

Kissinger's pals running Panama war

by Gretchen Small

The emergence of William D. Rogers in the limelight of the Reagan administration's war against Panama, proves again that the anti-Noriega campaign is run by a group of sleazy private interests determined to transform Panama into another Hong Kong: Noriega is in their way.

Rogers speaks for Henry Kissinger, and the Rockefeller interests that pay Kissinger's bills. Rogers is not only Henry Kissinger's private attorney, but a partner in Kissinger Associates, the lucrative investment consulting firm which specializes in seizing assets in developing nations, as payment for foreign debts.

Rogers has been so active in Ibero-American debt deals, that he's been nicknamed "Bill Collector Rogers." With his Panama war, Rogers has been given a new title by the *Washington Post*: "the 'lanky gringo' [cast] as a master puppeteer in Latin American affairs."

"I tend to think of it as an unprecedented revolution by litigation," Rogers told the *Washington Post* in an interview published on March 22. He explained: "I don't know of any effort to overturn another government by litigation which really was based on, and derived from, litigation in the United States. Or that worked as fast as this, or that had the consequences this one had. Or that a law firm was as deeply involved in as we have been."

He, and a team of 20 lawyers at his firm, Arnold and Porter, devised what they consider to be an unbeatable strategy to bring Panama to its knees: Cut off the flow of dollars to the country. Backed up by the power of the U.S. government, Arnold and Porter's lawyers have sued, or threatened to sue, any institution or person which attempts to send dollars to Panama. Since Panama uses the U.S. dollar as its national currency, as it has since 1904, without dollars, its economy has ground to a halt.

Members of the Reagan administration had considered activating the International Economic Emergency Powers Act against Panama, as the juridical basis to seize Panama's assets abroad, but pulled back when officials at the Treasury Department and the Federal Reserve warned that any such action would weaken confidence in the U.S. banking system, already teetering at the brink of generalized collapse. Thus, the operation was handed over to Rogers and his "private" law firm.

A Hong Kong revolution

What Rogers means by "revolution," is to run the nationalist resistance out, so that his private business buddies can be placed in power in Panama. Rogers told the *Post* that "the government of Panama" has been set up in Arnold and Porter's offices, where they are lining up prospective private investors for Panama, once the economy has been fully deregulated.

The central figure in Arnold and Porter's "government," is Panamanian millionaire Gabriel Lewis Galindo—a business partner of Colombia's former President Alfonso López Michelsen. A close friend of Fidel Castro's, López Michelsen has served as the public representative of the cocaine mafia's interests since his infamous meeting with the chiefs of the Medellín Cartel in May 1984.

But this isn't the first time Arnold and Porter has worked with friends of Fidel Castro in the region. In 1981, Arnold and Porter—shortly before becoming the law firm for Kissinger Associates—served as the registered foreign agent for Nicaragua's Sandinista government in Washington, advising them on "U.S. laws, regulations and policies, arms exports, and trusts and estates."

Lewis Galindo is an intimate of the Kissinger-Rockefeller apparatus, working closely from the beginning with former National Security Council member Norman Bailey. Bailey set out to overthrow Panama's military in 1985, when his banker buddy Nicky Barletta was ordered by Panama's military and political elite to break with the International Monetary Fund, or quit as President of Panama. Barletta quit.

While at the National Security Council, Bailey played a key inside role in handing control of Reagan administration policy toward Ibero-America over to the Rockefeller-Kissinger apparatus. Before Richard Allen brought him onto the Security Council in 1981, Bailey had been involved in several schemes to set up free trade zones, exempt from any government control or inspection, at various places around the globe, including drug financier Robert Vesco's 1970s attempted Azores "liberation movement."

Once on the NSC, Bailey focused on converting the Caribbean into a "free enterprise" paradise. With David Rockefeller, Bailey drew up a scheme called the Caribbean Basin Initiative (CBI), which granted tax incentives and import benefits for U.S. businesses which set up operations in the free trade zones which Rockefeller's crew was promoting throughout the Caribbean. Bailey's CBI promoted the so-called "Jamaica model." The motor which drove the Jamaica model, as administration officials admitted, was drug monies, channeled into "private investment" through a facility established at the Central Bank.

In 1984, Kissinger demanded that the Reagan administration make Bailey's CBI scheme into the U.S. program for the whole region. He got his way, when the administration accepted the recommendations of Kissinger's Bipartisan Commission on Central America, which demanded that the "Hong Kong model" be imposed on Central America.