

Exposures of U.S. Contra policy and PAN set off shock waves in Mexico

by D.E. Pettingell

Finally, the major U.S. news media have decided to expose what *EIR* has been charging since 1985 and what all Ibero-America knows, that the Reagan administration's relations with Ibero-America as a whole have been determined by only one issue: the Contras. Nations considered "friendly" are those backing or actively supporting the Contras; in contrast, the nations on the black list, those opposing the Contra insanity, have been subjected to threats and pressures and have even seen their economic aid cut off.

In a lengthy front-page article May 10, the *Miami Herald* reported on the Reagan administration's "secret campaign" of threats and intimidation against five nations. Because of their leading role in organizing the "Contadora Group" peace process in Central America, Ibero-America's alternative to the Contra insanity, Mexico and Panama were particularly and viciously targeted for destabilization. The Contadora Group's policy was to promote the economic and political strength of Nicaragua's neighbors in Central America, to thus ensure peace and stability in the region—anathema to the "Project Democracy" drive to promote general warfare in the region.

The *Herald* reports that the administration campaign against Mexico and Panama included "an effort to force from office the head of the Panamanian defense forces, Gen. Manuel Noriega. When Noriega did not respond to a direct request from then-national security adviser Vice-Adm. John Poindexter that he resign, the United States cut off aid to Panama, then leaked damaging classified documents about Noriega to the *New York Times* and NBC News."

Mexico, the United States' closest neighbor, was subjected to similar threats. "The most remarkable U.S. tactic against Mexico involved threats to undermine the ruling Institutional Revolutionary Party (PRI) by throwing U.S. support to the PAN (National Action Party)." The *Herald* reports on secret meetings held in the summer of 1986 between indicted Contra fundraiser Carl "Spitz" Channell and PAN representative Ricardo Villa Escalera. Channell "told PAN followers that Reagan would help them fight PRI if PAN helped the Contras," reports the *Herald*.

The *Herald* articles have created a political earthquake in Mexico. Demands for banning the PAN or bringing its leaders to trial for treason have been put forward by a broad

spectrum of political groups and journalists. The Mexican Senate met May 12 for four hours to discuss whether to withdraw the PAN's political party status. The decision was not to do so for the time being, although the PAN leadership was put on notice.

The campaign to get the PAN out of Mexican political life did not stop with the Senate decision. Manuel Juárez Blancas, head of the PRI-affiliated Revolutionary Workers and Peasant Federation, called the PAN "traitors" and demanded that they be stripped of party status and that those found guilty of treason be sent out of Mexico. The widely read Pica-Piedra column in *La Prensa* declared that the PAN's constant attempts to instigate violence, discredit Mexico abroad, and thus promote foreign intervention must be dealt with.

EIR's record

If not all the details in the *Miami Herald* article, certainly the political portrayal of the Reagan administration's destabilization campaigns has been regularly featured in *EIR* since the summer of 1985. In 1986, *EIR* published the widely circulated *Special Report*, "White Paper on the Panama crisis, Who's out to destabilize the U.S. ally, and why," in which we exposed what the *Miami Herald* now confirms 10 months later.

In April of this year, *EIR's* Special Report, "Project Democracy: the 'parallel government' behind the Iran-Contra affair," used Mexico and Panama as "case studies" of the Reagan administration policy. *EIR* identified the *New York Times* campaign against General Noriega as part of Poindexter's pressures to dump Noriega. "On June 12, 1986, Project Democracy escalated, with one of the dirtiest operations to come out of the NSC's headquarters in the basement of the White House. Under the byline of Seymour Hersh, the *New York Times* ran a full-page slander of General Noriega, calling him everything from drug-runner to a Cuban agent, money-launderer, and murderer. . . . 'U.S. officials,' said Hersh, consider Noriega 'the Panamanian connection to crime and want him out.' . . . Most 'officials' remained anonymous, except Project Democracy's Admiral Poindexter, who was cited as a leading source of the slander against Noriega," *EIR* wrote.

In the case of Mexico, the report exposed the PAN's frequent trips to Washington sponsored by Col. Oliver North's network. Over a year before the Iran-Contra mess erupted, in the summer of 1985, the "private" network of right-wing Contra fanatics was first identified as the PAN's U.S. controllers in the book, *El PAN, el Partido de la Traicion (The PAN, the Party of Treason)*, published in English as *The PAN, Moscow's Terrorists in Mexico*. *EIR* helped with the research on the book.

