

President Marcos and General Ver wage war on drugs and terrorism

by Paul Goldstein

A "secret" war is taking place in the Philippines: the War on Drugs. Without much publicity—none in the United States—the battle now being conducted by the Armed Forces of the Philippines (AFP) represents the potential leading edge for defeating the Soviet-backed New People's Army (NPA). With limited resources, the newly reorganized Narcotics Command (NARCOM) is fighting to eradicate the logistical support for this narco-terrorist organization.

Contrary to myths perpetuated by officials of the State Department and the anti-Marcos faction of U.S. intelligence, concerning the quality of the AFP fighting units, this outfit is a highly motivated elite force, which operates in conjunction with the Scout Ranger battalions and other units headquartered at Camp Crame in Quezon City. Founded on Feb. 1, 1983 by Chief of Staff Gen. Fabian Ver, it has had a remarkable success story, despite the well-known difficulties within the AFP, which are recognized by President Marcos and General Ver.

The AFP and the United States

Before reporting on the progress of the war against narco-terrorism, it is necessary to dispel the exaggerations and lies concerning the Philippine military situation and the role of General Ver. During a recent tour of the Philippines, this reporter interviewed or met with leading military figures, some connected to the opposition, and also with U.S. military personnel, both retired and active. The striking picture which emerged from these discussions, is that the problems inside the AFP are the result of poor training and lack of equipment, rather than the standard line of "corruption, cronyism" and over-extension of senior military officials. These conditions are tied to the fact that U.S. military assistance has been negligible, due to the internal politics of the U.S. intelligence community, the Congress, and the Defense Department. Indeed, the policy orientation of the United States toward the Philippines is determined by the State Department—which is committed to a U.S. strategic withdrawal from the region—and by the faction of the Wall Street banking community which is up to its ears in laundering the ill-gotten gains of dope traffickers such as those the Armed Forces of the Philippines is trying to wipe out.

The political intelligence warfare within U.S. policy-making institutions has aggravated the factionalization within the Philippine military. The key catalytic event which forced these frictions to surface in the AFP was in the aftermath of the assassination of opposition leader Benigno Aquino in August 1983.

One of the results of the Aquino assassination was the targeting of General Ver, who was accused of involvement in the assassination and was later acquitted. The drive to oust General Ver is the key to the whole dynamic of present U.S. policy toward the Philippines. Not only is Ver the Chief of Staff of the AFP; he is also President Marcos's director of the National Intelligence and Security Agency (NISA), which makes him one of the most powerful individuals in the country. It was through the personal efforts of General Ver that the war on drugs was upgraded. The international-drug cartel—Dope Inc.—determined to get rid of him.

At the point that Ver was removed to stand trial for conspiracy in the Aquino assassination, Marcos appointed Lt.-Gen. Fidel Ramos, a West Point graduate, as Acting Chief of Staff. Considered by the State Department, Pentagon, and U.S. intelligence services as the "savior" of the corruption-ridden AFP, Ramos was considered the potential leader of a coup d'état which would be backed by the United States. These events were to have taken place prior to the election call by President Marcos.

The pretext for such a coup was to be the threat of a "communist overthrow" of the Marcos government. This evaluation was fed by overblown intelligence concerning the communist threat, supplied by Paul Wolfowitz of the State Department and Richard Armitage of the Pentagon, who pushed this assessment based upon official CIA estimates. The analysis section of CIA and the CIA station chief in Manila were basing their reports on their assets inside the Philippine military and in the leading elements of the opposition—some of whom are on the CIA payroll. Any reports coming from pro-Marcos or pro-Ver sources are considered suspect and not to be included in any evaluation!

One U.S. Defense Intelligence Agency official in Manila reported that, contrary to the CIA's accepted estimates, the NPA operations could not be considered a serious insurgency

but were "showboating," and could not be sustained. He added that his own activity included traversing the entirety of the Philippine archipelago profiling the NPA actions, and filing official reports. But these reports and others contradicting the "prevailing perception" never reached headquarters, because the reporting and collection system goes through the State Department and CIA, which are predisposed to

discount them. This situation is the result of the political deals that CIA Director William Casey made with the Eastern Establishment concerning the Philippines. It is a more or less well-known joke that the present chief of station for the CIA has never met President Marcos and is not permitted in the Malacanang Palace, because of Casey's shenanigans. In an interview with the *New York Times*, President Marcos essen-

MANILA BULLETIN, TUES., JAN. 13, 1959

SEE LINK BETWEEN MARIJUANA SYNDICATE AND COMMUNISTS

Investigation into the distribution and growing of marijuana plants developed a new twist yesterday when government intelligence men started looking into a possibility that introduction here of the plant was part of a communist move to spread addiction, weaken activity, and finance party activities. . . .

