

dirty money, which in the end dragged one-third of the nation's commercial banks into bankruptcy.

After CAP's fall, the truth about the financial sewer he had fostered began to surface. The first bank to fail, in January 1994, was Banco Latino of Tinoco and Cisneros. It had grown from the fifth or sixth bank of the country, to second in importance during the three years Tinoco headed the BCV. During that same period, Banco Latino acquired several banks along the border with Colombia, became partners with Medellín's Banco de Antioquia, and set up its first branch in Bogotá, steps which many viewed as big-time moves into money laundering.

Over the coming months, many banks were declared insolvent by the government, and in March 1994, eighty-three Banco Latino directors, managers, and advisers were indicted for embezzlement, fraud, and a host of other charges. Among these was Ricardo Cisneros Rendiles, an important Banco Latino shareholder. Most of these bankers, including Cisneros, fled the country one step ahead of the law, and are sought by Venezuelan authorities through extradition.

A number of Venezuela's indicted dope bankers are reportedly in Miami. For example, during the recent DEA

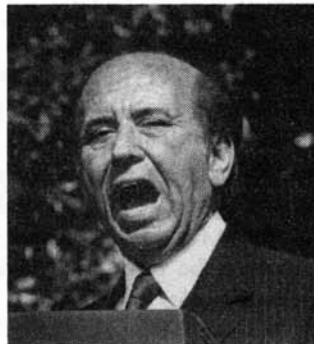
dragnet against the Cali Cartel in the United States, Venezuelan financier Hugo Perera was arrested in Miami. Perera has a number of casino and other investments on the island of Margarita. At the time of his arrest, Perera was travelling in a car registered to Roberto Malave, the fugitive former director of Banco Latino, who has been sued in a federal court in Miami by Venezuelan authorities representing Banco Latino depositors.

Another example is that of Cisneros-linked banker Orlando Castro Llanez. In 1994, Castro Llanez was accused in Miami of laundering drug money, but received legal counsel from former U.S. prosecutor Joel Rosenthal. Rosenthal is today a confessed agent of the Rodríguez Orejuela brothers, after being accused of these crimes in June 1995 in the Miami federal indictment.

The Caldera government has taken a number of steps to regain sovereign control over Venezuela's financial system, and finish off the job against the dope bankers. Critical was the July 1994 imposition of exchange controls, which has provoked violent howls of protest from the banking mafia, their international financial cohorts—including the International Monetary Fund—and others.

Carlos Andrés Pérez

Twice President of Venezuela (1973-78; 1989-93), life-long Socialist International leader Pérez (known as "CAP") was one of George Bush's closest allies during his second term in office. "Venezuela, under the command of President Pérez, is a leader of the



great movements which we are witnessing in Latin America to consolidate democracy," said Bush in December 1990. Indeed, CAP protected the Nicaraguan Sandinistas, the Salvadoran FMLN, Haiti's Jean Bertrand Aristide and his Lavalas movement, and the member groups of Colombia's Simón Bolívar Guerrilla Coordinator (M-19, ELN, FARC), including giving the last Venezuelan diplomatic passports.

Under his free-trade economic program, financial speculation and the drug trade zoomed. Advising CAP were Henry Kissinger, Venetian porno-businessman Lucio Benetton, American Express's James Robinson—members of CAP's Advisory Council on Foreign

Investment.

U.S. Drug Enforcement Administration sources told German anti-drug investigators that Gilberto Rodríguez Orejuela visited Venezuela frequently during CAP's regime, and even held a Venezuelan passport, according to the 1992 book *Die Verbrecher Holding: Das vereinte Europa in Griff der Mafia*. "The drug mafia has reached the highest levels of the Presidential Palace. . . . Involved in it are the closest collaborators of the President," wrote authors Jürgen Roth and Marc Frey.

CAP intervened to secure narco-czar Jorge Luis Ochoa's extradition from Spain to safety in Colombia in 1985, the authors charged. Ochoa and co-defendant Gilberto Rodríguez had also hired former U.S. Justice Department official Michael Abbell to defend them. Jorge's father, Fabio Ochoa, told journalists in 1988 that he had given CAP two purebred horses as repayment for helping with his son, and earlier, to free Ochoa's kidnapped daughter. CAP claimed he had only met Fabio Ochoa at "a horse show."

CAP and his close buddy, Spanish Socialist Prime Minister Felipe González, shared another mutual friend, Spanish "businessman" Enrique Sarasola, linked since the 1960s to Robert Vesco, the U.S. fugitive financier who set up money laundering for Carlos Lehder's Medellín Cartel, before moving to Cuba. It was Sarasola who, in 1982, reportedly invited Colombian narcos, and then-Congressmen Pablo Escobar and Alberto Santofimio, to attend González's inauguration as prime minister.