

Mexico's PAN fascists: front for the Hollywood mafia

by Timothy Rush

The general image of Baja California and its border cities of Tijuana and Mexicali is one of tourism, drugs, prostitution, gambling, divorces, illegal abortions, and laetrile treatments—in short, a haven of the underworld. This image is not wrong, but it is incomplete. Baja is the distilled essence of an axis which runs from Los Angeles to Acapulco, and embraces a filthy alliance of some of Mexico's most powerful families and interests with the Hollywood Mafia—a “Jet Setters' International” of sorts, with roots in the Prohibition period and the takeover of the Mexican and Hollywood film industries by the mob shortly thereafter.

The interests which cross in Tijuana and Mexicali have picked up a Mexican fascist party, the PAN (Partido de Acción Nacional), as their vehicle in state elections to be held in Baja California Norte Sept. 4. On one level, this represents their belief that their factions within the PRI, the party which has ruled Mexico uninterruptedly since the late 1920s, cannot be trusted with perpetuating the protection games which became institutionalized under President Miguel Alemán in the late 1940s.

They were dealt a heavy blow as President Luis Echeverría, in 1974, launched the anti-drug operation (Operation Condor) which wiped out 80 percent of the production of their beloved Sinaloa-Sonora-Baja “corridor”; as the same president expropriated the illegal landholdings of some of Sonora's and Sinaloa's dirtiest-drug latifundists in 1976; and as, in 1982, Echeverría's successor, José López Portillo, nationalized the corrupt, usurious private banking system, which had served as the handmaiden of the drug trade and flight capital scams for decades.

But bigger games come into play in the Baja elections. The nationalism in Mexico which is a hindrance to the mafia is equally a hindrance to the Malthusian policy planners of the Eastern Establishment in the United States, and their “old European” cousins in such Nazi redoubts as Switzerland and Venice, who want to cut off Mexico's drive to become an industrial powerhouse.

This larger faction—which subsumes many of the operations of Dope, Inc. and includes among its arms the U.S. State Department and the FBI—has also picked up the fascist PAN. The purpose: use it as a battering ram to destroy the PRI party and the institution of the Mexican presidency. The idea is not to build a replacement for the PRI, but to leave Mexico in anarchy. This faction believes that if the the PAN scores marked gains in Baja, anti-PRI activity could snowball across the country and make the decline of the PRI irreversible.

Against the United States

An editorial in the London *Times* of Aug. 13 (see International Intelligence) provides a clue to the vehemence with which the project to destroy Mexico's institutions is being executed. The *Times* editorial has more “unrests,” “disorders,” and “turmoils” per column-inch than any such pronouncement in recent newspaper history. The premise for the article is correct: the IMF austerity program now in effect is ripping the Mexican economy to shreds, and the Central American bloodletting is pressuring Mexico from the south. But the editorial gives away its real message in two things. It targets Mexico's “presidential system introduced with the 1917 constitution”—exactly the stable central authority which

gives Mexico a prayer of surviving the pressures arrayed against it. And *never does the London Times suggest changing the preconditions for its dire predictions, particularly the IMF economic policies.*

Who is threatened most by unrest and anarchy in Mexico? The *Times's* unhesitating answer: the United States. *The current policies against Mexico are in reality aimed north of the border as well as south of it.*

It was traitor Aaron Burr (1756–1836) who first saw in subversion of the emerging republic of Mexico one of his most powerful weapons against the republic of the United States. Throughout the decades preceding the Civil War, the British project for dismemberment of the Union included detailed plans for destruction of the Mexican republic and its replacement by a series of slaveholding satrapies. The traitorous Polk administration, complicit with this strategy, wanted to use the Mexican-American War of 1846–48 not just to gain western territory but to so devastate the rest of Mexico that the country would be incapable of independent rule; Polk court-martialed Whig Gen. Winfield Scott for securing a rapid peace which left the bulk of Mexico intact. The drive to dismember and enslave Mexico proceeded with William Walker's famous "filibuster raids" into Baja and Sonora in the mid-1850s; the British-Hapsburg installation of Maximilian as "emperor" from 1862–67; and, in this century, the efforts to take Baja by a group of Emma Goldman's anarchists, in 1911, and a William Buckley Sr.-directed Baja takeover bid in 1920.

Throughout history, the enemy of the factions attacking Mexico were republican, pro-industry forces in both the United States and Mexico, committed to President John Quincy Adams's doctrine of a "community of principle" among sovereign nations committed to mutual economic development.

Filibusters today

The PAN's secessionist program today is reflected in that of PAN candidate for the Baja state congress, Alfredo Arenas, who called in 1982 for Mexico to cede title to Baja to

pay off part of Mexico's foreign debt. The PAN's separatism generally takes more indirect forms. The longstanding resentments of the border region, so close to the United States but so far from Mexico City, are channeled into schemes that in effect de facto establish a binational border entity subject to neither the full sovereignty of the United States not to that of Mexico.