A 26-year war against the drug traffickers

Who is Gen. Fabian Ver, whom the State Department and its friends in the Philippines opposition have targeted for ouster? The following article, "See Link Between Marijuana Syndicate and Communists," which was published in the Manila Bulletin on Jan. 13, 1959, documents a two-decade war on the drug pushers.

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In Camp Crame, intelligence operatives were also looking into a possible tie-up between the marijuana syndicate and gun-runners, and dollar and gold smugglers. . . .

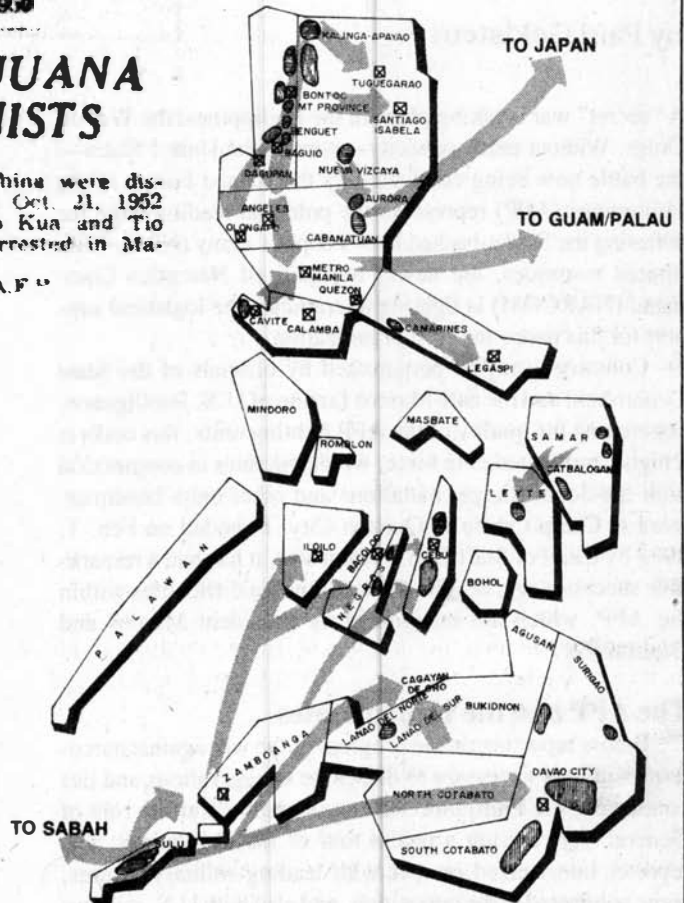
Earlier research made by the P. C. criminal investigation service under Lt. Col. Ramon Gelvezon showed that the Philippines was one of the principal air and sea routes of international traffic in narcotics, opium and marijuana derivatives.

A comprehensive report on the survey made by Capt. Fabian Ver of the C.I.S. stated that large-scale smuggling of narcotics in the Philippines from China were disclosed as early as Oct. 21, 1952 when José Lao Ko Kua and Tio Eng Tiong were arrested in Manila.

Researchers at A. F. P. G-2 also said Red China had

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A. F. P.



This map, published by the Narcotics Command of the Armed Forces of the Philippines in February 1985, shows the principal marijuana-growing regions in the country. The arrows indicate shipment routes.

LEGEND:
 ⊗ - STASH SITES
 ⊖ - TRADITIONAL GROWING AREAS
 ⊕ - NEWLY DISCOVERED GROWING AREAS

made several attempts to smuggle narcotics into the country through Russian submarines based on Hainan island, to support espionage activities and purchase strategic materials.

According to Ver's report, this was confirmed by Taipei officials. The report also said that rampant smuggling of narcotics in the south had been confirmed.

tially accused the CIA of unauthorized contact with the AFP "reformers." "What is the cause of the lapses of intelligence and discipline?" he asked. "Why does our intelligence seem to leak? And who's talking to the CIA without my permission?"

