

U.S. plot to commit vote fraud in Panama is discovered

by an EIR Investigative Team

A United States plot to interfere in Panama and to commit vote fraud in the upcoming national election May 7 has been discovered. The operation is being carried out by the "secret government" team uncovered during the Iran-Contra investigations, what Lt. Col. Oliver North called "Project Democracy," including Henry Kissinger's National Endowment for Democracy (NED), corrupt former U.S. government officials, and the drug mafia that is opposed to Gen. Manuel Antonio Noriega, the anti-drug commander of Panama's Defense Forces (PDF).

This includes Carlos Eleta Almarán, currently in a Georgia jail on charges of drug trafficking. Eleta is linked to Henry Kissinger through business associates working with Kissinger's lawyer, William Dill Rogers. Also involved is Kurt Frederick Muse, an American intelligence operative captured by Panamanian authorities while setting up a clandestine radio and television network, and Alan Weinstein, whose Center For Democracy is attempting to usurp the vote-counting functions of Panama's electoral bodies. It was Eleta's arrest April 6 in Macon, Georgia, on charges of conspiracy to import 600 kilos of cocaine per month into the United States, that brought into sharp focus the drug mob's role in the conspiracy. The money from the drugs, worth \$300 million, was intended to finance the vote fraud operation and anti-government insurrection, authorities charged.

Described as "an enemy of General Noriega" by U.S. sources, Carlos Eleta Almarán, and his brother Fernando, own Panama's main opposition radio and television networks, RPC. The Eleta brothers are at the very top of Panama's financial power centers, and they are business partners of some of the most important U.S. multinational corporations, including Phillip Morris and General Mills.

The Eletas are also business partners of Gabriel and Samuel Lewis Galindo, with shared ownership of Cerveceria Nacional brewery and many other businesses. Gabriel Lewis Galindo, who is also a business partner of drug-linked former Colombian President Alfonso López Michelsen, is the brains behind "Panamanian Civic Crusade," which spawned the American-financed Civic Democratic Opposition Alliance (ADO-C) electoral alliance.

When he first set up shop in Washington in 1987, Lewis Galindo operated from the offices of Arnold and Porter, one of whose partners is William D. Rogers, Henry Kissinger's attorney. Rogers, who also represents Kissinger Associates

and its former employees, National Security Adviser Gen. Brent Scowcroft, and Deputy Secretary of State Lawrence Eagleburger, designed the economic warfare measures adopted by the Reagan administration against Panama.

On April 6, the same day Eleta was busted in Georgia on drug charges, Panamanian authorities detained Kurt Frederick Muse, uncovering yet another side of the fraud operation. Muse led authorities to the site of several clandestine radio and television transmitters in Panama City, purchased by a mysterious U.S. government agency called "Program Development Group." These transmitters were intended to cut into regular radio and television broadcasts to proclaim an opposition victory and to signal agents provocateurs to incite a riot. The International Police Organization, Interpol, has launched a manhunt for five of Muse's operatives who fled capture.

Operation set to go

The operation is set to go into motion on May 8, the day after the Panamanian elections. On the assumption that Carlos Duque, the presidential candidate of the pro-government National Liberation Coalition (COLINA) will defeat the U.S.-backed ADO-C candidates, a huge international propaganda machine, of which Muse's "Radio Liberty" was a part, will proclaim that the results are fraudulent.

Within Panama, strikes and street disturbances have been organized by Panamanian agents of the United States with the intent of provoking a violent confrontation with the PDF. Panamanian President Manuel Solís Palma charged April 14 that everything the American-financed ADO-C "has done during this electoral campaign is aimed at creating violence in the country, in order to provide the United States with an excuse for military intervention."

The United States is also preparing to increase its economic warfare against Panama, by adding a trade embargo to the current economic sanctions.

Internationally, the United States will pressure the nations of Ibero-America to:

- join in proclaiming Panama's elections fraudulent;
- suspend diplomatic ties with Panama;
- have the Organization of American States (OAS), the Ibero-American Group of Eight nations, and other Ibero-American forums vote to censure Panama.

The shock waves from these developments would extend

far beyond relations between Panama and the United States. It would have an effect on presidential election in Argentina, where the Peronist Carlos Menem holds a commanding lead over the favorite of the International Monetary Fund, socialist Eduardo Angeloz. Those elections take place on May 14, one week after Panama's.

The elements of the operation that have been uncovered thus far include:

- **Voice of Liberty.** Former President Ronald Reagan ordered the Central Intelligence Agency (CIA) and the United States Information Agency (USIA) in April 1988 to set up "Voice of Liberty" to interfere with the broadcasts of Panama's national public radio network, Radio Nacional, and broadcast propaganda against Noriega. Outside of one or two broadcasts "from the jungles of Panama," little was heard from "Voice of Liberty" until Kurt Frederick Muse's arrest. The seven radio and two television transmitters were not in the jungle after all, but in several high-rise apartments in Panama's high-rent districts.

