

Oliver North's drug smuggling points finger at George Bush

by Anton Chaitkin

A former high official of U.S. anti-drug law enforcement has come forward with evidence of Virginia Republican candidate for governor Oliver North's deep involvement in smuggling narcotics into the United States. Celerino ("Cele") Castillo, the Drug Enforcement Administration (DEA) supervisor for several Central American countries from 1985 to 1991, gave interviews in mid-June to the *Texas Observer* magazine and the national wire services, saying that North belongs not in the governor's mansion, but in prison.

Castillo detailed the drug smuggling of the mercenary pilots who worked for Oliver North and Cuban exile Felix Rodriguez under the pretext of aiding the "Contras" to fight against Nicaragua's communist Sandinista regime. The veteran anti-drug executive's charges dovetail closely with evidence published by *EIR* and others. The evidence in the public domain increasingly indicates:

- that the Contra enterprise was managed as a criminal apparatus used for geopolitical aims, including the destruction of Ibero-American nations' sovereignty, rather than as an effort to defeat communism (the communists' drug-running having been supplied by the same cartel); and
- that then-Vice President George Bush was the director of the apparatus, and was the employer of North, Rodriguez, and their drug smugglers.

Ibero-America is now enduring the bitter results of how Bush and his criminal enterprises sold out and sabotaged the anti-communists and nationalists. Today, the entire region stands on the brink of falling under the control of New Age, satanic narco-terrorists (see *EIR*, June 24, 1994, p. 50).

The Ilopango connection

"They were running large quantities of cocaine to the United States via Ilopango" Air Force base in El Salvador, Castillo told the Associated Press on June 16. He said shipments were flown to Florida, Texas, and California. "Oliver North was running the operation. His pilots were known drug traffickers listed in government files and these people were being given U.S. visas."

Castillo told the *Texas Observer* that the drugs were flown into Ilopango Air Base, stored in Hangars 4 and 5 there, and were then smuggled northward for sale in the United States.

"Hangar 4 was owned and operated by the CIA, and the other hangar was run by Felix Rodriguez, [alias] 'Max Gomez' of the Contra operation (directed by North), basically they were running cocaine from South America to the U.S. via Salvador. That was the only way the Contras were able to get financial help. By going to sleep with the enemy down there." He said that North's agents and the Central Intelligence Agency were at the two hangars overseeing the operations "at all times."

Castillo told reporters that the DEA suppressed his official reports, and that he reported the cocaine smuggling to George Bush in person and to the U.S. ambassador to El Salvador.

On Jan. 14, 1986, Castillo says, he met Vice President Bush at a cocktail party at the house of the U.S. ambassador to Guatemala. Castillo described to Bush his job as chief of the U.S. drug law enforcement in the region. When he told Bush details of North's criminal activities, Castillo says, Bush gave him the brush-off; "he just smiled and he walked away from me," according to the Associated Press.

Castillo's allegations of Contra drug smuggling were substantiated in the December 1988 report of the Congressional Subcommittee on Terrorism, Narcotics and International Operations (the Kerry Committee), but action was blocked and the operation continued.

In a Feb. 14, 1989 memo to U.S. attaché Robert Stia in Guatemala, Castillo identified more than two dozen known drug smugglers frequenting Hangars 4 and 5, among the pilots hired by Oliver North. "Now all these contract pilots were documented [in DEA files] traffickers, Class I cocaine violators that were being hired by the CIA and the Contras. And the U.S. embassy in El Salvador was giving visas to these people even though they were documented in our computers as being narcotics traffickers."

The identified smugglers included Carlos Alberto Amador, a Nicaraguan mentioned in six DEA files. The CIA was said to have obtained a visa for him. Amador kept four planes at Ilopango, where Amador's frequent companion was Zorge Zarcovick (12 DEA files), who was arrested in the United States for large-scale cocaine smuggling.

Pilot Walter Grasheim (seven DEA files) was docu-

mented as a cocaine smuggler into the United States via Ilopango Airport. "Wally Grasheim was an American working hand-in-hand with Col. Oliver North," Castillo charged. Grasheim was alleged to have died when his plane was shot down over Nicaragua on Oct. 5, 1986. Pilot Eugene Hasenfus parachuted safely from the plane, and was captured by the Sandinistas. Hasenfus's disclosure of the roles of Bush, North, and Rodriguez began a public scandal which, after it was diverted from Bush, became known as "Iran-Contra."

