury, 1/24/92, p. 81.

The evening before the meeting with the Vice President, Rodriguez met Watson for drinks at a Washington restaurant. Watson and Rodriguez did not recall what was discussed.⁷²

72 Ibid., p. 92; Rodriguez, Grand Jury, 5/10/91, p. 62.

The next day, on May 1, Rodriguez went to North's office prior to his meeting with the Vice President. Rodriguez informed North that he was tired and planned on leaving El Salvador. North tried to convince Rodriguez to stay.⁷³

73 Ibid., pp. 69, 84-85.

Rodriguez then met with the Vice President and, by all accounts, the topic of contra-resupply was not discussed. Rodriguez showed the Vice President photos from his helicopter project in El Salvador.⁷⁴ During most of the meeting the participants were the Vice President, Gregg, Watson, Rodriguez and Nicholas Brady, whom the Vice President asked to sit in because of his interest in Central America.⁷⁵ Toward the end of the meeting, North brought in Corr. Corr praised Rodriguez to the Vice President, saying he was doing a magnificent job and that he would like Rodriguez to stay in El Salvador. Rodriguez had not mentioned to the Vice President his plans to depart; after Corr's praise, Rodriguez chose not to bring it up.⁷⁶

74 Ibid., p. 81.

75 Ibid.

76 Ibid., pp. 83-85.

Following the meeting with Vice President Bush, Rodriguez returned to Salvador and in May 1986 met Robert Dutton, who replaced Gadd as Secord's principal supervisor of the resupply operation. During that meeting, Rodriguez told Dutton he had a very close relationship with the Vice President and a number of his people.⁷⁷ Rodriguez's boasting of his relationship with the Vice President was a continual problem.⁷⁸

77 Dutton, Select Committees Testimony, 5/27/87, pp. 23-24, 44; Dutton, North Trial Testimony, 3/6/89, pp. 3275-78, 3311-13, 3332.

78 Abrams, Grand Jury, 11/6/91, pp. 45-46; Fiers, FBI 302, 7/18/91, p. 2; North Notebook, 1/9/86, AMX 000876 ("Felix talking too much about VP connection").

Rodriguez's June 25, 1986, Meetings With North and Watson

In June 1986, North asked Dutton to bring Rodriguez to Washington for a meeting, because North had information that Rodriguez had been discussing contra-resupply plans over an open telephone. Rodriguez on June 25, 1986, met with North and Dutton in the Old Executive Office Building. During the meeting, there was a brief discussion about reorganization of the resupply operation at Ilopango. North then told Rodriguez that he had documented proof of Rodriguez talking over open phone lines and was concerned he might compromise the entire operation.⁷⁹ Rodriguez became angry and showed North a photocopy of a letter from one of the resupply pilots describing the poor quality of the aircraft and the dangerous conditions that existed in the resupply operation at Ilopango.⁸⁰ Rodriguez asked if Dutton would leave the room and in Dutton's absence Rodriguez complained that Secord's associate Thomas Clines was selling \$3.50 hand grenades for \$9.00 to \$9.50 to the contras.⁸¹ Rodriguez testified that North said there had been no money exchanged, the materials were a donation from a European country, and Clines was a patriot. Finally Rodriguez stated that he had to leave to go to the Vice President's office to pick up pictures taken of Bush and Bustillo's wife at a Miami event.⁸²

79 Rodriguez, Grand Jury, 5/10/91, pp. 111-12; Dutton, Select Committees Testimony, 5/27/87, pp. 49-50; Dutton, North Trial Testimony, 3/6/89, p. 3286.

80 Rodriguez, Grand Jury, 5/10/91, p. 113.

81 Ibid., p. 114.

82 Ibid., p. 115.

In the Vice President's office, Rodriguez ran into Watson, and they sat in Gregg's office and had a brief conversation about helicopter parts.⁸³ Shortly thereafter, North walked into the room with Dutton. Rodriguez remembers North stating that he arrived to escort Rodriguez back when he was finished. Watson's notes of a much later meeting, which were withheld until 1991, suggest that North introduced Dutton as "our man for resupply." Watson could not remember this when he testified in 1992. Rodriguez denied it.⁸⁴

⁸³ Ibid., p. 117.

⁸⁴ Ibid., pp. 118-20.

In the Grand Jury, Watson was confronted with his own notes of a December 17, 1986, meeting among Gregg, Watson, Byrne, and vice presidential lawyers C. Boyden Gray and John Schmitz.⁸⁵ The notes attribute the following remark to Watson during the meeting: "Was Dutton the guy Earl or North brought in one day -- 'Our man for resupply'?" ⁸⁶ Watson's recollection of the Dutton meeting was not refreshed by his own note.⁸⁷

⁸⁵ Watson, Grand Jury, 2/7/92, p. 79.

⁸⁶ Watson Note, 12/17/86, ALU 0136580.

⁸⁷ Watson, Grand Jury, 2/7/92, p. 151.

Gregg's August 8, 1986, Meeting With Rodriguez

The conflict between North and Rodriguez intensified throughout the summer of 1986. Rodriguez was concerned that the airplanes, which he believed had been donated to the contras, would be claimed as an asset of Secord's resupply operation once Congress approved \$100 million in contra aid, expected in the fall of 1986. Because of this concern, Rodriguez arranged to have armed guards placed on the planes to ensure their return to Ilopango.⁸⁸ On July 29, 1986, Watson, appearing at a White House meeting in place of Gregg, received a whispered message from North concerning Rodriguez's interference with the resupply operation. Watson's initial notes read as follows:

⁸⁸ Rodriguez, Select Committees Testimony, 5/28/87, pp. 101-2.

