

Bush charges vote fraud in Panama, but who is really planning it?

by Carlos Wesley

As campaigning for Panama's national election May 7 came to a close, U.S. President George Bush repeated his charges that a victory by the pro-government candidate, Carlos Duque, would be the result of electoral fraud. In a speech to David Rockefeller's Council of the Americas May 2, Bush said, "Let me be clear: The United States will not recognize the results of a fraudulent election engineered to keep [the commander of Panama's Defense Forces, Gen. Manuel] Noriega in power." Two days later, Bush said, "I have been very disturbed by reports that the elections will be less than fair, less than free, and less than open." Bush refused to tell reporters at a May 4 Washington press conference how the United States would respond if the slate it was supporting, the Democratic Civic Opposition Alliance (ADO-C), failed to win. "We will cross whatever hypothetical bridge we may have to cross later on," he said.

But the evidence in Panama itself has been that the Bush administration was the one engaging in fraudulent election practices in Panama, with the aim of placing puppets in power, rescinding or forcing major modifications of the Panama Canal Treaties, and continuing to cover up Bush involvement in the Iran-Contra scandal—about which Noriega is rumored to know a good deal.

Rep. Newt Gingrich (Ga.), House Republican Whip, threatened May 4 that the U.S. might renege on its treaty commitment to turn the Panama Canal over to Panama in 1999 unless the U.S.-financed opposition was handed power. "The American people would not feel in any way comfortable turning over control or administrative leadership of the canal to a puppet government that is dominated by a dictatorship," said Gingrich, claiming that the elections would be rigged in favor of Duque.

Joining the chorus was Deputy Secretary of State Lawrence Eagleburger and the U.S. Senate, which unanimously passed a resolution the same day accusing Noriega of planning to steal the elections. Eagleburger, former president of Kissinger Associates, did not rule out the use of force against Panama if the election results did not please the United States. "I would think that we ought to keep that amongst ourselves and think about it until we see how the election comes out," said Eagleburger May 4. "I would not want to speculate."

The administration's line was in keeping with the two-stage U.S. plan leaked to the *Washington Post* April 30: First, discredit the results; second, exercise a range of options against

Panama including "sending in American troops."

The administration's charges of fraud against Panama were like the emperor's new clothes: There was nothing to them. Notwithstanding claims of polls "showing the opposition is leading," the last weeks of the campaign showed that it was the pro-government National Liberation Coalition (COLINA) which had the support of the electorate and not the CIA-financed ADO-C, which pledged during the campaign to renegotiate the Canal Treaties.

This was clearly seen in the closing rallies of each camp, traditionally a reliable barometer of vote-getting strength. While COLINA's forces filled the centric Plaza de Mayo to overflow capacity on May 4, with a crowd that CBS radio described as "huge," the American-backed ADO-C had "their poorest showing" of the campaign at their closing rally the day before, said one eyewitness. Not only was the ADO-C crowd small, but at least one-third of them were high school students below the voting age.

"Your presence here is gigantic and overwhelming proof of our victory on May 7," presidential candidate Carlos Duque told the estimated 500,000 people. "The people have proven with their massive presence at this rally that we are the absolute majority. This puts an end to the lie that we will win by fraud," he said.

A Belgian observer, one of the hundreds of foreigners monitoring the elections, reported that what had most impressed him was the attitude of the participants. "The people at the opposition rally were somber, bitter," he said, while those at COLINA's rally "were happy, full of enthusiasm."

The polls also projected an overwhelming victory by the pro-government COLINA. A tracking poll conducted by the Lieberman Poll Corporation showed that while, at the beginning of the campaign, the American-supported ADO-C slate had enjoyed a comfortable lead, the momentum of the campaign had shifted overwhelmingly in favor of COLINA's Duque. The Lieberman poll, which was released May 5, two days before the election, projected that Duque would get upwards of 45% of the vote, while Guillermo Endara of the ADO-C would receive 36% of the total, with 8% going to the other opposition candidate, Hidelbrando Nicosia of the Partido Pañamenista Autentico.

And no wonder. The U.S. administration's heavy-handed interventionism just proved too much for most Panamanians.

CIA operations

On April 5, CIA operative Kurt Frederick Muse was arrested in Panama and charged with conspiring against the security of the state. Muse led authorities to the site of several clandestine radio and television transmitters, to be used to incite riots after the elections. The clandestine transmitters were brought into Panama by a mysterious U.S. government agency operating from a base of the U.S. Southern Command, called the "Program Development Group."

