

Washington and the politics of drugs

Peter Dale Scott

Those struggling to solve America's drug problems are accustomed to talk of "demand side" and "supply side" solutions. This language reflects a bureaucratic perspective: it tends to project the problem, and focus alleged "solutions", on to others, often on to remote and deprived populations. On the supply side, eradication programs are designed for the mountains of Burma or the Andes. On the demand side, increasing funds are allocated for the arrest and imprisonment (and less often, the treatment) of the substance abusers, often ethnic and from the inner cities.

Increasingly, however, researchers are becoming aware of a third aspect to the problem: protected intelligence-drug connections. Within the U.S. governmental bureaucracy itself, intelligence agencies and special warfare elements have recurrently exploited drug traffickers and their corrupt political allies for anti-Communist and anti-subversive operations, often but not always covert, in other parts of the world. History suggests that this third aspect of the drug problem, the protected intelligence-drug connection, or what I call government-drug symbiosis, has been responsible for the biggest changes in the patterns and level of drug-trafficking. Thus, at least in theory, it also presents the most hopeful target for improvement.

No one now disputes that in the immediate post-war period CIA assistance to the Sicilian mafia in Italy, and the Corsican mafia in Marseille, helped consolidate and protect the vast upsurge of drug trafficking through those two areas. No one disputes either that a heroin epidemic in the U.S. surged and then subsided with our Vietnamese involvement and disengagement.

But the same upsurge of protected drug-trafficking was visible in the 1980s, when the United States received more than half of its heroin from a new area: the Afghan-Pakistan border, from drug-trafficking mujaheddin who were the backbone of the CIA's covert operations in Afghanistan. Published U.S. statistics estimate that heroin imports from the Afghan-Pakistan border, which had been insignificant before 1979, accounted for 52 percent of U.S. imported heroin by 1984.¹

In the same period, at least a fifth of America's cocaine, probably more, was imported via Honduras, where local drug-traffickers, and their allies in the corrupt Honduran armed forces, were the backbone of the infra-structure for Reagan's covert support of the contra forces in that country.²

These specific facts are not contested by historians, and even CIA veterans have conceded their agency's role in the genesis of the post-war problem. Nevertheless, there is an on-going and steadfast denial on the part of U.S. administrations, the press, and the public. The public's denial is psychologically understandable: it is disconcerting to contemplate that our government, which we expect to protect us from such a grave social crisis, is actually contributing to it.

This denial is sustained by the general silence, and the occasional uncritical transmission of government lies, in our most responsible newspapers of record.³

It is further reinforced by a small army of propagandists, who hasten to assure us that today "the CIA's part in the world drug trade seems irrelevant"; and that to argue otherwise is "absurd."⁴

Because of such resolute denial, this most seri-

ous of public crises is barely talked about. Yet the problem of a U.S.-protected drug traffic endures. Today the United States, in the name of fighting drugs, has entered into alliances with the police and armed forces of Colombia and Peru, forces conspicuous by their alliances with drug-traffickers in counterinsurgency operations. It is now clear that at least some of the U.S. military efforts and assistance to these countries has been deflected into counterinsurgency campaigns, where the biggest drug traffickers are not the enemy, but allies.

Realists object that it is not the business of the U.S. to reform drug-corrupted regimes in other countries, such as Pakistan or Peru. Unfortunately U.S. overt and covert programs in such countries are usually large enough to change these societies anyway, if only to reinforce and harden the status quo. At the same time they affect the size and structure of the drug traffic itself. In the post-war years, when the drug-financed China Lobby was strong in Washington, and the U.S. shipped arms and Chinese Nationalist troops into eastern Burma, opium production in that remote region increased almost fivefold in fifteen years, from less than 80 to 300-400 tons a year. Production doubled again in the 1960s, the heyday of the Kuomintang-CIA alliance in Southeast Asia.⁵

Drug alliances confer protection upon designated traffickers, and such conferred protection centralizes, rationalizes, and further empowers the traffic. When one American representative of the CIA-linked Cali cartel was arrested in 1992, the DEA said that this man alone had been responsible for from 70 to 80% of U.S. cocaine imports (an estimate probably exaggerated but nonetheless instructive).⁶

It is true that this man, like many others, was ultimately arrested by the U.S. Government. But in many if not most such cases, key men like General Noriega are only arrested after U.S. policy priorities have changed, and *de facto* alliances made with new drug figures. In short, up to now the U.S. Government, along with other governments, has done far more to increase the global drug traffic, than it has to diminish it.

