

These firms are linked to:

Ferchimx NV, the sole distributor of Soviet chemical products; Elorg-Belgie, the Soviet electronic distributor, whose former director, Vladimir Khlystov, was expelled from Belgium in 1976 for alleged spying.

The Soviet-linked diamond company, Russelmaz, is also based in Antwerp, the heart of the international diamond market, where the commodity often is used to pay off agents.

These Stoop-Soviet companies are primarily linked to Banque Bruxelles Lambert, as well as to Banque Paribas, two of the leading banks that represent many of the oligarchical interests that form the core of "Dope, Inc." in Europe.

According to a former member of the Soviet trade office in Brussels who defected in 1971, Anatole Tsjebotariev, there were no less than 33 Soviet KGB or GRU agents operating out of various Soviet missions and related corporations based in Belgium—headquarters for NATO, SHAPE, and the European Community.

In addition to the expulsion of Khlystov in 1976, one Kroegliakov, a functionary of Transworld Marine, was expelled and declared persona non grata. In 1973, KGB agent Sjemetov was arrested in front of Transworld Marine offices on the Schoonbekeplein, near Falconplein—the latter known as "Red Square," because of all the Russian shops located there.

In 1976, it is reported that Transworld Marine transferred 40 million Belgian francs to the Soviet shipping agent in Lisbon, Liouty, as payment to the Portuguese Communist Party. According to Dutch security sources, the density of Soviet espionage operations in Belgium led the Dutch government to try to curtail the expansion of Soviet commercial action in Rotterdam and Antwerp. But Transworld Marine was able to open in Rotterdam, due to heavy pressure from the harbor companies eager to share in the profits.

Transworld Marine is now in the process of buying its own dock facility in Rotterdam, which would, in effect, give them "free port" status. Ships would not be subject to customs checks if the stated cargo was not being unloaded in Holland.

Thus, espionage is carried out through a network of commercial operations in which shipping companies provide cover for transferring funds and agents can depend on logistical support. Through the diamond trade (in which the Soviets, as the only producers besides South Africa, are key), payments are made to spies.

It is also from this base in Antwerp and Rotterdam (not coincidentally, NATO's most important ports of entry for military equipment), that the Soviets coordinate their efforts to monopolize international shipping—driving Western companies bankrupt by undercutting prices.

In the classic style that began in the 1920s, with Cheka chief Felix Dzerzhinsky's "Trust B" operation, these Soviet maneuvers are at the same time making many Western "capitalists" very rich, while forming an excellent logistical base for international drug trafficking.

Dope, Inc. in Ibero-America

Narcotics mob gains in Central America

by Gretchen Small

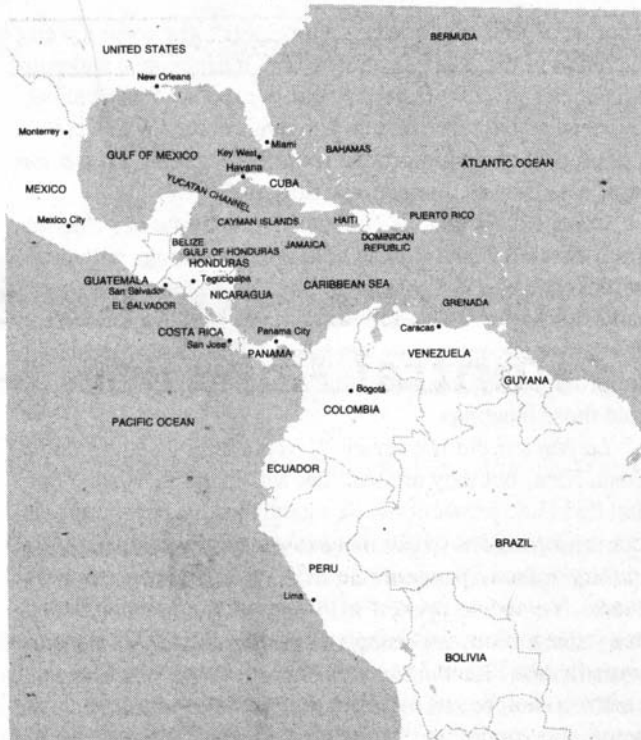
"Cocaine Sinks Its Claws In the Country" warned *La Nación*, the leading newspaper of San José, Costa Rica, on Nov. 23, 1986. The article opened a 15-part series on Costa Rica's drug connection, reporting the results of three months of investigation. *La Nación's* message is stark: The narcotics mob threatens to seize control of Costa Rica's economy and political system.

