

CONVERGENCE

The Christic Institute

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'A coup: a spirit at odds with liberty'

INSIDE



UPI/BETTMAN

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Despite end of cold war, Congress votes to increase Presidential covert ops power

Last year began with the promise of a "peace dividend" and ended with preparations for war on a scale unknown since Vietnam. At press time it was not clear if the Gulf crisis would be resolved by negotiations or escalate into a shooting war. One outcome was already certain, however: Despite the end of the Cold War, the President and his supporters in Congress believe the United States must act as a military superpower into the indefinite future.

The peace dividend was not the only casualty of the Gulf crisis: So was the constitutional responsibility of Congress to declare war. President Bush now claims the right to send United States troops into action on his own authority. He is also claiming expanded powers to conduct covert operations—a form of secret, undeclared war—without the consent of Congress.

This issue of *Convergence* centers on the human and moral costs of covert operations, both in the past and the future. We introduce the subject with a warning by Bill Moyers from "High Crimes and Misdemeanors," a recent *Frontline* special aired on the Public Broadcasting System.

"Basic constitutional issues still have not been confronted. Can a President, on his own, wage a war that Congress opposes? And how are we the people to hold our leaders accountable if we are kept in the dark about their deeds? What happened in Iran-*contra* was nothing less than the systematic disregard for democracy itself.

"It was, in effect, a *coup*—a spirit at odds with liberty. Officials who boasted of themselves as men of the Constitution showed utter contempt for the law. They had the money and power to do what they wanted, the guile to hide their tracks and the arrogance simply to declare what they did was legal.

"The frightening thing is not that it almost worked, but that it could happen again. The state of democracy almost guarantees it will. The men responsible for Iran-*contra*, except for a few, have been absolved, exonerated or reprieved and gone on to better things. The Government continues to hide its dirty linen behind top secret classifications.

"And just last month with little debate and scant attention from the media, the House and Senate agreed on a new intelligence bill giving the President wider power than ever to conduct covert operations using any agency he pleases.

"Next time the crimes of Iran-*contra* may not be crimes at all. Or even misdemeanors." □

For more on the intelligence bill, please turn to page 11 ■

Jury convicts ex-C.I.A. agent for tax evasion

By TIA LESSIN and CARL DEAL

Thomas G. Clines, the highest-ranking retired Central Intelligence Agency official ever to stand trial, was found guilty in September on four counts of tax evasion.

A Federal jury in Baltimore found that Clines attempted to conceal more than \$250,000 in profits from secret Iran-*contra* arms deals. He was sentenced in December to 16 months in Federal prison.

Along with business partners Albert Hakim, former assistant defense secretary Richard Secord, former C.I.A. operations director Theodore Shackley, and 24 others, Clines is a defendant in *Avirgan v. Hull*, the Christic Institute's Federal racketeering lawsuit against the arms-smuggling and drug-trafficking enterprise exposed by the Iran-*contra* affair. The case is currently pending before the 11th Circuit Court of Appeals. *For more information about Avirgan v. Hull, please read the story on page 9.*

The jury deliberated only three hours before convicting Clines of failing to report his full income by at least \$203,431 in 1985 and \$57,009 in 1986. He was also found guilty of concealing assets in foreign financial accounts.

Clines has been implicated in illegal activities throughout his career. During the agency's secret war in Southeast Asia, he was named by an Australian Government commission as a key figure in a bank used to launder the proceeds from heroin sales. Later promoted to director of training in the C.I.A. Office of Clandestine Services, Clines was forced into retirement in 1978 because of his close association with fellow agent Edwin Wilson. Wilson is serving a Federal prison term for selling explosives to the Libyan Government.

Overcharged \$8 million to the Pentagon

five years later, Clines' Egyptian American Transport Company (EATSCO) was convicted of fraud after the United States Government learned the firm had overcharged \$8 million in arms sales to the Pentagon. Clines incorporated EATSCO in 1979 with silent partners Wilson, Secord, Hakim and Shackley.

