Arms, drugs, and terrorism ‘made in East Germany’

by Rainer Apel and Herbert Quinde

The East German people are finally doing what two Republican administrations have actively obstructed, and what the Democratic Party leadership, the U.S. Congress, the Tower Commission, along with the well-staffed office of Special Prosecutor Lawrence Walsh have been unwilling or unable to do: get to the bottom of the Iran-Contra affair. Over the past two years, a substantial sum of American taxpayer dollars has been spent in search of tens of millions of unaccounted-for Iran-gate dollars used to purchase weapons for the failed Nicaraguan Contras. And the smell of dirty drug-money was overpowering.

Recent events in the fast-paced East German political scene now promise to reveal that significant amounts of those funds, such as those managed by Oliver North and his friends in the Reagan-Bush White House, the National Security Council, and the Central Intelligence Agency, found their way into private Swiss bank accounts of some of the most prominent members of the now-deposed East German communist Socialist Unity Party (SED).

On Dec. 6, deposed East German strongman Erich Honecker and several other SED bosses were put under house arrest, charged with embezzling in the range of $10 billion which is now socked away in Swiss banks. All over East Germany, anti-government protesters surrounded the offices of the East German intelligence service, the Staatssicherheitsdienst (or Stasi for short), chanting, “We want the files! Protect the files!” Daily flights to Romania were canceled as rumors spread that Stasi agents were loading planes full of secret police files for safekeeping. On Dec. 7, a spokesman for the West German constitutional police, the Bundesverfassungsschutz, announced that a large number of senior Stasi officers were defecting to West Germany and that their processing had been streamlined.

One of those who presented himself to the authorities in West Berlin was Alexander Schalck-Golodkowski, a high East German official who since 1967 had headed the Commercial Coordination Area, a government entity composed of a variety of shady firms. His East German lawyer, Wolfgang Vogel, indicated to the news media that his client feared for his life, because he was a repository of knowledge about the illegal weapons and drug trade. Vogel himself, who is the most prominent attorney in East Berlin and has figured in every major East-West spy exchange over the last two decades, was arrested on Dec. 5 on charges of “criminal blackmail,” but was released the next day after the authorities claimed it was a “mistake”—leading one European source to speculate that “It seems Mr. Vogel’s blackmail worked.” Among other things rumored not to appear on Vogel’s résumé, is his former role as “currency exchange” courier for his personal friend Erich Honecker.

The IMES GmbH connection

“Arms were smuggled into Africa, the Middle East, South America. Is it possible that arms coming from the G.D.R. killed the 175 children in Soweto? Or that terror commandos blew up people in the Middle East with G.D.R. explosives? It is possible that the students who were shot on the Square of Heavenly Peace were brought down by G.D.R. bullets?”

With these words, Der Morgen, the newspaper of the Liberal Democratic Party in the German Democratic Republic, commented on the case Schalck-Golodkowski, who had just gone into hiding, and that of his Commercial Coordination Area trading empire. “Who knows,” the paper went on, “if the Schalck financial mafia wasn’t also in cahoots with the drug mafia in South America, where they were sending...
their weapons?"

It first came out in mid-October that top SEDers were involved in import-export firms run by Schalck-Golodkowski, but things became even hotter in mid-November, when residents of the town of Kavelstorf in the vicinity of Rostock observed that approximately 20 East German Army trucks, emblazoned with special "dangerous cargo" signs usually reserved for transport of arms or explosives, had been driven onto the grounds of the firm IMES GmbH and were engaged in hastily loading up some cargo.

IMES, headquartered in Kavelstorf since 1985, is located on heavily guarded grounds and has its own railroad spur which leads to the equally heavily guarded military district of the Rostock seaport. IMES has never employed any local residents from the area around Kavelstorf and Rostock. Whatever the firm did, it was certainly top secret.

When at the end of November it became known that the firm was part of Alexander Schalck-Golodkowski’s empire, members of the New Forum and other opposition groups in Rostock decided to have a look. With the assistance of the local police authorities and accompanied by a television crew, the group gained entry into the firm and discovered a huge stockpile of arms, ammunition, explosives, and documents indicating large-scale illegal transactions, including arms shipments to Ethiopia, Angola, the Middle East, and South and Central America. As the cameras rolled, a representative of the New Forum spontaneously voiced the suspicion that "I wouldn't be all that surprised if it also comes out that the G.D.R. was involved in the drug trade."

