

CHAPTER 8

In March, 1993, **two years after** Michael Riconosciuto had attempted to trade information on the F.I.D.C.O./Euramae drug/intelligence operation in Lebanon to the government, the aforementioned magazine article printed in High Times magazine by Bill Weinberg, entitled, "The Syrian Connection," exposed **CIA penetration into the Bekaa Valley drug trade in Lebanon.**

Essentially, this article validated much of Riconosciuto's earlier information. The following are some excerpts:

" ... Many of Lebanon's armed factions depend on the international drug trade for funds," wrote Weinberg. **"Each paramilitary group controls its own port in or around Beirut which serves as a transfer point for drugs on the way out of Europe and America and weaponry on the way in from the international market. Whoever holds the fertile Bekaa [Valley] holds the ticket to power. As the war escalated in the late 1970's, hashish, the traditional mainstay of the Bekaa, started to be replaced by the more lucrative heroin. Marijuana fields were converted to opium fields, hashish production compounds converted to heroin labs."**

Heroin production exploded in the Bekaa Valley under the Syrian occupation. However, the Syrian occupation forces didn't touch the drugs, but "profited from the trade and protected it." It was estimated that up to \$2 billion in protection money was paid annually by dope plantation operators to Syrian occupation forces.

DEA official Felix Jimenez told a reporter in 1990 that the Syrian occupation received \$10,000 per kilogram of Bekaa heroin. With the valley producing over 20,000 pounds a year, that was a lot of money.

Bekaa also became a center for processing Columbian cartel cocaine for reexport to European markets.

In 1988, two Syrians arrested with large quantities of heroin and coke in Milan [Italy] claimed to be working for a Syrian colonel in Bekaa. Prior to Desert Storm, Syria's president Hafez Assad and Iraq's Saddam Hussein were rival factions in the Arab nationalist Ba'ath Party. Syria was the only Arab nation to back Iran in the long and brutal war against Iraq in the 1980's. So when President George Bush invited Syria to join the Arab coalition against Saddam after Iraq's invasion of Kuwait, Assad accepted.

After Desert Storm, Assad closed ranks with the White House and even softened his stand against Israel. President Bush and Secretary of State James Baker peddled a postwar peace plan for the region and Syria and Israel were encouraged to recognize each others' Lebanese occupation zones.

Under a 1990 accord, Christians and Muslims were finally granted equal representation, officially bringing the civil war to an end. A new Syriabacked Muslimled government came to power. **Under the accord, Syria maintained control of the Bekaa Valley. Among the areas still under Syrian control were the notorious drug ports north of Beirut.**

High Times maintained that there were long standing backchannel relations between Washington D.C. and Damascus. According to a 1987 Pentagon memo leaked to the Chicago paper, In These Times, Lt. Col. Oliver North was personally notified that Syrian intelligence in Lebanon was willing to negotiate with the White House for release of the hostages held by Lebanese terrorists.

The Washington Jewish Week reported that Bush himself had made secret visits to Damascus for hostage negotiations. But there were other reasons for the U.S. to be in Lebanon. In 1988, when Pan Am Flight 103 exploded over Scotland, Pan Am hired the private investigative firm of Interfor to look into the bombing. The owner, Juval Aviv, was reportedly a former Mossad agent.

Interfor maintained that the Syrianbacked Popular Front for the Liberation of Palestine General Command (PFLPGC) was behind the bombing. The PFLPGC had been able to get their bomb on board the 747 because **the flight was part of a heroin smuggling route run by a drug trafficking ring connected to the Syrian regime and protected by both the U.S. DEA and the CIA.**

Interfor claimed the ring was overseen by Syrian kingpin Monzer AlKassar often known as the world's biggest arms dealer. **The CIA was protecting the AlKassar operation because he was cooperating with efforts to free U.S. hostages in Lebanon.**

Reporter Bill Weinberg added that "the CIA and DEA had apparently both instructed Germany's internal intelligence agency, the BKA, to allow certain suitcases to pass uninspected onto USbound flights at the Frankfurt airport, where Flight 103 originated."