According to Christic Institute staff attorney Joanne Royce, his recent tax conviction "is reminiscent of the days when Chicago gangsters were convicted on tax evasion charges, and due to the difficulty in obtaining convictions, were never charged on the crimes they committed to get that money."

Clines may have to answer for his other crimes, however, if the Christic Institute's civil racketeering case is reinstated by the Federal appeals court in Atlanta. The suit was filed under RICO, the Racketeer Influenced and Corrupt Organizations Act, which gives private citizens the

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Death of a Federal narcotics agent

Drug enforcement officials condemn C.I.A. help for Mexican druglords

By ANDY LANG

The murder of a United States narcotics agent in Mexico has exposed a rift between the Drug Enforcement Administration and the Central Intelligence Agency over the C.I.A.'s collaboration with Mexican drug traffickers.

According to D.E.A. sources, the C.I.A. used drug bases in Mexico to smuggle military supplies to the Nicaraguan *contras* during the United States Government's covert war to overthrow the Nicaraguan Government.

The conflict between the two agencies surfaced during the trial in Los Angeles last summer of four Mexicans accused of the murder of D.E.A. agent Enrique Camarena, who was assassinated in 1985 in Guadalajara, Mexico. The trial also forced declassification of secret D.E.A. reports on two earlier deaths—the murders of Mexican investigative reporters Manuel Buendia and Javier Juarez Vasquez.

Buendia, a syndicated columnist read throughout the Spanish-speaking world, was following leads on the relationship between the C.I.A. and Mexican druglords when he was shot down in Mexico City on May 30, 1984.

Vasquez was killed one hour later. On the same day in La Penca, Nicaragua, an assassin detonated a bomb at a press conference, killing three journalists but only wounding the bomb's intended target, *contra* commander Eden Pastora.

The Christic Institute is investigating whether the murders of Buendia and Vasquez are related to the attempt on Pastora's life.

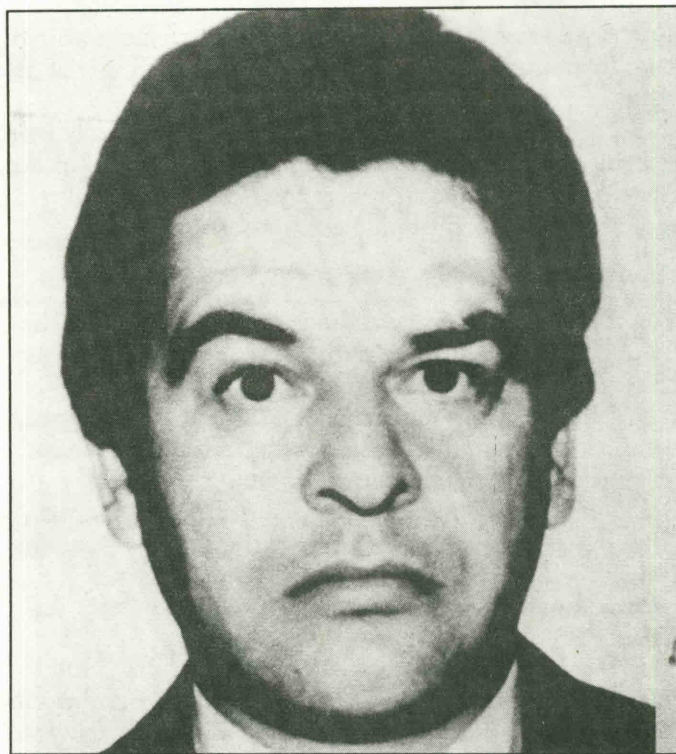
Drug cartel one of Latin America's biggest

Camarena's murder unleashed a bloodbath D.E.A. officials have blamed on the powerful and secretive Federal Security Directorate (D.F.S.), an elite agency that collaborated with the C.I.A. for years. More than a dozen witnesses and suspects connected with the case have been killed.

Until it was finally disbanded by the Mexican Government, the D.F.S. was closely tied to the Guadalajara drug cartel, a criminal organization responsible for nearly a third of the cocaine smuggled into the United States.

