

CIA document details cover-up of drug trafficking by Contras

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An analysis written for the CIA's internal journal *Studies in Intelligence*, "Managing a Nightmare: CIA Public Affairs and the Drug Conspiracy Story," attributed to Nicholas Dujmovic, reviews the efforts of the agency to contain a series of articles by journalist Gary Webb documenting relationships between the CIA and US-backed Contra rebels.

The article is part of a trove of CIA documents released on September 18 in response to a Freedom of Information Act request.

As shock troops in a US-backed war against the Nicaraguan government, the Contras carried out a reign of terror against Nicaragua's civilian population, killing tens of thousands. Support for the Contras by US intelligence was authorized by President Ronald Reagan, who instructed CIA head William Casey to "support and conduct ... paramilitary operations" in Nicaragua in 1981.

The CIA began operations aimed at expanding the ranks of the Contra forces, which were recruited from elite military units of the Somoza regime and from layers of the peasantry. Arms shipments to the Contras were overseen by a secret cabal headed by Lt. Colonel Oliver North, despite a congressional prohibition.

Webb's articles revealed that the US government continued to support Contra elements even with the knowledge that the latter were engaged in trafficking cocaine into major US cities and using the proceeds to finance their war against the Sandinista (FSLN) government of Nicaragua. Webb's investigation showed that representatives of the US-backed right-wing militias worked with gangs in Los Angeles to sell tons of cocaine, leading to speculation from other commentators that the CIA directed the flow of drugs to target black neighborhoods.

"Managing a Nightmare" makes clear that the CIA utilized its extensive network of relations with the US media to discredit Webb's reporting by promoting the publication of stories in major news outlets attacking Webb's research. The paper's author, a CIA employee, concluded that the media relations campaign by the agency succeeded in containing the fallout from Webb's revelations.

"A review of the CIA drug conspiracy story—from its inception in August 1996 with the San Jose Mercury-News stories—shows that a ground base of already productive relations with journalists and an effective response by the Director of Central Intelligence's DCI Public Affairs Staff (PAS) helped prevent this story from becoming an unmitigated disaster," Dujmovic wrote.

"By the end of September, the number of observed stories in the print media that indicated skepticism of the Mercury News series surpassed that of the negative coverage, which had already peaked. In fact, for three weeks the number of skeptical or positive pieces observed in the media constantly exceeded the number of negative treatments of the CIA," Dujmovic found.

In some cases it is even possible, he noted, "to change the mind of a reporter whose initial inclinations toward CIA were negative but who is willing to listen to the other side of the story."

Describing the methods used by the agency, Dujmovic explained that it

was possible to spread the agency's carefully tailored perspective in the US media without even needing to directly plant stories in newspapers.

"Public Affairs cannot dictate stories to the media ... What CIA media spokesmen can do, as this case demonstrates, is to work with journalists who are already disposed toward writing a balanced story ... CIA Public Affairs can help the journalist with information he might not have or a perspective that might not have crossed his mind," Dujmovic wrote.

Dujmovic went on to predict that the CIA would face an upsurge of public distrust in the coming decades, calling for greater moves to build the public relations capacities of the agency.

"There will be other public relations crises with which CIA will have to contend ... If historians such as Samuel Huntington are correct ... we can expect periodic displays of public distrust in government roughly every 20 to 30 years—and we are just beginning such a phase. In such times, even fantastic allegations about CIA ... will resonate with, and even appeal to, much of American society. At those times, it is especially important to have a professional public affairs staff help limit the damage and facilitate more balanced coverage of CIA."

Written under the heading "Societal Shortcomings," one of Dujmovic's concluding paragraphs revealed the intellectual degeneration and contempt for democratic principles that rules within the power centers of the US government.

"Ultimately the CIA-drug story says a lot more about American society on the eve of the millennium than [sic] it does about either the CIA or the media. We live in somewhat coarse and emotional times—when large numbers of Americans do not adhere to the same standards of logic, evidence, or even civil discourse as those practiced by members of the CIA community," Dujmovic wrote.

