

Contras, Drugs and Money. The Hunt for the Secret Team

By [Greg Guma](#)

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Death of a Whistleblower

Steven Carr joined the Reagan administration's "secret" war against Nicaragua because he "wanted to fight the Sandinistas." Too young to have served in Vietnam, he was hungry for adventure in an anti-communist crusade.

As Carr later admitted, he and four other mercenaries met in Miami in March 1985. From there he drove a truck loaded with weapons to the Fort Lauderdale Airport. The weapons — M-16 rifles, .50 caliber machine guns, and 66-mm mortars — came from storage facilities belonging to various Cuban exile groups. Some may have been pilfered from National Guard armories.



The recruits flew with the supplies to El Salvador, where, with official assistance, they transferred the shipment to another plane and went on to Costa Rica. There they found a Contra base coordinated from a ranch owned by John Hull, a US citizen who claimed to have CIA and National Security Council (NSC) connections.

Over the next month Carr participated in a raid on a small Nicaraguan town, as well as plans to bomb power lines. He heard about other schemes, including the assassination of enemies and staging attacks that could be blamed on the Sandinistas. These were supposed to provide a pretext for further US involvement, and ultimately an invasion.

To Carr, it looked like a sanctioned US operation. Hull talked often about his "buddies" in

the NSC. When Carr went on a raid, Costa Rican Civil Guard troops accompanied the attacking force, he claimed. He also learned about cocaine shipments flowing through Hull's ranch on their way to the US. For his various services, Hull claimed to be receiving regular \$10,000 payments, which he ballooned by trading currency on the black market.

It seemed like a soldier of fortune's dream come true.

But in April 1985, the Costa Rican government apparently turned sour on the "expeditionary" force, arresting Carr and his associates (not including Hull) for violating neutrality laws. The once gung-ho 27-year old, bitter about "being made the scapegoat for everybody else," decided to talk. On videotape and later to US investigators, he spoke about moving weapons, assassination plots, and Contra assistance to drug smugglers. He recommended that others do the same.

In a letter to Jesus Garcia, another witness with details about the Contra network's "dirty tricks," Carr wrote about his plans: "I've put all my marbles in their (the investigators') corner hoping to get to the truth of things and show how our 'wonderful' CIA are a bunch of assholes, liars, cheats and murderers. I'm an American all the way but I stop at killing other Americans for the sake of CIA war games."

After his release by the Costa Ricans, Carr came home and began to cooperate with officials in Florida and congressional investigators. He also became paranoid — with good reason. The US administration wanted to discredit his testimony about the arms shipments and another plot, devised at the urging of Colombian drug lords. The traffickers had offered a \$1 million reward to the Contra network in Costa Rica, he claimed, for the murder of Lewis Tambs, former ambassador to Colombia, who had been attempting to crack down on drug smuggling.

The pressure on Carr was intense. One of his companions, Peter Glibbery, still jailed in Costa Rica, had received a death threat from an employee of John Hull.

On December 17, 1986 Steven Carr was found dead near Los Angeles. Local authorities were quick to label it suicide. He apparently had stumbled to his car at 2:30 a.m., foaming at the mouth, and dropped dead in the driveway, probably from a cocaine overdose. Medical reports were inconclusive and a coroner's toxicity report failed to resolve the mystery.

The Contra-Cocaine Connection

During a televised speech on March 16, 1986, President Reagan displayed a photograph taken in Nicaragua and claimed that it proved top Nicaraguan officials were involved in cocaine trafficking. As it turned out, there was no real evidence and the Drug Enforcement Agency (DEA) later issued a low-key "clarification." But the smear was effective; it distracted attention from the ongoing investigation of Contra involvement in the drug trade.

Barry Seal, the only person who might have told the true story about the grainy picture of men loading a plane near Managua, was already dead. A DEA informant and pilot, Seal had been murdered on February 19 in Baton Rouge, Louisiana, reportedly on orders from the Colombian cocaine magnate who had arranged the shipments in association with the Contra network. One of the suspects, in federal custody on an unrelated charge, was Jose Coutin, a suspected drug dealer and Miami gunshop owner with links to John Hull's ranch operations.