. . . Max shut down pilots resupply . . .⁸⁹

⁸⁹ Watson Note, 7/29/86, ALU 011950-51. This note is another piece of evidence that contradicts Rodriguez's assertion that North did not want the Office of the Vice President to know about their activities.

The same day, Secord sent a message to Dutton recommending that the operation be moved out of Ilopango because of problems with Rodriguez.⁹⁰ On July 31, 1986, either North or North's assistant Robert Earl complained to Watson that Rodriguez had stolen two airplanes from Miami and had taken them to El Salvador. When Watson asked for additional information, he was told, "just tell Felix to cut 'it' out." ⁹¹ The next day, North again complained to Watson about Rodriguez, claiming Rodriguez has "screwed up S [southern] front." ⁹²

⁹⁰ KL-43 Message from Secord to Dutton, 7/29/86, 00360-61.

⁹¹ Memorandum from Watson, 12/17/86, ALU 025490.

⁹² Watson Note, 8/1/86, ALU 011952.

The conflict between Rodriguez and the North-Secord resupply operation reached a climax following Rodriguez's flight from Miami to El Salvador on a C-123 loaded with spare parts for

planes at Ilopango. Quintero called Rodriguez claiming that Rodriguez had stolen the plane and demanded that it and its cargo be returned to Miami.⁹³ North called Gregg and told him that Rodriguez had stolen a plane. Gregg called Rodriguez and asked him about the stolen plane. Rodriguez called Gregg back and told him that he needed to talk with him.⁹⁴ At 9:30 a.m. on August 8, 1986, Rodriguez met with Gregg and Watson at the Old Executive Office Building.

⁹³ Rodriguez, FBI 302, 12/29/86, p. 8; Rodriguez, Grand Jury, 5/10/91, pp. 125-29.

⁹⁴ Ibid., p. 130.

Following the Iran/contra revelations on November 25, 1986, the Office of the Vice President on December 15, 1986, produced a chronology of meetings with Rodriguez. According to the chronology, during this August 8, 1986, meeting, Rodriguez expressed "his concerns that the informal contra supply organization which then existed might not survive until the United States Government organization directed by CIA to implement delivery of funds and equipment recently authorized by Congress could be established . . ." ⁹⁵ The chronology stated that this meeting was the first time Rodriguez discussed contra resupply with anyone in the Office of the Vice President. The chronology further asserted that Rodriguez mentioned he was concerned about the poor quality of the aircraft being used in the contra-resupply operation.⁹⁶

⁹⁵ Summary of Contacts with Felix Rodriguez, 12/15/86, ALU 012419.

⁹⁶ Ibid.

Gregg was questioned extensively about his meeting with Rodriguez on August 8, 1986. He was asked whether he informed the Vice President of Rodriguez's complaints. During his first investigative interview on Iran/contra matters on December 15, 1986, Gregg told the FBI that he did not have direct knowledge from his conversation with Rodriguez in August 1986 that Rodriguez was involved in the resupply operation. Gregg only suspected Rodriguez had knowledge of the operation because Rodriguez had worked at Ilopango air base where the operation apparently was run.⁹⁷ Gregg provided the FBI with a chronology of contacts with Rodriguez, which did not describe Rodriguez's complaints about North during the August 8, 1986, meeting. Additionally, the chronology stated it was not until November 7, 1986, that Rodriguez met with Gregg and Watson and indicated that he personally had assisted the contra-resupply effort.⁹⁸

⁹⁷ Gregg, FBI 302, 12/15/86, p. 4.

⁹⁸ Summary of Contacts with Felix Rodriguez, 12/15/86, ALU 012420. Gregg also maintained that he did not inform the Vice President about his August 8 meeting with Rodriguez. (Gregg, FBI 302, 12/15/86, p. 4.)

Later, Gregg testified in 1987 that in late December 1986 Rodriguez told him that he had been formally solicited by North to assist and had been told not to tell Gregg about his activities.⁹⁹ Gregg described Rodriguez's August revelations as "the tip of the iceberg" and stated he was not fully aware of his involvement in contra resupply until he put the pieces together in December 1986.¹⁰⁰

⁹⁹ Gregg, Grand Jury, 10/23/87, p. 68.

¹⁰⁰ Gregg, SFRC Testimony, 5/12/89, pp. 118-19.

An analysis of Gregg and Watson's notes of the Rodriguez meeting, coupled with Rodriguez's subsequent testimony, raised concerns about Gregg's assertions. Gregg's notes read:

Felix -- 8 Aug '86

Using Ed Wilson group for supplies.

Felix used by Ollie [North] to get Contra
planes repaired at Ilopango

``Mr. Green" = Rafael Quintero

Felix knew him at Bay of Pigs, also
close to Tom Clines whom Felix
used to know -- split over Libya.

A swap of weapons for \$
was arranged to get aid for Contras
Clines & General Secord tied in.
Hand grenades bought for \$3 --
sold for \$9.

Felix planned to quit in May.

DICK GADD purchases things

got 1st Caribou -- big profit

Clines is getting \$ from Saudis

or whoever: buying things at great

profit. He hired pilots for Qadhafi with

Wilson

BOB DUTTON brought in as mgr [man- ager]

for project after a flap. He & Felix

got into a conflict. Tried to set up a

proper org. to sell to CIA.