In reality, the story revealed the US media as eager attack dogs on behalf of the CIA's efforts to destroy Webb and bury the material he was bringing to light.

As the WWSW noted in its review of Webb's 1998 book *Dark Alliance: The CIA, the Contras, and the Crack Cocaine Explosion*, "Dark Alliance is as much an exposure of the American media as of the American intelligence apparatus and the Nicaraguan Contras. It is no discredit to Webb's enterprise and intelligence to say that any serious and competent reporter, given the leads he was given, could have produced a similar exposé. That no other reporter did what Webb did demonstrates the largely controlled character of the American media."

In a number of pieces aimed at burying the story, the major US newspapers reproduced CIA-concocted distortions of Webb's reporting, attributing to him more extreme claims made by talk radio hosts and others about the extent of direct CIA involvement, and dismissing his claims on this basis.

In its review of Webb's book, the *New York Times* proclaimed, "It is laughable to suggest that today's CIA has the imagination or the courage to manage a cover-up on the scale" suggested by Webb. In fact, as the newly released document clearly shows, the CIA mobilized a systematic

public affairs campaign precisely to “manage” the “nightmare” caused by exposures of agency collaboration with drug traffickers to provide funds for an illegal dirty war

The *Los Angeles Times* responded to the Contra-cocaine story by forming a “get Gary Webb team” of some 17 journalists, who worked systematically to produce material discrediting Webb, according to comments made by *Times* reporter Jesse Katz during a 2013 radio interview.

Katz said that the *Times* reporters were instructed to search Webb's findings with a “microscope.” He added, “It was overkill. We had this huge team of people at the LA Times and kind of piled on to one lone muckraker up in Northern California.”

The *Washington Post* joined the media counterattack against Webb, with an article which, as the WSWS wrote in its review of Webb's 1998 book, “parroted distortions of the series originally voiced by the US intelligence agencies (alleging, for instance, that Webb claimed the CIA had deliberately targeted black communities in promoting Contra cocaine trafficking).”

Reacting to the wave of attacks against Webb's series, the editor at Webb's employer, the *Mercury News*, published a repudiation of the articles, saying the paper had “fallen short” in its editorial responsibilities. Webb was never able to find employment again as a journalist, and died from an apparent suicide on December 9, 2004.

The practices described in the Dujmovic document were developed by the agency over decades. Operation MOCKINGBIRD, launched in the 1950s to disseminate CIA propaganda and overseen by Allen Dulles and later by Frank Wisner, cultivated a network of CIA-friendly journalists and developed cultural and student organizations to serve as fronts for the agency's ideological warfare operations.

In a 1977 expose for *Rolling Stone*, Pulitzer Prize winner Carl Bernstein reported that numerous leading news outlets including CBS, Time, Life Magazine, the *Washington Post*, the *Washington Star* and the *Christian Science Monitor* published reports passed directly to them from the CIA.

The report of the 1976 Church Committee acknowledged the use of such methods by the agency overseas, stating, “The CIA currently maintains a network of several hundred foreign individuals around the world who provide intelligence for the CIA and at times attempt to influence opinion through the use of covert propaganda. These individuals provide the CIA with direct access to a large number of newspapers and periodicals, scores of press services and news agencies, radio and television stations, commercial book publishers, and other foreign media outlets.”

Despite the CIA suppression of investigative reporting on the matter, many of the US government's own reports have confirmed significant involvement of the CIA with cocaine trafficking during the war.

The 1985 National Intelligence Estimate reported that top Contra leader Eden Pastora had links to traffickers. The Reagan administration acknowledged the existence of connections between the US-backed Contras and cocaine smuggling between 1985 and 86.

A CIA internal investigation acknowledged that the agency had worked with Contra elements involved in drug smuggling and that CIA agents “looked the other way” in order to further the political aims of the war.