Seal's story, and the Contra-cocaine connection, were subsequently the subject of several investigations. In a report by the International Center for Development Policy, directed by former US Ambassador to El Salvador Robert White, Seal emerged as a dangerous pawn who knew too much. For example, he knew that the Colombians were using Hull's ranch as a shipping point.

He also knew that the famous incriminating photo had been taken on DEA orders, and that other US government figures were aware of the shipments. But when the White House leaked the story about the Sandinistas and drugs, along with the photo, Seal's cover was blown. He'd taken the picture himself. The Colombians, according to White's report, put a \$2 million price on his head.

Dan Sheehan of the Christic Institute, an interfaith law and policy center that independently dug into the private arms network fueling the Contras, concluded that the Seal shipments were merely a small part of the network's deal to transport cocaine in exchange for funds to purchase arms. In 1983, Sheehan revealed, several anti-Castro Cubans and Hull agreed to provide refueling and packaging services on the Costa Rican ranch in exchange for up to \$25,000 per shipment from the Colombians.

"As amazing as it sounds," Sheehan claimed later, "the conspiracy is continuing to bring in about one ton or 1000 kilos of cocaine to the US each week." The street value of such a shipment was more than \$25 million. Some of the profits, he added, were deposited in Miami and Central American banks and later withdrawn to purchase weapons.

The picture that emerged from these overlapping investigations was of an alliance stretching back years and providing smugglers with secure routes to the US in exchange for cash. According to Jesus Garcia, a former Dade County, Florida deputy sheriff who was part of the operation before he went to prison for illegal firearms possession, "It is common knowledge in Miami that this whole Contra operation in Costa Rica was paid for with cocaine. Everyone involved knows it. I actually saw the cocaine and weapons together under one roof, weapons that I helped ship to Costa Rica."

The same charge was leveled in a civil complaint filed by journalists Tony Avirgan and Martha Honey. They alleged that the network was responsible for a bombing in Costa Rica in which Contra leader Eden Pastora and several journalists were injured. Avirgan was one of those wounded. Several others, including one US reporter, were killed.

Honey and Avirgan claimed that, in order to fund their operations, a deal had been struck between Hull, some Cuban-Americans, and Contra leaders hostile to Pastora, who refused to merge with other Contra forces. Drugs flowed freely through Costa Rica to various US points; profits paid for weapons from Florida, Israel and South Korea, according to the White Report. When Pastora remained uncooperative, the same group contracted with a Libyan professional assassin, Amac Galil, to eliminate him.

Citing White House sources, the New York Times reported on January 20, 1987 that the DEA had known since at least the previous fall that US flight crews carrying arms to the Contras were smuggling cocaine on return trips to the US. When told about the investigation one crew member reportedly warned that he was under the protection of Lt. Col. Oliver North.

"The Contra operation," emphasized White's report, "like all covert operations, breeds

criminality, attracts criminals, and results in the cover up of criminal activity. The most profitable criminal activity today is narcotics. It is not surprising to find Contra and Contra-related figures using the opportunities provided by the operation to enrich themselves in the name of a cause nor to find the US officials responsible for the operation either condoning their actions or not taking active measures to stop them.”

Bush in the Loop

Various researchers and investigations have established that Vice President George Bush and his national security advisers maintained close ties with the secret air-re-supply operation in El Salvador. In October 1986, a week after the Nicaraguan government shot down a plane carrying supplies for the Contras, front page press reports announced that the operation led to both the CIA and Bush.

Resupply project Chief Felix Rodriguez met several times with Bush and a key aide, but the VP claimed they did not discuss Nicaragua. The trail also led to the vice president’s son Jeb Bush, who had “long acted as a liaison man with the fiercely pro-Contra, anti-Cuban and Nicaraguan settlers in Miami,” according to the Manchester Guardian.

Such stories soon vanished, however, and Bush, heir apparent to Reagan, was insulated from further probing questions for the next two years. Nevertheless, he was the one person who connected the CIA, NSA and the mercenary forces on the ground.