CIA said no -- people involved said

we'll keep what we have.

[page 2:]

Dick Gadd rip off \$20,000 on

a commo gear piece.

Gadd getting rip off on two workers

\$650 a day.

C-123 was seen as a donation

by Bustillo.

Was sitting in Miami with

medicine Felix got from Mayor

of W. Miami [Reboredo] IV's, spare parts

Bermudez asked Mayor to come in

to Contra base

Southern Air Transport said plane

OK to go. Called Jim Steele.

Rafael said NO

-- -- -- -- --

Quintero said ops ``finished"

Bustillo angry -- feels plane is a

donation -- was told so by Ollie

C-123 & 2 others are held on the base

by order of Bustillo

Steele will not release planes

Feels as Felix does.

[page 3:]

Bustillo feels US credibility

at stake -- now feels it has been

a \$ making process. He feels

3 planes belong to Contras.

He offered the base to Contras

on his own.

If planes pulled back, Bustillo

will be angered & will close base

down.

Felix can get Bustillo to

release the planes.¹⁰¹

¹⁰¹ Gregg Notes, 8/8/86, AKW 029885-87.

Rodriguez remembered telling Gregg about North being involved with the Edwin Wilson group. Rodriguez thought that the effect could be worse than Watergate, because of North's position as an NSC staff officer, his responsibility for anti-terrorism efforts, and his involvement with a group of people connected to terrorists like Libya's Mu'ammar Qadhafi through Wilson.¹⁰² Rodriguez explained that the only reason he told Gregg about these matters in August 1986 is because North asked Gregg to use his influence with Rodriguez to release the airplane.¹⁰³

¹⁰² Rodriguez, Grand Jury, 5/10/91, pp. 140-41. Rodriguez was aware of Quintero's involvement in the resupply operation as early as December 1985 and that of Secord before his May 1, 1986, meeting with the Vice President.

¹⁰³ Ibid., p. 142.

Rodriguez was asked whether he told Gregg the contents of the September 20, 1985, "Dear Felix" letter. Rodriguez responded that Gregg had asked him how he got involved in the operation and Rodriguez "probably mentioned the fact that Oliver North had told me that a guy by the name of Mr. Green was going to call him to help in this maintenance of the aircraft." ¹⁰⁴ However, Rodriguez did not remember whether he specifically mentioned the letter. Rodriguez testified that he did not hold anything back from Gregg during their meeting on August 8, including his own role in the contra-resupply effort.¹⁰⁵

¹⁰⁴ Ibid., p. 155.

¹⁰⁵ Ibid., pp. 158-59. Additionally, Rodriguez did not recall ever using the phraseology "swap of weapons for dollars." (Ibid., p. 160.) Rodriguez also said Quintero or someone in Central America had mentioned that Saudi money was being pumped into the operation. (Ibid., 5/10/91, p. 161.)

Watson acknowledged the correlation between Gregg's notes and the "Dear Felix" letter.¹⁰⁶ However, Watson did not recall Rodriguez mentioning the letter in the meeting, even though his own notes of the meeting contain the word "letter." ¹⁰⁷ Gregg was so concerned over what Rodriguez was telling him that he called and asked Earl, North's deputy, to join them in the meeting.¹⁰⁸

¹⁰⁶ Watson, Grand Jury, 4/10/92, p. 80.

¹⁰⁷ Ibid., p. 82; Watson Note, 8/8/86, ALU 0136944. Watson's recollection is that Rodriguez did not say anything about his own role with resupply during the August 8 meeting, notwithstanding Gregg's note. (Watson, Grand Jury, 4/10/92, p. 107.)

¹⁰⁸ Central to Gregg's concern was the involvement of Thomas Clines. Earl's August 8, 1986 note attributes the following to Gregg:

Don Gregg:

Tom Clines = snake! (would sell his mother)

(Earl Note, 8/8/86, AMT 00612.) Clines testified that he saw Gregg in the OEOB in the middle of June 1985, while Clines was walking with Secord and North. Clines and Gregg knew each other from their days at the CIA. Clines told Gregg he was "with these guys [North and Secord] working on the contra thing." (Clines, Grand Jury, 4/19/91, pp. 19-21.)

Gregg's August 12, 1986, Meeting Regarding Rodriguez and the Contra-Resupply Operation

Following the Rodriguez meeting, Gregg called a meeting of U.S. Government officials in his office on August 12, 1986, to discuss issues raised by Rodriguez. Gregg met with Raymond Burghardt of the NSC staff, Corr, Earl, Fiers, Steele, Walker and Watson. According to the December 15, 1986, Office of the Vice President chronology, the purpose of the meeting was ``to pass along the concerns mentioned by Mr. Rodriguez." 109

109 Summary of Contacts with Felix Rodriguez, 12/15/86, ALU 012419.

According to Burghardt, the topics discussed went beyond Rodriguez's concerns and included what would happen to supplies stored for the contras at Ilopango after Congress authorized \$100 million in assistance, what would happen to the old aircraft, and what role Rodriguez would play in the further resupply operations.110 Earl's notes of the meeting reflect no detailed discussion of the concerns described by Rodriguez to Gregg on August 8, 1986, involving Wilson, Quintero, Clines, Secord and the Libya connection to North. Earl's notes reflect primarily operational concerns about transition from the contra-resupply operation at Ilopango to Government-authorized, CIA-directed resupply:

110 Burghardt, FBI 302, 2/27/87, p. 6.

Corr

Concerned on transition

Busti[ll]o concerned FDN [contras] getting screwed

(re A/C) [aircraft].

