

Control of prostitution changing

A mafia-run prostitution ring out of Russia and the East is rapidly developing due to the cheaper purchase costs relative to western or Asian prostitutes. This could also lead to new relations and joint ventures with the established German bordellos. It should be kept in mind, for example, that the managers of the Frankfurt Railroad Station red light district, the Beker brothers, themselves came out of the Soviet Union in the 1960s. This district has been, along with Berlin, one of the centers of crime and narcotics trafficking in Germany over the last 20 years, and thus developments here reflect new arrangements in organized crime.

According to the Miami, Florida police, the presence of Colombian and other Ibero-American prostitutes in the Frankfurt am Main area is probably a direct arrangement related to Colombia-to-Frankfurt cocaine trafficking, which uses prostitutes as part of the infrastructure for moving the drugs. Miami is the prime coordination point for the trade in Ibero-American prostitutes globally.

The Bekers and their mentor, Frankfurt real estate magnate Yossef Buchmann, maintain good relations in the old Meyer Lansky bastions of Miami and Las Vegas, and allegedly have invested part of their proceeds in south Florida real estate. Handling street-level muscle for the Bekers is the "Yugo," (actually Serbian) mafia of Rade Caldovitch, which is active from Belgium, Holland, Luxembourg, and Germany, down to Austria. According to the book *Die Verbrecher Holding* by Jürgen Roth and Marc Frey, Caldovitch's crowd was supervised by the Belgrade secret services, which created the exile monarchist organization Ravna Gora as a front, permitting their crime operatives residence in Germany through political refugee applications. Based on federal and state criminal investigation reports and interviews, Roth has also documented on German ZDF TV the role played by this Serbian mafia in setting up a cocaine distribution system in Germany for the Cali, Colombia cartel.

Wiesbaden-based promoter Ebby Thust, convicted blackmailer of the father of tennis star Steffi Graf, was feted in November 1989 at an exclusive Wiesbaden hotel by Dan Reichartz, head of the U.S. gambling consortium Caesar's World International. Thust is reputed to have a share in a Las Vegas casino, and the event was intended to organize gambling junkets to Las Vegas. Thust, who got his start as a pimp in the Bekers' bordellos, is also a close friend of Caldovitch. Belgrade was a center of the Balkans cigarette- and heroin-smuggling business, and thus one can see the intermingling of intelligence services and organized crime that would be important for analyzing current developments. Hersh Beker is currently evading prosecution in Germany for corruption and tax fraud; he escaped to Israel from detention in Frankfurt through the intervention of the Israeli intelligence service Mossad.

A thorough investigation of these criminal manpower pools should turn up a kind of hierarchy whereby those who have performed previous services get assigned the most im-

Philip Morris, Inc., the cash crop warrior

The Richmond, Virginia-based Philip Morris company is a modern version of the companies of the economically dependent, slaveholding South, which supplied cotton to the Manchester, England textile mills, which in turn exploited the "free markets" policed by the British Empire. The fields once tended by slaves now grow the tobacco sold to Philip Morris and Reynolds.

Tobacco exports have now become one of the major U.S. cash crops. The U.S. trade deficit would be \$5 billion bigger were it not for tobacco exports. As recently retired Philip Morris CEO Hamish Maxwell stated, "Outside the United States, most cigarettes are made and sold by government-owned enterprises; we are competing, for instance, against the elected governments of Japan, Italy, and France." Like the U.S. grain cartels, which are bankrupting domestic and foreign farmers alike in the name of free trade, the U.S. tobacco giants are a tool for the Anglo-American financial "globalization" policy.

Philip Morris carries weight in the world. In 1992, free trade proponent Dame Margaret Thatcher was hired for \$1 million as a "geopolitical consultant" on eastern

portant roles. Meyer Lansky didn't carve out his role, he was assigned his position by the Anglo-American elite who developed criminal syndicates to handle the flow of British and Canadian booze into the United States during Prohibition, and then, after the end of Prohibition, rationalized them. His Murder, Inc. apparatus, which imposed the "rationalization," worked in conjunction with and via the protection of J. Edgar Hoover's FBI. The cigarette-smuggling market is a kind of marker for the mechanics of East-West cooperation in creating a new syndicate-style crime structure in the economically devastated East.