The cartel flourished under the protection of Mexico's law enforcers. Some of Mexico's leading drug traffickers were surrounded by bodyguards drawn from the ranks of the Federal Judicial Police and the D.F.S.*

*For a history of the Mexican drug underworld and its relationship with the C.I.A., read Jonathan Marshall's *Drug Wars*, published in 1990 by Cohan and Cohen and available from the Christic Institute.



Enrique Camarena, the D.E.A. agent slain by Mexico's drug underworld. The trial of his killers produced evidence that the C.I.A. worked closely with the Mexican drug traffickers.

Camarena arrived in Guadalajara in June 1980 after reassignment from the D.E.A.'s office in Fresno, Calif. Within months the enterprising agent had concluded that Mexico's drug eradication program, heavily financed by the United States Government, was a failure. Corrupt officials in the Mexican Attorney General's office were stealing most of the United States aid.

"In Guadalajara, Camarena found himself pitted against an underworld cartel that was running the city like an occupation force," writes journalist Elaine Shannon in her book, *Desperados*. The cartel was led by three men—Felix Gallardo, Rafael Caro Quintero and Ernesto Fonseca Carrillo. *Rafael Caro Quintero is not related to Rafael "Chi Chi" Quintero, a Cuban-American terrorist and one of the defendants in Avirgan v. Hull.*

Repeated attempts by the drug agents in Guadalajara to warn the Reagan-Bush Administration that the Mexican cocaine industry was operating under the protection of the country's Government were a failure. By 1985 Camarena had had enough. He applied for a transfer to the United States.

On Feb. 7, three weeks before he was scheduled to leave, Camarena was abducted outside his office at the United States consulate in Guadalajara. The D.E.A. later identified his kidnappers as a drug trafficker, two state policemen and two hired killers.

The agent's body was found several weeks later. The

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D.E.A.

■ *Continued from page 3*

autopsy showed that Camarena's captors had first tortured him, then drove a blunt instrument into the left side of his skull.

By 1989 the United States Government was finally able to bring four suspects in Camarena's murder to trial in Los Angeles. In July 1990 they were convicted on Federal racketeering and kidnapping charges.

Overshadowed by charges of C.I.A. complicity

The trial was overshadowed, however, by charges that the C.I.A. used Mexican drug traffickers to smuggle weapons to *contra* forces in Central America.

"[T]he Mexican drug-trafficking cartel that kidnapped, tortured and murdered D.E.A. agent Enrique Camarena... operated until then with virtual impunity," William Branigin of the *Washington Post* reported during the trial, "not only because it was in league with Mexico's powerful Federal Security Directorate (D.F.S.), but because it believed its activities were secretly sanctioned by the C.I.A."

Evidence released at the trial suggests that the C.I.A. traded protection for drug traffickers in Mexico for help in the Reagan-Bush Administration's war against the Nicaraguan Government.

"At a minimum," Branigin reported, "the C.I.A. had turned a blind eye to a burgeoning drug trade in cultivating its relationship with the D.F.S. and pursuing what it regarded as other U.S. national security interests in Mexico and Central America."

"The C.I.A. didn't give a damn about anything but Cuba and the Soviets," retired D.E.A. agent James Kuykendall told the *Post*. The agency protected the D.F.S. and "didn't want their connection . . . to ever go away, and the D.F.S. just got out of hand."

Kuykendall served with Camarena in Guadalajara.

One senior D.E.A. official charges that the C.I.A. has withheld information about drug traffickers from his agency. "They look at it from the standpoint that narcotics is related to national security," he told the *Post*.

Not the first reports

The dramatic revelations during the Camarena murder trial are not the first reports that the Administration used drug traffickers to fight its covert war in Central America. Several independent investigations already have shown that *contra* bases were used as staging areas for cocaine flights into the United States. The testimony of pilots who flew weapons to the *contras* and returned to the United States with drug cargoes was published in 1988 by the Senate Foreign Relations narcotics subcommittee. The "guns-for-drugs" scheme is also a key issue in *Avirgan v. Hull*, the Christic Institute's pending lawsuit against 27 Iran-*contra* figures.