Equip being g008taken?

Urgent need for resupply of [the] southern
front.

-- 123 Miami c

Felix Rodriguez -- compadres w/ Busti[ll]o.

* * *

bottom line = sell A/C & money to FDN.

Corr recommends this.

Or, ON [North] to explain who owns A/C

to Busti[ll]o --

Corr doesn't think this will work.

Felix needs to be eased out w/ honor.

Corr doesn't mind either way, but Corr thinks

*** BOX HEAD *** *** BOX HEAD *** *** BOX HEAD ***

he's been instrumental.....q.....g0083 months

.....q.....

.....q.....

Ilopango = [Classified.....q.....g008continuation

information withheld]

not 1st choice

Felix claims working w/ VP blessing for CIA.

* * *

Corr sees no g008legal alternative to Felix ([CIA]

& Steele can't g722tough touch it)

Corr can't see any way to operate

Mario Delameco, Miami = Felix contact

(Cuban

c cut this link.

Calero -- Martin link = a problem too. 111

111 Earl Notes, 8/12/86 (emphasis in original).

After the August 12, 1986 meeting, Rodriguez told Gregg that everything was fine; the resupply flights were continuing.112 Rodriguez continued his resupply activities until he temporarily left El Salvador for medical reasons in September 1986. Rodriguez was in Miami when the Hasenfus plane was shot down on October 5, 1986.

112 Rodriguez, Grand Jury, 5/10/91, pp. 168-71; Gregg, SFRC Deposition, 5/12/89, p. 135.

Abrams and North's General Recollections of Discussions With Gregg Regarding Rodriguez and Contra Resupply

After Elliott Abrams pleaded guilty and agreed to cooperate with Independent Counsel, Abrams gave testimony relevant to whether Gregg was aware of Rodriguez's contra activities prior to August 1986.

Abrams remembered that he was concerned that Rodriguez, who went to El Salvador to be involved in counterinsurgency efforts, became a part of the contra-resupply effort. Abrams said Rodriguez talked too much about the Vice President.113 Abrams' concern was that because Rodriguez was a part of the resupply operation and was boasting of his vice presidential connections, he would create the erroneous impression that the Office of the Vice President had some sort of linkage to the contra-resupply operation.114 Abrams believes he spoke at least once to Gregg in person about this

problem.¹¹⁵ Abrams did not specifically recall when this meeting occurred, but he believed it occurred in the first half of 1986.¹¹⁶

¹¹³ Abrams, Grand Jury, 11/6/91, p. 45.

¹¹⁴ Ibid., pp. 47-48.

¹¹⁵ Ibid., p. 46.

¹¹⁶ Ibid., p. 47.

North also had a general, but not specific, recollection of addressing the Rodriguez problem with Gregg before August 1986. North generally recalled discussing with Gregg Rodriguez's boasting about his connection with the Office of the Vice President.¹¹⁷

¹¹⁷ North, Grand Jury, 7/11/90, p. 20. Gregg acknowledged that North called him to complain that Rodriguez had "too high a posture." (Gregg, FBI 302, 12/15/86, p. 3; Gregg, Deposition, 5/18/87, p. 72.)

The Hasenfus Shoot-Down

On October 5, 1986, prior to the enactment of a pending authorization for CIA support for the contras and a \$100 million appropriation, an aircraft carrying weapons and other supplies to the contras was shot down over Nicaragua. Three crewmen were killed. An American citizen, Eugene Hasenfus, the sole survivor, was captured by the Nicaraguans.

That day Rodriguez unsuccessfully attempted to call Gregg to inform him of the missing plane. He reached Watson, who in turn notified the White House Situation Room.¹¹⁸ The following day, Rodriguez called Watson again and told him that the airplane was one of North's. Watson's notes of the calls from Rodriguez read as follows:

¹¹⁸ White House Situation Room log entry, 10/6/86, 0250 hours, AKW 042275-76.

10/6 c Good poss. [possibility] lost in water

1. Bad area

2. Friendly in S [South]

3. in water

-- No radio =

-- C-123 = Ollie's [North's]

3 US -- William Cooper --

1 NicCaptain

-- Wallace Sawyer --

Co-Pilot

-- James Hardline [sic] --

Kicker

-- One national from

Nic 119

119 Watson Notes, 10/6/86, ALU 025478.

Watson told Gregg of Rodriguez's call. Gregg's immediate assumption was that the plane was a part of the resupply operation Rodriguez had described to him and Watson in August 1986. Gregg understood North to be "acting as chairman of the board" for the operation.¹²⁰

¹²⁰ Gregg, Grand Jury, 10/23/87, pp. 77-78.

According to Gregg's later testimony, he did not have contact with Rodriguez from the summer of 1986 until November 7.¹²¹ Rodriguez, however, had a faint recollection of talking with Gregg within 72 hours after the plane was shot down.¹²² Rodriguez said that when he spoke with Gregg, he did not tell him the downed plane was one of North's because "[h]e already knew." ¹²³ Gregg also told Craig L. Fuller, Vice President Bush's chief of staff, that Rodriguez was hiding out in Miami and would not be talking to the press.¹²⁴ Gregg reasserted this on October 13, 1986, in a message that was cabled to Corr.¹²⁵

¹²¹ Gregg, Select Committees Deposition, 5/18/87, p. 80.

