

## Panama Report by Carlos Wesley

### Bush's invasion freed Cali Cartel capo

*Gen. Manuel Noriega had jailed a narco, who is now at the center of a drug scandal shaking the government.*

**T**he 1989 U.S. invasion of Panama ordered by George Bush, set free a Colombian drug dealer who is now at the center of a scandal shaking the current government. The case involves José Castrillón Henao, operations chief of the Cali Cartel in Panama; it is only one among many instances of dealings between the Bush administration and members of the cocaine-trafficking organization.

To begin with the current scandal: After issuing heated denials and threatening to sue the London *Economist*, which first ran the story, Panamanian President Ernesto Pérez Balladares admitted on June 21 that he had cashed a \$51,000 contribution to his 1994 campaign from the Colombian. Pérez says that when he got the contribution, he knew Castrillón as a businessman involved in tuna fishing, and wasn't aware of his drug dealings.

The two checks were drawn on an account from Fuji Investment, one of 40 or more companies registered in Panama by the Colombian drug capo, and handed personally by Castrillón to the man who is now Panama's second vice president, Felipe Virzi, during a 1994 luncheon.

Castrillón was arrested by Panamanian authorities in April, apparently at the behest of the United States. Last year, the U.S. Coast Guard captured one of Castrillón's trawlers, the *Nataly*, on its way to San Diego with 12 tons of cocaine.

It wasn't his first drug-related arrest. On Sept. 8, 1989, the Panamanian Defense Forces (PDF), led by Gen. Manuel Antonio Noriega, caught Castrillón attempting to smuggle drugs

and drug traffickers on another one of his trawlers, the *Johanna*. His attorney was Rogelio Cruz, a known operative of the Colombian drug cartels. Cruz had served as an executive of First Interamericas Bank, a jointly owned asset of the Cali and Medellín cartels that was shut down by Noriega in 1987. Despite Cruz's exertions, the PDF kept Castrillón behind bars. He was still there three months later, when Bush's invading forces entered Panama on Dec. 20, 1989, destroyed the PDF, arrested Noriega, and installed partners of the drug cartels as the new government.

Guillermo Endara, a partner in the cartel-owned Interoceanico Bank, became President of Panama; the first vice presidency went to Ricardo Arias Calderón, who has family ties to the money-laundering Banco Continental and to Cruz's First Interamericas; the second vice presidency went to Guillermo ("Billy") Ford, a co-owner of the Florida-based drug-money-laundering Dadeland Bank of Miami, and so on. Castrillón was dealt a get-out-of-jail-free card when his lawyer, Cruz, was appointed Attorney General.

Even better for him, all the PDF's records were seized, along with tons of other government documents, by the U.S. military 470th Intelligence Brigade, and stored at a U.S. base to which only a few officials of the new regime, among them Cruz, had access.

So, Castrillón regained not only his freedom, but his innocence. In 1993, Jaime Abad, chief of Judicial Police under Endara, signed a good conduct report stating that there was no arrest sheet on Castrillón. Endara's

immigration chief, Antonio Domínguez, issued him a permanent-resident card.

Meanwhile, Cruz continued serving his cartel masters. Accounts impounded or frozen under Noriega were returned to the narcos, including \$7 million which Cruz reportedly handed personally to Gilberto Rodríguez Orejuela, kingpin of the Cali Cartel. Investigations were blocked, intelligence leaked. It got too embarrassing, even for Endara: Cruz was forced to leave.

Back in private practice, Cruz again worked for Castrillón. When his client was arrested again this year, it was Cruz, in an attempt to pressure the government to release Castrillón, who leaked the news of the campaign contribution to Bertha Ramona Thayer, a U.S.-trained lawyer who works as a stringer for ABC News and other U.S. and British media, and to the Peruvian Gustavo Gorriti, an advocate of drug legalization and an apologist for the narco-terrorist Shining Path. Gorriti edits *La Prensa*, the daily of Roberto Eisenmann, former co-owner of the drug-money-laundering Dadeland Bank.

The same cast of characters, including Cruz, played a like role in Bush's late-1980s campaign to get Noriega, ensuring that the United States will remain in Panama after the year 2000, when it is supposed to leave according to the canal treaties. The Bush crowd also cut a deal with the Cali Cartel to suborn witnesses against Noriega. According to court documents, one witness was paid \$1.25 million for his testimony, which also included reducing the sentence of jailed drug dealer Luis ("Lucho") Santacruz, the brother of Cali kingpin Julio Santacruz Londoño. At a hearing in Miami earlier this year, Assistant U.S. Attorney Pat Sullivan admitted under oath that Lucho Santacruz was "our intermediary, our agent."