

Colossal East-West arms and drug ring cracked

by Vivian Freyre Zoakos, European Editor

The following fact sheet has been circulated to law-enforcement and intelligence specialists internationally.

On Nov. 23, an international team working with Italian magistrate **Carlo Palermo** of Trento, carried out a series of arrests of individuals responsible for running the Milan side of "the biggest arms dealing network in the world," to cite Judge Palermo's words. According to statements from Palermo and other Trento magistrates at a press conference given Nov. 24, the eight arrests made on Tuesday represented the latest, dramatic climax of a three-year investigation, during which it was uncovered that the Milan-based firm of **Stipam International Transports** was the channel through which huge quantities of arms were shipped to the Middle East and to, indiscriminately, "black" and "red" terrorist units. Deliveries were paid by consignments of hard drugs into Italy, from which they were shipped into Sicily, for refinement and eventual delivery to the United States, and into Munich, for delivery to points north. Items shipped by the Stipam International Transports network included Cobra helicopters, Leopard battle tanks, sophisticated laser-based guidance systems, as well as grenades, machine guns, and other lighter weapons.

The Nov. 23 arrests were of the following individuals:

Henri Arsan: 70-year old Syrian residing in Varese, Italy. Owner of Stipam International Transports.

Giovana Morandi: Italian national; wife of Arsan.

Renato Gamba: president of the Renato Gamba weapons firm in Brescia, Italy. The Renato Gamba firm is 49.5 percent owned by a Milanese conglomerate, **Broggi Izar**,

which was recently spoken of as a probable partner of the Texas firm **National Petroleum** in a deal involving mutual exchange of corporate shares. The executive director of Broggi Izar, one **Giuseppe Alloni**, is also a member of the board of the Renato Gamba company.

Giuseppe Alberti: Arsan's associate at Stipam. Described by the newspaper *La Repubblica* Nov. 27, as the actual behind-the-scenes controller of Renato Gamba, the firm through which Arsan's Stipam purchased much of its weapons.

Mario Cappiello: Arsan associate at Stipam.

Edmondo Pagnoni: Arsan associate at Stipam.

Mohammed Nabir: Turkish national. President of the *Ital-Orient* firm with offices in Milan.

Eugenio Sacchi: described as one of the most important Milanese arms producers.

Part I: Turkey and Banco Ambrosiano

Stipam International Transports was at the center of an international operation in which consignments of hard drugs originating in the "Golden Crescent" and shipped from Turkey were exchanged for weapons of all levels of sophistication through a network which solidly interlinked the Mafia, drug producers, and distributors, illegal weapons traffickers and terrorist gangs.

Opium was purchased in Afghanistan, Iran, and Pakistan by the Turkish underworld who refined it into morphine. The morphine was shipped from Turkey into Italy through a route that included passage through Yugoslavia and Bulgaria, entering Italy through the northeastern city of Trieste on the

Yugoslav border. From Trieste, the morphine went to Milan, the distribution depot. Part of the shipments then went to Palermo, Sicily, where the Mafia refineries converted the morphine into heroin for transshipment into the United States. The rest went to Munich, West Germany, for shipment elsewhere.

Payment for the drug shipments was typically made in smuggled weapons of the cited levels of sophistication, according to the arresting magistrates. These left Italy again through the Trieste corridor. Often shipments of drugs arrived with requests for specific weapons. At other times the profit from the drug sales was used for bulk weapons orders for resale in various Middle Eastern countries and to groupings of fascist or communist denomination.

Speaking of this, Judge Carlo Palermo said at his press conference, in response to a question, that no distinctions were made between left- and right-wing terrorist units. All receive their weapons from the same source, operating through the same networks. Palermo added a polemic against the more usual forms of compartmentalized investigations: "The various phenomena of delinquency [different forms of criminal organizations—V.F.Z.] have been considered in compartmentalized fashion. Instead, it is wrong to say that the Mafia manages a specific traffic and that the underworld yet another. A global evaluation [of terrorist, Mafia, drug, and weapons smuggling organizations] is needed, rather, because at certain levels there are common points of contact. Thus it is that for those who wish to supply themselves with weapons, it is drugs which today represent the means of exchange."

At the center of this operation was Stipam International Transports, the export-import firm owned by Henri Arsan, and whose connections with the **Banco Ambrosiano** are currently under investigation.

Propaganda 2 connection

The Banco Ambrosiano, Italy's largest privately owned bank, became famous when it went into bankruptcy and its president Roberto Calvi was found hanged from London's Blackfriars Bridge on June 18. Calvi's fortunes had turned when, in the summer of the 1981, he was named in the list of extremely prominent individuals belonging to the secret Freemasonic Lodge Propaganda 2. The publication of the 900-odd list of Propaganda 2 members in May, 1981, precipitated the collapse of the Forlani government at that time.