Schemes include extension of the border assembly plant program (*maquiladoras*) into a Hong Kong-style strip of "duty-free zones" that would run the entire length of the border and extend up to 100 miles into Mexican and U.S. territory on each side; the establishment of the same kinds of arrangements in enclaves around each of the "twin cities" dotting the border; and use of environmentalist and water-resources pretexts to define a body of supranational law for the region that sweeps aside the sovereignty of the two countries. The *maquiladora* operations in Baja California are run entirely by the PAN.

In all these schemes, the border area becomes even more of a haven—an institutionalized one—for arms- and drug-smuggling, and terrorist safe-houses and training sites.

The famous re-publishing and updating of British schemes to Balkanize the United States, published in 1980 as the book *The Nine Nations of North America*, featured a blueprint for this new border entity, called "Mexamerica." The terrorist-oriented circles of both left and right promote the cognate concept of "Chicano Quebecs."

The economic breakdown in both the United States and Mexico makes the illegal activity along the border the only economic activity that moves. Drug growing and transporting are once again on the rise in the region, despite the continued control efforts of the Mexican government: for many who have returned to the trade, there is no perceived alternative. The collapse of the Mexican peso from a value of 25 to the dollar in February 1982, to 150 to the dollar today, has hit nowhere harder than the border region. Inflation, running at roughly 100 percent a year in the rest of the country, is running half again faster in most parts of the border. Three tacos—hardly a gourmet fare—cost 300 pesos



Former president Miguel Alemán, in his capacity as head of the National Council on Tourism, presenting Johnny Alessio with an award for increasing the U.S. tourist trade.

in Mexicali today; 18 months ago, they might have been 30 pesos.

A typical picture is that of the farmers in the irrigated Mexicali Valley. Plantings are way down this year, because dollars were not available at the beginning of the planting season to bring in the special seeds, fertilizer, and other inputs that traditionally have been bought from across the border. So far it has been impossible to organize consistent supply at reasonable cost from the rest of Mexico, and this is true of almost every kind of supply to the region, not just agricultural inputs.

What is the PAN?

The PAN, the vehicle of convenience for the Hollywood mafia and the State Department, was created as an asset of the Nazi International in 1939. For its first three decades, the PAN was sustained as a combined activity of Alemanista forces in the PRI and outside interests, principally from Europe, who wanted a point of access to Catholic and business circles. Two separate ideologies co-existed in the party: a form of "solidarism," instilled by European Jesuit and Dominican circles, and oriented toward "social action" of a corporatist form; and a Viennese-British radical liberalism associated with the Mont Pelerin Society, which included rabid rejection of state involvement in the economy. Both are classical Nazi ideologies, the first corresponding to the "socialists" of the pre-1934 Nazi left wing, the second the hook to bring the middle classes, terrified of losing social or economic position, into support for the party.

The presidential candidate of the PAN in the early 1960s gave a specifically feudal cast to this concoction: religious bonds among Latin American nations "will create a strong link capable of building the New Dark Ages, the American Dark Ages," proclaimed José González Torres. José Angel Conchello, party president from 1972-75 and the sponsor of 1982 PAN presidential candidate Pablo Emilio Madero, was frank about the party's Nazi orientation. "The economic recovery program of the country needs the idea of a great banker, Hjalmar Schacht, director of the German central bank during the Hitlerian empire. We must invest work to create capital," he wrote in 1976. Two years later, he urged that Mexico follow the model of Hitler's *Arbeitsdienst*, the forced labor service for youth which was the forerunner of the concentration camp system, "not just for its economic utility but also its educational content."

The "solidarist" wing of the party has kept open ties to Theology of Liberation "left-wing" forces at home and abroad (former PAN party president, Adolfo Christlieb Ibarrola, was a close friend of the "red bishop" of Cuernavaca, Sergio Méndez Arceo); the Mont Pelerin side is linked to the separatist movements and other neo-feudalist interests in Europe.

The party has particular roots in Monterrey Christian Democrat circles, overlapping those which spawned the 23rd of September League terrorists in the early 1970s and the ill-starred Social Democratic Party (PSD) in 1980, launched

with the aid of U.S. State Department operative Charles Henry Lee. According to intelligence sources monitoring northern border activity, the PAN currently is interfaced both with the "left" terrorist training center, the Comité de Defensa Popular (CDP) of Chihuahua, and the "right" Cuban anti-Castro group, Alpha 66, which last year set up special training camps for Mexicans in southern California. The party's own tactics, particularly in Sonora, have turned increasingly toward violence over the past 12 months.

Kissinger and Manatt

The nexus of interests which comes to light in an examination of Baja has important carry-over implications into immediate U.S. politics. The entrance of Kissinger into the Reagan administration in mid-July, was surrounded by suspicions of blackmail, probably sexual, exerted by Hollywood mafia sources on the president's staff or members of the so-called California kitchen cabinet. There was little else to explain how someone as anathema to the President and to his ideological current could have leaped "from the cold" into one of the most sensitive jobs in the U.S. government.