¹²² Rodriguez, Grand Jury, 5/10/91, p. 175.

¹²³ Ibid., pp. 175-77. See also Gregg Telephone Log, 10/15/86, ALU 022218 (indicating Gregg took call from Rodriguez).

¹²⁴ Fuller, FBI 302, 12/14/90, p. 3.

¹²⁵ Memorandum from Gregg to Corr through the White House Situation Room, Re: Vice President's Statements Regarding Hasenfus/Gomez, 10/13/86, ALU 012377 ("FYI, I have talked to Felix who I think intends to keep a low profile in Miami. It might be well if [U.S. Army Col.] Jim Steele [commander of the U.S. Military Group in El Salvador] keeps him informed of developments in El Salvador as necessary."). Four days later, the Department of State transmitted another copy of Gregg's memorandum to Corr. (State 326682, 10/17/86, ALW 030376-83.)

On October 9, 1986, Hasenfus, then in Nicaraguan custody, stated he had made 10 flights to supply the contras -- six out of Ilopango airfield in El Salvador -- and had worked with "Max Gomez" and "Ramon Medina," whom he said were CIA employees. Hasenfus stated that Gomez and Medina oversaw the housing for the crews, transportation, refueling and flight plans.¹²⁶

¹²⁶ State Cable, 10/9/86, ALW 0026774.

On October 10, 1986, The San Francisco Examiner, citing an unidentified source, reported that Gomez had received direction not from the CIA but from the White House, especially from the NSC. The story said that Gomez, also known as Felix Rodriguez, had been assigned to Ilopango air base in El Salvador by Gregg. According to the newspaper's source, "the initial deal (to place Gomez at Ilopango) was cut by Gregg after the fellow (Gomez) was introduced directly to George Bush." The article cited Gomez's close connections with the Salvadoran military and stated that he flew helicopters for the Salvadoran Air Force.¹²⁷ Gayle Fisher, spokeswoman for Bush, was quoted as saying that Gregg was not available for comment. Fisher also said, "Gregg is not involved in any type of situation like that, like the weapons to the contras from El Salvador." ¹²⁸

¹²⁷ "Contra Plane Linked to Bush," The San Francisco Examiner, 10/10/86, p. 1.

128 Ibid. Fisher remembered the call from The San Francisco Examiner. One of the questions asked was: "Did Don Gregg know Max Gomez?" She personally asked Gregg the question and "Gregg gave her a flat 'no' answer with no explanation." (Fisher, FBI 302, 5/17/91, p. 3.)

In response to the article, Bush's office issued a statement regarding the allegations: "There is no one on the Vice President's staff who is directing or coordinating an operation in Central America. Allegations to that effect are simply not true." 129 The Vice President's statement was approved by Gregg before it was issued.¹³⁰

129 Statement by the Press Secretary, 10/10/86, ALU 0134718.

130 Fitzwater, FBI 302, 11/8/90, pp. 7-8.

On October 10, 1986, Watson typed a page of talking points for guidance for Vice President Bush on the subject of the downed plane and the Office of the Vice President's connection to Rodriguez. The document describes "Felix" as a great man, a hero, who has provided assistance to El Salvador's fight against communism. The document adds: "Don't know Max Gomez." 131 Watson had "a feeling" that the talking points never got to Vice President Bush but Watson did not know "whether I did it and gave it to Don [Gregg] or what. I just don't know." 132

131 Memorandum re: Nicaragua, 10/10/86, ALU 025354.

132 Watson, Grand Jury, 10/14/87, pp. 168-70.

On October 11, 1986, The Los Angeles Times reported that Gomez had told associates he reported to Vice President Bush about his activities as head of the secret air-supply operation that lost a cargo plane in Nicaragua. Gomez allegedly stated that he met with Bush twice and had been operating in Nicaragua with the Vice President's knowledge and approval, the source said. Similarly, sources close to Bush told The Washington Post that the Vice President acknowledged meeting Gomez once or twice and expressing approval of his efforts to help the contras. However, those sources stated they knew nothing of any direct assistance given to Gomez by Bush or his staff.¹³³

133 "Bush is Linked to Head of Contra Aid Network," The Washington Post, 10/11/86, p. A1.

On October 11, 1986, Bush denied that he had any connection with the plane crash whatsoever. When asked about Gomez, Bush stated "I know Felix Gomez," mixing Rodriguez's true first name with his alias surname. Bush acknowledged meeting Gomez twice, once in January 1985 and again in May 1986. Bush stated that the only discussions he ever had with him related to El Salvador.¹³⁴ Bush stated that he did not speak directly or indirectly with Gomez about Nicaragua. When asked whether other branches of the Government had talked to him, Bush responded "Well, I don't know the facts on that." 135

134 Excerpts of Press Conference Remarks by Bush, 10/11/86, ALU 009984-86, ALU 0138407-9.

135 Ibid.

On October 13, 1986, Gregg sent a message to Corr through the White House Situation Room:

Subject: Vice President's Statements

Regarding Hasenfus/Gomez.

1. The Vice President wanted you to know what he had said about the Hasenfus/Gomez affair on the record. A transcript of his press conference follows: (Note to Situation Room, please send copy from attached press statement.)

2. We have noted various denials of knowledgeability coming out of El Salvador regarding Gomez's activities. The Vice President and his staff will not be saying anything further on the record in hopes of keeping the story from getting more complicated.

