

Panama Report by Carlos Wesley

More on Endara's drug ties

The Bush gang knew about Endara's cocaine connection before the invasion which installed him as President.

The U.S. government of George Bush knew that Guillermo "Porky" Endara was tied to drug running long before it made him President of Panama during the Dec. 20, 1989 U.S. invasion to depose Gen. Manuel Noriega. "Panamanian and U.S. documents show that beginning on April 2, 1980, Endara's law firm formed at least six Panamanian companies that authorities say were fronts for money laundering," according to an article in the Dec. 9 issue of *U.S. News & World Report* entitled "The Panama Connection: It Turns Out the Man America Helped Promote Had Ties to Drug Dealers."

"There was ample evidence well before Endara assumed office that some of his clients were drug runners," *U.S. News & World Report* said. It recounted the story of Endara's ties to Augusto Falcón and Salvador Magluta, who ran "one of the biggest U.S. drug rings known to authorities." The two amassed more than \$2 billion from their cocaine-trafficking activities, according to an indictment unsealed in Miami last May. "Did America oust one alleged crony of drug dealers and replace him with another?"

As *EIR* reported on April 19, and in subsequent issues, the gang smuggled one ton of cocaine per month into the U.S., for a total of 75 tons of cocaine, reads the indictment. Endara not only helped set up companies to launder the drug profits; he served as secretary treasurer, while one of his law partners, Hernán Delgado, served as president of all six companies. Delgado is currently Endara's chief presi-

dential adviser. Another law partner, Menalco Solís, runs the CIA-trained National Security and Defense Council and organized Endara's goon squad, the Institutional Protection Service.

As *EIR* reported, last April Endara was forced to admit his ties to the drug money-laundering companies. Endara said that he, Solís, and Delgado, helped set up the firms "as a favor for our friend Juan Acosta," a Miami lawyer who was killed in September 1989 in a drug-related execution. Endara claimed he severed relations with the companies in 1987, but sources in Panama's Legislative Assembly say Endara did not resign until 1990, after he was confronted by the U.S. Drug Enforcement Administration (DEA).

According to *U.S. News & World Report*, Falcón and Magluta were not even picked up by authorities until Oct. 15, when U.S. marshals and agents for 13 other agencies "raided their Miami Beach and Fort Lauderdale hideouts." The two were captured with "15 mobile telephones, a scrambling device and fax machines. 'It's clear evidence that they were dealing up to the day we busted them,' says Tom Cash," a DEA official cited by the magazine.

From the information published in *U.S. News & World Report*, it appears that someone was looking out for Falcón and Magluta. The two were busted in the 1979 "Video Canary" sting, and convicted of conspiring to sell cocaine in 1980. But, they were released pending their appeals, and jumped bail. Arrested again in 1985 in Los Angeles on new cocaine-trafficking

charges, they were again released on bond pending trial, and fled. In 1988, Magluta was arrested in Miami, but when he was taken to prison, the court documents "had mysteriously been altered to indicate he had already served his time." So he was released.

Not that the two were in hiding. From 1982 to 1986, they won four powerboat racing titles in Florida.

Endara's "American legal colleague, Juan Acosta," says *U.S. News & World Report*, "was notorious among U.S. authorities for his connections to drug traffickers." After his death, "Acosta's papers showed that he had laundered Falcón's drug money through the Panamanian corporations Endara had set up. U.S. officials were then faced with unpleasant questions about Endara's past. Ousting Noriega meant that Panama needed a new leader—and Endara, elected in a 1989 vote that Noriega annulled, was the only viable candidate. . . ."

"After Endara was sworn in on a U.S. military base in Panama, American officials broached the delicate subject" of his drug ties. But there have been no attempts to conduct a full investigation. "We won't pursue it because it's against the dictates of the State Department," former U.S. prosecutor Dick Gregorie told the magazine.

The upcoming trial of Falcón and Magluta, now scheduled to take place in Miami on Jan. 24, should prove embarrassing for the U.S. government and its agents. Frank Rubino, Noriega's lawyer, who is also defense attorney for Falcón and Magluta, says Endara and his law partner Delgado "knew they were dealing with traffickers" and met directly with Falcón and Magluta, according to *U.S. News & World Report*. Other sources say that Falcón and Magluta will also finger Endara's vice president, drug banker Guillermo "Billy" Ford.