

Report from Rio by Sylvia Palacios

Drugs and narco-dollars invade Brazil

The Federal Police chief is under attack for his own "French Connection" against drugs.

The cocaine mafia and the companies which launder its money, specifically the gold and diamond companies commanded by the British Crown, have taken root in Brazil. Though the traffickers have been moderately hit by the Federal Police, the money-laundering nexus, the heart of *Dope, Inc.*, remains untouched and welcomed as respectable "foreign investments."

Federal Police chief Romeo Tuma became the first Brazilian official to publicly demand more rigorous action against narco-finances. On Oct. 18, Tuma told the Second Congress on Prevention and Abuse of Drugs that the justice and finance ministries had to sign a covenant immediately "to permit carrying out the financial investigations required to reach those responsible for the traffic . . . hidden behind business fronts known to launder money."

His Division of Narcotic Drugs had just cracked down on a new route which the traffickers inaugurated to move hundreds of kilograms of Bolivian cocaine from Brazil to Europe and the United States. The police found that the chiefs of the "Belgian Connection" gang and their Israeli contact were veterans of Middle East heroin traffic.

On confiscating 380 kilos of pure cocaine and basic cocaine paste in Sao Paulo Oct. 17, the police apprehended a gang of Colombians, Bolivians, Brazilians, and three Israelis. Part of

the drug shipment was to be sent to Brussels, to the Hotel Sheraton. The gang is run by an Israeli citizen named Ben David "Roni" Calderón a/k/a "Papi." He was a famous soccer player in the 1970s, and escaped jail in Israel where he was convicted in 1980 of bringing in 2.5 kilos of heroin. According to the Israeli publication *Le-diot Ajronot*, "Roni" ran a drug gang in New York and robbed about \$1 million from American banks. In Brazil, he had a joint venture with one Luis Mutón de Oliveira, an intimate friend of Bolivian "Cocaine King," Roberto Suárez. The police asked the justice ministry to confiscate all the traffickers' assets.

Romeo Tuma had just been in Paris to seek aid against drugs and terror. He met with French Interior Minister Charles Pasqua and Security Minister Robert Pandraud. Tuma praised France's tough treatment of drug consumers. That surely shocked the liberal mafia encrusted in Brazil's Federal Council on Narcotic Drugs which, in various ways, has sought to legalize or tolerate marijuana smoking.

Tuma wants to restructure the Brazilian police on the French model. "We came here," he declared, "to examine aerial surveillance against traffickers and terrorists because France developed a very efficient control scheme using helicopters which we would like in Brazil."

The powerful Federal Police chief was also impressed by French police

and army cooperation against terrorism. "The work of the armed forces with the police under orders of regional police, which I saw in Marseilles was quite impressive." He wants to send some Brazilian police to France immediately to be trained as an elite corps, like France's special services.

Thus, it is very strange that Justice Minister Paulo Brossard, according to a note in the daily *Jornal do Brasil* Oct. 19, wants to curtail the powers "of the for now all-powerful Romeo Tuma," by naming an old enemy of his as his adviser.

One can be sure that Tuma's agreements with the French police were not appreciated by the "audacious" narco-investors linked to the British Crown. They are trying to consolidate in Brazil those areas which traditionally conceal fabulous profits. Hong Kong and Shanghai Bank, the central bank of the Asian gold and narcotics trade, has set up shop in Brazil. Harry Frederick Oppenheimer, South African owner of the de Beers Oppenheimer Corporation and co-owner of the Anglo-American goldfields has grabbed almost 70% of the industrial production of gold in Brazil, along with other strategic minerals.

"Brazil became Harry's favorite country," *Jornal do Brasil* noted Oct. 18. During the past five years, his companies have invested more than \$350 million in everything from chestnut production to gold and diamond exploration in the Amazon. His latest business, together with Citibank (on whose international board he sits, along with former finance minister Mario Simonsen) and the Bozano-Simonsen group, is building a luxury hotel complex here in Rio.

In the book *Dope, Inc.*, Jeffrey Steinberg and other *EIR* reporters documented that tourism, gold, and diamonds are the top money-laundering fronts.