The transmitters were provided by the CIA, the *Washington Times* reported May 1. According to the *Times*, even after Muse's operation was uncovered, transcripts for the clandestine radio programs continued to be smuggled into Panama as "authorities had not seized all 12 suitcase transmitters the CIA provided to the opposition."

Muse's operation was but one aspect of a CIA undercover operation ordered by President Bush in February to shape the outcome of Panama's election. The attempt by the United States to fix the elections included a \$10 million campaign contribution by the CIA to the opposition's ADO-C, reported *U.S. News and World Report* in its May 1 issue.

In fact, the total cost of the U.S. vote-buying effort in Panama may have been as much as \$120 million, said the Venezuelan daily *Ultimas Noticias* on May 3.

Part of the American money was used by the opposition ADO-C, with U.S. government approval, to purchase prime time television spots for its campaign on RPC television network, owned by the brothers Carlos and Fernando Eleta. Arrested April 6 on charges of conspiring to smuggle 600 kilos of cocaine a month into the United States, with a street value of \$300 million, Carlos Eleta is languishing in a Georgia jail awaiting the posting of an \$8 million bond, \$3 million of it in cash. His brother Fernando has yet to visit him in his Georgia jail cell, reportedly because there is also a warrant out for his arrest.

The collaboration between the U.S. government and Eleta against Panama's current government once again shows that the administration's contention that it wants to get rid of Noriega because of his supposed "drug involvement" is just so much nonsense. In fact, many other U.S. top allies in Panama against Noriega are up to their noses in drug-money laundering.

The ADO-C second vice-presidential candidate, Guillermo "Billy" Ford, handpicked by the U.S. Embassy in Panama, is a major shareholder of Banco Continental, a bank caught laundering drug money in March 1985. He was also a co-owner of Miami's Dadeland National Bank, when that bank was proven in a U.S. court to be laundering drug funds and was the base of operations for a major drug ring. During the campaign, Ford pledged that if elected, one of his key aims would be to prevent any changes in Panama's bank secrecy laws, which would be a major advantage to drug-money laundering.

It was when Noriega successfully pushed to modify the

banking secrecy laws in 1987, that the U.S. push to oust him was launched in earnest.

An ADO-C election would have ensured a Panamanian government willing to help in the coverup of the Iran-Contra scandal. One of Ford's partners at Dadeland Bank was Stephen Samos, who confessed in open court, during a federal trial in Miami, to his role as a mastermind in the drug-money laundering and drug-trafficking scheme based at Dadeland. Despite his confession, Samos remains a free man, protected by the U.S. government. Why?

According to the *Wall Street Journal* of Jan. 8, 1987, Lt. Col. Oliver North's former boss at the National Security Council, Adm. John Poindexter, used Samos to administer the Contra resupply operations. Samos arranged to set up a company in November 1984, Amalgamated Commercial Enterprises (ACE), that "was an important link in the private network resupplying Nicaraguan insurgents," reported the *Journal*. In addition, the *Journal* said, Samos also set up accounts with Panama's Banco de Iberoamerica, "which sources believe may have been used in the Contra money trail."

Given this U.S.-backed ADO-C alternative, most Panamanians were obviously going to back the pro-government COLINA slate. This became evident weeks before the election. An ADO-C campaign swing to the Island of Taboga, on the Pacific Ocean entrance to the Panama Canal, was greeted by masses of islanders waving pro-government flags and shouting: "Where are the \$10 million," referring to the CIA's campaign contribution.

Pressures arising from Muse's capture, Eleta's arrest on drug charges, and the administration's leaks that it was financing ADO-C, visibly demoralized opposition backers. Dissension also broke out among the three standardbearers. While ADO-C's Ford and first vice presidential nominee Ricardo Arias Calderón responded to charges that they were being backed by the CIA with, "So what? It does not change anything," presidential candidate Guillermo Endara sensed the mood of the electorate and adopted a nationalist stance. Endara, who had reportedly said previously that an American intervention "would be welcomed with open arms by most Panamanians," said in the closing days of the campaign, "I would rather put up with Noriega for many more years than see a U.S. invasion."

Even within the U.S., there are concerns about the damage to U.S. national security interests in Ibero-America that would be caused by a military invasion of Panama, given the framework of growing resentment against the U.S. brought on by the continent's debt crisis. Among those who have expressed doubts about Bush's willingness to invade is Joint Chiefs of Staff chairman Adm. William Crowe. "Panama is not an ideological battle, this is a battle of personalities," a source quoted Crowe, according to the May 1 *Washington Times*. "And I'm not going to have 19-year-old kids die for a battle of personalities."