But until the trial of Camarena's killers, most of these reports centered on *contra* camps in Honduras and Costa Rica. Documents released at the trial show that drug

airstrips and bases in Mexico also played a role in the Central American war.

One source for charges that the C.I.A. worked hand-in-hand with the Guadalajara cartel is Lawrence Victor Harrison. Harrison, the cartel's specialist in electronic communications, says he worked directly for Fonseca, Caro and Gallardo—the three cartel chieftains who allegedly ordered Camarena's murder.

Harrison says he overheard thousands of radio and telephone communications by drug traffickers and their partners in the Mexican police. He told D.E.A. agents that:

- He spoke to C.I.A. agents visiting Fonseca's house in 1983.
- He knew that the C.I.A. was using a ranch owned by Caro for *contra* war games.
- Gallardo told him the cartel felt secure because it was supplying arms to the *contras*.

C.I.A. spokesman Mark Mansfield, however, has denied the agency trained guerrillas at Caro's ranch in Mexico and has called Harrison's statement that C.I.A. agents stayed at Fonseca's house "ridiculous." "I want to emphasize in the strongest possible terms that the C.I.A. neither engages in nor condones drug trafficking," he told the *Washington Post* in July.

Harrison's confidential reports to the D.E.A. were disclosed last summer when defense lawyers for the four men accused of Camarena's murder obtained copies of two classified D.E.A. documents.

According to the documents, Harrison told the D.E.A. that the two alleged C.I.A. agents who visited Fonseca's home told him they were "working with the *contras*." When he warned one of the men of the danger of being picked up by United States radar if they flew too close to the border, "he said he *was* the U.S., that he didn't have any problem."

Journalists were getting too close

The documents also show that Buendia and Vasquez, the two journalists murdered on the same day as the La Penca bombing, were killed because they were getting too close to the "guns-for-drugs" operation in Mexico.

According to one of the D.E.A. documents, Harrison "had learned that the reporter from Veracruz [Vasquez] . . . before his death was allegedly developing information that, using the D.F.S. as cover, the C.I.A. established and maintained clandestine airfields to refuel aircraft loaded with weapons which were destined for Honduras and Nicaragua.

"Pilots of these aircraft," the report continues, "would allegedly load up with cocaine in . . . Colombia and in route to Miami, Florida, refuel in Mexico" at airstrips operated by narcotics traffickers and maintained by the C.I.A.

Buendia and Vasquez were working together on the investigation. Vasquez, according to Harrison, was Buendia's source for information that Caro's ranch was a training camp for the *contras*. "The operations/training at the camp were conducted by the American C.I.A., using

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John Hull flees to Nicaragua

Costa Rican officials seek fugitive's extradition on murder charges

In December C.I.A. contract agent John Hull, a key figure in a "guns-for-drugs" scheme that supplied weapons to the *contras* and cocaine for the North American market, was tracked by investigators to a remote town in southern Nicaragua.

Costa Rican officials say they will ask the Nicaraguan Government to extradite Hull, who used his sprawling ranch in northern Costa Rica as a supply depot for *contras* and a base for drug traffickers. Hull, 70, is wanted in Costa Rica on murder charges for his role in the La Penca bombing, a terrorist attack in May 1984 that killed or wounded several reporters during a press conference. He is also a defendant in *Avirgan v. Hull*, the Christic Institute's \$24-million lawsuit against 29 Iran-*contra* figures. Plaintiffs in that case are Tony Avirgan and Martha Honey, a husband-wife journalist team who live Costa Rica. Avirgan was severely wounded in the La Penca bombing.

The lawsuit is now on appeal. Please read the story on p. 9 for details.

Hull fled Costa Rica in 1989, leaving behind his ranch and a \$35,000 bail bond posted by friends. According to several reliable sources, Hull was helped out of the country by Juan Perez, an agent for the United States Drug Enforcement Administration. The United States Embassy in Costa Rica supplied a visa for Hull's 20-year-old female companion.