La Nación's series attacks any illusions that the narcotics empire is a secondary security threat in the Western Hemisphere, limited primarily to the Andean nations and the Caribbean. *La Nación* makes some mistakes in its analysis of the drug trade in the area, but the scope of the narcotics problem in Costa Rica that the paper presents must set alarm bells ringing in Washington. While the United States has hung its Central American policy on Nicaragua's Contras, the drug trade—in which both the Sandinistas and Contras are prominent participants—has been taking over Nicaragua's neighbors from within. Costa Rica is not alone; similar threats are felt in Guatemala, Honduras, and El Salvador.

The case of Honduras is particularly shocking. One of the Western hemisphere's top cocaine czars, Juan Ramón Matta Ballesteros, was freed from a Honduran jail on Nov. 28, 1986. He now brags that he can control the Honduran economy and pay off the country's debt. No agency of the U.S. government has yet commented on the matter, let alone demanded action against Matta Ballesteros, even though U.S. agencies identified him as the intellectual author of the 1985 assassination of U.S. Drug Enforcement Administration official Enrique Camarena.

Silence on the Honduran connection smacks of cover-up. The State Department's Bureau of International Narcotics Matters did not even mention Honduras in its 1986 *Midyear Report*.

In the case of Guatemala, that nation's military leaders have been warning Reagan administration officials since 1985 that Cuban-backed terrorists and the narcotics mafia have joined forces in their country. Despite repeated requests for U.S. technological and material assistance to defeat the nar-



Ibero-America has become a springboard for the international drug traffickers to attack the United States. The photo shows a peasant woman gathering coca leaves, from which cocaine is made.

co-terrorist threat, Guatemala has received only promises of support. Guatemala is now called the "golden bridge" for drug transshipment, because "a great quantity of South American cocaine is transported to Mexico and the United States" through Guatemala, the country's interior minister, Juan José Rodil Peralta, warned in October 1986.

The Costa Rican picture

"Costa Rican territory, facilities, inhabitants, cities, and citizens, served as a stopover point for resupply and protection of pilot, plane, and shipment" of drugs thousands of times, *La Nación* reports, while Costa Rica served as the "principal axis" for the planning and execution of hundreds of other drug operations.

Fifteen metric tons of cocaine pass through Costa Rica each year, authorities now estimate. The value of that cocaine in the U.S. market equals 78% of Costa Rica's total export earnings in 1985, *La Nación* calculates, representing an income of \$768 million "for distinct and sometimes coordinated groups of international delinquents, some of whom have their agents very well installed in our country." Those calculations are conservative, *La Nación* notes, adding, "a minimum, but growing, part [of the cocaine] remains here."

Costa Rica has often been called the "Switzerland" of Central America. Now, Costa Rican authorities estimate that their nation has become the third-largest drug money-laundering center in Central and South America, following Panama and Colombia. Costa Rican anti-drug officials complain that "big capital freely enters and leaves this nation without major problems, serving as a silver platter for criminals who

wish to 'launder' enormous quantities of money," says *La Nación*.

Every other aspect of the drug trade has grown also. Cocaine chiefs from the region meet regularly there, so freely that certain top Colombian drug gangsters use Costa Rica as their "personal office," Col. Luis Barrantes, head of the narcotics division of Public Security, told *La Nación*. The word out in police circles is that Colombia's Pablo Escobar Gaviria travels frequently to Costa Rica, to meet with the heads of Costa Rican, Mexican, or U.S. drug gangs. "Their meeting places are the principal hotels of San José," Colonel Barrantes stated.

Drugs and traffickers have been captured frequently in police raids on airstrips near the border with Nicaragua, in the province of Guanacaste, but still most strips remain unpatrolled. On Sept. 20, 1986, a cocaine processing laboratory was seized by the Judicial Investigatory Body (OIJ), exposing mafia plans to "upgrade" their Costa Rican operations significantly.

With the drug trade has come the "underground, a cruel and unscrupulous world of assassinations, kidnappings, terrorism, bribery," *La Nación* reports, as well as such parallel organized crime operations as counterfeiting dollars and travelers' checks, and a thriving stolen car business. Many of these "fraudulent operations" are carried out by "foreign businessmen, who upon arriving in our country already hold an extensive criminal record in their country of origin," *La Nación* states, warning against the influx of well-known criminals who parade as "investors" and "businessmen."