The U.S., Drug-Trafficking and Counterinsurgency in Peru

Today one of the most glaring and dangerous examples of a CIA-drug alliance is in Peru. Behind Peru's president, Alberto Fujimori, is his chief adviser Vladimiro Montesinos, the effective head of the National Intelligence Service or SIN, an agency created and trained by the CIA in the 1960s.⁷

Through the SIN, Montesinos played a central role in Fujimori's "auto-coup", or suspension of the constitution, in April 1992, an event which (according to *Knight-Ridder* correspondent Sam Dillon) raised "the specter of drug cartels exercising powerful influence at the top of Peru's government."⁸

Recently Montesinos has been accused of arranging for the bombing of an opposition television station, while in August 1996 an accused drug trafficker claimed that Montesinos had accepted tens of thousands of dollars in payoffs.⁹

In the *New York Review of Books*, Mr. Gorriti spelled out this CIA-drug collaboration more fully.



Alberto Fujimori with the Peruvian Government

"In late 1990, Montesinos also began close co-operation with the CIA, and in 1991 the National Intelligence Service began to organize a secret anti-drug outfit with funding, training, and equipment provided by the CIA. This, by the way, made the DEA...furious. Montesinos apparently suspected that the DEA had been investigating his connection to the most important Peruvian drug cartel in the 1980s, the Rodríguez-López organization, and also links to some Colombian traffickers. Perhaps not coincidentally, Fujimori made a point of denouncing the DEA as corrupt at least twice, once in Peru in 1991, and the second time at the Presidential summit in San Antonio, Texas, in February [1992]. As far as I know, the secret intelligence outfit never carried out anti-drug operations. It was used for other things, such as my arrest."

New York Review of Books, June 25, 1992, 20.

Others have pointed to the drug corruption of Peru's government, naming not only Montesinos, but the military establishment receiving U.S. anti-drug funding.¹⁰

Charges that the Peruvian army and security forces were continuing to take payoffs, to protect the cocaine traffickers that they were supposed to be fighting, have led at times to a withholding of U.S. aid.¹¹

Such charges against Fujimori, Montesinos, and the Peruvian military are completely in line with what we know about Peru over the last two decades. In the 1980s the same Peruvian drug-trafficking organization, that of Reynaldo Rodríguez L'opez, incorporated into itself several generals of the Peruvian Investigative Police (PIP), at whose headquarters Rodríguez L'opez maintained an office, and also the private secretary to the Peruvian Minister of the Interior.¹²

Before that senior PIP officials and Army generals were controlled by the Paredes family organization, described by a DEA analyst as then "the biggest smuggling organization in Peru and possibly in the world."¹³

In the words of James Mills, the Paredes were part of the established Peruvian oligarchy that goes back to the Spanish vice-royalty, an oligarchy which "controlled not only the roots of the cocaine industry but, to a large extent, the country itself."¹⁴

Other observers have given a much more marginal account of cocaine's role in Peruvian society. Patrick Clawson and Rensselaer Lee estimated that "nearly all Peruvian cocaine base and hydrochloride is sold to Colombians who fly in payments and fly out product." In their words, "As a \$1.3 billion industry, coca accounted for 3.9% of the 1992 \$33 billion GNP"; and furthermore was "of shrinking importance."¹⁵

But at about the time this book was published, it was reported that Peruvian police had seized a single shipment of 3.5 tons of pure cocaine belonging to the Lopez-Paredes branch of the family. This single shipment was worth \$600 million; and members of this cartel later admitted to having shipped more than ten tons (worth about \$1.8 billion) to Mexico in the previous year.¹⁶

The *San Francisco Chronicle* also reported from Mexican officials that "Vladimiro Montesinos... and Santiago Fujimori, the president's brother, were responsible for covering up connections between the Mexican and Peruvian drug mafias."¹⁷

It is evident that Clawson and Lee had seriously underestimated the role of cocaine in the Peruvian economy and polity.