Apparently, unknown to anyone except the PFLPGC and AlKassar, **a suitcase which was supposed to be full of the usual heroin was covertly substituted with a suitcase full of explosives.**

A London Times news article, dated July 22, 1991, entitled, "US Drugs Sting Gave Pan Am Bomber Cover," noted that **the DEA admitted that the protection program had existed.** The explanation for this operation, which was codenamed Khourah, was provided by **Ronald Caffrey, acting assistant administrator of the operational division of the DEA.** In a U.S. government submission, dated March 20, 1991, Caffrey said the drug operation was a "controlled delivery."

According to Caffrey, in a controlled delivery, a law enforcement agency permits and monitors shipments of contraband, including drugs, to move from a source or transit location to its intended destination. Use of this technique is sometimes essential to enable law enforcement agencies to identify and arrest highranking members of trafficking organizations, rather than simply arrest low level couriers.

Pan Am argued in court that it had been the pawn of an international intelligence operation, but still lost the case and was forced into bankruptcy.

In 1990, when the White House started to woo Syria as a partner in the Allied coalition, blame for the Pan Am bombing suddenly shifted from Assad's Syria to Qaddafi's Libya, and that is pretty much where it stands today.

Meanwhile, AlKassar was alleged to have provided Oliver North with drug profits to purchase arms for the Nicaraguan Contras. The U.S. Tower Commission probe into Irangate revealed that AlKassar had been paid \$1.2 million by Oliver North's coconspirator General Richard Secord to move weapons from Israel to the Contras.

In her book "October Surprise," **former Reagan White House aide Barbara Honegger alleged that AlKassar's heroin smuggling network in Italy was used to launder NATO arms stocks for diversion to Iran with the help of corrupt Italian intelligence officials** linked to the secretive fascist Masonic lodge, P2.

It is noteworthy that AlKassar was reported to hold large tracts of land in the Bekaa Valley. The PFLPGC also has camps in the Bekaa which were the target of Israeli air strikes in 1989.

The U.S. government's presence in Lebanon is not to be taken lightly according to Lester Coleman, a selfemployed freelance writer, editor and security consultant who once moonlighted as a DIA (Defense Intelligence Agency) covert intelligence officer when he was called to serve. Coleman, age 47, told the London Times that for six years he worked as an intelligence officer with the secret unit, Middle East Collection 10 (MC10) in Cyprus, running a network of agents in Beirut whose mission was to find American hostages held by extremists.

Coleman was paid in travelers checks sent from the Luxembourg branch of the now collapsed Bank of Credit and Commerce International (BCCI). Two senior MC10 members, Mathew Kevin Gannon and Major Charles Dennis McKee, had been on PanAm flight 103 and had just returned from a mission in Beirut.

Coleman explained that the DEA, with the narcotics squad of the Cypriot national police, the German BKA police and British customs, ran a "drug sting operation" through Cyprus and airports in Europe, including Frankfurt.

The operation involved delivering heroin from the Bekaa Valley in Lebanon to the United States; the operation was codenamed "Khourah." Coleman maintained that Pan Am Flight 103 was being used by the DEA as a "controlled delivery" flight.

After the explosion, the Beirut end of MC10 had obviously been "blown." There were five key members of the MC10 cell in Cyprus and Beirut, one of whom was Lester Coleman. Another was Werner **Tony Asmar**, a German Lebanese, who was killed in a bomb explosion at his office in east Beirut on May 26, 1988.

Another member of MC10 was Charlie Frezeli, a Lebanese army officer, who was shot dead at his home in east Beirut in November 1989. When Asmar was killed, the DIA ordered Coleman home.

Danny Casolaro had contacted Coleman in Sweden on August 3, 1991, seven days before his death in Martinsburg, West Virginia. They talked about the sale of the PROMISE software by the U.S. Government to foreign governments, the Bank of Credit and Commerce International (BCCI), **and the IranContra scandal.**

After Coleman learned of Danny's death on August 10th, 1991, he provided Inslaw president Bill Hamilton with an affidavit in October 1991. **That affidavit read as follows:**

"Affidavit of Lester K. Coleman, being duly sworn, do hereby state as follows:

"(1) I am currently selfemployed as a freelance writer, editor, and security consultant. I am a United States citizen and am temporarily outside of the United States.

