

Andean Report by Jacobo Frontoni

Runaway banker Castro nabbed in Miami

Manhattan's District Attorney is cooperating with Venezuela's Attorney General in a portentous move.

Orlando Castro Llanes, a Cuban-Venezuelan banker and fugitive from Venezuelan justice, was arrested in Miami on April 3 under a warrant sworn out by Manhattan (New York), District Attorney Robert Morgenthau. Together with Castro Llanes, his son, Orland Castro Castro, and his grandson, Jorge Castro Berrero, were also detained.

The Castro arrests could be the beginning of a series, hinted Venezuelan Attorney General Jesús Petit da Costa. During the press conference at which Morgenthau announced the charges against the Castros, Petit da Costa stated in New York that because of the inefficiency of Venezuelan justice, which allowed Castro to flee the country and never requested his extradition, "there had to be a way out. This way out was to resort to foreign cooperation." Petit da Costa added that he hopes that this international collaboration will end the impunity which the fugitive bankers have enjoyed by living abroad. He indicated that the Manhattan District Attorney's office carried out the investigation with the constant collaboration of the Venezuelan Attorney General's office.

Petit da Costa was referring to the fact that there are many fugitive Venezuelan bankers, many of them in Miami: such as Ricardo Cisneros, perhaps the most notorious, one of the directors of the fraudulently bankrupted Banco Latino and brother of Gustavo Cisneros, head of the Cisneros Group and owner of Venevisión.

Banco Latino went bust in January 1994, and in February 1996, Alejandro Peña Esclusa, the secretary of the Venezuelan Labor Party and chairman of the Ibero-American Solidarity Move-

ment of Venezuela, called on the government to seize the bankers' property, including that of the Cisneros family, in order to make sure that depositors be paid. While Ricardo Cisneros was fleeing, the Cisneros Group tried to jail Peña Esclusa with a judicial frameup, charging him with inciting people to destroy Cisneros property. The formal plaintiff was the president of Venevisión, Carlos Bardasano. Finally, Peña Esclusa won the case, and recently he brought a criminal suit against Bardasano for libel, injury, and perjury before a public functionary, committed against him. At the end of March, Bardasano was subpoenaed to answer these charges before Criminal Court 34.

The Manhattan District Attorney's accusations against the Castros include money-laundering, a \$15 million fraud against the Banco Progreso Interamericano's depositors (a Puerto Rican bank which closed its doors with a fraudulent bankruptcy in January 1995), and use of credits from the U.S. Federal Reserve Bank for fraudulent ends.

The Castros—father, son, and grandson—are modern bankers; i.e., they are extremely heterodox, with no scruples about laundering money, funding terrorists (like Causa R, a Venezuelan arm of the Cuban-steered São Paulo Forum), or using lawyers formerly in public service to serve the drug kingpins. In a story datelined from Miami in the Caracas daily *El Nacional* of June 9, 1995, journalist Ricardo Guanipa wrote that, as a fugitive, Castro Llanes had contracted the services of the lawyer Joel Rosenthal, former federal prosecutor in Miami and New York, and suspected by the

Drug Enforcement Administration (DEA) for his ties to Colombia's Cali Cartel. Accused among other things of having advised and received money from the Cali Cartel, Rosenthal pleaded guilty to money laundering.

El Nacional added that Rosenthal also helped Castro Llanes in 1994 in his lawsuit (in Miami) against Thor Halvorssen, a former Venezuelan Presidential anti-drug commissioner. In statements published by the Caracas press on April 8, Halvorssen commented on the Castros' arrest: "Finally the world of the untouchables has started to totter." According to the newspapers, Halvorssen also said that he had brought "irrefutable proofs" against Orland Castro and his family. The press recalled that Halvorssen and parliamentarian Luis Hernández had exposed Castro's ties to the Medellín Cartel of Colombia. The daily *2001* told its readers that "in 1989 Rep. Luis Hernández publicly exposed Castro Llanes for working with the Medellín Cartel and [drug kingpin] Pablo Escobar Gaviria. At that time, nothing could be proven, but the DEA continued investigating the banker's every move."

Caracas press sources say that Castro Llanes was a partner of Gustavo Cisneros in the hostile buyout of television Channel 10, Televen, in 1991, together with Banco Latino front men such as Andrade Arcaya, another fugitive and ex-director of the Banco Latino.

Queried by the press on the Castro Llanes case, the ousted ex-President of Venezuela, Carlos Andrés Pérez, claimed: "While I was head of the Executive, I had no relations with Orland Castro." The fact is, that just like Banco Latino, the Castros' bank grew enormously during the Pérez government, when Venezuela was turned into a paradise for speculation and money laundering.