3. FYI, I have talked to Felix, who I think intends to keep a low profile in Miami. It might be well if Jim Steele keeps him informed of developments in El Salvador as necessary.¹³⁶

136 Memorandum from Gregg to Corr through the White House Situation Room, Re: Vice President's Statements Regarding Hasenfus/Gomez, 10/13/86, ALU 012377; accord State 326682, 10/13/86, ALW 030376-83 (Telegram from Gregg to Corr, transmitted 10/17/86).

Because of the media stories linking Rodriguez/Gomez with the Vice President's office, congressional committees investigating the Hasenfus shutdown in October 1986 asked Reagan Administration officials about their knowledge of these allegations. On October 14, 1986, before the House Permanent Select Committee on Intelligence, Assistant Secretary of State Elliott Abrams, speaking for the Administration, stated that it was his understanding that Gregg knew Rodriguez and introduced him to the Salvadorans in 1984 to work with the Salvadoran Air Force. Abrams added that the Vice President was aware of Rodriguez's involvement on behalf of the Salvadoran Air Force in their air/ground helicopter operations, but that there was no knowledge that Rodriguez was or at what point he moved off into conducting activities on behalf of the contras.¹³⁷

137 Abrams, HPSCI Testimony, 10/14/86, pp. 23-24. Following the testimony, Gregg actually sent manufactured buttons over to the CIA which read "Who is Max Gomez?" and "I'm Max Gomez." They were a source of great humor at CIA. (Fiers, FBI 302, 7/23/91, p. 12; George, George, Trial Testimony, 8/13/92, pp. 3404-5.)

Abrams' statement was consistent with the public response by the Vice President's office to the Rodriguez allegations. However, on October 16, 1986, while in transit to El Salvador to survey earthquake damage, Abrams reported to Shultz regarding the Rodriguez connection to the Office of the Vice President:

Felix Rodrigues [sic] -- Bush g008did know him from CIA days. FR [Rodriguez] is ex-CIA. In El Salv [Salvador] he goes around to bars saying he is buddy of Bush. A yr [year] ago Pdx [Poindexter] + Ollie [North] told VP staff stop protecting FR as a friend -- we want to get rid of him from his involvmt [involvement] w [with] private ops. Nothing was done so he still is there shooting his mouth off.¹³⁸

138 Hill Note, 10/16/86, ANS 001661.

After landing in San Salvador, Shultz received the text of a letter from Bush, which had been delivered to the Department of State, with information to be passed to President Duarte. The message addressed the conflict between the government of El Salvador's denials of Gomez's involvement on their behalf in El Salvador and Bush's public statement on October 11 about Gomez's involvement in the counter-insurgency. Bush wanted Duarte to know that he only met Gomez twice and never discussed anything with him but counterinsurgency against the guerrillas in El Salvador. Bush extended his regrets that "this has become public." ¹³⁹

139 Letter from Bush to Shultz, 10/16/86, ALW 0030249 (with handwritten note: "Passed to the Secretary in El Salvador who told Duarte himself."); STATE 324973, 10/16/86, ALW 0030246-47 (Department of State telegram, cabled to Shultz's aircraft); Note from Keith Eddins to Shultz, 10/16/86, ALV 001412 (with handwritten postscript by Charles Hill); Hill Note, 10/16/86, ANS 0001661. Elliott Abrams subsequently wrote to Under Secretary of State Michael H. Armacost that Duarte and the Salvadoran high command were "privately resentful that our own government unwittingly put them in a difficult position." (Memorandum from Abrams to Armacost, 10/21/86, ALW 0026749-51.)

After public disclosure of the Iran/contra affair in November 1986, there was a new round of questions about Felix Rodriguez and the Office of the Vice President. On December 2, 1986, after being confronted by a television crew in the driveway of his home, Gregg stated that the only thing that he'd talked to "Max" [Gomez/Rodriguez] about was "his involvement in the insurgency in El Salvador." 140 When the questions persisted, the Office of the Vice President on December 15, 1986, released a chronology detailing contacts between Rodriguez and members of the Office of the Vice President, including Vice President Bush.¹⁴¹

140 The CBS Evening News, 12/15/86 & 12/16/86. Gregg did not reveal his August 8, 1986, meeting with Rodriguez about contra-resupply. In March 1987, Vice President Bush defended Gregg by saying that he "forgot" about his August 8, 1986, meeting with Rodriguez when he told reporters he had never talked with Rodriguez about contra resupply. In response to a question concerning the difference of forgetting and lying, Bush said "Well, maybe it's the same. I don't know. But I don't see it as a major felony case, frankly." ("Bush Is Mystery Man of Iran Affair," The Washington Post, 3/23/87, p. A1.)

141 This chronology was amended on May 14, 1987, to include an aspect of the meeting between Rodriguez and Watson that occurred on June 25, 1986.

Gregg's Statements to Iran/Contra Investigators

Beginning on December 15, 1986, until January 15, 1989, Gregg testified or gave formal statements to the FBI, the Select Committees, the federal Grand Jury and the Senate Foreign Relations Committee concerning his involvement in and knowledge of events relevant to Iran/contra. Gregg's testimony was essentially consistent.

According to Gregg, he and Rodriguez maintained a close relationship since they worked together for the CIA in South Vietnam. Rodriguez came to Gregg in 1984 or 1985 with a proposal to train the Salvadoran Air Force to conduct helicopter counter-insurgency operations similar to those used by Rodriguez in Vietnam. Because this particular technique had proved effective in fighting guerrilla units in Vietnam, Gregg believed Rodriguez's proposal was a good one and assisted him in getting in touch with various U.S. officials who could approve Rodriguez's involvement in El Salvador.