The response of many Americans to the CIA's drug-symbiosis in Peru is to object that the alternative power base, the revolutionary Sendero Luminoso, is even more ruthless and bloodthirsty. Such would-be realists should listen to the arguments of Goruriti and others that what the U.S. is doing now in Peru, as earlier in China, Laos, and Vietnam, only plays into the revolutionaries' hands.¹⁸

The CIA-Government-Drug Symbiosis in Mexico, Colombia, and Elsewhere

It is important to stress that the CIA-drug symbiosis described by Gustavo Gorriti is not anomalous, but paradigmatic of the way the U.S. is consolidating its power and its allies in parts of the Third World where drugs are a part of the *de facto* political power structure. In the name of law and freedom, alliances have been made for decades with criminals and dictators. Now, in the name of fighting drugs, U.S. funds are channelled to those whose political fates are allied with those of the drug traffickers. These funds will, paradoxically, strengthen the status both of these traffickers and of the social systems in which they form a constituent element.

In Mexico, for example, the CIA's closest government allies were for years in the DFS or Direcci'on Federal de Seguridad, whose badges, handed out to top-level Mexican drug-traffickers, have been labelled by DEA agents a virtual "license to traffic."¹⁹

Like the SIN in Peru, the DFS was in part a CIA creation; and the CIA presence in the DFS became so dominant that some of its intelligence, according to the famous Mexican journalist Manuel Buend'ia, was seen only by American eyes.²⁰

The Guadalajara Cartel, Mexico's most powerful drug-trafficking network in the early 1980s, prospered largely because it enjoyed the protection of the DFS, under its chief Miguel Nassar (or Nazar) Haro, a CIA asset.²¹

Under these circumstances, it is hardly surprising that members of the Guadalajara Cartel became prominent among the drug-trafficking supporters of the CIA's Contra operation.²²

Throughout Central America, and most notoriously in Panama, Honduras, and Guatemala, the CIA recruited assets from the local Army G-2 intelligence apparatus, who recurrently were also involved in drug-trafficking. Manuel Noriega, the most famous example, was already a CIA asset when he was promoted to become Panama G-2 Chief, as the result of a military coup assisted by the U.S. Army.²³

Later, when Noriega became Panama's effective ruler, his drug networks doubled as Contra

support operations, while Noriega himself was shielded for years by the CIA from DEA investigations.²⁴

In Honduras in 1981, the CIA similarly exploited the drug contacts of the Honduran G-2 Chief, Leonidas Torres Arias. (The most notorious of these, the Honduran Juan Ramon Matta Ballesteros, was simultaneously a member of Mexico's Guadalajara Cartel. His airline SETCO, under investigation by DEA and Customs for drug-trafficking, was chartered by first CIA and then the State Department to fly supplies to the main Contra camps in Honduras.)²⁵

The CIA was able to recruit both assets and Contra supporters from the drug-tainted Guatemalan G-2 as well.²⁶

One sees elsewhere this recurring pattern of CIA collaboration with intelligence and security networks who are allied with the biggest drug-traffickers, not opposed to them. In Colombia, U.S. funds have gone to the Colombian Army and National Police, both of which forces have collaborated with paramilitary death squads financed by the drug cartels, against their mutual enemy, the left-wing guerrillas.²⁷

In Colombia and in Guatemala as in Peru and Mexico, U.S.-assisted campaigns of repression, nominally against drugs, have in fact been deflected into counterinsurgency operations, mis-named as anti-drug operations to secure the support of the U.S. Congress.

In Colombia, according to authors Andrew and Leslie Cockburn, "U.S. officials...knew that millions of dollars of U.S. aid money, earmarked for the war on drugs, was being used instead to fight leftist guerrillas and their supporters. When [drug] cartel-financed paramilitary forces entered the town of Segovia in November 1988, the military stood by and watched. As Colombian Professor Alejandro Reyes remembered, "They killed forty-three people, just at the center of town. Anybody who was close to that place was shot. They were defenceless people, common people of the town....[I]t was a kind of sanction against the whole town for their political vote..." Forty-three people had been killed for voting the wrong way....In 1989...the U.S. shipped \$65 million of military equipment to Colombia. The Colombian chief of police politely pointed out that the items received were totally unsuitable for a war against the traffickers. They were, however, suitable for counterinsurgency. U.S. military equipment turned up in...Puerto Boyaca. [This was a region irrelevant to the drug traffic, but where the drug cartels' death squads were being trained].... U.S. helicopters were used in anti-guerrilla bombing campaigns, where, unfortunately, many of the victims were civilians. The State Department knew that too."²⁸

This hypocrisy of "anti-drug campaigns" dates back to 1974, the year when Congress cut back U.S. aid programs to repressive Latin American police forces, and then beefed up so-called anti-narcotics aid to the same forces by about the same amount.²⁹

To keep the aid coming, corrupt Latin American politicians helped to invent the spectre of the drug-financed "narco-guerrilla", a myth discounted by careful and dispassionate researchers like Rensselaer Lee.³⁰

U.S. military officers were equally cynical. Col.