"This is a summary of what is barely a small chapter of

the extensive and growing history of the multimillion cocaine traffic, which uses Costa Rica as an easy bridge, a stage in its processing, en route to reach its objective: the streets of the United States' populous cities." The paper adds a further warning: "All this criminal and illegal structure represents sufficient power to corrupt authorities and politicians . . . and finance terrorist groups and revolutionaries of all stripes. . . . These bands and their activities strongly threaten to pull in, degrade, and even manage the Costa Rican

La Nación's series attacks any illusions that the narcotics empire is a secondary security threat in the Western Hemisphere. La Nación makes some mistakes in its analysis of the drug trade, but the scope of the problem in Costa Rica that the paper presents must set alarm bells ringing in Washington.

political and economic system. Their tentacles have reached a point never before seen in our country."

Vesco visits . . .

Perhaps the most explosive article in *La Nación's* series, was that published Nov. 30, exposing Robert Vesco's Costa Rican connection. Vesco, the fugitive American financier who is the leading business partner of Colombian cocaine king Carlos Lehder, runs a drug and financial empire from Havana, Cuba, where he now lives under the personal protection of Fidel Castro. (Castro calls Vesco a persecuted "family man.") "Local and foreign authorities are convinced that the corpulent American uses national territory to cover part of a shady drug-trafficking organization which operates from here at his service. In this group are found hired assassins, the financier's new lieutenant, and even some local ex-public officials," says *La Nación*.

Before Cuba, Vesco lived in Nicaragua's most expensive hotel in Managua, under the protection of the Sandinista *comandantes*. But, as *La Nación* notes, Vesco was first introduced to his Sandinista hosts by "some of his best Costa Rican friends."

La Nación mentions no names, but provides enticing descriptions. Vesco's new lieutenant in the drug business is a Costa Rican of U.S. origin, with a Costa Rican wife, who is wanted in the United States on at least two criminal counts.

Another of Vesco's friends is a foreigner "who owns a pretty *hacienda* in the Valle Central, where businessmen and politicians can practice shooting with weapons of any caliber, and even watch television on a gigantic screen which a good part of a comfortable room." This man, *La Nación* says, also runs an international drug ring.

Costa Rica's OIJ "is convinced that Vesco has clandestinely entered Costa Rica to hold secret meetings with drug-traffickers based in Costa Rica," *La Nación* reports. National authorities know of at least three times in which Vesco has flown by helicopter from his base in Nicaragua, located in the province of Chontales, to Cacho Negro, Costa Rica, to hold those meetings.

La Nación did not review Vesco's long-standing ties to Costa Rica, but they are well known. In 1972, when Vesco first fled U.S. prosecution, he established his new headquarters in Costa Rica, where he was warmly welcomed by the country's then-President, José "Pepe" Figueres. For Figueres, Vesco was the kind of "investor" the country needed. In a letter to President Nixon dated July 22, 1972, Figueres argued, "Mr. Robert Vesco has been visiting Costa Rica with a view to helping us establish some new instruments of finance and economic development. I am impressed by his ideas, his group of business leaders, and the magnitude of the anticipated investments. He may provide the ingredient that has been lacking in our plans to create, in the middle of the Western Hemisphere, a showpiece of democratic development."

Vesco attempted to set up an international free zone in Costa Rica, where casinos, tourism, and banking could operate outside the nation's laws. Despite President Figueres's support for the plan, the free-zone scheme was shot down as an attempt by "the international mafia" to take over Costa Rica.

. . .

On Nov. 28, *La Nación* reported that Robert Vesco's business partners in the Colombian mafia had quadrupled the bounty offered for the head of the U.S. ambassador to Costa Rica, Lewis Tambs. Tambs, one of the toughest U.S. anti-drug officials posted to Ibero-America, has been high on the drug mafia hit list since his previous assignment as ambassador to Colombia, where he built up close anti-narcotics cooperation between the United States and Colombia. Tambs was forced out of Colombia by mafia death threats, but continued his work in Costa Rica. In spring 1986, news agencies reported that the Colombian cocaine mobsters had placed a \$1 million contract out for Tambs's assassination, and that a group of Contras operating in Costa Rica was trying to make the hit. In late November, according to *La Nación's* sources at the U.S. embassy in San José, the mob increased that bounty to \$4 million. Tambs's security was doubled.

On Dec. 1, Ambassador Tambs sent President Reagan his resignation, and returned to the United States.