Even more remarkably, the list's publication forced the resignation of each of the directors of every branch of the Italian secret services (SISMI, SISDE, CESIS), the heads of each branch of the Armed Forces, including the Italian equivalent of the Chief of the Joint Chiefs of Staff, and other highly prominent individuals.

They were all forced to resign because the Propaganda 2 was discovered to be a secret, conspiratorial organization with ties to every important terrorist, counter-insurgency, drugs and weapons smuggling, and related operation in every part of the globe.

Henri Arsan's Stipam International Transports was housed in a building belonging to the Banco Ambrosiano. The building was in Milan's Via Olfredi 2, where the Ambrosiano's branch #18 was also located. Stipam, earlier known by the name of **Arsexport**, had been in existence for 16 years, transferring to its present offices only five years ago when the Ambrosiano purchased the building.

Another connection to the Banco Ambrosiano has been cited and is under current investigation. The occupant of the flat on the floor below Stipam's offices was **Roberto Rosone**, deputy chairman of the Ambrosiano until his dismissal in July, following Roberto Calvi's death.

Judge Palermo is currently in possession of three suitcases filled with documents confiscated during the arrest of Henri Arsan. The documents consist mostly of telex transactions during the 16 years of Stipam activities, messages sent by Stipam to and from Milan, New York, Istanbul, Beirut, Damascus and Saigon. Through them, the definite links between Stipam and the Banco Ambrosiano—among other things—are expected to be established.

The Stipam-linked international drugs-for-weapons smuggling ring is thus only part of the Propaganda 2 conspiratorial intelligence nexus. Banco Ambrosiano chairman Calvi, prior to his London assassination, had been indicted by Italian authorities for using the Ambrosiano to conduct illegal financial transfers on behalf of the Propaganda 2.

The fact that the Stipam-centered colossal traffic of weapons and drugs between Milan and Turkey is part of a broader, powerful conspiracy, was referred to in an unusual press conference given by one of the officiating magistrates. Judge Palermo's titular superior, Chief Prosecutor of Trento **Francesco Simeoni**, made what were described as singularly harsh accusations against government institutions, including the intelligence services, at a press conference on Nov. 26.

He charged that the Milan-Turkey traffic could have been stopped much earlier if the "organs of the state" had chosen to intervene against an illegal situation that operated "almost in the light of day." Simeoni further noted that it is properly the job of the intelligence services—not the magistracy (roughly equivalent to local district attorneys)—to conduct this type of investigation. He then confirmed that even now there were powerful political forces at work to intimidate the magistrates against proceeding with the Stipam investigation, saying that he and his colleagues would "strongly oppose" all pressures and attempts to halt the investigation, and that they "would not allow" proceedings to be "shut down."

It has already been cited that the directors of the three branches of Italian intelligence, together with the heads of the armed forces and many industrial and media corporations were exposed and in many cases forced to resign because of their participation in a secret, conspiratorial Masonic lodge ruled "unconstitutional" by a parliamentary-appointed judicial body. The Propaganda 2 scandal, however, only revealed the tip of the iceberg of the behind-the-scenes international power brokers who wield authority against national

interests through control of both official as well as illegal bodies and channels.

Without elaborating the case here, it is sufficient to point to contiguous Italian findings and criminal investigations that are shedding light on the broader aspects of the conspiracy. One of these was the indictment on Oct. 18 of **Giacomo Mancini** under charges identical to those cited against now jailed leaders of the **Red Brigades** terrorist gang following the 1978 kidnapping and assassination of former Prime Minister Aldo Moro.

Mancini is one of the most powerful, prestigious figures of the **Italian Socialist Party**. Subsequent to his indictment, two other national leaders of the Italian Socialist Party have been similarly indicted under identical charges of conspiracy to aid the violent overthrow of the State.

Put briefly, the Mancini-related investigations are opening the door to establishing the precise activities of the Meyer Lansky networks in Italy and, through Italy, the rest of Europe and the Middle East. Mancini is the "political godfather" of the Calabrian **n'Drangheta** (Mafia). This organization, among its other activities, supplied manpower to the **Joe Adonis** operation centered in Milan since Adonis's arrival there in 1956 in his capacity as Meyer Lansky's leading European representative. It was this Milan-centered Adonis network which appears to have organized the current basic structure for heavy drug traffic into Italy.

The Milan-based Stipam network is thus likely an arm of the operations put in place by Joe Adonis in behalf of Lansky.