When Castillo's anti-drug agents raided Grasheim's house in El Salvador, they found explosives and war matériel. The Pentagon told Castillo to drop the investigation.

Castillo was transferred out of Central America. Later, while pursuing drug traffickers in Miami, Texas, and San Francisco, Castillo arrested the wife of Nicaraguan Carlos Cabezas for selling cocaine. Attempting to deal for his wife's freedom, Cabezas said he was one of the pilots working for North, smuggling large quantities of cocaine into the United States from Ilopango. Cabezas identified many of his fellow smugglers, corroborating the drug traffickers' roster already known to Castillo and his agents.

How Bush set it up: a chronology

The Ilopango Air Base ring, described by Celerino Castillo as pouring cocaine into the United States, came about through arrangements made by George Bush, centering on the activities of Bush's agent Felix Rodriguez. Many of the details of this operation were given in *EIR's* 659-page book, *George Bush: The Unauthorized Biography*, by Webster Griffin Tarpley and Anton Chaitkin (Washington, D.C.: Executive Intelligence Review, 1992).

As a CIA veteran, Rodriguez had previously worked in the assassination and narcotics business which Cuban exile-manager Theodore Shackley and his colleagues ran during the Indochina war. This grouping became the heart of "the Enterprise" that went into action 15-20 years later in Iran-Contra. Shackley sponsored opium-growing Meo tribesmen, and used the dope proceeds to fund his hit squads. He formed the Military Assistance Group-Special Operations Group political murder unit, of which Gen. John K. Singlaub was a commander. Oliver North and Richard Secord were officers of the unit. By 1971, the Shackley group had killed about 100,000 civilians in Southeast Asia as part of the CIA's Operation Phoenix.

After Vietnam, Rodriguez went back to Ibero-American CIA operations, while other parts of the Shackley organization went on to sell drugs and guns in the Middle East.

By 1983, both the Shackley group and Felix Rodriguez were attached to an extra-constitutional national security power structure under its shadow commander, George Bush.

On Nov. 1, 1984, Federal Bureau of Investigation agents arrested Felix Rodriguez's business partner Gerard Latchinian for his role in a bizarre Central American plot. Latchinian, co-owner of Rodriguez's Florida-based Giro Aviation Corp.,



Oliver North testifies before the congressional Iran-Contra hearings in July 1987.

had smuggled \$10.3 million worth of cocaine into Florida. The dope was to be part of the payment to an assassin for the murder of the President of Honduras, Roberto Suazo Córdova. Arrested along with Latchinian were exiled Honduran Gen. José Bueso Rosa and two other Hondurans.

At issue was the continued full participation of Honduras in the U.S. Contra enterprise. Nationalist military officers were putting up some resistance, and they had prevailed on President Suazo to purge Bueso and a few others known as U.S. assets from the Honduran military.

As the Florida trial proceeded, Rodriguez's partner Latchinian apparently felt he had been "set up." He persisted in declaring that the plot had been sponsored by the U.S. government, according to court records. Perhaps as a result, he was sentenced to 30 or more years in prison. General Bueso, backed by vigorous interventions from Oliver North and U.S. Gen. Paul Gorman, kept quiet. He was rewarded with a short stay at the minimum security facility at Elgin Air Force Base (known as "Club Fed" because of its comfortable accommodations), and then retired to Honduras.

The Honduran President was still alive, thanks to the FBI. But would he get the message of how lucky he was, and how much he owed for his life?

Rodriguez hooks up with North

On Dec. 21, 1984—50 days after his partner's arrest—Felix Rodriguez met in the office of Vice President Bush with Donald Gregg, Vice President Bush's national security adviser. Gregg had been Rodriguez's CIA boss in Vietnam.

Rodriguez wrote in his book *Shadow Warrior* that he first met Col. Oliver North immediately after this particular visit to the Bush office.

On **Jan. 18, 1985**, Rodriguez met in prison with Ramón Milián Rodríguez, accountant and money launderer for Colombia's Medellín cocaine cartel. Milián, an important Republican Party contributor, later testified to a U.S. Senate investigation that he granted Felix Rodriguez's request, and gave \$10 million from the cocaine cartel to Rodriguez for the Contras. The *Miami Herald* exposed the prison rendezvous two years later, after Felix Rodriguez had become notorious in the Iran-Contra affair. Felix Rodriguez at first denied ever meeting with Milián, but eventually remembered it, claiming that he had informed the FBI and CIA about the meeting just afterwards.