**East Berlin, terrorist base**

The revelations in Kavelstorf confirmed earlier hints that the G.D.R.'s intelligence service, the Stasi, was directly involved in the international network of drugs, arms, and terrorism. It has been known for years, that the Schönefeld Airport on the southern outskirts of East Berlin was an important transfer-point for the international drug traffic into West Berlin, and thus into all of Western and Eastern Europe. It was further known that many of the most dangerous international terrorist groups had their base of Western European operations located in East Berlin. These groups included the terrorist "Carlos" and the PFLP-GC of Ahmed Jibril, the PFLP special operations group of the now-deceased Wadi Haddad, and the organization of Abu Nidal, which was responsible for the bombing of the West Berlin discotheque "La Belle" in April 1986.

Western specialists on terrorism knew that especially the PFLP-GC, which was run jointly by the Syrian intelligence service and the Stasi, had been working closely since 1986 with the Red Army Faction in West Germany. Since 1987 the PFLP-GC's East Berlin group was run by Kassem Dalkamoni, who is thought to have been involved in preparing and carrying out two bombings of American military trains on Aug. 31, 1987 and April 26, 1988. Dalkamoni is also thought to be the mastermind of the bombing of PanAm Flight 103 on Dec. 21, 1988, which claimed 270 victims in the skies over Lockerbie, Scotland.

On Oct. 27, 1988, Dalkamoni was arrested on West German territory, along with 16 other members of his group, by officers of West Germany's criminal police. But most of those arrested were promptly set free again because of "insufficient grounds of suspicion"—a macabre story, in view of the PanAm 103 bombing, which occurred only three weeks after their release and was already in the final planning phase. Could that disaster have been prevented, if the entire group had remained in police custody?

The Stasi's involvement in the background of the PFLP-GC has been known since early 1986, but was never publicly discussed in the West. It should be recalled that this was when preparations were under way for a visit by Erich Honecker, with the West German government making obscene efforts to sweep all uncomfortable questions about the G.D.R. under the carpet.

**Rostock and Iran-Contragate**

The mysterious role of the Rostock seaport, which up to now has been a militarily cordoned-off area with no public access whatsoever, has repeatedly come up in discussions about the international arms and drug traffic. In December 1985, for instance, the firm Bofors/Nobel Kemi, whose name turns up repeatedly in the Iranagate affair, is known to have shipped arms and explosives from the aforementioned Rostock firm IMES into Iran.

In the spring of 1986, the case of the Danish freighter *Pia Vesta*, which was almost nabbed by the Peruvian coastal guard as it was carrying tons of Soviet trucks, AK-47 rifles, and anti-tank rockets, presumably destined for the Shining Path terrorist group, made international headlines for weeks. The ship headed for Nicaragua to unload its cargo, but was detained and seized by the Panamanian authorities. According to information from circles within the Danish seamen's union, the shipment had originated in Rostock, and had come from IMES.

Further investigations since then have brought to light the fact, that the arms aboard the *Pia Vesta* had actually been destined for the Contra rebels in Nicaragua, and that the shipment had been financed and arranged in a three-way deal between the Syrian arms dealer al-Kassar, Oliver North of Contragate fame, and the Libyan bank ARES in Madrid. The same Monzer al-Kassar is known to spend part of his "business year" in Eastern European countries. The ship itself was owned by SA Shipping of Copenhagen, and was managed by CSF of Switzerland. CSF was a firm identified by Iranagate investigators as used by North to run arms to Iran and the Contras. Another ship owned by the Oliver North-NSC network, the *Erria*, shipped tons of Polish arms to the Contras.

Despite Oliver North's reported boasting that he had
fooled the Soviet KGB into getting weapons shipped out of Poland, sources knowledgeable about the East Bloc arms trade concur that North and friends could not have purchased a single arms shipment from any East bloc nation which was not coordinated by, or at least known to, Schalck-Golodkowski’s apparatus.