Turkish connections

The identification of Stipam and Henri Arsan as the nodal point of this drugs-for-weapons traffic was made possible, according to the arresting Italian magistrates, thanks in part to the cooperation of Turkish authorities. The Nov. 23 Italian arrests were preceded by the arrest in Turkey of the three individuals said to direct the Turkish side of the drug flow. "Not one gram" of heroin left Turkey that was not under the control of this specific mafia, said Judge Palermo at his press conference. The individuals arrested were **Kisakik Mustafa**, **Nehir Hasan**, and **Cil Huseyn**.

This Turkish mafia operated in Milan through a network maintained there by their agent, Salah Aldin Wakkes, who coordinated activities with the Italian Mafia boss **Gerlando Alberti**. According to Judge Palermo, the Alberti-Wakkes ring sorted-out the drugs entering Italy from Turkey, using money that came from kidnappings and similar criminal activities, depositing funds in current accounts in banks in New York, Zürich, Frankfurt and London. Alberti "deposited" the particular drug in the Trento-Bolzano-Venona triangle, from where it was shipped to Palermo, Sicily for refinement and transshipment.

Stipam was then in charge of procuring and shipping the weapons requested as payment for the drugs.

The drugs-for-weapons exchange deals were arranged in a series of second-rate hotels around Milan's Central Station

area, as well as in some café-bars in Sofia, Bulgaria. The **Berlin Café** and the **Japan Hotel** in Sofia have been named. Judge Palermo said that he himself went to the Berlin Café many times and witnessed some of these exchanges as they took place.

Two of the now-jailed Turkish drug mafia leaders, **Cil Huseyn** and **Kisakik Mustafa**, with whom the Syrian Henri Arsan's Stipam was in contact, are the same individuals identified as having been the drug contacts of **Karl Kofler**, one of the first individuals jailed in the earlier days of Judge Palermo's investigation. Kofler, the hotelier from Trento, had begun his career in the early post-war period as the head of a gang of kidnapers. He was later assassinated in jail.

Another person working with Kofler, as well as Henri Arsan, was the Turkish drug trafficker **Arslan Hanifi**, who was arrested in Istanbul but fled jail last May.

According to *La Repubblica* of Nov. 28, Henri Arsan was "accredited in all the countries that purchased weapons, and dealt directly with their respective governments." He "owned trains, ships, and had accounts for billions in banks throughout the world." Judge Palermo specified that a great number of weapons were sent to Skandaron, a small Syrian enclave occupied by Turkey for the past 30 years, to Kurdistan, Lebanon, and Syria proper.

One specific, large weapons sale that has been repeatedly spoken of by both Italian and Middle Eastern press was one in which the Banco Ambrosiano and its former chairman, Roberto Calvi, played a central role. This was a deal that was arranged and carried out during the height of tensions between the United States and the Khomeini regime in Iran. It involved the export of weapons from Israel to Iran in exchange for Iranian oil at favorable prices. The oil was delivered to Israel thanks to the cooperation of **British Petroleum** and **Royal Dutch Shell**.

The intermediary for this secret arrangement was the Banco Ambrosiano. "Middle East" magazine and "La Repubblica" specifically make mention of a Swiss concern, **Dreikot Driving and Financial Company** belonging to the **Hans** brothers and **Albert Kunz**, Roberto Calvi's Swiss representative. It was this Calvi company that mediated the delivery to Iran of the Israeli weapons.

Another cited intermediary in this instance was **Stefano Delle Chiaie**, the fascist Italian terrorist condemned for the 1969 Piazza Fontana massacre in Milan. Delle Chiaie fled Italy, taking refuge in Bolivia, where he operated under the protection of the Interior Minister in the former regime, training death squads and similar activities. Delle Chiaie was nearly arrested in an operation facilitated by the new Bolivian government on the first day of its taking power in October. While Delle Chiaie, however, narrowly escaped, his associate and fellow fascist **Pier Luigi Pagliai** was arrested and extradited to Italy.

Part II: Turkish drug Mafia and Agca

A second investigation, headed by **Judge Ilario Martel-**

la, and dealing with the attempted assassination of Pope John Paul II by the Turk **Mehmet Ali Agca**, has turned up evidence that ties the case to the Turkish drug mafia, the same mafia involved in the Stipam investigation.

On Nov. 25, two days after the arrest of Henri Arsan, Judge Martella arrested a Bulgarian residing in Rome named **Ivan Antonov**. Antonov is deputy director of **Balkan Tours**, travel agency of the Bulgarian airline, and shares offices with the commercial attaché of the **Bulgarian Embassy** in Rome. The arrest warrant accuses Antonov of "active participation in the attempted homicide of [Pope] Wojtyla."