“During the Contra era, CIA worked with a variety of people to support the Contra program,” CIA Inspector General Frederick Hitz wrote in a report based on the internal investigation which he headed. “These included CIA assets, pilots who ferried supplies to the Contras, as well as Contra officials and others. Let me be frank about what we are finding. There are instances where CIA did not, in an expeditious or consistent fashion, cut off relationships with individuals supporting the Contra program who were alleged to have engaged in drug trafficking activity or take action to resolve the allegations.”

A report issued from a Senate hearing co-sponsored by John Kerry and Christopher Dodd acknowledged that at least \$800,000 in State

Department funds went to known drug traffickers, supposedly as payment for their services in shipping aid to the Contras.

“There is no question in my mind that people affiliated with, or on the payroll of, the CIA were involved in drug trafficking,” said then Senator Kerry.

Circumstantial evidence abounds that the counter-revolutionary militias raised funds through drug sales inside the US. An investigation of the seizure of 430 pounds of cocaine in San Francisco led the *San Francisco Examiner* to report in 1986 that a “cocaine ring in the San Francisco Bay area helped finance Nicaragua's Contra rebels.” The *Examiner* quoted convicted cocaine smuggler Carlos Cabezas saying that his drug money went to support “the Contra revolution” and that he “just wanted to get the Communists out of my country.”

Former Drug Enforcement Agency (DEA) agent Celerino Castillo stated that cocaine traffickers shipped drugs to the US with the knowledge of the CIA in planes departing from El Salvador's Ilopango Airport. Oscar Danilo Blandon testified to a grand jury that he smuggled cocaine into the US while working for the Contras and sold the drugs to dealers in Los Angeles.

In a strong indication of knowledge of the drug operations at the highest levels of the political and intelligence establishments, CIA director William Casey sought and Attorney General William French Smith signed a special exemption in February 1982 freeing the agency from legal requirements to report about the drug trafficking operations of its assets.

The Contra-cocaine story was only the latest in an extended pattern of collaboration between US covert operations and drug trafficking syndicates in South East Asia and Afghanistan. Writing about CIA involvement in the heroin trade in Afghanistan and Southeast Asia, historian Alfred McCoy noted that “the CIA did not handle heroin, but it did provide its drug lord allies with transport, arms, and political protection.”

“American involvement had gone far beyond coincidental complicity, McCoy wrote in his work *The Politics of Heroin in Southeast Asia*. “[E]mbassies had covered up involvement by client governments, CIA contract airlines had carried opium, and individual CIA agents had winked at the opium traffic. As an indirect consequence of American involvement in the Golden Triangle until 1972, opium production steadily increased.”

Relations between the US ruling elite and organized crime have flourished in the decades since the Contra war. In April 2006, the capture of a cocaine-laden DC9 owned by the Sinaloa cartel exposed money laundering operations by Wachovia bank on behalf of the massive cartel, which operates across more than 40 countries. The cartel, responsible for 25 percent of illegal drugs sold in the US, passed some \$370 billion to Wachovia, investigators found.

Large infusions of drug money played a key role in stabilizing the finances of the big banks during the 2008 financial crisis, according to top UN official for drugs and crime Antonio Maria Costa. During a 2012 Al Jazeera interview, an official spokesman for the government of Mexico's Chihuahua province accused the CIA of “managing the drug trade.”

CIA crimes against Nicaragua went far beyond collaboration with drug traffickers, of course. The agency was directly involved in organizing death squads, subversion, murder and intimidation against the population of Nicaragua and Honduras as part of its war against the Sandinistas. US intervention included the creation of Honduras' “Battalion 3-16,” which carried out extra-judicial killings and torture to suppress opposition to the US-backed Honduran regime and Contras, while under the leadership of the US-trained General Luis Elvir.

Webb's research was suppressed because it began to tear away the veil from this underworld of covert operations in which America's government, media and major banks function as a permanent conspiracy against the working class in all countries.



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