In addition to its involvement in shipments by IMES and other private shipping lines, the G.D.R. also has its very own shipping firm, DSR, which has offices in Vienna and Larnaca on the island of Cyprus, and is very active in traffic between Rostock, Barcelona, and Syrian-dominated ports in the Middle East. I.e., a large portion of Syria’s terrorist network in Europe and the Middle East is supplied by DSR with arms, explosives, and other materials.

So, it seems clear that the question asked above by the East German newspaper Der Morgen about whether terrorist commandos in the Middle East are using explosives from the G.D.R., can be answered in the affirmative.

An even murkier aspect is the G.D.R. intelligence service’s illegal overseas trading with South America along the lines of “arms for drugs” or “drugs for dollars.” There are indications that in order to get around the tight customs control in Western European ports, drugs from Colombia and Bolivia are sent into Western and Eastern Europe via Rostock. The G.D.R.’s involvement in the illegal drug business dates at least back to Erich Honecker’s visit to Cuba in May-June 1980. Honecker’s retnue on that visit included none other than his minister for state security, Erich Mielke. What was he looking for there?

Cuba, Nicaragua, and the ‘Startbahn-West’

Stasi agents were already active inside Cuba in the mid-1960s. Around that time, Mielke had his agents take on the dirty work in South and Central America handled up to then by the Soviet KGB, which in the wake of the Cuban Missile Crisis had had to recede more into background. One of the most controversial cases was that of the Stasi foreign agent Tamara Bunke, who together with the Cuban revolutionary Ernesto “Che” Guevara built up a terror and sabotage network in Bolivia, and who, along with him, was caught by Bolivian soldiers while engaged in fulfilling that mission, and subsequently shot.

The G.D.R. also played an important role in preparations for the Nicaraguan revolution and in supporting the leftist junta’s seizure of power in Managua. East German supplies of all kinds were sent to Nicaragua not only by sea, but also directly via the Schönefeld Airport. Also, in the latter half of the 1980s, West German extremists from the leftist “scene” around the protests against building a new runway at the Frankfurt Airport, the so-called Startbahn-West, are said by Western intelligence sources to have been formed into “international solidarity brigades” and flown into Managua, where they were taken to special paramilitary camps and instructed in irregular warfare by East German trainers.

The Article 6 Debate

Soviet Communist

by Rachel Douglas

As one after another Warsaw Pact member country in Eastern Europe changes its constitution to eliminate the “leading role of the Communist Party,” enshrined in each of them, the Communist Party of the Soviet Union itself confronts staggering challenges from within and outside of party ranks. Academician Andrei Sakharov, not a party member, has summoned Soviet citizens to go on strike Dec. 11 for the elimination of the corresponding Soviet statute, Article 6 of the U.S.S.R. Constitution. On Dec. 7, the Supreme Soviet (parliament) of Lithuania—one of the three Baltic nations that have the status of a Soviet Socialist Republic within the Soviet Union—jumped ahead of that schedule. In a vote of 243-1, it abolished the supreme authority of the Communist Party in Lithuania.

As these rapid events show, the political revolution in Eastern Europe and the internal Soviet economic crisis have trashed the CPSU’s painstakingly drawn agenda, which called for a year-long preparation for next year’s 28th CPSU congress and for a careful, planned out redistribution of power between party institutions on the one side and the popularly elected soviets on the other. The CPSU is in turmoil over how it will continue to rule at all.

Some of the big news on the Soviet party’s troubles has been only scantily reported in the West, such as a demand from within the second most powerful local Communist Party organization in the country, the Leningrad party, for the resignation of Gorbachov and the rest of the top leadership.

On the Nov. 26 edition of a weekly Soviet TV program, “Seven Days,” commentator Eduard Sagalayev covered a mass rally in Leningrad as “one of the main political events in the country last week.” The 20,000-strong rally, on the evening of Nov. 22, became the focus of furious debate in the Soviet press. Newspapers took sides the way they had done in the spring of 1988, when the Russian Republic newspaper Sovetskaya Rossiya printed a letter from Leningrad chemistry teacher Nina Andreyeva, who accused the CPSU under Gorbachov of abandoning socialist principles.

The organizer of this rally in the U.S.S.R.’s second-biggest city was the Communist Party—the Leningrad regional and municipal party committees (the Obkom and the Gorkom), which, since a joint plenary session the day before, are both under the leadership of upstart Boris Veniaminovich.