John D. Waghelstein, writing in the *Military Review*, argued that the way to counter "those church and academic groups that have slavishly supported insurgency in Latin America" was to put them "on the wrong side of the moral issue", by creating "a melding in the American public's mind and in Congress" of the alleged narco-guerrilla connection.³¹

The actual result of such propagandizing is to sanction the role of drug traffickers and their allies in U.S. counterinsurgency efforts, and thus further to strengthen the status of the drug cartels in the countries they terrorize.

Two recent indictments by the U.S. Department of Justice reinforce the general paradigm of CIA-created intelligence networks that reinforce their local power and influence by major involvement in drug trafficking. In March 1997 Michel-Joseph Francois, the CIA-backed police chief in Haiti, was indicted in Miami for having helped to smuggle 33 tons of Colombian cocaine and heroin into the United States. The Haitian National Intelligence Service (SIN), which the CIA helped to create, was also a target of the Justice Department investigation which led to the indictment.³²

A few months earlier, General Ramon Guillen Davila, chief of a CIA-created anti-drug unit in Venezuela, was indicted in Miami for smuggling a ton of cocaine into the United States. According to the *New York Times*, "The CIA, over the objections of the Drug Enforcement Administration, approved the shipment of at least one ton of pure cocaine to Miami International Airport as a way of gathering information about the Colombian drug cartels." One official said that the total amount might have been much more than one ton.³³

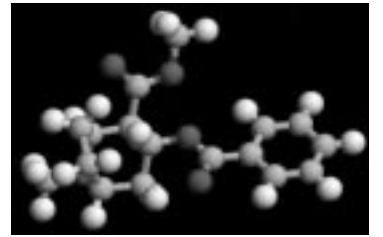
The information about the drug activities of Guillen Davila and Francois had been published in the U.S. press years before the indictments. It is possible that, had it not been for the controversy aroused by the Contra-cocaine stories in the August 1996 *San Jose Mercury*, these two men and their networks might have been as untouchable as Miguel Nassar Haro and the DFS in Mexico, or Montesinos and the Peruvian SIN in Peru.

The U.S. and Drug Traffickers in Asia: Washington, Afghanistan, and BCCI

The same U.S.-right wing-drug symbiosis has prevailed for decades in Asia. Former top DEA investigator in the Middle East, Dennis Dayle, told an anti-drug conference that "in my 30-year history in the Drug Enforcement Administration and related agencies, the major targets of my investigations almost invariably turned out to be working for the CIA."³⁴

The biggest recent CIA-drug story in Asia has centered on the Bank of Credit and Commerce International, or BCCI. The President until 1993 of America's traditional ally Pakistan, Ghulam Ishaq Khan, was the man who as finance minister granted special tax status for the CIA and drug-linked BCCI, the bank of his close friend Agha Hasan Abedi. Ghulam Ishaq Khan also served as Chairman of Abedi's BCCI Foundation, an ostensible charity that in fact fronted for BCCI's concerted efforts to make Pakistan a nuclear power.³⁵

BCCI's involvement in drug money-laundering, drug-trafficking, and related arms deals is now common knowledge; but the U.S. Government has yet to admit and explain why BCCI's owner Abedi met repeatedly, as reported by *Time* and NBC,



with CIA officials William Casey and Robert Gates.³⁶

BCCI became close to the CIA through its deep involvement in the CIA-Pakistan operation in Afghanistan.³⁷

This in itself was a drug story: by their aid in the 1980s Pakistan and the CIA built up their previously insignificant client, Gulbuddin Hekmatyar, to a position where he could become, "with the full support of ISI [Pakistani intelligence] and the tacit tolerance of the CIA...Afghanistan's leading drug lord."³⁸

BCCI was in a position to launder much of the drug proceeds.³⁹

Inside Pakistan in the 1980s, the CIA's man for the Afghan arms-and-drugs support operation, banked and even staffed through BCCI, was the North-West Frontier Provincial Governor, General Fazle el-Haq (or Huq), who continued to run the local drug trade with ISI.⁴⁰