Judge Martella has also issued international arrest warrants for two Turks, **Oral Celik** and **Bekir Celenk**. The warrants accuse them of inducing Mehmet Ali Agca to shoot the Pope. According to reports from Ankara, Turkey, both men are being safehoused in Bulgaria.

Celenk is the more important of the two. Turkish police describe him as a "Mafia boss" whom they have sought for the past three years for illegal exports of capital and fiscal fraud. He is the owner of a fleet of ships registered in Panama, and of a chain of hotels. Turkish authorities also consider him to be responsible for a vast traffic in weapons and drugs. One of his associates in this enterprise is **Abuzer Ugurlu**, who is now in prison.

Abuzer Ugurlu's involvement with Celenk directly links this drugs and weapons Turkish Mafia figure to the networks collaborating in the Stipam-led traffic in drugs and weapons. Ugurlu has been named in the Stipam case as being among the Turkish mafia leaders working with the **Gerlando Alberti** Mafia, the recipient of the Turkish drug shipments paid for by Stipam-organized weapons deliveries. It was Ugurlu's arrest that aided in the development of the investigative track that eventually led to Stipam. Among other things, Ugurlu was accused of turning over large sums of money as bribes to the former Turkish customs minister in order to have him place functionaries on the Turkish-Bulgarian border who would accommodate illegal drugs and weapons traffic.

Now Ugurlu's close associate, the above-cited Celenk, has been identified as the go-between in Agca's contact to assassinate the Pope.

Turkish authorities have said officially that, on the basis of evidence at hand, they consider Celenk to have been the intermediary between Agca and the actual individuals who ordered the Pope's murder. It was Celenk who, at a meeting with Agca in the **Hotel Vistosa** in Sofia, Bulgaria, offered Agca the three million deutschmarks to kill the Pope.

The second Turk being sought under an international arrest warrant, Oral Celik, is a 27-year old member of an extreme right-wing Turkish terrorist group, who was fingered by the police initially for his role in helping Agca escape from jail in Turkey, following Agca's successful assassination of the editor of the newspaper *Milliyet*. Judge Martella has now said that he has proof in hand that it was Oral Celik who purchased the Browning pistol used by Agca in the attempt against Pope John Paul II.

The evidence at hand from the current investigations leaves no doubt that well-established networks in Bulgaria are central to the panoply of illegal Mafia and other criminal operations originating in Turkey.

The Bulgarian connection

Ugur Mumcu, a former Turkish professor at the University of Ankara and currently an investigator of terrorist phenomena for the liberal newspaper *Cumhuriyet*, has been recently quoted in the Turkish and Italian press on the findings of his two-year investigations, following the arrest of Bulgarian official Antonov. In agreement with the Italian authorities Mumcu states that his research has established that very close connections exist among the Mafia, terrorism, and drugs and weapons traffic; that terrorism "nourishes itself" via the drug traffic, which in turn passes through the various mafias. Mumcu has also provided the documentation to show that **Balkan Tours** (employer of the Bulgarian Antonov) is one and the same operation as the Bulgarian state organization **Kintex**, an export-import concern headquartered in Sofia that provides cover for the drug Mafia-terrorist ambience, mediating consultations between both "red" and "black" terrorists and the drug sources.

The Nov. 25 arrest of Antonov, deputy director of **Balkan Tours**, is further shedding light on these networks by helping to establish new avenues of investigation into the case of **Luigi Scricciolo**. Scricciolo was arrested earlier this year, setting off potentially devastating international repercussions which were however hushed up at the time. He is the first trade-union leader with international credentials to have been identified as a member and collaborator of the **Red Brigades** terrorist gang.

Until his arrest, **Scricciolo** was the director of the foreign affairs bureau of the Socialist Party controlled **UIL**, one of the three national Italian trade union confederations. In his role as foreign affairs chief, Scricciolo maintained the confederations' contacts with the American trade union movement, including close contact with the **AFL-CIO's Irving Brown, Lane Kirkland** and others. He also maintained the contacts between the **UIL** and the now-banned Polish trade union **Solidarity**.

Scricciolo was arrested for his activities as an above-ground, "public relations" field man for Italian terrorism. More specifically, he was also indicted for selling or attempting to sell secret NATO intelligence to the Bulgarians. He had documented meetings with two members of the Bulgarian Embassy in Rome who were ostensibly cultural attachés. Both these men were, subsequent to Scricciolo's arrest, forcibly recalled to Bulgaria on the official demand of **Judge Ferdinando Imposimato**, who is in charge of the Scricciolo case.

Italian magistrates are now investigating whether Antonov, who himself worked out of the Bulgarian Embassy, had any contact with these two cultural attachés whom Imposimato has charged with being intelligence agents.