Financing Serbia's war of aggression

The 1991 commencement of hostilities by the Serbian authorities in Belgrade was only possible with the backing of Moscow and the Bush administration. Lawrence Eagleburger, deputy secretary of state at the time, and a prominent member of Henry Kissinger's consulting firm Kissinger Associates, worked with another Kissinger Associates partner, Lord Carrington, to ensure Serbia a free hand to perpetrate ethnic cleansing and genocide. At the same time, in order to finance the war, mechanisms were put into place to direct large sums of dirty money into Belgrade's hands to cover the costs of importing armaments, oil, and other essential goods. Serbian dictator Slobodan Milosevic was well

Europe. R.J. Reynolds hired former U.S. National Security Adviser Richard Allen for similar purposes. Craig Fuller, former Vice President George Bush's chief of staff, became a senior vice president at Philip Morris after being employed at the Washington, D.C. "fix-it" public relations giant Hill and Knowlton. According to January 1992 ABC News and CBS News televised broadcasts, Hill and Knowlton was responsible for the fake story that Iraqi soldiers had taken incubators from Kuwaiti hospitals, leaving the babies to die. One week later, Fuller was working at Philip Morris.

The company is integrated into the intelligence and covert operations side of Anglo-American strategic policy. In 1983, Philip Morris Public Affairs Director Bill Greener was recruited by career CIA official Walter Raymond, a big-wig in Oliver North's "Project Democracy" apparatus, to design a pro-Contra publicity campaign. In Panama, Philip Morris's representative, Elata Amarán, was the bagman to the Panamanian "opposition," distributing part of the tax payments of U.S. companies in Panama which had been seized and deposited with the U.S. State Department as part of economic warfare against Gen. Manuel Noriega. Elata was arrested in April 1989 in the state of Georgia by local police and the Drug Enforcement Administration, on cocaine-trafficking charges. Given the Balkan route involvement of Philip

Morris, this should come as no surprise. An early-1980s Swiss police source report describes the role of Sofia, Bulgaria in cigarette smuggling and heroin trafficking, and notes the source's identification of a Turk was in contact with Philip Morris. Other names provided to police were part of the network handling attempted papal assassin Mehmet Ali Agca.

C. Boyden Gray and Reynolds

Reynolds tobacco, of Winston-Salem, North Carolina, has similar credentials. The company was primarily in the hands of the Gray family. Gordon Gray was U.S. national security adviser during 1957-60, and was a member of the President's Foreign Intelligence Advisory Board (PFIAB) until 1977. His son, C. Boyden Gray, was legal adviser to George Bush while he was vice president and then President.

Both Philip Morris and Reynolds have taken over major packaged-food producers, becoming Philip Morris/Kraft and RJR Nabisco. Philip Morris is now the third largest food producer in Europe. Both companies have been participants in the junk bond and "leveraged buyout" asset stripping of the U.S. economy in the mid-1980s. Over the last decades, both firms became cash rich, in part by using smugglers to expand markets, and are thus well placed to purchase bigger chunks of a collapsing world economy.

known to Eagleburger. As former head of Beo Banka in Belgrade, Milosevic was involved in business deals directly with Eagleburger around the Yugo car export project and other financial dealings.

Over the last 18 months, private banks and bankers surfaced in Belgrade offering 15% per month interest for hard-currency savings account deposits in their branches, and 200% per month on dinar deposits, in the face of a 25,000% annual inflation rate. With heavy unemployment and many Serbs without any source of income, the interest payments on deposits in these banks amounts to a political payoff to dampen discontent that might otherwise arise due to the economic hardships of the war effort. As one expert stated, "Somebody is financing a hidden welfare system."

Aspects of this came to light after Belgrade's Jezdomir Vasiljevic, the head of Yugoskandic Bank, fled to Israel in March 1993. According to press reports, this bank had upwards of 4 million accounts with some \$2 billion in hard-currency deposits. Where did this money come from? Although prior to the war Yugoslavia had a thriving tourism industry and small-arms export business, prompt payment of the former Yugoslavia's foreign debt of \$14 billion sucked up most revenues. The tourism industry has since collapsed and the arms production needed for the ethnic cleansing effort leaves only limited amounts for export. War booty from

conquered areas has shifted some wealth into the hands of the Serbian government, but again, not enough to make up for shortfalls elsewhere. The Russian support of the Serbian war effort with oil and weapons is generally a pay-as-you-go arrangement. Fuel coming from the West, for instance, Mobil Oil Corp.'s Thessalonika, Greece refinery, comes in at black market price markups reaching toward 400%.

Belgrade's role in the Balkan route heroin traffic gave it an entrée into the international offshore money-laundering system, and points to the source of the cash flow. The increasing activities of the Belgrade-run Serbian mafia active in western Europe is certainly one source of hard currency. A school for burglars is run in Belgrade under obvious protection of the secret services, with "graduates" rotated all over Europe, putting stolen goods from break-ins into the hands of preestablished networks of "fences." It is doubtful, however, that this source of hard-currency could have been expanded enough to cover the costs of the war effort even if one takes into account the increased role of Belgrade and the Serbian mafia in the western European narcotics market.

Some naive press accounts have claimed that the schemes of Yugoskandic and its largest "competitor," Dafiment Banka, are in fact similar to any typical investment fraud to collect other people's money by promising regular, high returns on real estate or commodity investments. Such a