

Who Harbors Terrorist FARC Cartel? The 'Grasso Factor'

by Gretchen Small

Without the political and economic support, open and covert, provided to the drug trade by international financier interests, the in-depth logistical and financial capabilities upon which global terrorism feeds for its existence could not be sustained. Efficiency in warfare, requires that support be broken.

The flagrant sponsorship of the largest cocaine cartel in the world and greatest narco-terrorist force in the Americas, the Revolutionary Armed Forces of Colombia (FARC), by

the financial interests of Wall Street and London, typifies the rot to be rooted out. Support for the FARC extends beyond merely using their money, but involves a project to integrate the FARC, as an organization, into globalization's "democratic" structure internationally. Here is a summary chronology of this criminal scandal, further developed in the companion article.

June 26, 1999: New York Stock Exchange (NYSE) Chairman and Chief Executive Officer Richard Grasso kicked off the public campaign to legalize the FARC and its "consumer products," cocaine and heroin, with a personal visit to the FARC-controlled area in the south of Colombia. The NYSE's Vice President of International Relations, Alan Yves Morvan, and the NYSE's head of security and protection, James Esposito, accompanied him.

Dick Grasso, a Vietnam War veteran and college dropout who advanced his way up from the NYSE's listings department to the top, allegedly by means of his "marketing skills," is touted as the man who created the "world equity market." Elected president and chief operating officer of the NYSE in 1988, and chairman and CEO in June 1995, some call Grasso "the public face of the greatest bull market in U.S. history." Grasso likes to say that bringing "world-class companies" from around the globe into the NYSE is his principal challenge.

In a June 29, 1999 press conference at the NYSE, Grasso hailed the FARC leadership as "extraordinary," said they had discussed a "mutual exchange of capitals," and announced that he had invited the FARC's "Supreme Commander" and Reyes to "walk the trading floor with me" at the NYSE.

Grasso hailed his FARC pact as part of the stock exchange's strategy of being "very aggressive in trying to pursue international markets and opportunities." It was an "extraor-



The much-acclaimed "leader of America's recovery" Richard Grasso, New York Stock Exchange President, and his notorious embrace of FARC terrorist commandante Raúl Reyes, in 1999.



Another U.S. financial power embraces the narco-terrorist FARC: America Online founder Jim Kimsey (third from right) and FARC commandante Manuel Marulanda (third from left) exchanged caps in the FARC zone, March 2000.

dinary experience, in the sense that the Comandante [Reyes] was trained as an engineer in the former Soviet Union. Very sophisticated, despite what the surface appearance may have been, in terms of his jungle fatigues and his M-16. And he knew a *lot* about investment and capital markets, and the need to stimulate outside capital coming to Colombia. Very interested in how Colombian companies could come to the U.S., and raise capital to be invested in the country.”

Grasso’s visit was by no means the first contact between the FARC and U.S. establishment envoys — State Department Andean Affairs desk officer Philip Chicola had met with Reyes in Costa Rica in December 1998. But, typical of Grasso’s general role as the “P.T. Barnum” for Wall Street’s more important players, Grasso’s trip was designed, in particular, to launch the media campaign for the FARC legalization project. The *Wall Street Journal* commented in an editorial note that same June 29, “Mr. [sic] Reyes . . . is profitable, he’s global and he’s strategically positioned. Stay tuned, the NYSE chairman is said to have offered the guerrilla a floor tour of the exchange. What’s next, an IPO?”

The gambit was, in fact, for something bigger. Grasso said that he hoped his visit “will mark the beginning of a new relationship between the FARC and the United States”; and despite his *pro forma* claim that his was a “private” initiative, he reported that he was briefed by U.S. Ambassador to Colombia Curtis Kammen, and he in turn briefed the ambassador upon returning.

The message delivered—that a pact with the FARC enjoyed “the interest and cooperation of the financial circles of the United States,” as one pro-FARC outlet put it—was a

warning to Colombians and U.S. officials who opposed the deal, that they would have to take on Wall Street, to take down the FARC.

Jan. 22, 2000: Grasso returned to Colombia, this time for a meeting in the Caribbean resort city of Cartagena with Colombian President Andrés Pastrana and his “Millennium Group” of advisers. Made up of “13 of the world’s leading financial and business heavyweights,” as Colombia’s media reported it, the Millennium Group’s task was to organize international support—and investments—for Pastrana’s “peace” plan with the FARC.

Attendees included America Online co-founder Jim Kimsey, Mitsubishi’s Minoru Makihara, former American Express CEO James Robinson, former President Sir George Bush’s business partner and former Canadian Prime Minister Brian Mulroney, Lorenzo Zambrano of Mexico’s Cemex, Ronnie Chan of Hong Kong’s Hang Lung Development Co., and Washington powerbroker Vernon Jordan. Violy McCausland, president of Violy, Byorum & Partners, and former partner of

World Bank President James D. Wolfensohn, put the group together. Kimsey served as its spokesman, telling the press afterwards that Pastrana had been assured of international support as long as he stuck to his policy of peace with the FARC, and economic austerity worked out with the International Monetary Fund (IMF).

Jan. 27, 2000: Pastrana’s National Planning director Mauricio Cárdenas announced that the government had the support of the IMF, in writing, for *unconditional and unrestricted* funding for “investments” to win the FARC, whose terror was worsening and intensifying, to the “peace process.”