"(2) In November 1984, the Defense Intelligence Agency (DIA) offered me a position in human intelligence operations in the Middle East. I was raised in the Middle East, where I lived in Iran, Libya and Saudi Arabia. I speak three dialects of Arabic and some Farsi. I accepted the position and received training from the DIA. I was assigned to a Middle East intelligence unit.

"(3) Between February and September 1987, I was seconded by DIA to the Drug Enforcement Administration (DEA) in Nicosia, Cyprus, reporting to the DEA Country Attache, Michael T. Hurley.

"(4) After a cover assignment in the United States, I was again seconded to the DEA in Nicosia, Cyprus, in early 1988.

"(5) During April and May 1988, I worked in the office of Euramae Trading Company, Ltd. in Nicosia, Cyprus, a DEA proprietary company. On or about May 29, 1988, because of my concern about poor security in the DEA operation in Cyprus, I returned to the United States, having previously obtained the concurrence of DIA.

"(6) During my two stints as a DIA covert intelligence officer seconded to the DEA in Nicosia, Cyprus, I became aware of the fact that DEA was using its proprietary company, Euramae Trading Company, Ltd. to sell computer software called PROMISE or PROMIS to the drug abuse control agencies of various countries in the Middle East, including Cyprus, Pakistan, Syria, Kuwait and Turkey.

"(7) I personally witnessed the unpacking at the Nicosia, Cyprus, Police Force Narcotics Squad of boxes containing reels of computer tapes and computer hardware. The boxes bore the name and red logo of a Canadian corporation with the words `PROMISE' or `PROMIS' and `Ltd' in the company name.

"(8) The DEA objective in inducing the implementation of this computerized PROMIS[E] system in the drug abuse control agencies of the Middle East countries was to augment the drug control resources available to the United States Government by making it possible for the United States Government to access sensitive drug control law enforcement and intelligence files of these Middle East governments.

"(9) It is also my understanding that thirdparty funds were generally made available for the purchase of these computer software and hardware systems. One thirdparty funding source was the United Nations Fund for Drug Abuse Control in Vienna, Austria.

"(10) As DEA Country Attache for Cyprus, Michael T. Hurley had overall responsibility for both the Euramae Trading Company, Ltd. and its initiative to sell PROMIS[E] computer systems to Middle East countries for drug abuse control.

"(11) In 1990, DEA reassigned Hurley to a DEA intelligence position in Washington State.

"(12) I became aware in 1991 that Michael Riconosciuto, known to me as a longtime CIA asset, was arrested in Washington State by DEA for the manufacturing of illegal chemical drugs. I had also become aware of the fact that Riconosciuto had made a sworn statement, prior to his arrest, about his participation in a covert U.S. intelligence initiative to sell Inslaw's PROMISE software to foreign governments.

"(13) In light of Hurley's personal involvement in the U.S. Government's covert intelligence initiative to sell PROMIS[E] software to foreign governments and his reassignment to a DEA intelligence position in Washington State in advance of the DEA's arrest of Riconosciuto, the arrest of Riconosciuto should be regarded as suspect. I do not believe that Hurley's posting to a drug intelligence position in Washington State in advance of Riconosciuto's arrest on drug charges is merely coincidental. Rather, the probability is that Hurley was reassigned to Washington State to manufacture a case against

Riconosciuto in order to prevent Riconosciuto from becoming a credible witness about the U.S. Government's covert sale of the PROMIS software to foreign governments.

"(14) The investigative journalist Danny Casolaro contacted me in Europe on August 3, 1991. Mr. Casolaro had leads and hard information about things that I know about, including Department of Justice groups operating overseas, the sale of PROMIS[E] software by the U.S. Government to foreign governments, the Bank of Credit and Commerce International (BCCI), and the IranContra scandal. I subsequently learned of Mr. Casolaro's death in Martinsburg, West Virginia, one week later, on August 10, 1991. I contacted Inslaw in October 1991, after learning about Mr. Casolaro's death under suspicious circumstances."