Besides cutting into regular radio and broadcast transmissions in order to incite riots May 8, after the elections, Muse's operation was programmed to jam army, police, and other emergency service communications to prevent a prompt response to the insurrection and to sow confusion. They had also tapped the phones of pro-government presidential candidate Carlos Duque and other government leaders.

Evidence provided by Muse to authorities shows that Muse received his instructions, equipment, and funds through the "Transportation Officer, USA Program Development Group," located at the U.S. Army base of Corozal, of the U.S. military Southern Command in Panama. A spokesman from the Southern Command admitted Muse is a "Department of Defense dependent," but denied that he is employed by the Pentagon. He also denied that the Program Development Group is part of the Department of Defense, but acknowledged it is "a United States government agency" housed at the Corozal installation.

Calls to the State Department brought the response, "It certainly isn't ours." The CIA replied: "We don't confirm or deny intelligence matters."

Many of the tapes provided to Muse by the Program Development Group were made by opposition figures Alberto Conte and Bosco Vallarino.

Other operatives employed in Muse's Voice of Liberty include: Americans Mary Magart, and Nicholas J. Collins; Costa Rican Juan José Castro Mora; Jamaican Patrick Russell Ennis; and a Mexican national, Carlos Villalobos de la Lanza. These five fled Panama after Muse fingered them, and are now being sought by Interpol.

- **Carlos Eleta and the drug mafia.** Carlos Eleta Almarán was busted in Macon in a joint operation by the Bibb County, Georgia sheriff and the Drug Enforcement Administration (DEA). Besides the charges of conspiring to import 600 kilos of cocaine per month, he is also accused of planning

to set up shell companies in Panama to launder the estimated \$300 million in drug profits. Eleta's bail has been set at \$8 million, \$3 million of it in cash, and he is forbidden to leave the United States. So far he has been unable to post bond and he remains in prison.

Arrested with Eleta, 70, were his longtime associate Manuel José Castillo Bourcy, 52, whose appointment as Panama's ambassador to Belize was once arranged by Eleta. Castillo has an extensive police record, including a stint spent in Mexico's Islas Marias penitentiary for counterfeiting. Also arrested was Juan Karamañites, 35. Both Castillo and Karamañites waived their rights to a preliminary hearing and refused to enter a plea. Thus, they will remain in jail indefinitely.

While the United States has been waging a propaganda campaign against Panama's General Noriega, screaming that they want him out because he is "a kingpin of international drug trafficking," the Eleta case shows that it is the political opposition to Noriega, backed by the United States, who are the real drug traffickers.

The Eleta brothers

Besides their extensive ties to American corporations, the Eleta brothers, Fernando and Carlos, own multiple companies in Panama (one of their business partners is Guillermo Endara, presidential candidate of the opposition's Civic Democratic Opposition Alliance), have business operations in several Ibero-American countries, including Costa Rica, and are linked by business and family ties to the European aristocracy.

Fernando, a former minister of foreign affairs, is president of Banco Exterior, a Panamanian bank co-owned by Spanish interests. Carlos is on the board of directors of the bank. The Spanish grandee, the Marquis de Castillo, is the Eletas' brother-in-law.

Through their RPC television network, the Eleta brothers are also connected to the top Rockefeller-allied business circles of Ibero-America, who exercises near-monopoly control over the continent's electronic communications media. These include the brothers Gustavo and Oswaldo Cisneros, of Venezuela's Venevisión, the Azcarragas of Mexico's Televisa, and Manuel Ulloa's Panamericana in Peru.

Although Carlos Eleta Almarán has been in prison since April 6, brother Fernando has not visited him. The Costa Rican television station TELETICA reported April 18 that Fernando's reason for abandoning his jailed brother may be due to fear "that he may also be arrested" on drug charges, reported the Panamanian daily Critica, April 19.

- **Alan Weinstein and the Center for Democracy.** On April 18, Panama's President Manuel Solís Palma shut down the so-called "Independent Press and Foreign Observers Information Center," established at the Marriott Hotel by Alan Weinstein's Washington-based Center for Democracy. Weinstein, who ran the team that drafted the 1983 legislation

establishing Kissinger's National Endowment for Democracy (NED) the government-funded "quasi-autonomous non-governmental organization" ("quango") public arm of the "secret government"—what Oliver North called "Project Democracy"—claimed his center would have been an independent clearinghouse on election information. However, he also said that he had been asked by the U.S. Senate Committee on Hemispheric Affairs to prepare a report on the elections.