One of the critical problems that was created by this strained relationship between the Marcos government and the CIA, is the fact that, on advice from certain senior U.S. intelligence officials, Marcos and his close associate Eduardo Cojuangco hired a team of Israeli mercenaries, formerly with the Israeli Defense Force (IDF). Some of the members of this private security operation aimed at providing back-up to President Marcos's own personal security, and who also serve as advisers on counter-terrorism, are agents of the Mossad, the Israeli secret intelligence service. According to *EIR*'s intelligence contacts, this can become a "Trojan Horse" problem for the Philippines.

Complicating and compounding this problem is the foolishness of certain patriotic elements of the U.S. military, who saw General Ramos as the "reformer" to lift the AFP from its alleged morass of corruption and incompetence. By promoting Ramos and the "We Belong" reform movement, the United States caused the AFP to split into warring camps of pro-Ver and pro-Ramos forces, contributing to demoralization and threatening to plunge the Philippines into civil war. This is precisely the result that the "New Yalta" crowd in the United States—and the Soviet Union—want to achieve.

The misevaluation by patriotic U.S. military and intelligence officials of the situation within the AFP is based upon ignorance of Filipino culture, especially the question of loyalty within the military. Moreover, the political sensitivity required for handling this problem is ignored by the policymakers in Washington, who are only interested in pursuing the "power-politics game."

The anti-narcotics command

With this background in mind, look at the real situation of the AFP's War on Drugs. General Ver's intervention to transform the previously inefficient Constabulary Anti-Narcotic Unit into a branch of the AFP, represented a major threat to the international dope cartel, for from 1972 to the present, the Philippines has been judged an excellent transshipment point for drug-trafficking and a ripe area for marijuana and cocaine cultivation for domestic consumption as well as export.

In response to an enormous leap in marijuana cultivation between 1979-81 and again between 1981-83—marijuana went from 77,395 seedlings and plants to 433,612 and then to 908,995—General Ver began to investigate the relationship between the growth of the NPA and drugs. His personal commitment to uncovering the relationship between drugs and communist terror began in 1952 when, as a captain in the Criminal Investigation Service of the Constabulary Police, he found links between the communists and drugs coming from the People's Republic of China. Upon assuming the

position of Chief of Staff in 1981, Ver began his reorganization of the War on Drugs.

On Feb. 1, 1983, he appointed then-Col. Ramon Montaño, now a brigadier general, as commander of the NARCOM unit at Camp Crame. AFP intelligence and NISA ascertained that the hotbeds of NPA activity and marijuana cultivation overlapped, especially in the Tinglayan, Kalinga-Apayao, and Cordillera ranges. The first major crackdown against marijuana cultivation by the NPA met with stiff resistance. The 41st Infantry Battalion, augmented by two companies of the elite First Scout Rangers Regiment, went into action in the Kalinga-Apayao area. Deployed in support of the operation were helicopter gunships from both the Philippine Air Force and the Constabulary Integrated National Police (PC/INP). After the success of this operation, General Ver sent the NARCOM into action.

On July 18, 1984, elements of the NARCOM and AFP units, composed of the Scout Ranger Company of the 5th Infantry Division, were deployed to hit the NPA production base in the border areas of Bugnay, Tinglayan, Kalinga-Apayao, and Barangay Bituagan. The operation successfully uprooted 200,000 full-grown marijuana plants in a three-hectare region. In the same general vicinity, AFP/NARCOM operations eradicated 350,000 plants and 300,000 seedlings.

During the year-and-a-half between the founding of NARCOM and the successful July 1984 operation, the AFP and General Ver were the subjects of continued political warfare. By 1985, discovered marijuana production in the Philippines rose to 9,907,885, alongside an expansion of NPA terrorism, just at the point that the pressure and cutoff from the United States of military assistance began in earnest, weakening the internal situation. These successful military operations were conducted with only two helicopter gunships!

Now, the Qaddafi-backed insurgency in the southern Philippines, the Moro National Liberation Front, has expanded its marijuana operations into the Sulu Province, selling the product in the Malaysian province of Sabah. Given the targeting of the northern Luzon area by NARCOM, the government is now faced with the second-largest area for drug-growing on the island of Cebu in the central Visayas. To cope with the war, Ver set up the Drug Intelligence Coordination Committee, where all law enforcement intelligence services, including Interpol, cooperate. Unlike the situation that prevails in the United States, in the Philippines there is great cooperation among the various agencies because of Ver's centralizing role.

