

## Andean Report by Valerie Rush

### Colombia's top banker on the lam

*Bank of Colombia's Michelsen Uribe is a fugitive from the law as Betancur scores a major victory against the drug mafia.*

Colombian banker Jaime Michelsen Uribe fled to Miami on Dec. 31 after he was personally informed by President Belisario Betancur that the authorities had the goods on the country's number-one banker and that his resignation from the chairmanship of the Banco de Colombia had been accepted.

At least \$50 million had been discovered siphoned out of the Banco de Colombia's coffers and into the pockets of Michelsen and family through a practice of *autoprestamos* (self-lending), according to preliminary investigations by the Banking Superintendent's office.

As *EIR* predicted last week, criminal charges against Michelsen have been filed and an arrest warrant issued. Colombia's leading drug financier—along with his entire gaggle of Banco de Colombia cronies—is currently a fugitive from the law. Two executives of the Banco de Colombia are already in jail following a spectacular police raid on the main offices of the prestigious bank on Jan. 7.

Extradition proceedings against Michelsen are reportedly being considered by the government and, as Justice Minister Lara Bonilla pointed out in mid-January, there is little chance that such an extradition request would be denied by the United States since "this is not a question of a North American being sought for extradition."

If caught, tried, and convicted, the "David Rockefeller" of Colombia could face up to six years in jail under executive decree #2920, which was approved last year under Betancur's "economic emergency."

While the country is agog with the boldness of Betancur's strike against the most powerful financial empire, once-thought untouchable, in Colombia, there is already talk of expanding the dragnet to include other "citizens above suspicion" behind the Colombian drug trade, such as Ernesto Samper Pizano. Samper, the former head of the National Association of Financial Institutions (ANIF) who went on to become the 1983 campaign manager for former president Alfonso López Michelsen (Jaime Michelsen's cousin), is perhaps best known in Colombia as a one-man lobby for the legalization of marijuana cultivation, consumption, and export.

According to a prominent series of columns in the daily *El Espectador* early this month, Samper used his control of ANIF, "a known creature of Michelsen Uribe's," to blackmail Betancur's predecessor Turbay Ayala into calling off pending investigations into Banco de Colombia wrongdoings back in 1981. Michelsen's efforts to do the same to Betancur, including opens threats of triggering a bank collapse, did not succeed this time around.

This does not mean, of course, that Betancur has won his battle. Michelsen Uribe may be finished, but his cousin López Michelsen still runs the Liberal Party and controls a majority of the Colombian Congress. The drug trade, like the mythological hydra, has many heads.

For example, on the suggestion of Betancur's Liberal Finance Minister Gutiérrez Castro, the Banco de Colombia is now being run by international banker and former World Bank director Ignacio Copete Lizarralde,

whose dossier of involvement in the international drug and arms trade through his management of the Arab-Latin American bank based in Lima is, if anything, more impressive than Michelsen's.

Copete Lizarralde also boasts a 20-year relationship with the Banco de Colombia, and was in fact the honorary chairman of the bank when Michelsen "resigned." Indeed, cartoons have already appeared in the Colombian press showing a smiling Copete Lizarralde emerging from a deplumed eagle, the symbol of the Banco de Colombia.

Copete Lizarralde received a congratulatory call from Michelsen Uribe in Miami immediately after his appointment, and one of the new bank director's first public announcements was that there was no need for the government's planned investigation of the Banco de Colombia's offshore Panama branch, since its finances were healthy!

Betancur's move against the Michelsen clan, like his decision to support the use of paraquat against the country's marijuana and cocaine crops, have had an important and remoralizing impact on a Colombian population grown accustomed to the encroachment of the drug mafia in every institution in the country.

However, the international drug mafia is not likely to sit still and watch its lucrative Colombian empire be dismantled. Its assets—ranging from left- and right-wing terrorism to corrupt elements within the military—will be deployed to turn Betancur into a bloody lesson for like-minded heads of state elsewhere.

Betancur's survival—and that of his nation—therefore depend on a ruthless escalation in his cleanup of the "citizens above suspicion" who keep the drug trade well oiled.