In 1984, when Congress cut off Contra aid, the administration privatized the war. Oliver North designed the plan, NSA chief Robert McFarlane approved it, and the President was briefed. The arrangement was summed up in a Miami Herald report: “The NSC recruited technical and logistical personnel retired from the CIA or the Army Special Forces to establish the network, and Bush’s staff concentrated on organizing Cuban exiles in Miami, many of them veterans of the CIA-organized Bay of Pigs invasion in 1961.” Assistant Secretary of State Elliot Abrams became “general strategist,” with CIA Director Bill Casey and North handling operations.

Elliott Abrams was deeply involved in Contra activities, coordinating between the Department of State, NSC and CIA. But this was only part of a larger inter-agency program masterminded by CIA Director Casey. The Defense Department planned airdrops over Nicaragua and provided troops to build the Contra infrastructure. A private aid network, including John Singlaub’s World Anti-Communist League, various non-profit fronts, mercenary groups and CAUSA, the political wing of the Moonies, provided cover for an operation that ultimately led back to the Oval office.

Rodriguez, both ex-CIA and a Bay of Pigs vet, coordinated the supply route from El Salvador after approaching an old CIA colleague, Donald Gregg, a Bush aide. With administration blessings, he established the Ilopango air base, which involved at least eight planes and hundreds of missions. But the cost was too high for the private organizations coordinated by Gen. John Singlaub, head of the World Anti-Communist League.

In 1985, after Honduras decided to hold up Contra supplies, Rodriguez met with Bush. Soon after their talk the Contra flights through Ilopango increased, according to witnesses and press reports. It was illegal to supply weapons, yet Rodriguez was able to maintain a direct line with both the US embassy and Don Gregg at the White House. The money, it turns out, was coming from Washington via Israel, Iran and a Swiss bank.

Money also came from Saudi Arabia as part of a kickback for the sale of AWACs. According to the New York Times, the point man for this was Richard Secord, a retired Air Force general and Pentagon official who eventually led what became known as the Secret Team.

Secord used money from Iran arms sales and other sources to acquire weapons and channel them to Central America, South Africa, and Angola. The team and the aid network worked with both the Ilopango airlift in El Salvador and the South Front, coordinated from Hull's ranch. Drugs and guns moved back and forth. One beneficiary was the Nicaraguan Democratic Force, led by Adolfo Calero and former Somocistas.

Over 80 people, in and out of the US government, actively worked in this covert network, with additional financial support from Saudi Arabia and Brunei. President Reagan was aware of and approved most phases of this covert foreign policy.

Private Agents of Chaos

This was only one episode in a longer, even more convoluted tale. An earlier "Contra" war was mounted against Cuba under the direction of Richard Nixon, then vice president, beginning in the late 50s.

With the cooperation of Mafia don Santo Trafficante, a private "sub-operation" was developed to assassinate Cuban leaders. Members of the "shooter team" included Rafael "Chi Chi" Quintero, who later coordinated arms shipments to the Contras with Secord; Rodriguez, a CIA operative who headed the Ilopango operation and met with Bush; and several of the future Watergate burglars. The Cuban operation was supervised by Secord associates Theodore Shackley and Thomas Clines.

Secord was a key figure in both the Iran and Contra operations. Years before he had flown missions with another Major General, Singlaub, and, as a Pentagon official, embezzled millions while overseeing arms sales. One of his business partners was Shackley, who had been engaged in secret wars since the early 60s, becoming deputy director of covert operations during George Bush's tenure as CIA chief. Clines, another ex-CIA man and a major Contra arms supplier, eventually pleaded guilty to overcharging the Pentagon in 1984.

The same group had directed CIA secret wars in Southeast Asia between 1965 and 1975. In Laos they backed up Vang Pao, a major opium trafficker. Drug money was used to train Hmong tribesmen in guerrilla war, resulting in the assassination of 100,000 non-combatant "communist sympathizers" in Laos, Cambodia and Thailand. Shackley and Clines also directed the Phoenix Program in South Vietnam, an effort resulting in the murder of 60,000 Vietnamese civilians. That operation was financed by Vang Pao heroin sold in the US by Trafficante.