The international drug syndicates from the Golden Triangle of Southeast Asia are operating in the Philippines. However, the Philippines has one of the toughest laws internationally on heroin and drug-smuggling in general. During the martial-law period between 1972-76, when the drug problem was reduced to virtually nothing, President Marcos ordered the execution, after a trial, of one of the leading drug smugglers of the Triad secret society, Lim Seng.

At present, the leading Golden Triangle/Golden Crescent network operating in the Philippines is an Australian one based in Thailand, where yachts are loaded and shipped to Hong Kong, then exported into the Philippines and finally transshipped to Europe and the United States. NARCOM busted the Colombian-Philippines connection for cocaine distribution headed by Peter Vizcardi a.k.a. Silvio Costa, an Australian national of Italian descent. Vizcardi was the financier of the Italian "Colombian-Philippines" cocaine trafficking group. Cocaine production in the Philippines is not as

extensive as marijuana; however, General Montaña told this reporter that it has been reaching into the upper echelons of Philippine society within the last two years, as a result of the influence of U.S. jet-set types. The major area of cocaine production is the Central Visayas and Iloilo.

Among the key distribution vehicles for heroin from the Golden Crescent are Philippine Airlines and Pakistan International Airlines. The Pakistan consul general was kicked out of the Philippines for coordinating the drug operation. NARCOM intelligence found out that some of the Pakistani

The U.S. drug lobby and the Philippines

A close look at the circles in the United States and Canada who are running operations to topple the Marcos government, reveals numerous connections to the shadowy underworld of dope and terrorism. According to a former high-level U.S. intelligence official, one of the leading figures involved in the Philippines is **Hank Greenberg**, who runs the New York City-based International Insurance Company of America, one of the leading underwriters and re-insurers of the Philippines banking system. Greenberg is said to have had business ties to CIA Director William Casey, and this may have something to do with Casey's problems with the Philippines.

An Israeli intelligence source told *EIR* that a Mossad faction which was involved in the assassination of South Korean President Park Chung Hee, operates from Canada in conjunction with Greenberg. Two financiers, one Israeli and another a Canadian—**Harold Arviv** and **Charles Yannover**—using a South Korean assassin named Ji Shik Moon, not only were involved in the Park hit, but were also involved in planning the assassination of Philippines opposition leader Benigno Aquino, whose death in 1983 provided the pretext for the destabilization drive against President Marcos. Subsequent investigations revealed that Yannover, a joint Mossad-British intelligence agent, was involved in a North Korean-funded plot to kill both South Korean President Chun Doo Hwan and President Marcos at a golf tournament in 1981.

A key congressional opponent of the Marcos government, **Rep. Stephen Solarz** (D-N.Y.), represents dope-lobby interests, specifically, the Lebanese-Syrian Jewish banking interests in New York City (including from his Brooklyn constituency), Beirut, and Rio de Janeiro. So-

larz's key contact point in this dirty-money network is dope banker **Edmund Safra**, the former chairman of American Express Company and a friend of Henry Kissinger, who brought Kissinger onto the Amex board. Safra's apparatus extends into the Philippines through his long-standing relationship to Israeli arms merchant **Shaul Eisenberg**, who has offices in the Makati business district of Metro-Manila. Eisenberg's Far East Trading Corporation is the largest Israeli concern now operating in the People's Republic of China, where it manufactures light weapons. One U.S. intelligence source indicated that some of Eisenberg's weapons are winding up in the hands of the Soviet-backed New People's Army (NPA) in the Philippines. Eisenberg lives seven months of the year in Beijing (Peking), where he rents the top three floors of the Hilton Hotel.

Solarz and the Kennedy wing of the Democratic Party have financed the newspaper of the Philippines opposition in San Francisco, the *Philippines News*. It was bailed out with money from two real-estate operatives with ties to drug-money laundering: **William Coblentz** and **Moe Bernstein**.

Michael Armacost, former ambassador to the Philippines and now Undersecretary of State for Political Affairs, has interests in the Philippines through his brother Robert, who is president of the Bank of America.

Not to be overlooked is the media, which has played a crucial role in building the anti-Marcos destabilization internationally. As *EIR* has documented on other occasions, the *Washington Post*, *New York Times*, and the major television networks are closely interlocked with the drug lobby. Completely overlooked in the melee surrounding the assassination of Aquino was the role of ABC-TV's correspondent **Ken Kashihara**, who witnessed the assassination and, with the cooperation of NBC-TV's Asia news director, spirited out of the Philippines a witness who later wound up secretly testifying to members of Congress. Whether this unknown individual was Mrs. Quijano, the prosecution's key witness in the Aquino assassination trial, is the subject of an ongoing investigation.

revenues from heroin were being invested into Iranian assets throughout the Mideast.