Haq and BCCI President Abedi met regularly with the then President of Pakistan, General Zia; Zia and Abedi in turn would meet regularly to discuss Afghanistan with CIA Chief William Casey.⁴¹

BCCI corruption was not confined to Asia. It extended also to the notorious CIA-Noriega alliance in Panama, and in the 1990s to the drug-corrupted military leaders in Guatemala that the U.S. turned to lead the war on drugs in that country.⁴²

BCCI, along with the United States Government's Overseas Private Investment Corporation (OPIC), even played a role in the supply of arms and trainers to the Colombian drug cartels' death squads in Puerto Boyaca, mentioned above.⁴³

It would be wrong to blame this pervasive drug corruption on BCCI alone, or to expect that the exposure in 1991 of BCCI, which was only achieved after great opposition and obstruction in Washington, will make the problem go away. BCCI was just one major player in a complex multinational intelligence game of drug-trafficking, arms sales, banking, and corruption. Other CIA-linked and drug-linked banks, to which BCCI can be connected, such as the Castle Bank in the Bahamas, the World Finance Corporation in Miami, and the Nugan Hand Bank in Australia, have

risen and fallen before BCCI's spectacular demise, and we should expect more such scandals in the future.⁴⁴

It is the same with the drug traffic itself. As long as we do not address the root problem of governmental drug connections that make and break the kingpins, traditional law enforcement will continue to be ineffective. The kingpin is dead; long live the kingpin.

Protection for Drug Traffickers in the United States

These gray alliances between law enforcement and criminal elements lead to protection for drug-traffickers, not just abroad, but at home. Drug-traffickers who are used as covert assets abroad also are likely to be recruited as informants or other assets in the U.S. Thus for example, a syndicate headed by Bay of Pigs veteran Guillermo Tabraue was able to earn \$80 million from marijuana and cocaine trafficking from 1976 to 1987, while Tabraue simultaneously earned up to \$1,400 a week as a DEA informant.

Vastly under-reported in the U.S. press are the number of cases where indicted drug-traffickers, because of their intelligence connections, are

allowed to escape trial in U.S. courts, or else have their charges or sentences reduced. Usually the public learns of these cases only by accident. In one case a U.S. Attorney in San Diego protested publicly when he was ordered by the CIA to drop charges against a drug-trafficking CIA client in Mexico (the head of the corrupt DFS mentioned earlier), who had been indicted for his role in what was described as America's largest stolen-car ring. Despite public support for his honesty, the U.S. Attorney was fired.⁴⁵

After a DEA undercover agent retired and went public, he revealed that in 1980 a top Bolivian trafficker arrested by him was almost immediately released by the Miami U.S. Attorney's office, without the case being presented to the grand jury. This was two weeks before the infamous Cocaine Coup in Bolivia, financed by the trafficker's family and organization, which briefly installed the drug-traffickers themselves in charge of law enforcement in that country.⁴⁶

These anecdotal stories, which are numerous, are tiny when compared to the U.S. governmental protection and cover-up of BCCI's involvement in drug-trafficking and money-laundering.⁴⁷

To its credit, the CIA knew of BCCI's illegal activities as early as 1979, and started distributing information to the Justice Department and other agencies in 1983. After an unrelated investigation in Florida, two of BCCI's units pleaded guilty to drug money-laundering in 1990, and five of its executives went to jail. But a senior Justice Department official took the unusual step of requesting the Florida Banking Commissioner to allow BCCI to stay open.⁴⁸

For over three years between 1988 and 1991, the Justice Department "repeatedly requested delays or halts to action by the Senate concerning BCCI, refused to provide assistance to the [Kerry] Subcommittee concerning BCCI, and, on occasion, made misleading statements to the Subcommittee concerning the status of investigative efforts concerning BCCI."⁴⁹

New York District Attorney Robert Morgenthau in this period was also openly critical of the pointed lack of co-operation from the Justice Department.⁵⁰

BCCI's drug-related crimes cannot be separated from its other illegal activities, notably arms-trafficking and the corruption of public officials. For years the CIA has used corruption of foreign officials to further its aims; and this has fostered a climate of corruption by other entities, such as BCCI. The size of the BCCI scandal and cover-up raises questions as to whether (with or without CIA connivance) BCCI, having corrupted senior public figures in such countries as Argentina, Brazil, the Congo, Guatemala, Nigeria, Pakistan, Panama, and Peru (to name only a few), may not have also managed to corrupt major figures in the U.S. as well.

