

In an interview with the *Washington Times* published on Jan. 23, Zagame said that for a "significant" amount of money, the Israeli government provided a consultant for Herrera. "What we got was a very detailed intelligence-military-political blueprint on what to do to destabilize Noriega," Zagame said. Zagame did not return calls from this author.

According to an article in the *Miami Herald* on May 14, Klein and Herrera met several times in Miami in 1988 and 1989 to plan the anti-Noriega operations. Toward the latter part of 1988, Klein traveled to Antigua to negotiate the establishment of a school, which he told authorities would train "VIP security guards." In truth, the proposed school would be used to train Herrera's mercenaries and other hitmen. It would be modeled on the one operated by Klein's Hod Hahanit ("Spearhead, Ltd.") in Colombia since the latter part of 1987, and which the government of Colombia says was a training center for the killer squads of the drug cartels, specifically for Rodríguez Gacha's people.

Authorities say that graduates from Klein's Spearhead mercenary school in Colombia were involved in the bombing of an Avianca jet last November, in which 117 people were killed, and in the murder of presidential candidate Luis Carlos Galán in August of last year.

This was the man the U.S. government hired to train the anti-Noriega mercenaries that were to be led by Col. Eduardo Herrera.

Middlemen: Sarfati and Rappaport

Klein was introduced to Antigua officials in early 1989 by an Israeli named Maurice Sarfati. Sarfati, who would eventually become the middleman for the arms deal, operated a melon farm in Antigua, initially established in 1981 with financing from Swiss-American Bank of Antigua. That institution was owned by Bruce Rappaport, a golfing partner of the late William Casey, the former director of the CIA. Rappaport played a role in the Iran-Contra scandal by helping to set up a shipment of U.S. weapons from Israel to Iran, which led to the release in 1985 of the Rev. Benjamin Weir, an American hostage held in Lebanon. Among the many companies controlled by Rappaport, is his oil refinery in Antigua, which, according to sources in Antigua, has not refined a barrel of oil in several years. Intelligence sources in the United States say that the primary purpose of Rappaport's refinery is to provide cover to various intelligence agents from the CIA and the Israeli Mossad.

In March 1985, Sarfati's melon farm, Roydan Ltd., was approved for a \$700,000 foreign aid loan from the U.S. State Department's AID program. He made one interest payment, and U.S. AID gave him yet another loan in 1986 for \$600,000, which was guaranteed by the U.S. Overseas Private Investment Corp. (OPIC). Sarfati did not make any further payments on the \$1.3 million he owed the U.S. government, so OPIC sued him in 1988. However, it turned out that Rappaport's Swiss-American Bank had first lien on the

melon farm, meaning that the loans were unsecured and that American taxpayers are out \$1.3 million. Who in the U.S. government approved the loan to Sarfati, and why?

'Spearhead is all right'

Being a small nation with limited intelligence resources, Antigua requested the help of the United States to determine if it should approve the "VIP security guards" school being proposed by Klein and Sarfati. Col. Clyde Walker, former commander of Antigua's defense forces, said in a report published in Antigua on April 13 this year, that in January 1989, he met with Colonel Klein to discuss the proposed school. "About two weeks after this meeting I prepared an intelligence report on Colonel Klein and all the other names in the pamphlets with their complete CVs [curriculum vitae]

Camarena case shows CIA's ties to drugs

One of the more dramatic cases of links between the CIA and drug traffickers emerged around the 1985 case of the kidnaping and murder of Drug Enforcement Administration (DEA) agent Enrique Camarena, in Mexico. On March 2, 1990, *EIR* published an exposé of CIA connections to José Antonio Zorrilla Pérez, the former head of Mexico's now-disbanded Directorate of Federal Security (DFS), a domestic intelligence unit which has been accused of extensive involvement in Mexican drug trafficking and specifically in the Camarena killing. That article revealed that Zorrilla had been repeatedly fingered by the DEA office in Mexico as an accomplice of Camarena's drug-trafficking assassins, but that he had been protected by his close association with the CIA.

In an earlier, July 28, 1989 story, *EIR* reported that the Mexican Attorney General's office announced possession of undeniable proof that DFS credentials had been provided to drug traffickers, and that those credentials bore Zorrilla's signature. Among the traffickers who carried such credentials were Ernesto Fonseca Carrillo and Rafael Caro Quintero, both ultimately arrested and jailed for their role in the Camarena kidnaping and murder.