In January 1985, Gregg introduced Rodriguez to Vice President Bush. Rodriguez met with the Vice President again on May 1, 1986, in Washington, D.C. Gregg said that contra resupply was not discussed during these meetings and that the topic of both sessions was the guerrilla anti-insurgency effort in El Salvador.

Gregg denied introducing Rodriguez to Oliver North and denied that he and North had a conversation about Rodriguez prior to North's recruitment of Rodriguez for the resupply operation at Ilopango Air Base. In fact, Gregg testified that he was unaware until August 1986 that Rodriguez was involved in any way in activities relating to the support of the contras.

Gregg testified that prior to August 1986, he and Rodriguez never discussed contra resupply. Gregg testified that he did not inform Vice President Bush about anything that Rodriguez informed him of on August 8, 1986. Gregg said he believed that "secondhand allegations of corruption by some seedy Americans in an obscure air base in Central America" in August 1986 were not worth elevating to the attention of the Vice President.¹⁴²

142 Gregg, Grand Jury, 10/23/87, pp. 63-65.

Although Gregg said he knew that North had been involved as liaison with the resupply network, Gregg said he was unaware that North was involved in helping facilitate the supply of lethal aid to the contras prior to August 8, 1986, when Gregg met with Rodriguez.¹⁴³ Even after Rodriguez explained North's involvement in the resupply operation, Gregg testified that he did not have a sense

that anything was ``ipso facto" against the law.¹⁴⁴ Gregg denied that he or anyone within the Office of the Vice President directed the resupply operation in any manner, specifically by controlling Felix Rodriguez's activities regarding resupply.

143 Gregg, Select Committees Deposition, 5/18/87, pp. 26-27.

144 Ibid., p. 34.

Independent Counsel's Investigation

President Bush in early 1989 nominated Gregg to be U.S. Ambassador to the Republic of South Korea. During his confirmation hearings before the Senate Foreign Relations Committee in May and June 1989, Gregg was confronted with various documents and testimony which seemed to contradict certain aspects of his prior testimony. Gregg's testimony, however, was generally consistent with his previous statements to Iran/contra investigators. In spite of concern expressed by some of the senators on the committee, Gregg was confirmed.

In the summer of 1990, OIC asked Gregg to submit to a polygraph examination regarding certain aspects of his prior testimony.¹⁴⁵

145 Gregg had told the FBI in December 1986 that he would take a polygraph examination regarding Iran/contra matters. (Gregg, FBI 302, 12/15/86, p. 8.)

On July 24, 1990, a polygraph examination was conducted by the Federal Bureau of Investigation at its Washington Metropolitan Field Office. Following a discussion with Gregg, the polygraph examination was conducted using the following relevant questions:

1. Prior to August 1986, did you know that Felix Rodriguez was assisting the Nicaraguan contras?
2. Prior to August 1986 were you aware that Felix Rodriguez was working with Oliver North to assist the Nicaraguan contras?
3. Were you ever involved in a plan to delay the release of the hostages in Iran until after the 1980 Presidential election? 146

146 The OIC reported this question and answer to the Department of Justice in 1990. In 1992, in response to its omnibus request for information in the possession of the OIC, this aspect of Gregg's polygraph examination also was disclosed to the House Committee investigating the ``October Surprise."

4. Prior to his media statement in October 1986, had you told then-Vice President Bush that persons in the U.S. Government were covertly and/or illegally involved in providing military supplies and assistance to the Nicaraguan contras?
5. Have you deliberately provided any false or misleading information in your testimony before Congress or a Federal Grand Jury?

After the examination, it was the opinion of the FBI examiner that Gregg's negative responses to each of the above questions indicated deception. Gregg was informed of the examiner's opinion. He suggested that he be reexamined, amending the questions to read as follows:

1. Have you ever given any false or misleading testimony about Felix Rodriguez to the Grand Jury or the congressional investigating committees?
2. Have you ever given any false or misleading testimony regarding Oliver North to the Grand Jury or the congressional investigating committees?

Following the completion and subsequent review, it was the opinion of the examiner that Gregg's negative responses to the two questions were indicative of deception.

Gregg was asked if he wanted to be polygraphed by another examiner or to be reexamined after a period of reflection. He stated that he did not feel either to be necessary.¹⁴⁷

¹⁴⁷ On August 22, 1990, Gregg's attorney provided Independent Counsel with a report of the results of a polygraph examination conducted by a private examiner retained by Gregg. That examiner, who asked a different series of questions, concluded that Gregg's answers were truthful.

OIC's investigation reviewed a number of sworn statements by Gregg regarding his lack of knowledge prior to August 1986 of the involvement of North and Rodriguez with the contra-resupply effort. Gregg testified that he was unaware prior to June 1986 of any involvement by North with the contra resupply operation:

Q: Now through June of '86, did you know whether he [North] had any involvement with the contra resupply operation?

A: "He" being North?

Q: Colonel North.

A: No. I was out of the country for a fair part of June '86.

Q: And you didn't know at any time prior to June '86?

A: No.¹⁴⁸

¹⁴⁸ Gregg, Select Committees Deposition, 5/18/87, p. 11.

Similarly, Gregg testified that prior to August 8, 1986, he did not know that Rodriguez was involved in contra-resupply:

Q: And it's your testimony that prior to August 8, 1986, to be specific, you did not know that Felix Rodriguez was also involved in the Contra resupply effort?