As noted by many observers, BCCI and its American allies have prospered through strong financial and other connections to Presidents Carter, Reagan, Bush, and Clinton. Many of these were orchestrated for BCCI by the Arkansas investment banker Jackson Stephens, a backer in turn of Presidents Carter, Bush, and Clinton.⁵¹

The CIA's world-wide penchant for political influence may help explain why it "seems to have protected BCCI and its backers for well over a decade."⁵²

Since the demise of BCCI, such influential connections to Clinton have been continued by Stephens and his close investment allies Mochtar and James Riady. In addition the Riady's' Lippo Bank in Hong Kong was at one point scheduled to buy out the bankrupt BCCI branch in Hong Kong, where the Burma drug lord Khun Sa was



rumoured to have deposited hundreds of millions of dollars. The deal went sour, and the BCCI branch was bought instead by the Australian Alan Bond. After Bond in turn went bankrupt, the Lippo Bank bought from him the old Hong Kong BCCI bank building, which it now occupies.⁵³

The root problem however is the U.S. decision to play *Realpolitik* in regions where the reality of right-wing power is its grounding in the resources of the drug traffic. Alternatives to this easy route of drug traffic symbiosis and co-dependency are not easy, but they must be turned to. The government strategy of global *Realpolitik* has helped to expand the global drug traffic to the point where the strategy itself, strengthening the flow of drugs from one CIA-protected network to another around the world, has become a more genuine threat to the real security of the domestic United States, than the enemies it allegedly opposes. The United States certainly does not control these dangerous allies it has strengthened and in some cases invented. The problem of disengagement from such world-wide alliances is complex, and disengagement by itself will not bring an end to the traffic which U.S. policies have fostered. But it is clearly time, with a new Administration and a new post-Cold War global environment, for a decisive repudiation to drug alliances, and a move towards new global strategies.

What Can Be Done?

What can be done to stop this governmental protection of drug-traffickers? In the short run we need an explicit repudiation of former drug-linked strategies, and an admission that they have been counter-productive. This might take the form of an explicit directive from the Clinton Administration, that old strategies to shore up corrupt right-wing governments abroad, like Peru's, must be clearly subordinated to the new domestic priority of reducing this nation's drug problems.

More specifically, the misnamed "War on Drugs", a pernicious and misleading military metaphor, should be replaced by a medically and scientifically oriented campaign towards healing this country's drug sickness. The billions that have been wasted in military anti-drug campaigns, efforts which have ranged from the futile to the counter-productive, should be re-channelled into a public health paradigm, emphasizing prevention, maintenance, and rehabilitation programs. The experiments in controlled de-criminalization which have been initiated in Europe should be closely studied and emulated here.⁵⁴

The root cause of the governmental drug problem in this country is the National Security Act of 1947, and subsequent orders based on it. These in effect have exempted intelligence agencies and their personnel from the rule of law, an exemption which in the course of time has been extended from the agencies themselves to their drug-trafficking clients. This must cease. Either the President or Congress must proclaim that national security cannot be invoked to protect drug-traffickers. This must be accompanied by clarifying orders or legislation, discouraging the conscious collaboration with, or protection of, criminal drug-traffickers, by making it clear that such acts will themselves normally constitute grounds for prosecution.

Clearly a campaign to restore sanity to our prevailing drug policies will remain utopian, if it does not contemplate a struggle to realign the power priorities of our political system. Such a struggle will be difficult and painful. For those who believe in an open and decent America, the results will also be rewarding.

