

Panama Report by Carlos Wesley

Drug charges filed against Endara

Almost daily, new evidence surfaces of the drug ties of the government that Bush put in to replace Noriega.

A criminal complaint charging that the U.S.-installed President of Panama, Guillermo "Porky" Endara, and other members of his government are engaged in drug-related activities was sworn out in September by Panamanian attorney Rodrigo Miranda. Appointed Special Prosecutor by Endara, Miranda was fired earlier this year, when he proved a bit too independent.

According to Panama's daily *El Siglo* of Sept. 19, the complaint charges that Endara has long been involved in drug money laundering. Also named are Panama's top law enforcement official, Attorney General Rogelio Cruz; Chief Justice of the Supreme Court Carlos Lucas López; Jaime Arias Calderón, brother of Endara's first vice president, Ricardo Arias Calderón (who is also the minister of justice), and Endara's law partner, Hernán Delgado.

The drug ties of most of those same officials had previously been identified by *EIR*. In a Jan. 19 article, we reported that Attorney General Cruz, Chief Justice Lucas López, and other officials of the current regime were on the board of First Interameric Bank.

That bank was shut down by Gen. Manuel Noriega in 1985, when it was discovered that its main activity was drug money laundering for its principal owner, Colombia's Cali cocaine cartel kingpin, Gilberto Rodríguez Orejuela. Another shareholder was Jorge Luís Ochoa, of the supposedly rival Medellín cocaine cartel, who was arrested in Spain in November 1984 in the company of Rodríguez Orejuela.

Endara was on the board of First Interamericas, according to the charges filed by Miranda. But Endara's ties to drug banking did not end when First Interamericas was shut down by Noriega.

Endara is currently on the board of directors of Panama's Banco Interamericano, also known as Interbanco. In a complaint sworn out earlier this year in Panama City, U.S. Drug Enforcement Administration (DEA) agents charged Endara's Interbanco with laundering millions of dollars last year for Colombian drug kingpin Gilberto Rodríguez Gacha. Interbanco even set up special branches to handle the extra millions from Rodríguez Gacha, who died last December in a shoot-out with Colombian authorities.

A shipment of Israeli weapons was found at one of the ranches of the dead drug kingpin. Those weapons were purchased as part of an anti-Noriega operation headed by Col. Eduardo Herrera, who was installed as Noriega's replacement after the U.S. invasion of Dec. 20, 1989. Herrera's anti-Noriega operation was sanctioned by the U.S. government. Former Assistant Secretary of State for Inter-American Affairs Elliott Abrams provided \$1 million in non-authorized funds for Herrera's operations.

President Bush claims to have been "outside the loop" in the drugs-for-weapons Iran-Contra affair. But there is no way he can absolve himself from the responsibility of installing a drug government in Panama.

The international media have begun to focus attention on Panama's growing drug problem. "Noriega

gone, but drug smuggling continues," reported an Oct. 8 UPI wire. It pointed out that the U.S. State Department says that drug trafficking and money laundering continue, and that authorities are ill-equipped and disorganized. Bush's invasion stripped police of even the basics: During a recent raid, the drug smugglers got away because the police didn't even have flashlights. On Oct. 5, the French news agency AFP reported on Endara's links with the drug money-laundering Interbanco.

In its complaint, the DEA added that it is investigating another bank, Banco Cafetero, and the manager of Interbanco, Ernesto Vega.

According to *El Siglo*, the founder of Endara's Interbanco, Colombian banker Guillermo Ronderos, at one time also owned First Interamericas Bank, and it was he who sold the bank to Endara's former employer, Rodríguez Orejuela. After the latest scandal involving Interbanco broke this year, Ronderos sought a buyer. His first choice was Spanish businessman César Fernández Espina, whose family owns several companies in Panama—mostly financed through Interbanco.

The Fernández Espinas are tied to yet another top drug trafficker, Juan Ramón Matta Ballesteros, recently convicted by a U.S. federal court in Los Angeles for his role in the 1985 murder of DEA agent Enrique Camarena. During Matta's trial, it came out that in a 1987 report, the DEA had charged that he had arranged with U.S. officials to engage in arms and drug smuggling to aid the Nicaraguan Contras. Congressional investigators also discovered that over \$100,000 had been paid from Oliver North's secret Contra funds, into Matta's arms-for-drugs smuggling front-company, SETCO, after Matta was declared a fugitive by the DEA.