During the early 1970s, they were active in Chile, directing the CIA's "Track II" project to overthrow the Allende government. In 1984, members of the Team recruited Amac Galil through the Chilean military to execute the bombing of Pastora's press conference.

After Vietnam, the Team moved on to Teheran to conduct private, non-CIA activities like helping the Shah's secret police to identify and assassinate his opponents. Beginning in the mid-70s, Secord, who had become an Assistant Secretary of Defense, supervised the sale of

US weapons to Middle East nations. Using middleman Albert Hakim, an Iranian-born US citizen, he purchased weapons at the manufacturer's cost and sold them to countries at a profit, illegally depositing the proceeds into private Team bank accounts. The same practice was used later during the arms sales to Iran.

The Secret Team's activities stretched around the world. In Australia, they used opium money and weapons profits to help destabilize the Labour government in 1975. In Nicaragua, they assisted Somoza after Carter and Congress stopped further aid; after the dictator's fall, they armed and advised ex-National Guardsmen until the CIA assumed control of the Contra war.

When Congress cut off aid in 1984, Oliver North, who had worked under Singlaub in Laos, reached out to the Team to illegally recommence funding and re-supply the Contras. During the 1980s operations in Central America, they established major supply bases in Honduras, El Salvador, Guatemala and Costa Rica. In the meantime, CIA Director Casey developed other Contra operations in Africa. In return for South African assistance in ferrying arms to Central America, for example, he arranged with Saudi Arabian King Fahd to provide aid to the South African-backed UNITA rebels fighting the Angolan government. Exposing the Team

Before his death, Steven Carr told an aide to Senator John Kerry that he had loaded an arms shipment bound for Costa Rica in broad daylight at the Fort Lauderdale airport. The weapons went to an Air Force base in El Salvador, where military personnel unloaded the plane. In an interview taped after his arrest, he argued that without CIA knowledge "it's improbable that a private charter plane could land at an Air Force base. It's not like we were going on vacation."

In a video report, "The Costa Rica Connection," Carr and his British associate, Peter Glibbery, alleged their covert work had the full support of Costa Rican officials at first. They said John Hull presented himself as the chief CIA and NSC liaison for the operations. Glibbery claimed to have seen Hull with Robert Owen on the ranch when arms were arriving. Owen, a retired military officer and representative of a Nicaraguan "humanitarian" aid group, was North's contact with the Contra network.

Predictably, the State Department denied any knowledge of Contra involvement in cocaine deals, and the US Customs Service claimed to know nothing about arms shipments leaving Florida without official clearance. The evidence, however, indicated that the weapons and the drugs did get delivered, and the same network was involved in both operations.

Avrigan and Honey exposed the private network behind much of this mayhem long before the Tower Commission and Iran-Contra Committee launched their investigations. Working with the Christic Institute, they eventually filed a lawsuit charging 29 US citizens with conspiracy. The specific instance spurring the suit was the bombing of Pastora's press conference.

The Secret Team, which helped make that attempted assassination possible, had roots stretching back decades. Including figures such as Secord, Clines, Shackley and an assortment of Cuban exiles and ex-military men, this private military network had long been handling sensitive, often illegal operations at the behest of the US government. In fact, it was an instrument of US policy from the early days of Castro (when some members helped plot the leader's death), in Laos and Vietnam, in the overthrow of Salvadore Allende in Chile,

in propping up the Shah of Iran, and throughout Central America.

After releasing their findings, the journalists were sued for libel in Costa Rica by Hull, the CIA contract agent named in the case. They won. But afterward they were the targets of a police raid, and one of their lawyers was arrested for accepting a package at the post office.

Police claimed the package contained cocaine from a “T. Borge,” a desperate attempt to perpetuate the stale disinformation campaign connecting Sandinista officials such as Tomas Borge with drug smuggling. In reality, the evidence says that the so-called Southern Front, run in the 1980s by John Hull, Oliver North, head Contra Adolfo Calero and Cuban exiles — and sanctioned at the highest levels of the US government — was for a while a major shipping point for Colombian cocaine headed to US cities.

Greg Guma’s forthcoming novel Dons of Time, to be released by Fomite Press in October, explores the danger of privatized national security and the surveillance state.

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