The March 2 *EIR* story reported that the U.S. Justice Department issued a Feb. 2, 1990 indictment against Miguel Aldana Ibarra, a former Mexican police official, for complicity in the Camarena assassination. However, the indictment failed to mention the fact that Aldana was Zorrilla's right-hand man during much of his tenure as

and I gave the report to United States CIA agent Robert Hogan,” said Colonel Walker. Walker said he requested from both Hogan and Hogan’s superior, CIA station chief for the Eastern Caribbean Robert Kenning, stationed at the U.S. embassy in Barbados, an “investigation into Spearhead Ltd. and the colonel [Klein] and his trainers.”

The CIA vouched for Klein and his operation. According to Walker, he was told by CIA station chief Kenning, “Spearhead appears to be all right.”

Despite the CIA endorsement, Antigua turned down the school’s application in March 1989. But the weapons were already aboard the Danish ship *Else TH* of the Swenborg Enterprises-Dinamarca lines. (Danish ships were the preferred transport for Ollie North’s Contra resupply operation. In 1986, General Noriega’s forces captured the Danish ship

Pia Vesta with a cargo of Soviet bloc weapons purchased by the Iran-Contra group for use in Central America. The capture of the *Pia Vesta* was another reason Washington wanted Noriega’s removal.)

The *Else TH* illegally offloaded the weapons in Antigua on April 24, 1989, where they were transferred to the Panamanian-registered *Sea Point*, which delivered them to Rodríguez Gacha in Colombia.

In a recent statement obtained by *EIR*, Colonel Klein said he had obtained the weapons for Panamanian Col. Eduardo Herrera and his CIA-recruited forces, which were to undergo training in the proposed school in Antigua. Klein claims his partner Sarfati was not aware of the intended use of the weapons.

“The understanding between myself and the Panamani-

DFS director. According to documents in the possession of the Mexican Attorney General’s office and released to the public in July 1989, Aldana had given Zorrilla approximately \$10 million *per month* to protect drug shipments coming into Mexico from Colombia.

Also, according to *EIR* sources, Mexican authorities had repeatedly tried to arrest Aldana for his criminal ties to Zorrilla, but had been blocked by open interference of the CIA on Aldana’s behalf. Zorrilla was finally arrested on June 13, 1989, for the assassination of prominent journalist Manuel Buendía, who had been preparing to reveal Zorrilla’s links, among others, to the drug traffickers. Zorrilla was also formally accused of running protection for drug smugglers.

On March 25, 1990, the *New York Times* ran a feature on CIA ties to drug running. The *Times* noted that Francis M. Mullen, head of the DEA until 1985, became enraged at the CIA office in Mexico City when, during his investigation of the Camarena case, he was taken by his CIA colleagues to Zorrilla, “who might be involved in the whole thing—his guys were actually involved.”

The Contra connection

The *New York Times* even hints that CIA involvement with the drug traffickers might have had something to do with the Nicaraguan Contras: “A 1987 Drug Enforcement Agency report on the Camarena case indicates that Miguel Angel Félix Gallardo, described in the indictment as a top drug trafficker and principal in the kidnaping, supported the CIA-backed Nicaraguan contras by smuggling arms and providing them money, according to court records.”

In fact, according to a DEA investigative report from September 1989 which recently fell into the hands of Mexico’s Notimex news agency, the CIA “had promoted drug-trafficking operations in Mexico throughout the past de-

cade, to provide weapons to the Nicaraguan contras.” The report cites DEA informant Lawrence Victor Harrison, a longstanding confidant of the Mexican drug traffickers, who told the DEA that CIA officials “promoted corruption among Mexican and U.S. officials to carry out drug-trafficking operations in Mexico,” and that sanctioned CIA pilots were used to fly weapons for the Contras into Mexico and to fly drugs back into the United States. Harrison further charged that the CIA deliberately protected from the Camarena case investigations of those individuals primarily responsible for the kidnaping and murder. During June of this year, Harrison testified at the ongoing Los Angeles grand jury investigation of the Camarena case.

Link to Matta Ballesteros

Also testifying at Los Angeles federal court on June 19 was an FBI expert who revealed that hair fibers discovered in the house where Camarena was murdered matched those of Juan Ramón Matta Ballesteros, the Honduras-born drug trafficker considered a key liaison between the Mexican and Colombian drug cartels. Matta Ballesteros is another glaring example of the CIA’s drug connections. Matta’s defense lawyer told the court of the existence of “a 1987 DEA report stating that Félix [Gallardo] and Matta had arranged with U.S. officials to engage in arms smuggling and drug smuggling in aid of U.S.-backed Nicaraguan Contras.”

According to a report of the Senate Foreign Relations Subcommittee on Narcotics and Terrorism, chaired by Sen. John Kerry (D-Mass.), Matta Ballesteros ran his weapons-for-drugs smuggling operation from Honduras under the company name SETCO. More than \$100,000 was paid to Matta from Oliver North’s secret Contra funds *after* Matta had been declared a wanted fugitive by the DEA.