Four days later, on **Jan. 22, 1985**, Bush met with Rodriguez in the Executive Office Building. Rodriguez's book reported only that "Mr. Bush was easy to talk to, and he was interested in my stories."

During **late January 1985**, George Bush's office officially organized contacts through the State Department for Rodriguez to operate in Central America from the Ilopango Air Base in El Salvador, in a false "private citizen" capacity. Rodriguez later described these arrangements in his book.

The U.S. ambassador to El Salvador, Thomas Pickering, cabled to Gen. Paul F. Gorman, commander of the U.S. Army Southern Command: "Rodriguez has high-level contacts at the White House, DOS [State Department] and DOD [Defense Department], some of whom are strongly supporting his use in El Salvador.

"It would be in our best interests that Mr. Rodriguez confer with you personally prior to coming to El Salvador. I have some obvious concerns about this arrangement."

Rodriguez flew from Panama to El Salvador on General Gorman's personal C-12 airplane. General Gorman sent a confidential cable to Ambassador Pickering and Col. James Steele, U.S. military liaison man with the Contra resupply operation in El Salvador: "I have just met here with Felix Rodriguez. . . . He is operating as a private citizen, but his acquaintanceship with the VP [Vice President Bush] is real enough, going back to the latter's days as DCI," referring to Bush's tenure as Director of Central Intelligence in 1974-75.

What came out in court

The next two items in our chronology were the admissions of the United States government in the 1989 Oliver North trial, among the stipulations given to the court in order to avoid being ordered to release classified documents.

On **Feb. 7, 1985**, the strange new suborganism of the Executive branch known as the Crisis Pre-Planning Group (CPPG), subordinate to the Bush-chaired Special Situation Group, met to discuss means to circumvent the U.S. Congress's ban on aid to the Contras. They agreed on a letter to be sent to the recently saved Honduran President Suazo, "to

provide several enticements to Honduras in exchange for its continued support of the Nicaraguan Resistance. These enticements included expedited delivery of military supplies ordered by Honduras, a phased release of withheld economic assistance . . . funds, and other support."

On **Feb. 12, 1985**, "North proposed that [the United States should] send a memo [to top officials on] the recommendation of the CPPG [which was often chaired by Donald Gregg]. . . . The memo stated that this part of the message [to the Honduran President] should not be contained in a written document but should be delivered verbally by a discreet emissary."

George Bush later delivered the message in person, and Honduras was given "increased aid," to be diverted to the Bush Contra apparatus.

On **Feb. 15, 1985**, after Rodriguez had arrived in El Salvador and had begun setting up the Contra resupply depot at Ilopango Air Base, Ambassador Thomas Pickering sent an "eyes only" cable to the State Department on his conversation with Rodriguez. Pickering's cable bore the postscript, "Please brief Don Gregg in the V.P.'s office for me."

On **Feb. 19, 1985**, Felix Rodriguez met with Bush's staff in the vice-presidential offices in the Executive Office Building, briefing them on the progress of his mission. Over the next two years, Rodriguez met frequently with Bush staff members in Washington and in Central America, often jointly with CIA and other officials, and conferred with Bush's staff by telephone—every day, in some accounts of the matter.

On **March 15-16, 1985**, George Bush and Felix Rodriguez were in Central America on their common project. On March 15, Rodriguez supervised delivery in Honduras of military supplies for the Nicaraguan Democratic Force Contras whose main base was there in Honduras. The next day, Bush met with President Suazo, telling him that the Reagan-Bush administration was expediting delivery of more than \$110 million in economic and military aid "to Suazo's government." The Congress had prohibited the U.S. government from providing military supplies to the Contras.

DEA executive Celerino Castillo met several times during 1986 with U.S. Ambassador to El Salvador Edwin Corr, seeking a crackdown against the Ilopango drug ring. Castillo got a chilling response. "His words to me were that it was a covert White House operation run by Col. Oliver North and for us to stay away from the operation." The June 17, 1994 *Texas Observer* article quoted Corr's response: "I deny Cele's allegations that I told him to back off on the basis of White House pressure."

On **May 1, 1986**, Vice President Bush and his staff met in the White House with Felix Rodriguez, Oliver North, financier Nicholas Brady, and the new U.S. ambassador to El Salvador, Edwin Corr. According to Rodriguez's book, it was decided there that "private citizen" Felix Rodriguez would continue his work in Central America.