Feb. 1, 2000: Seven *comandantes*—including Raúl Reyes and Simón Trinidad, a banker who joined the FARC’s leadership years ago (and whose sister-in-law, former Culture Minister Consuelo Araujo Noguera, was murdered by the FARC on Sept. 30, 2001)—took off for a 23-day, six-nation, all-expenses-paid tour of Europe. Accompanied by Colombian government officials and businessmen, the FARC leaders met with government ministers, parliament deputies, and leading organizations of European industry, commerce, and labor.

Secretary of State Madeleine Albright told the U.S. House of Representatives International Relations Committee on Feb. 16, that the FARC tour was “remarkable” and “very encouraging.” The FARC was on the State Department’s list of international terrorist groups at the time!

Official photographs of the meetings, published around the world, conveyed the message that it is acceptable for anyone to meet—and do business with—the FARC. Reyes summed up the tour’s impact: “The FARC has received de

facto recognition of belligerency status. . . .”

March 4, 2000: Jim Kimsey, the co-founder and chairman emeritus of America Online, and his sidekick, millionaire real estate investor Joseph E. Robert, Jr., paid a personal visit to the FARC in its Caguán redoubt. Their meeting lasted a good three hours, and included talks with FARC “Supreme Commander” Manuel Marulanda, alias “Sureshot.” At the end, Kimsey swapped baseball caps with Marulanda, giving him his AOL cap.

In a March 20 commentary published in the *Washington Times*, Kimsey and Roberts reported they had discussed “the new global economy” and potential U.S. investments with the FARC, and suggested the next step was for FARC leaders to come to the United States, to speak “directly to the U.S. Congress and to the American people. . . . [W]e do believe our leaders should listen to them.”

Council on Foreign Relations member Kimsey and his partner Robert, like Grasso, are among those business executives and speculators who made their millions (or billions) off the “New Economy” of the Information Age, and who see themselves as shaping a “new world order,” in their own interests—one that supplants the nation-state with corporatist power.

Kimsey, in particular, is plugged into the military and intelligence community. A Special Forces Ranger officer during the Vietnam War, Kimsey there served as assistant to the commanding general of Special Operations at the Military Assistance Command, responsible for making assessments of special operations. He left military service in 1970 to start a career as a stockbroker (a move which ran into difficulties in 1975 when the SEC banned him from any brokerage involvement for five years after he pled guilty to charges of stock manipulation). He kept his fingers in the military “pot.” Kimsey serves on the advisory board of the Joint Special Operations Forces Institute, and is a member of the “Tail to Tooth” Commission of Business Executives for National Security (BENS), which is involved in counter-terrorism projects.

November 2000: The Kimsey-Robert duo remained on the case, visiting Havana, for a seven-hour private dinner with Fidel Castro in which, explained Robert, they “explore[d] getting Castro’s support” for the Colombian jungle project they are developing.

March 28, 2000: Britain’s Foreign and Commonwealth Office Minister of State with responsibility for Latin America, John Battle, announced to the House of Commons that Prime Minister Tony Blair’s government “would welcome” a joint mission of the FARC and Colombian government such as just toured Europe, and has so informed the Colombian government.

March 30, 2000: A FARC communiqué called upon the government of the United States to legalize drug consumption, and for the U.S. Congress to send a delegation to “their” territory in southern Colombia, to tour the region, to dialogue with the FARC leaders first-hand.

U.S. Still For Talking To Colombian Terrorists

by Valerie Rush

In his much-cited national address on Sept. 20, President George Bush announced his government’s commitment to carry out a war on terror “until every terrorist group of global reach has been found, stopped and defeated,” wherever it exists around the world. What about the Revolutionary Armed Forces of Colombia (FARC), right here in this hemisphere?

The FARC is on the State Department’s official list of terrorist groups, with which the U.S. government will have no dealings—supposedly. The FARC is so heavily involved in all aspects of the cocaine trade, that it is the world’s number-one drug cartel, controlling about two-thirds of the cocaine that enters the United States every year. It systematically perpetrates hideous crimes, including kidnapping and murdering civilians, and forcibly impressing thousands of children into guerrilla military service. And the FARC has already spread its narco-terrorist activities to neighboring Andean nations, and threatens the security of the United States itself.

And yet the U.S. State Department continues to *actively promote* the Colombian government’s criminal policy of so-called “peace negotiations” with the FARC, under which, three years ago, they were granted a vast “demilitarized zone” (DMZ) in the cocaine heartland of southern Colombia, and from which they today exercise de facto control over about half of the national territory.

When Is Terrorism Not Terrorism?

The answer to this rather obvious, but most embarrassing, question, lies in what can be called “the Grasso factor.” This refers to the famous photograph of New York Stock Exchange President Richard Grasso embracing Raúl Reyes, the head of FARC finances, in the cocaine-producing DMZ of Colombia. What that photo merely typifies, Lyndon LaRouche and *EIR* have documented over decades: The FARC, *like all terrorist groups around the world*, are nothing but instruments of irregular warfare deployed by powerful financial groups in order to achieve their political goals.

This is as true in Afghanistan as it is in Colombia. The only serious war against narco-terrorism is one that begins by going after the “Grasso factor”—the powerful financial oligarchical interests—running the irregular warfare in each regional theater.

That, unfortunately, is not the way Washington is approaching the Sept. 11 terror attacks in this country; nor is it the way it is approaching Colombia’s FARC.

The Colombian case is again before the public eye, as