Panama's government said the aim of Weinstein's group was to establish a parallel electoral board, "and that we are not going to allow," stressed President Solís Palma.

Weinstein's operation in Panama was modeled on the Philippines' National Movement for Free Elections (NAMFREL), another recipient of NED funds, which put out election results at odds with the official count. The result was that, although Ferdinand Marcos won the 1986 elections, the "independent" NAMFREL's vote count gave the election to his opponent Cory Aquino. Those were the results publicized by the U.S. media, and were used to whip up the population into anti-Marcos riots.

The Philippines model is not new to Weinstein, who led the "independent observer" team that monitored the 1986 Philippines elections. His Project Democracy team also ran the so-called independent apparatus in the Philippines and funded an opposition radio station.

Weinstein says he will appeal Panama's decision to shut down his operation, and if that fails, he will set up shop in nearby Costa Rica.

The board of directors of Weinstein's "impartial" Center for Democracy includes:

- **William Brock**, chairman of National Endowment for Democracy, whose board includes Henry Kissinger, and Ron Brown and Lee Atwater, respectively chairmen of the Democratic and Republican party national committees.

- **Susan Davis**, of Susan Davis International, a paid agent of the NED-funded Panamanian Civic Crusade, to lobby against the incumbent government of Panama;

- **Guy Smith**, of Phillip Morris Inc., the tobacco company which is in partnership with Panamanian opposition publicist, Carlos Eleta Almarán, currently jailed in Georgia on drug charges. Eleta is the President of the Panamanian subsidiary of Phillip Morris.

A report from Italy's Guardia di Finanza, the tax police, dated June 24, 1983, and leaked by the Rome news agency OP, charged collusion between Phillip Morris, the Italian Radical Party, and Roberto Menno, a businessman of the outlawed P-2 Freemasonic lodge, with the aim of liberalizing the laws on marijuana and hashish consumption in Italy. If achieved, the report stated, it "would allow them to make huge earnings from the manufacture of cigarettes containing such substances."

On June 16, 1988, the left-wing daily *Il Manifesto*, always well-informed on drug matters and favorable toward

drug legalization, published an article stating that Phillip Morris and its sister tobacco companies met secretly in Lausanne, Switzerland to "support all the way the campaign for legalization of drugs."

An additional element of the operation against Panama is:

- **The Delvalle "government."** Despite the fact that former Panamanian President Eric Delvalle lives in a luxury condominium in Coconut Grove, Florida, and has absolutely no following, the United States government insists he is the "legitimate President of Panama."

The purpose of this fiction is twofold: It provides a legal fig-leaf to justify the economic warfare measures designed by Kissinger's lawyer, William D. Rogers, against Panama; and it establishes a conduit to funnel Panamanian government funds, confiscated by the U.S. government under the Rogers sanctions, to cronies of the Reagan and Bush administrations who join in the campaign against Panama.

Some of the recipients of the largesse of the Delvalle "government" include:

- **Arnold and Porter.** The law firm of William D. Rogers, Henry Kissinger's personal lawyer. Rogers designed the economic sanctions to protect the United States from "the national emergency and the threat to U.S. national security" represented by Panama. As legal representatives of the "Delvalle government," Arnold and Porter get some of the funds stolen from Panama through the measures Rogers designed. One payment to Arnold and Porter from Delvalle's "government," in August 1988, amounted to \$237,487.

- **Williams and Connolly.** This is the law firm of Oliver North's attorney, Brendan Sullivan, Jr. It also employs former aide to Sen. Ted Kennedy, Gregory B. Craig. As Kennedy's aide, Craig was in charge of Panama, and in fact he, in conjunction with Eleta's partner Gabriel Lewis Galindo, orchestrated an appeal by Kennedy on Feb. 26, 1988, for the OAS to grant recognition to Delvalle and deny it to the government of Panama's President Manuel Solís Palma. The appeal failed.

Williams and Connolly signed a contract on Feb. 22, 1989, to represent Delvalle "as an adviser and consultant in connection with the May 7 presidential elections in Panama." For this, they picked up a retainer of \$50,000 and will bill for hourly work, and separately, for "out-of-pocket expenses."

- **Bond and Donatelli.** Partners Richard Bond and Frank Donatelli, had high-powered jobs in the Reagan-Bush administration. Bond was George Bush's deputy chief of staff during the Reagan administration. He was also deputy chairman of the Republican National Committee. Donatelli was White House political director during the Reagan years. To lobby the administration on Delvalle's behalf for six months, they are being paid \$60,000 plus expenses.

- **John R. Zagame Associates** also picked up a contract to lobby for Delvalle for six months. The amount: \$90,000 plus expenses.