

Panama Report by Carlos Wesley

Another Kissinger rip-off

Besides making Panama safe for drugs, the invasion has given Kissinger and his cronies a chance to make a buck.

The Washington law firm of Arnold and Porter has been retained by the U.S.-installed government to advise on the foreign debt, it was announced in Panama in November. Arnold and Porter is the law firm of William D. Rogers, a partner in Kissinger Associates and the lawyer for Henry Kissinger and for Acting Secretary of State Lawrence Eagleburger, formerly of Kissinger Associates.

Arnold and Porter is expected to take millions of dollars for its advice. The local law firm of Treasury Minister Mario Galindo, which reportedly has also been retained, is expected to rake in up to 10%, Panama's Radio Ancón reported on Nov. 27. Even 1% of the debt service would be a considerable amount, since public debt is well over \$6 billion and fast growing, despite the fact that this year alone Panama has paid out about \$1 billion to the International Monetary Fund and other supranational financial institutions, while receiving virtually no new money.

Rogers and his law firm played a key role in creating the crisis that installed the current government of drug bankers, all the while making money at each step of the disaster. It was from Rogers's office in Washington that Panamanian banker Gabriel Lewis Galindo, business partner of Colombia's former President and cocaine cartel ally, Alfonso López Michelsen, ran the opposition to Gen. Manuel Noriega. Rogers designed the economic sanctions applied by the Reagan and Bush administrations to squeeze Panama in the two years pre-

ceding the invasion, for which job the law firm collected hefty fees through a fictitious "Panamanian government" set up by the United States in Coconut Grove, Florida.

After the invasion, Arnold and Porter picked up another \$1 million from the U.S.-installed government of drug banker Guillermo Endara, to lift the same sanctions designed by senior partner Rogers. These days, besides running destabilization operations against the Peruvian military and trying to keep Venezuela's Carlos Andrés Pérez in power, Rogers is running around Ibero-America with Kissinger selling the North American Free Trade Agreement. He is also pushing the nations of the hemisphere to do away with their armies and to instead pay the debt, much of it owed to Chase Manhattan Bank, a Kissinger client.

Their protégés have learned well. The U.S.-installed government is offering to settle ongoing strikes for back pay at the Social Security administration, the postal system, the National University, and other agencies, by giving the workers interest-bearing bonds that mature in 10 years. If they agree but cannot wait 10 years for their money (and most can't), the drug bankers that run the government will buy up the bonds at a hefty 40% discount, making millions in profits.

But the government does have more than enough cash to settle the workers' claims, says Panama's Second Vice President Guillermo "Billy" Ford, according to *El Panama América* of Nov. 29. "It is a crime to keep the money in the banks" while

poverty grows, said Ford, a former co-owner of the drug money-laundering Dadeland Bank of Florida.

While the government has accumulated significant savings this year, that money is to pay the banks, said Comptroller General Rubén Darío Carles, an alumnus of Chase Manhattan Bank. He and Treasury Minister Mario Galindo, another Chase alumnus, are engaged in a factional dispute with Ford over the presidential nomination of their party, Molirena.

The two are also engaged in a running dispute with Attorney General Rogelio Cruz, who tried to fire Customs Chief Rodrigo Arosemena for aiding and abetting smuggling. Among other things, Arosemena, a protégé of Galindo, is accused of helping Haim Yazuri, currently detained in New York, launder millions of dollars in Panama.

The Nov. 28 *Washington Post* reported that the attorney general is now under fire for releasing money from frozen cartel accounts. "Even before the invasion the Bush administration had concerns about possible links between Cruz and the Cali Cartel," it said, reporting what *EIR* readers have known for nearly six years: that Cruz was on the board of First Interamericas bank, co-owned by Cali Cartel kingpin Gilberto Rodríguez Orejuela and (a detail omitted by the *Post*) Jorge Luís Ochoa, of the supposedly rival Medellín cocaine cartel.

Roberto Eisenmann is quoted saying that Cruz is "one of our major tragedies." Eisenmann is identified only as "publisher of *La Prensa*," without reference to his co-ownership of Dadeland Bank. The *Post* reported that the Supreme Court reprimanded Cruz for unfreezing the accounts, but it does not mention that Chief Justice Carlos Lucas López sat with Cruz on the board of First Interamericas, as did Galindo.