

trade causes “vastly greater” damage to the economy than the “apparent advantages it represents. . . . The cattle raisers and farmers who would not hand over their land have sold them, at any price, so as to avoid having undesirable neighbors or find themselves besieged by one of the sides of the war of the cartels. The rising cost of living in certain cities is astronomical, precisely because the prices imposed by that [drug] trade are unpayable by anyone living from honest work. At the same time, one could say that one of the causes of disincentive for private investment, above all in the industrial sector and in securities, is the threat posed by the spreading tentacles of that abominable activity. . . . The much-discussed underground wealth of the cartel’s narco-economy is therefore a deception to justify a lack of solidarity by various national sectors. . . .”

What will the U.S. do?

The ambivalent policy of the Bush administration toward Colombia’s war on drugs also came under scrutiny when President Barco wrote a letter to President Bush, criticizing the United States for undermining Colombia’s biggest legitimate export when the country is struggling to get free of the stranglehold of the cartels. Barco’s linking of U.S. policies that sabotage developing sector economies with the growth of the drug trade, represents a new attitude on the part of the Colombian President, who used to be a vice president of the World Bank, an institution dominated by international high finance and hostile to large-scale development projects in the Third World.

Barco’s letter protests the July decision by the United States to collapse the World Coffee Pact, which collapse has led to a 50% fall in coffee prices on the world market. That price fall could cost Colombia as much as \$400 million a year, a figure which stands in stark contrast to the paltry \$65 million in military equipment the United States has pledged to assist the Barco government in its anti-drug efforts. Barco urged Bush to prepare an emergency plan for reviving the Coffee Pact, before Colombia’s legitimate economy is irreversibly undermined.

Colombia’s war against drugs is, of course, costly, but it is a war that must be fought for the benefit of every nation. The help that Colombia has received thus far is inadequate. The United States and other countries of the advanced sector have apparently taken the view that Colombia’s war against drugs is a domestic affair of that country, and have yet to mobilize their citizens behind Colombia’s courageous efforts. As of this writing, none of the vast properties and bank accounts of the drug traffickers abroad have been touched. Equally important, there have been no challenges to the austerity conditionalities of such institutions as the International Monetary Fund and World Bank policies which have fostered conditions for the growth of the drug trade in Ibero-America and elsewhere.

Syria: narcotics center of the Middle East

by Middle East Insider

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Since the mid-1980s, Syria has played an increasingly important role in the international drug traffic, expanding from Lebanon and the Middle East into Europe and Ibero-America. Proceeds from the trade have not only made some of the leading Syrian personalities wealthier, it became indispensable to the functioning of the collapsing Syrian economy, as well as to the financing of its military and intelligence operations abroad.

Narco-terrorism is not merely an Ibero-American phenomenon: It started in Lebanon under Syrian sponsorship in the early 1980s. Officials of the Syrian government in Damascus have repeatedly been caught dealing in drugs over the past years. In 1984, several Syrian diplomats in Madrid, including the Consul Hajj Ibrahim, were expelled when Syrian-sponsored drug laboratories were discovered in the Costa Brava of Spain. In 1986, three Syrian diplomats were expelled from Rome when a gang of seven drug smugglers, including Syrian and Lebanese nationals, was caught in the north Italian port city of Trieste. Syrian diplomatic pouches are notoriously used to illegally transport both weapons and drugs into Europe.

Yet, any mention of the Soviet client state of Syria is singularly missing from U.S. President George Bush’s newly declared worldwide war on drugs. For several days, *MEI* requested from Bush’s drug czar William Bennett at the White House precise answers on the effect this new war would have on the drug production and drug smuggling activities in the Middle East, but Bennett’s office declared itself as “lacking expertise to make any comment.”

Why such an omission? In the present conjuncture, one reason is that Damascus plays a vital role in the ongoing discreet, albeit not secret, negotiations between Washington and Teheran for a rapid normalization of relations between the two countries. The same rationale prompted the State

Department to decide on closing down the U. S. embassy in Beirut long before the actual departure on Sept. 6, which it tried to blame on Lebanese Prime Minister Michel Aoun. *MEI* sources in Washington report that the Anti-Narcotics Bureau of the State Department is planning to remove Syria altogether from the list of countries involved in the illegal drug trade.