Notes

1. U.S., General Accounting Office, *Drug Control: U.S. Supported Efforts in Burma, Pakistan, and Thailand*, GAO/NSIAD-88-94, February 1988, 12; cited in Peter Dale Scott, "Cocaine, the Contras, and the United States: How the U.S. government has augmented America's drug crisis", *Crime, Law and Social Change*, 16 (1991), 97-131 (98). (In 1979, the first year of the CIA's Afghan operation, the number of drug-related deaths in New York City rose by 77 percent.) *New York Times*, May 22, 1980; Alfred W. McCoy, *The Politics of Heroin: CIA Complicity in the Global Drug Trade* (New York: Lawrence Hill Books, 1991), 437.
2. Scott, "Cocaine", 99.
3. Discussion, with examples of such lies, in Peter Dale Scott and Jonathan Marshall, *Cocaine Politics* (Berkeley and Los Angeles: University of California Press, 1991), 172-85, especially at 177-78; cf. 179-81; see also Joel Millman, "Narco-Terrorism: A Tale of Two Stories", *Columbia Journalism Review*, (September-October 1986), 50-51; Rolling Stone, September 10, 1987; Mark Hertsgaard, *On Bended Knee: The Press and the Reagan Presidency* (New York: Farrar, Straus & Giroux, 1988), 314-15, etc.
4. Michael Massing, *New York Review of Books*, December 3, 1992, 10; *Nation*, December 2, 1991.
5. Alfred W. McCoy, *The Politics of Heroin* (New York: Lawrence Hill Books, 1991), 162; Alfred W. McCoy, with Cathleen B. Read and Leonard P. Adams II, *The Politics of Heroin in Southeast Asia* (New York: Harper & Row, 1972), 12 H6; both citing *New York Times*, September 17, 1963, 45.
6. *San Francisco Chronicle*, April 29, 1993, A14. For the links between the Cali cartel, the Colombian, and the U.S. Government, see Scott and Marshall, 79-103, especially 81-94.
7. *Wall Street Journal*, January 28, 1997 (Montesinos); James Mills, *The Underground Empire* (New York: Dell, 1986), 809 (CIA).
8. *San Jose Mercury News*, April 19, 1992.
9. *Wall Street Journal*, January 28, 1997. The trafficker, detained in prison, later recanted his story. According to an Op-ed in the *New York Times* by Gustavo Gorriti, a leader among the Peruvian intellectuals forced into exile, "Mr. Montesinos built a power base and fortune mainly as a legal strategist for drug traffickers. He has had a close relationship with the C.I.A., and controls the intelligence services, and, through them, the military." *New York Times*, December 27, 1992.
10. *Washington Post*, May 10, 1992, A32 (Montesinos); Jonathan Marshall, *Drug Wars* (Berkeley: Eclipse Books, 1991), 24-26; *Wall Street Journal*, November 29, 1991; *Washington Post*, February 28, 1993 (military).
11. *New York Times*, November 11, 1991, A6; September 28, 1993.
12. Scott and Marshall, 191.
13. Mills, *The Underground Empire*, 877.
14. Mills, *The Underground Empire*, 585; Scott and Marshall, 83-84.
15. Patrick L. Clawson and Rensselaer W. Lee III, *The Andean Cocaine Industry* (New York: St. Martin's Press, 1996), 31, 181.
16. *Economist*, May 13, 1995, 44; *San Francisco Chronicle*, August 17, 1996; cf. Mills, 877-79.
17. *San Francisco Chronicle*, August 17, 1996.
18. *New York Times*, December 27, 1992. See also *Progressive*, May 1992, 25; *Nation*, March 30, 1992, 401.
19. Scott and Marshall, 34-39, quoting Elaine Shannon, *Desperados*, 179.
20. Manuel Buend'ia, *La CIA en Mexico* (Mexico City: Oceano, 1983), 24.
21. Scott and Marshall, *Cocaine Politics*, 35-41.
22. Scott and Marshall, 41; Peter Dale Scott, "Letter to the ARRB [Assassination Records Review Board]." *Prevailing Winds* (Santa Barbara, CA), 3 [Spring 1996], 40-43.
23. Scott and Marshall, 65.
24. Scott and Marshall, 68-72.
25. Scott and Marshall, 55-58.
26. Celerino Castillo, *Powderburns: Cocaine, Contras, and the Drug War* (Oakville, Ont.: Mosaic Press, 1994), 126, etc.
27. Peter Dale Scott, "Colombia: America's Dirtiest War on Drugs", *Tikkun* (May/June 1997), 27-31; Jonathan Marshall, *Drug Wars* (Forestville, CA: Cohan and Cohen, 1991), 17-21; Scott and Marshall, 89; Rensselaer Lee, *White Labyrinth*, 117-18.
