

## International Credit by Renée Sigerson

### Duque, the BNS, and Standard Brands

*Is the Colombian coffee swindler tied to drug traffickers—or to their controllers?*

**T**he case of Alberto Duque, a Colombian coffee merchant who is under indictment in the United States in a major financial fraud case, has been attracting increasing attention since last May, when a lawsuit was initiated against him by 20 U.S. banks. However, there has been a nearly complete clampdown thus far on public accounting of Duque's far-flung links to leading U.S.-Canadian companies, as well as to other criminal cases under investigation by the U.S. government.

Duque's high-level ties to Canadian banks and corporations include connections with the Bank of Nova Scotia, the most notorious among Anglo-Canadian banks involved in drug-money laundering, as well as to corporations suspected of being leading points of control for the Nazi International.

In May, the Shawmut Bank of Boston put together a lawsuit on behalf of a group of banks seeking to reclaim over \$30 million in loans they had extended to Duque against what turned out to be non-existent coffee inventories. Other banking groups also have claims against Duque, who is being sued for a total of \$125 million.

After months of litigation, with hearings held in the United States and Colombia, on Dec. 5, *Forbes* magazine published the first public mention that Duque's financial operations might be linked to a major narcotics network.

Duque, *Forbes* reported, was a partner of New York-based currency trader Eduardo Orozco, a Colombian

arrested in November 1982 by U.S. authorities for running the largest narcotics money-laundering ring yet uncovered in the United States.

The *Forbes* citation of this point—which had been known throughout the New York financial community—lends credence to the suspicion that it was the shutdown of the Orozco money-laundering operation which had triggered the chain of events leading Duque to acquire loans on false pretenses. The Orozco arrest, moreover, occurred in the midst of a banking crisis in Colombia, a crisis which, the Duque family admits, had shut off their primary source of operating funds.

However, Duque's business associations go way beyond Orozco.

In 1977, Duque purchased a \$50 million share in a Florida bank named City National of Miami. The chairman of this bank, Donald Beazley, is an old hand from the gun-running bank, Nugan Hand.

Pursuing the Florida link: a Florida grand jury has subpoenaed bank records from the Cayman Islands branch of the Bank of Nova Scotia (BNS), one of Canada's leading offshore banks (see *EIR*, Dec. 6), in connection with cocaine funds. Barely a word about the BNS case has appeared in any leading U.S. financial press, even though the Canadian foreign ministry has publicly cited the case as an "alarming" incident, and External Affairs Minister MacEachen has sent a formal protest against the subpoena to U.S. Secretary of State Shultz.

It is thus noteworthy that Alberto

Duque's non-existent coffee inventories were sold to him through channels controlled by the Bank of Nova Scotia.

In 1982, the Duque family bought the New Orleans-based Chase & Sanborn coffee roasting and packing subsidiary of Standard Brands. The chairman of Standard Brands, F. Ross Johnson, is a longtime member of the board of directors of the Bank of Nova Scotia.

At the same time Duque was acquiring Chase & Sanborn, Standard Brands was in the process of consummating a merger with Nabisco Brands. The latter is a leading Anglo-Canadian oligarchic entity, dominated by the Moore family, which has played a leading role in shaping Anglo-Canadian intelligence operations in North and South America for more than 50 years.

It was against claimed inventories at the New Orleans plant of Chase & Sanborn that Duque acquired the \$125 million in loans for which he is now being sued. He told the lending banks, in fact, that the purpose of the loans was to "move" the Chase & Sanborn coffee.

Considering that these events occurred over the span of a few weeks during 1982, it is clear that the reason Duque was able to acquire so many loans was that none of the banks thought to question the veracity of a claim of stocks which had just belonged to an entity as prestigious as Standard Brands.

It is of no little interest to determine the character of the negotiations between Duque and the Standard Brands management up to his acquisition of the Chase & Sanborn division. The control levels of the Colombian-Florida-U.S. drug trafficking lines are outside Colombia, in the offshore banks and in Anglo-Canadian intelligence networks.