A: That is correct.¹⁴⁹

¹⁴⁹ Gregg, Grand Jury, 10/9/87, p. 48.

Gregg testified during his confirmation hearings that in his many meetings with Rodriguez prior to August 1986, Rodriguez never mentioned his efforts on behalf of Contra resupply:

SENATOR CRANSTON: Is it still your testimony that prior to August 8th, 1986, Rodriguez never mentioned the status of his Contra resupply efforts during his numerous face-to-face meetings with you in Washington?

MR. GREGG: Never.¹⁵⁰

¹⁵⁰ Gregg, SFRC, 5/12/89, p. 101. See also Gregg, Grand Jury, 10/23/87, p. 64.

During his Select Committees deposition in 1987, Gregg was asked why he did not report to Vice President Bush what Rodriguez had told him in the August 8, 1986, meeting concerning the resupply operation. Gregg responded:

Well, I felt that it was a very murky business. I spend a great deal of my time trying to send things to the Vice President that I think are really Vice Presidential. I try to keep him focused, help him keep focused on arms control or Mideast peace or things of that nature. We had never discussed the contras. We had no responsibility for it. We had no expertise in it. . . .151

151 Gregg, Select Committees Deposition, 5/18/87, pp. 30-31 (emphasis added).

When confronted at his confirmation hearings in 1989 with documentary evidence that seemed to contradict that testimony, Gregg testified that he meant that he had never discussed contra-resupply with the Vice President.152

152 Gregg, Confirmation Hearings, 5/12/89, p. 109.

Conclusion

There was no credible evidence obtained that the Vice President or any member of his staff directed or actively participated in the contra-resupply effort that existed during the Boland Amendment prohibition on military aid to the contras. To the contrary, the Office of the Vice President's staff was largely excluded from RIG meetings where contra matters were discussed and during which, particularly in the summer of 1986, North openly discussed operational details of his contra efforts. During 1985 and 1986, when Abrams, North and Fiers met to discuss Central American matters too sensitive for the RIG, there is no evidence that the Office of the Vice President's staff was included or even informed of their discussions.

During his trial, North alleged that Gregg was the person who introduced him to Rodriguez and that he contacted Gregg before recruiting Rodriguez to assist him in the contra-resupply effort. Gregg denied both assertions. The evidence suggests that Gregg's denials are correct. It appears that William Bode of the State Department, not Gregg, introduced Rodriguez to North. Additionally, there is no direct evidence that North sought Gregg's approval prior to writing his "Dear Felix" recruitment letter to Rodriguez in September 1985.

The question of whether Gregg was aware of Rodriguez's role in contra resupply or whether he was aware of North's involvement in resupply prior to August 1986 is more problematic. A recurring problem in the investigation of the Office of the Vice President was a conflict between contemporaneously created documents -- which apparently impute knowledge of North and Rodriguez's activities to the Office of the Vice President -- and subsequent testimony by Gregg, Watson, Rodriguez and others which contradicted those documents.

North's September 10, 1985, notebook entry reflecting an apparent discussion between North, Gregg and Steele about operational contra-resupply issues is not corroborated by a specific recollection of the meeting by either North or Steele.

North's notebook entry of October 1, 1985, and Duemling's NHAO meeting notes of the same day show that North did not try to hide Rodriguez from other Government officials, contrary to Rodriguez's claim that North asked him not to tell Gregg or the OVP of his contra-resupply activities.

Watson's note to Gregg on the top of a December 1985 State Department cable, "Don -- Suggest you read carefully. Could have serious effect on our supplies to the contras," conflicts with Gregg's later assertions that the Office of the Vice President did not concern itself or have any expertise in contra-resupply issues. Gregg's handwritten note to Vice President Bush on a February 4, 1986, Watson memorandum stating "Felix agrees with this" in reference to problems in contra logistical support, appears to reflect conversations between Gregg and Rodriguez regarding contra planning. Gregg's forwarding of that information to the Vice President reflects his understanding that the Vice

President was interested in contra resupply. The same is true of Gregg's handwritten note to the Vice President on March 6, 1986, which expressed concern about contra activity.

The schedule memorandum detailing the purpose of Rodriguez's visit with the Vice President on May 1, 1986, as a discussion regarding "resupply of the contras" is another example of a contemporaneously created document that appears to be in conflict with the subsequent testimony of Gregg and Watson. Even Watson and Gregg's own notes of their August 8, 1986, meeting with Rodriguez contradict in part their subsequent explanations of that meeting. Yet, Rodriguez supported Gregg's denials of any discussion with Rodriguez about his or North's involvement in lethal contra-resupply operations prior to August 1986.

These documents -- combined with the general, non-specific, recollections of Abrams, Steele and North which contradict portions of Gregg's sworn testimony -- were insufficient to support a prosecution requiring proof beyond a reasonable doubt.

There was strong evidence that following the shootdown of the Hasenfus plane, Gregg and Watson were aware of North's connection to the resupply operation. Rodriguez informed them of North's involvement in August 1986, and Rodriguez called Watson on October 6, 1986, to let him know the downed plane was one of North's. They remained silent as Administration representatives publicly stated that there was no U.S. involvement in the flight.

Despite these acts of concealment, the evidence did not prove that Watson or Gregg committed a chargeable offense following the Hasenfus shootdown. No chargeable offense could be proved beyond a reasonable doubt.