

Panama Report by Carlos Wesley

Endara's in hot water again

New drug charges against Endara confirm what EIR has reported. But why is Bush attacking him now?

A report prepared by the U.S. Drug Enforcement Administration reveals new ties between Panamanian President Guillermo Endara and the drug cartels. According to the DEA report, made public by the president of the opposition PRD party, legislator Gerardo González, on April 4, Endara was an officer in a network of companies set up to launder money for a ring that smuggled one ton of cocaine into the U.S., each and every month, between 1978 and 1990.

Endara was installed as President by the Army that George Bush sent into the country in December 1989, to "get" Gen. Manuel Noriega because, according to Bush, General Noriega was involved in drug trafficking. At least 4,000 Panamanians were killed in that invasion. Before, during, and since the invasion, *EIR* has reported on the partnerships with the drug cartels of Endara and most of the top officials in his coalition.

The DEA report says that Endara was secretary treasurer of at least 6 of the nearly 150 corporations and banks that laundered funds for a gang run by Augusto Falcón and Salvador Magluta, who were both convicted last year by a U.S. court of smuggling cocaine into Florida from 1978 to 1990. Among the institutions that laundered their funds were Banco del Istmo, Banco General, Banco de Colombia, Banco Alemán, Banque Sudameris, and Union Bank of Switzerland.

At a hastily called news conference April 5, Endara admitted his ties to the companies, but denied any involvement with drug-money laundering. His law firm, Solís, Endara

and Delgado, helped set up the firms "as a favor for our friend Juan Acosta," a Miami lawyer who was killed, gangland style, in what is believed to have been a drug-related execution. Endara claimed he severed relations with the companies in 1987, but that was denied by sources in Panama's Legislative Assembly, who say he did not resign until 1990, after he was confronted by the DEA.

One Endara law partner, Hernán Delgado, is listed as president of all six companies. He is currently Endara's chief presidential adviser. His other partner, Menalco Solís, runs the CIA-trained National Security and Defense Council and the Institutional Protection Service.

Panama's Attorney General Rogelio Cruz was given the DEA report months ago, but failed to act on the information, sources said. Cruz was himself linked to a money-laundering bank, First Interamericas, a joint enterprise of the Medellín and Cali cocaine cartels. Endara has also been linked to First Interamericas. An earlier report from the DEA said that Endara was a co-owner of yet another drug-money laundering bank, Banco Interoceánico, also known as Interbanco.

In his press conference, Endara said that early in 1990, he and his law partners gave information about companies in the Falcón-Magluta case to U.S. officials. "The DEA and the U.S. Embassy, which are the same thing, promised us confidentiality," said Endara, who let it be known that the Bush administration leaked the information in order to blackmail him.

The U.S. Embassy in Panama de-

nied it was the source of the leak, but did not deny the accuracy of the report. It said that Endara's law partner, Delgado, was "lending valuable assistance" to the ongoing investigation and that Delgado is not a target of the investigation. The embassy statement stressed that the report, a sworn affidavit prepared by DEA agent Yvette Torres, "neither states nor implies that the officials, directors or agents of the corporations were aware that they were involved in money laundering."

The U.S. has been pressing Endara to sign a Pact of Mutual Legal Assistance, which Panama says could shut down its Swiss-style banking center and finish off its economy. There is also a move, backed by the GOP establishment, calling for renegotiation of the 1977 Panama Canal Treaties, to allow U.S. troops to remain in Panama permanently. Endara says he will not renegotiate, which makes the timing of the leaks against him most interesting.

The new revelations came as Endara's coalition finally came apart, with the resignation from the cabinet of the Christian Democrats of First Vice President Ricardo Arias Calderón on April 8. Endara had been trading charges and countercharges with the Christian Democrats, of wire-tapping, illegal arms smuggling, and corruption. Arias Calderón quit his post in the cabinet, as Minister of Government and Justice, although he remains vice president. The other member of the U.S.-installed ruling troika, Second Vice President Guillermo "Billy" Ford, retained his cabinet post, as Minister of Planning and Finance.

Ford, former co-owner of the notorious Dadeland Bank of Miami, is a strong favorite among those being considered to replace Endara when Bush decides to get rid of him. Another is Gabriel Lewis Galindo of Banco del Istmo.