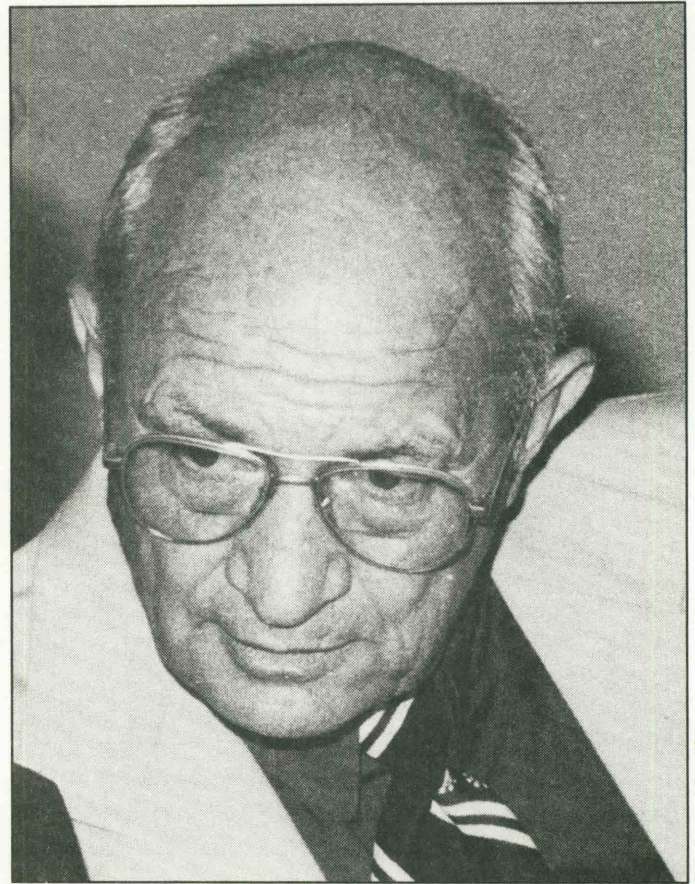
Following his escape, Hull returned to his home state of Indiana. The Costa Rican Government then posted a "red notice" through Interpol, the international police agency, alerting the United States Government that Hull was a fugitive from justice. It is not known if the Justice Department or the Federal Bureau of Investigation have taken any action against Hull as a result.

Christic Institute investigators have been tracking the accused drug-trafficker's movements since he disappeared from Indiana earlier last year.

Went to center of *contra* activity

It has now been confirmed that Hull settled in Juigalpa, Nicaragua, a small rural town that has become the seat of a *contra* rebellion against the conservative government of Nicaraguan President Violetta Chamorro.

Hull apparently arrived in Nicaragua in October. On Nov. 18 he was spotted in a Managua hotel by Joe Ryan, a United States citizen who works in Nicaragua as an environmental expert. Ryan immediately alerted the Christic Institute on PeaceNet, a computer network that links Nicaragua with the United States.



Julio Lanier/Tico Times

John Hull is wanted for first degree murder in connection with the La Penca bombing.

Hull's new neighbors have told investigators that his house in Juigalpa is frequented by *contras* and right-wing members of President Chamorro's governing coalition.

At press time, the Christic Institute learned that Hull may have disappeared again. He drove out of Juigalpa with his female companion on Dec. 4 and has not been seen since then.

If Hull returns to the United States, he still faces the threat of extradition to face murder charges in Costa Rica.

Hull says the murder allegations against him are the result of a communist plot. "I think the same thing I've always thought," he told the *Bay Guardian* newspaper last year. "The government down there [in Costa Rica] is infiltrated and manipulated by communists led by the Christic Institute."

In a related development, the Costa Rican legislature has formed a new commission to investigate the La Penca bombing.

The four-member panel is equally divided between the country's conservative and social-democratic parties.

In its first session, commission president Sonia Rodriguez described the bombing as "a horrible crime." "The context [of the La Penca bombing] is the Iran-*contra* affair in part, narcotics trafficking and the activities of Panama's Gen. Manuel Noriega in our country."

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