Realpolitik has its limits. Under the threat that omission of countries like Syria—without even mentioning Communist China, unilaterally removed from the list by Henry Kissinger in the late 1970s—could undermine the credibility of the entire anti-drug package, the administration is coming under pressure to do something. Already in 1987 and in 1988, Syria played the game. In 1987, Syria was offered a \$250 million loan from the United States in exchange for burning poppy fields in the Bekaa Valley, in the Syrian-occupied part of Lebanon. Syria obliged by burning enough to match the \$250 million, after having organized the harvesting of the surplus. The operation also came at a time when Damascus wanted to clean up its image, after the Syrian embassy in London was discovered supplying weapons to two terrorists, the Hindawi brothers. A year later, it did the same again, when external pressures were converging on the need for Syria to reassert its control over the Hezbollah. Instead of a military confrontation, it sent out a powerful message by burning those poppy fields which were under the control of the fundamentalists.

Regional drug center

At a 16-nation conference in Dubai on March 23, Dubai Chief Detective Abdul Aziz Mohammed Abdullah warned: "Up until the 1980s, we had no heroin problem here. No one knew the meaning of heroin. Now we have a major drug problem." And another participant added that "South American cocaine barons are creating a new market in the Middle East. A year ago there were virtually no cocaine seizures here. Now, there is a kilo here, a kilo there."

Investigations from several drug enforcement agencies are showing that Damascus is now one of the central points of transshipment of cocaine from Ibero-America into the Middle East. For example, on May 14, 1988, 38 kilos of cocaine were seized in Lebanon, coming from Damascus, in one of the rare cases of a drug seizure in Lebanon, attributed more to internal mafia warfare than a commitment to crack-down on the trade. Subsequent investigations showed that only the driver of the truck was arrested, and no information was ever released as to the network that had received the shipment at Damascus airport.

More recently, at the end of August 1989, a Lebanese courier with 15 kilos of cocaine was arrested in Paris, coming from Brazil and going into the Middle East. From Damascus, the cocaine is then sent to Lebanon, from where it goes to regional dealers supplying addicts in Israel, Egypt, and the

Gulf region.

In mid-August 1989, an important regional dealer, Mohammed Biro, was arrested in south Lebanon. Condemned to death *in absentia* in Egypt, Biro was known as the "Drug King," handling most shipments of heroin and cocaine to Israel and Egypt. He was arrested when, on the initiative of the Hezbollah, he started supplying Israeli addicts with heroin laced with rat poison.

Expanding production

When Syria asserted its military control over the drug-production fields, in the Bekaa Valley in 1982, opium production did not represent more than a few dozen hectares. In 1984, it went to 60 hectares. By 1986 it involved no less than 1,500 hectares, with an average production of 25 kilos per hectare. A year later, and as part of a public relations ploy toward the United States, it went down to 600 hectares with a production of 15,000 kilos. Hashish production, which involved only some 10,000 hectares in 1982, is now close to 25,000 hectares with an average production of 4 tons per hectare, and a total production of 88,000 tons. At production level, the value of the hashish was \$80 million in 1988, and \$3 million for the poppies. However, by the end of 1983, Syria sponsored the creation of at least 10 laboratories within Lebanon, bringing in specialists formerly associated with the "French Connection." In the last two years, the total proceeds of the drugs, once refined and sold, have reached much larger figures. In June 1988, local drug enforcement agents estimated that the share of the trade owned by the Hezbollah could be valued at up to \$500 million in the previous two years—to which the Syrian shares should be added. A conservative estimate in 1987 put at \$1 billion a year the value of the entire trade coming from the Lebanese production, once grown, refined, distributed, and sold on the foreign market—with Syrian agents receiving the largest shares of the proceeds.

In the last two years, despite Syria's previous claim that there was no trafficking on its own territories, but only in Lebanon, laboratories were opened in the Syrian cities of Damascus, Hama, and Latakia. The move was made necessary to protect the trade from raids by Israel as well as commando actions from the anti-Syrian Lebanese forces. With a laboratory right in the port of Latakia, the traditional role of the smuggling ports of Ableh and El Minie became less important, but by no means have they been closed down. The same holds true for the air base of Rayyak.

Additionally, Latakia is closer to the borders of Turkey, which has been a traditional target of Syrian intelligence. In April 1987, Giuseppe di Gennaro of the United Nations Drug Abuse Control Fund was presented with evidence on drug smuggling operations coming from Syria into the Turkish province of Hatay, only a few kilometers away from Latakia. Turkish authorities also supplied evidence of the connection

of the Iskanderun mafia of the Hatay province with Syrian intelligence in smuggling operations involving hashish, heroin, or, for example, the smuggling of 868,000 Captagon pills in Saudi Arabia, in April 1987. Links between Syrian intelligence and elements of the Turkish mafia were exposed in the early 1980s during the heyday of the "Bulgarian Connection," then run by the Sofia-based Kintex company. In recent years, this role has been played in Sofia by Globus, Kintex's new name, led by Ivanoff Tochkov and Stoyan Paunov. The role of this network was recently heralded in the major case of drug-money laundering in Switzerland involving the Zurich-based Shakarshi Trading Company and all of the major Swiss banks.