Not surprisingly then, the PAN's first reaction to the *Herald* exposé was to denounce *EIR*'s founder, Lyndon LaRouche, and the Mexican Labor Party, the independent Mexican organization that published *The Party of Treason*.

'We are the Contras'

The PAN leaders' defense has only shed more light on their treason. Ricardo Villa Escalera, a PAN official and former PAN candidate from the state of Puebla, told the Mexican press May 13 that he had met with indicted fundraiser Channell not only once, but several times. Villa Escalera stated that he had told Channell, "We are the contras in Mexico," denying reports, confirmed to the *Miami Herald* by Channell's co-workers, that he had agreed to look for ways to raise \$210,000 requested by Channell for the Contra fund.

Villa Escalera added that he had not been the only PAN official to meet "several times" with Channell. Alfredo Corella and Alejandro Gurza, two PAN businessmen, held meetings in Washington with Channell as well. Corella led a delegation of about 40 Mexican-American supporters of the PAN from Chicago and PAN members from Chihuahua who met with Sen. Jesse Helms Aug. 13, in an extraordinary Mexico-bashing session on Capitol Hill aimed at embarrassing President Miguel de la Madrid, in Washington at the time for an official visit.

Alejandro Gurza, on the other hand, is well connected to the Rev. Sun Myung Moon's cult, a key piece in the Contra support apparatus. In March of 1986, Gurza participated in a "roundtable" discussion to promote the PAN sponsored by Moon's International Security Council in San Diego. Other participants from the United States included alleged CIA agent Daniel James, Contra fan Gen. (ret.) Gordon Sumner, and Mossad agent Joseph Churba. Aside from Gurza, Mexico's traitors were represented by José Angel Conchello, former PAN chairman, and Luis Pazos, the "Mexican Milton Friedman."

Meeting with North?

But the complete picture of what the PAN did and what they plotted in Washington, has still to come out.

A report that Villa Escalera and possibly Corella and Gurza met with North himself, has been neither confirmed nor denied by sources close to Channell. There is also the report that Villa Escalera met with President Reagan. What the *Herald* does confirm is that two days before the Channell-

Villa Escalera meeting, Channell met with President Reagan "to discuss Nicaragua and . . . brought up the issue of Mexico." Reagan stated that he was very "upset" and "disappointed" that President de la Madrid had not taken a "stronger position in supporting democracy in Nicaragua."

The connection to the Contras themselves so far has only been made public by *EIR*. Villa Escalera confirmed May 12 that he had had discussions with Jaime Morales Carazo, the Nicaraguan Contra whose brother, José Morales Carazo, is currently Contra chief Adolfo Calero's lawyer. As Calero's lawyer, José Morales Carazo will soon be called to testify before independent counsel Lawrence Walsh's Iran-Contra investigation.

In the summer of 1986, a secret meeting took place in Miami, where Morales Carazo proposed to PAN representatives that they form a "joint commando unit" of Nicaraguan Contras and "Mexican Contras," that is, the PAN, to overthrow both the Mexican and Nicaraguan governments. They were confident that the United States would support the endeavor.

Morales Carazo, Villa Escalera, Corella, and Gurza are all members of the PAN business front, Coparmex, which receives funding from the National Endowment for Democracy through the Center for International Private Enterprise. The NED is the public arm of North's clandestine "Project Democracy" network.

Villa Escalera is also in touch with the Heritage Foundation and the Roosevelt Center for American Studies. The Mexican specialist at the Washington-based Roosevelt Center is Richard Nuccio, accused in Mexico of being a CIA agent. Nuccio participated in the meetings with the PAN and Channell, according to reliable sources.

With this evidence, why has the Mexican government not given the PAN the treatment it deserves? The answer lies in Mexican Interior Minister Manuel Bartlett's role in promoting a Project Democracy-style political reform in Mexico based on a "bipartisan system" in which the PAN is to play "conservative" to the PRI's "leftist" line.

The Party of Treason book began to expose the PAN's clandestine backers within the Mexican political system, known in Mexico as the *enPANizados*. Some of these inside the Mexican government will start to come out as the Iran-Contra investigation evolves. Leading the list is the press secretary to the presidency, Manuel Alonso. In October 1985, he hired the Washington-based Peter Hannaford and Associates to help "improve Mexico's image abroad." The Hannaford Company was also hired by Channell's National Endowment for the Preservation of Liberty for the same purpose. Jared Cameron, an employee of Hannaford, was Channell's spokesman during the entire year that Hannaford was representing "Mexico's interest" in Washington.

If the Mexican government lets this opportunity to finish off the PAN go by, it will commit a more serious crime against Mexico's future than the PAN's treason.