

## Panama Report by Carlos Wesley

### Still more drugs

*The latest report from Congress's GAO is proof that Bush's invasion was a war for drugs, not war on drugs.*

**T**he U.S. General Accounting Office issued a report in late July that further confirms what our readers already know: Drug activity in Panama has been on the rise since George Bush invaded that country "to fight drugs" in 1989. "U.S. officials believe that drug trafficking may be increasing," says the report put out by the GAO, a watchdog agency for Congress. In fact, "a Drug Enforcement Administration agent believes that trafficking may have doubled since Operation Just Cause," as the invasion was called.

The GAO report says that "U.S. officials believe that money laundering is Panama's most serious narcotics-related problem" and that there has also been an increase of drug-money laundering since the U.S. installed Guillermo Endara and his cohorts as the government.

"Once the traffickers became aware of the government's inability to detect and deter drug activity, money laundering flourished," says the GAO report, quoting an official of the U.S. Embassy in Panama.

The report does not touch on the use of drugs inside Panama, virtually nonexistent before the invasion, but which has now become a significant problem. According to a UPI report, "It's cheaper to snort a fine line of cocaine in Panama these days than to go to the movies. Cocaine use in Panama has soared in the 18 months" since the U.S. invaded the country to oust Gen. Manuel Noriega.

So, who is responsible for this increased drug activity? Panama's waters are patrolled by the U.S. Coast Guard. All of the country's police

forces are trained and controlled by the U.S., down to the level of the cops on the beat. "The crime situation is so bad that joint U.S.-Panamanian police patrols have been resumed in recent months," said University of Southern Illinois Prof. Richard Millet, in remarks he made at hearings of the Subcommittee on Western Hemisphere Affairs of the House Foreign Affairs Committee held on July 17 by Rep. Robert Torricelli (D-N.J.).

Policy is dictated by the American proconsul, Ambassador Deane Hinton, or by an official of the U.S. Southern Command, usually operations chief Col. James Steele, who ran part of Oliver North's Contra resupply operation. Under their leadership, the Noriega-led Panama Defense Forces—which even their detractors admit kept the flow of drugs down—have been destroyed. The police forces that replaced them have no anti-drug capabilities, according to the GAO report. For example, after the invasion, Panama's coast guard "vessels were stripped of all electronics and other equipment and have received no maintenance since then. As a result they are no longer operational." The GAO quotes a Drug Enforcement Administration (DEA) official saying that the police anti-narcotics unit's "ability to conduct operations is limited because it has no aircraft and only five cars, which the Panamanian government limits to a total of 10 gallons of gasoline per day."

U.S. officials insist that money which Panama could otherwise use to fight drugs and to alleviate the worsening economic situation that leads to high crime rates, must be used instead

to pay the debt to U.S. banks. The officials also have forced Panama to use methods which have proven to be utterly ineffective in the U.S. The GAO reports that, over a year ago, Panama, pressured by the U.S., adopted a regulation to curtail drug-money laundering that is modeled on the U.S. law which requires banks to report all transactions of \$10,000 or more. The results were predictable: After a year, says the GAO report, "A political adviser at the U.S. Embassy believes that Panama is experiencing an increase in money laundering."

The Bush administration was outraged by the report. Assistant Secretary of State for Inter-American Affairs Bernard Aronson claimed that the increase in drug activity was due to a crackdown by the Colombian government; he is apparently unaware that the Colombians have surrendered to the cartels. Aronson said there was no need to worry about money laundering, as the U.S. has been reassured by Panama's Second Vice President Guillermo Ford that strong action will be taken against drug-money laundering banks.

Even Aronson can't be that naive. As our readers know, Guillermo Ford is himself tied to drug-money laundering institutions, notably Dadeland Bank of Florida, of which he was a co-owner. The ties to the drug cartels of U.S.-installed Panamanian President Endara are also well known to U.S. law enforcement agencies, as are those of his Treasury Minister Mario Galindo; Supreme Court Chief Justice Carlos Lucas López, and Attorney General Rogelio Cruz, to name a few. All of this leads one to believe that Aronson's disingenuous remarks are intended to continue covering up the fact that one of the reasons Bush ordered the invasion of Panama was to advance the war for drugs, rather than the other way around.