The same Hollywood circles run the "Mexico Connection," now attempting to guide the PAN to power in Baja California. It is a ring which, in the Mexican case, has specialized in bringing the sons and daughters of the Mexican elite to vacations and studies in southern California, there to envelop them in an atmosphere of drugs and sex which serves as a blackmail control point over them for the rest of their lives. Investigating the Hollywood mafia's operations in Mexico may just be the key which unlocks the blackmail against the White House—something of vital national security importance.

Kissinger himself is in the thick of Hollywood's Mexico connection, primarily through his decade-long, intimate association with the Hollywood mob's most trusted and powerful partner in Mexico, Miguel Alemán, prior to Alemán's death in March of this year. Kissinger has spent up to a month each year since the late 1960s as Alemán's personal guest in Mexico, hobnobbing with the Acapulco jet set and participating in its perverse pleasures. (There is a widely story in Mexico that Henry killed a Rumanian waiter with a liquor bottle when the waiter refused his homosexual advances.)

Kissinger at the same time is one of the "gamemasters" targeting Mexican sovereignty and republicanism from the top. Along with fellow Trilateraloid Zbigniew Brzezinski, Kissinger is among the most insistent "forecasters" of a Mexican destabilization "like that of Iran"—punishment for the sin of "attempting to industrialize too fast."

To get to the bottom of Hollywood mob operations in Mexico, it will be equally useful to examine the role of Democratic Party National Committee Chairman Charles Manatt, whose career in Los Angeles law firms and banking intersects the operations of the Hollywood mafia at almost every turn.

Illustrative of the Kissinger-Manatt nexus is the case of old-line Hollywood law firm of Bautzer and Wyman. Greg Bautzer was the lawyer for Nazi spymaster and homosexual Errol Flynn during the 1940s, as well as for Flynn's sometime partner, Lansky mobster Benjamin "Bugsy" Siegel, when both were involved with heroin-and-arms operations in Sinaloa and Tijuana. According to Hollywood insider sources, today Bautzer is an intimate of Henry Kissinger. The same sources report that Bautzer's partner, Gene Wyman, was one of Manatt's most important mentors in Los Angeles, before Wyman's death in the mid-1970s.

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How the drug underworld creates a separatist movement: the history of the PAN

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The vast chain of underworld narcotics, prostitution, and smuggling operations along the Pacific Coast—from Los Angeles to Acapulco—traces back in both the United States and Mexico to the Prohibition era. It was then that the first great mob fortunes were made, and the networks established which later moved into drug and arms running when America went "wet" again.

The National Action Party (PAN), created just as these networks were first consolidated, has been chosen by these networks as their standard-bearer in their home base of Baja California. This is the story of how the PAN and the drugs came together.

In Mexico, the mogul of bootleg liquor was **William Jenkins**, an American, born in 1878, who settled in the city of Puebla at the turn of the century. After accumulating a moderate amount of personal wealth, he pulled off one of the great stunts of his era in 1919, when he arranged to have himself kidnapped by followers of guerrilla leader Emiliano Zapata. Some officials of the U.S. State Department and members of Congress maneuvered to have the United States declare war to rescue the hitherto unknown Jenkins; in the end, the U.S. government put up a handsome ransom, most of which found its way back into Jenkins's pockets the minute he was released.

Jenkins immediately used the loot to take control of all the sugar cane plantations of Matamoros Valley in the state of Puebla, the richest sugar cane region of the country. Over the next decade, as Prohibition in the U.S. made bootleg liquor the hottest commodity in the hemisphere, Jenkins built

his central sugar refinery, Atencingo, into the largest and most efficient in Latin America.

The bootleg liquor was sold all along the border. But it was in Tijuana that the most glamorous Mexican showcase of the "roaring 20s" was built. The **Agua Caliente** casino and race track opened its doors in 1928, and for the next seven years, was a mecca for an international crowd that a generation later would become the "jet setters." **Abelardo Rodríguez**, a general in the Mexican Revolution who became governor of Baja California from 1923-26 and would run almost everything in the state for several decades, ran the show.

All the big time Hollywood stars flocked down to Agua Caliente, looking for the action that was banned back home. It was an overlay of the Hollywood and the Mexican underworld, joined at Tijuana, which would blossom over the next 20 years.

The Mexican film industry

Exactly as the big time Prohibition liquor fortunes of the United States—some, such as Joseph Kennedy's, acquiring a veneer as "legit"; others, such as Meyer Lansky's, not—migrated to become the dominant forces in Hollywood beginning in the 1930s, so the big liquor and drug fortunes in Mexico went into the Mexican movie industry.

William Jenkins' first move, in combination with partner **Gabriel Alarcón**, was to establish a monopoly over the theaters in his home base of Puebla. His basic persuasion tactic was deployment of goons; even his favorable biographers