As for the future prospects for the war on narcoterrorism, the AFP/NARCOM and the Scout Ranger units are in need of sophisticated communication equipment for coordination of their operations. In some recent cases, AFP and NARCOM forces did not have advance reconnaissance and intelligence on the whereabouts of NPA terrorists, and by accident ran into rather large units. In one instance, a bloody battle ensued in which NPA forces suffered significant losses. Badly needed counterinsurgency equipment, including helicopters and specialized counterinsurgency aircraft like the T-28, could be easily integrated into the AFP's already existing capabilities. General Montaña also told *EIR* that at present there is no satellite intelligence cooperation between the Philippines and the United States, which would make it easier to target the growth areas of NPA drug-cultivation activity. Of course, some of the NPA's marijuana winds up at the U.S. bases, Clark Air Base and Subic Bay. In November and December, the AFP/NARCOM and the U.S. Naval Investigative Service ran a joint interdiction operation; but this was too limited in scope to really address the problem.

Two choices

To summarize what this war on narco-terrorism means, in the context of the upcoming election and the real choices facing the United States, let us quote from President Marcos on this issue and from one of the revolutionary priests who support the NPA.

President Marcos:

I, therefore, place myself and our government openly, unconditionally, and unreservedly on the side of all those who are fighting the proliferation of the illicit use of drugs, not only in the name of humanity, not only in the name of our God, not only in the name of our common purpose, but in the name of national objectives and our national ideals. Here in the Philippines, we will continue to fight the drug menace with all the weapons at our command as we are fighting all the enemies of our nation.

Father Gorospe, Society of Jesus, promoter of Liberation Theology and supporter of the NPA:

Like anything else, drugs are not evil in themselves, and they ought to be judged by their effects on the individual and society. Like coffee, alcohol, and tobacco, drugs may even be taken for pleasure and relaxation, if there is proportionate reason. We are obliged to take reasonable care of our health, not to expose our life to risk without a commensurate reason, and to avoid excess. What is excessive differs with different individuals and depends on so many variable factors. (In: *The Filipino Search for Meaning: Moral Philosophy in a Philippine Setting.*)

Asian tour links Pacific Rim nations

The Philippines is an Asian country—but it is also Roman Catholic and was once a Spanish colony; it is now heavily indebted and engaged in a bitter fight against the International Monetary Fund's effort to impose austerity conditionalities. It clearly has a great common interest with the countries of Ibero-America. Yet, it was not until November-December 1985, when the Schiller Institute sponsored the tour of an international delegation to the Philippines, that these links were forged.

Following a meeting on Nov. 29 with Peruvian Gen. (ret.) Edgardo Mercado Jarrín and representatives of the Schiller Institute and *EIR*, Philippines President Ferdinand Marcos for the first time publicly endorsed the "courageous" move of Peruvian President Alan García to limit debt payments to 10% of export earnings, and announced that he would send observers to the upcoming Ibero-American heads of state summit in Panama, called on García's initiative to plan a joint strategy on debt and economic integration.

General Mercado Jarrín, who heads the Institute of Geostategy and Political Studies in Lima, Peru, was accompanied by Dr. Uwe Henke v. Parpart, Paul Goldstein, and Carlos Wesley. His tour also took him to Thailand, India, and Japan.

In his meeting with President Marcos and Foreign Minister Pacífico Castro, and throughout his tour, Gen. Mercado Jarrín stressed the need to establish "horizontal" relations among countries of the Pacific Rim, without the mediation of the United States or any other former colonial power. The economies of Ibero-American Pacific countries and Asian ones are "complementary," he said, and Ibero-America in particular has much to learn from Southeast Asia, where growth rates of 10% or more had been sustained throughout the 1960s and 1970s, while Ibero-America, for all its foreign borrowing, had not gone much beyond 8-9% even in the "boom" years. This, he attributed in large measure to the influence of the Japanese, who had been willing to transfer some technology to their Asian trading partners, while the same had not occurred in the Western Hemisphere. In addition, Asian countries had stressed much more the importance of developing infrastructure and capital goods production—an essential prerequisite for industrial development.

In his discussions with policymakers throughout the region, the general often used an image from the Age of Explo-