28. Andrew and Leslie Cockburn, *Dangerous Liaison: The Inside Story of the U.S.-Israeli Covert Relationship* (New York: HarperCollins, 1991), 268-69. See also Marshall, 17-21. For the covert assistance of the Israel and U.S. governments, see Cockburn and Cockburn, 212-13, 264-79.
29. Michael Klare and Cynthia Arnson, *Supplying Repression* (Washington: Institute for Policy Studies, 1981), 23; Marshall, 13-15.
30. Scott and Marshall, 83-84, 95-98; Rensselaer Lee, *The White Labyrinth*, 106, 172-77, 218, and *passim*. One passionate advocate of the "narco-guerrilla" hypothesis, the Peruvian Minister of the Interior in 1985, had a private secretary who was a member of the Rodriguez-Lopez cartel.
31. Col. John D. Waghelstein, *Military Review*, February 1987, 46-47; quoted in Scott and Marshall, 198n; Marshall, 13.
32. *San Francisco Chronicle*, March 8, 1997, A10. Francois allegedly controlled the capital, Port-au-Prince, with a network of hirelings who profited on the side from drug-trafficking.
33. *New York Times*, November 23, 1996; see also *Wall Street Journal*, November 22, 1996. The total amount of drugs smuggled by Gen. Guillen may have been more than 22 tons.
34. Scott and Marshall (paperback edition), x-xi.
35. Jonathan Beaty and S.C. Gwynne, *The Outlaw Bank* (New York: Random House, 1993), 287-91; U.S. Cong., Senate, Committee on Foreign Relations, *The BCCI Affair*, Report to the Committee by Senator John Kerry and Senator Hank Brown, December 1992; 102nd Cong., 2nd Sess., Senate Print 102-140 (Washington: GPO, 1993; henceforth cited as Kerry-Brown Report), 67, 104-07.
36. Beaty and Gwynne, 306-08, 315-17, etc.; Kerry-Brown Report, 306-08.
37. Peter Truell and Larry Gurwin, *False Profits: The Inside Story of BCCI, the World's Most Corrupt Financial Empire* (Boston: Houghton Mifflin, 1992), 131-34, 159-60, 430-31.
38. Alfred W. McCoy, *The Politics of Heroin* (New York: Lawrence Hill Books, 1991), 449-50, etc. See also *Wall Street Journal*, May 1, 1992; Marshall, 47-53.
39. Truell and Gurwin, *False Profits*, 160.
40. Beaty and Gwynne, 48-52, 294-95, 313-17. See also Marshall, 51-52.
41. Truell and Gurwin, *False Profits*, 133-34, 160.
42. Beaty and Gwynne, 208; Scott and Marshall, 188; see also *Los Angeles Times*, September 19, 1991, A22.
43. Kerry-Brown Report, 69-70; Cockburn and Cockburn, 271-73.
44. For some of the links between Castle, WFC, Nugan Hand, and BCCI, too complex to explore here, see Scott and Marshall, 92-93 (Castle/Nugan Hand); Pete Brewton, *The Mafia, CIA, and George Bush*, 185 (WFC/BCCI); Kerry-Brown Report, 127-31; Alan A. Block, *Masters of Paradise* (New Brunswick, NJ: Transaction, 1991), 171, 191; Penny Lernoux, *In Banks We Trust* (New York: Anchor Press/Doubleday, 1984), 87; James Ring Adams and Douglas Frantz, *The Full Service Bank* (New York: Pocket Books, 1992), 55 (Castle/Mercantile Bank and Trust/ International Bank/ BCCI).
45. Scott and Marshall, 36. Other drug-traffickers who were also linked to international smuggling of stolen cars include Norwin Meneses in Nicaragua and Carlos Lehder in Colombia.
46. Michael Levine, *Deep Cover* (New York: Delacorte Press, 1990; Scott and Marshall, 219).
47. Beaty and Gwynne, 323-44; Kerry-Brown Report, 185-239.
48. Beaty and Gwynne, 336-37; Kerry-Brown Report, 216-17; cf. 235.
49. Kerry-Brown Report, 237.
50. Beaty and Gwynne, 338.
51. Truell and Gurwin, *False Profits*, 365-67, 427-29; Beaty and Gwynne, 148-53 (Carter), 227-30 (Reagan-Bush). See also James Ring Adams and Douglas Frantz, *A Full Service Bank* (New York: Pocket Books, 1992), 55-59 (for BCCI's involvement with a major Clinton supporter). BCCI also had links to the family of one Clinton Cabinet member, and the law firm of another (Beaty and Gwynne, 227, 73).
52. Truell and Gurwin, 429.
53. Truell and Gurwin, 210, 365-66.
54. Eva Bertram, Morris Blachman, Kenneth Sharpe, Peter Andreas, *Drug War Politics: The Price of Denial* (Berkeley and Los Angeles: University of California Press, 1996), 204-27. See also Marshall, 63-67.