Syria's Medellín Cartel connection

The creation of three large laboratories on Syrian territory has coincided with a shift of the Syrian connection toward the cocaine trade. Its growing involvement in such trade, which Syria still considers a secret, may go some way toward explaining its willingness to burn poppy or hashish fields as public relations stunts.

A public glimpse of Syria's Ibero-American connection was provided in Mexico in August 1988, at the peak of the Lebanese presidential campaign. Damascus then organized some of its local agents to raise up to \$100 million to buy votes in support of its candidate for the presidency, Suleiman Franjeh. Organized by one Pechalani, local representative of the Syrian National Socialist Party, and an associate of Ernesto Fonseca, the Mexican representative of the Medellín Cartel, the money was primarily raised by Emilio Cheka, a Mexican-Lebanese wanted by the authorities for fraud and drug-money laundering on behalf of local drug-lord Rafael Caro Quintero. Cheka had escaped Mexico in April 1988, thanks to a passport provided to him by the local pro-Syrian Lebanese ambassador El Khazen.

Pompously appointed as campaign representative of Suleiman Franjeh to Ibero-America, Cheka was betting that the election of his protector would give him a prominent position in a future administration. However, exposés in the Mexican daily *Excelsior* by a local investigative journalist—whose mother was subsequently murdered in revenge—and public denunciations by local representatives of the Maronite community, foiled the plot. Cheka is reportedly still in hiding somewhere near the U.S.-Mexican border, while the Lebanese ambassador flew to Beirut and decided not to resume his diplomatic position.

However important the amount of money involved then, it pales compared to the deals set into motion between Syria and the Medellín Cartel since 1984. One intermediary has been the rogue Syrian businessman Monzer al Kassar, who gained fame for his involvement in the arms-for-Iran-and-the-Contras scandal with Oliver North. Al Kassar has always been presented as a purely private businessman with no in-

volvement whatsoever with Syrian official authorities. The very same attitude is generally displayed by Syrian intelligence when it does not want to be implicated in terrorist operations, including those of Ahmed Jibril, a captain of Syrian intelligence.

In reality, Al Kassar's ties to the highest level of the Syrian leadership abound—starting with family ties. The daughter of Gen. Ali Duba, the head of Syrian intelligence whose power has been growing over the last few years, is married to his brother, Ghassan al Kassar. And there are extensive business ties. For example, the 1987 investigations into the illegal export of weapons to Iran by the Italian firm Borletti, revealed that the orders and shipments were coordinated from Barcelona by the Bovega company. Joint investigations in Italy and Spain revealed that Bovega was actually run by Monzer al Kassar on behalf of Syrian Vice President Rifaat al Assad and his son Firaas al Assad. Using Bovega as a front, Al Kassar was organizing the shipments of weapons through the services of the East German DSR Shipping Lines in Cyprus. However, three weeks before the Bovega scandal exploded, Al Kassar had been expelled from Spain for illegal arms and drug activities.

As of 1984, the U.S. Drug Enforcement Administration had identified Al Kassar as the Syrian drug-lord responsible for distribution in France, Italy, and Spain. The same year, Jorge Luis Ochoa was a guest at Al Kassar's house in Marbella. A year later, Al Kassar joined with Canadian cocaine dealer Kenneth Sydney Young in Rio de Janeiro to establish a connection between Brazil and Europe which has been used for heroin and cocaine trafficking, as well as the traffic of stolen cars—a most profitable business for Syria, which since the early 1980s has established in Lebanon a network of garages to repair cars stolen from Europe, then sold on the Middle East markets.

However, involvement of Al Kassar in the Medellín connection may be the best Syrian insurance to counter any move by the United States. After all, at the same time as Al Kassar was wanted by the DEA and other drug enforcement agencies, he was organizing in 1985 for the shipment of 360 tons of East bloc-made AK-47 assault rifles to the Contras on behalf of the U.S. National Security Council. The same was repeated in 1986 through his Vienna-based company Alkasonic. Al Kassar has been keeping a low profile since May 1988, when he was briefly arrested by the West German police in possession of several Brazilian passports, and is back in the Middle East. Underlining the importance of the Brazil connection was another incident in July 1988 when one of Firaas al Assad's bodyguard was briefly arrested in Brazil for possessing no fewer than 200 false passports while accompanying his boss who was on his way to Paraguay. Like those of Al Kassar, some of the false Brazilian passports had also been issued in the small coastal city of Blumenau, one of the local paradises for cocaine dealers.