

Thornburgh and the Contra drug link

by Jeffrey Steinberg and Steve Komm

On May 31, 1989, James J. West, the Acting U.S. Attorney for the Middle District of Pennsylvania, wrote to the United States Parole Commission requesting a reduction in sentence for a major international drug trafficker, Frederik John Luytjes, the president of Air America, Inc. of Scranton, Pennsylvania. Despite the fact that Luytjes was responsible for smuggling over nine tons of cocaine into the U.S. between 1981-84 (Attorney General Edwin Meese called Air America "the largest cocaine-smuggling organization in the country"), West's office had negotiated a plea agreement with Luytjes in May 1986, in which, in return for testifying against several of his underlings, Luytjes received a slap-on-the-wrist sentence of 10 years in prison and a \$260,000 fine. Luytjes was allowed to keep over \$2 million in Swiss bank deposits, a multimillion-dollar estate in Pennsylvania, and a villa in the Bahamas as part of the deal.

Now, prosecutor West was asking for a further reduction in Luytjes's sentence. West's request carried a great deal of clout, given that the Acting U.S. Attorney was a longtime protégé of the Attorney General of the United States, Richard Thornburgh.

Thornburgh announced this May that he intends to run for the U.S. Senate seat vacated by the tragic death of John Heinz in a plane crash in April. Pennsylvania Democratic State Committee chairman Anthony May says that Thornburgh's "law-and-order, squeaky-clean image" is phony, and that his party is going to expose Thornburgh's seamy past.

If May and the Democratic senatorial nominee Harris Wofford are serious about their promises to expose Thornburgh's corruption before the Pennsylvania voters, they would do well to look into the Air America case, as well as the case of another Pennsylvania private airline which was deeply implicated in the Iran-Contra scandal and possible guns-for-drugs trafficking.

Evading drug interdiction

It was the worst-kept secret in Pennsylvania during the era of Thornburgh's governorship (1979-87) that Rik Luytjes was a bigtime dope smuggler. At first, Luytjes's efforts were limited to specially modifying private airplanes with spare fuel tanks and storage compartments at his Scranton Air America compound. But by 1982, Luytjes was himself ferrying large shipments of cocaine from Colombia into the

United States. When the Reagan administration began cracking down on traffickers in the southern Florida area, Luytjes pioneered a new route which brought cocaine shipments directly into Pennsylvania—bypassing the concentration of drug interdiction forces in the Southeast and delivering the cocaine right into the hands of Medellín Cartel distributors in the Greater New York area.

It is publicly documented that Luytjes's status as a wealthy GOP financier won him an invitation to Richard Thornburgh's 1983 inauguration ball.

The Air America scandal was not an isolated affair. The stench of gun and drug running was pervasive throughout Thornburgh's governorship.

Another case that was instantly suppressed, which may provide a clue as to why Thornburgh was brought to Washington in August 1988 to replace Edwin Meese, goes to the heart of the Iran-Contra scandal.

The Hasenfus question

When the C-123 cargo plane of Eugene Hasenfus was shot down over Nicaragua on Oct. 5, 1986, one of the first revelations of what came to be known as the Iran-Contra scandal centered around an obscure air cargo firm located at a local airport in Quarryville, Penn.; Corporate Air Services, a small company founded in 1974 by a local right-wing businessman named Edward T. DeGaray, turned out to be the paymaster for the entire crew of ex-CIA and mercenary pilots who ferried guns to the Contras for Oliver North and company.

According to the findings of various congressional probes and police investigations, many of the planes shuttling guns into Central America returned with large loads of cocaine and marijuana.

Many of the pilots and flight crews of those secret airlift missions, including Eugene Hasenfus, were paid through Corporate Air Service's accounts at the Farmers First Bank of Lititz, Penn. Investigators established that Corporate Air Services had been contracted by the CIA to work in conjunction with Southern Air Transport, a firm founded as a CIA proprietary in 1960. DeGaray purchased the C-123 shot down over Nicaragua with a \$300,000 check drawn on the Southern Air Transport Miami bank account. That plane, ironically, had been sold several years earlier by Rik Luytjes to a former military pilot-turned-dope-smuggler named Adler Berriman ("Barry") Seal.

When the Hasenfus plane was downed and Hasenfus survived the crash (several other crew members were killed), Corporate Air Services folded up its business and DeGaray disappeared from sight. In one of the many lingering mysteries of the Iran-Contra probe, congressional investigators never questioned DeGaray, despite the fact that he had been subpoenaed and granted immunity.

The senatorial campaign could offer an excellent opportunity to correct that "oversight."