

24 March 1999: Remembering the NATO led War on Yugoslavia: Kosovo “Freedom Fighters” Financed by Organized Crime

By [Prof Michel Chossudovsky](#)
Global Research, March 25, 2014
24 March 2011

Region: [Europe](#)
Theme: [US NATO War Agenda](#)
In-depth Report: [THE BALKANS](#)

Twelve years ago, March 24th 1999, marks the commencement of NATO’s aerial bombardment of Yugoslavia. The bombings which lasted for almost three months, were followed by the military invasion (under a bogus UN mandate) and illegal occupation of the province of Kosovo.

In the course of the last week, the so-called international community, backed by the UN Security Council has called for the bombing of Libya, a sovereign country, allegedly to protect the lives of civilians under the logo of “Responsibility to Protect”.

The covert operations, the military strategies applied in Libya not to mention the process of media disformation bear a canny resemblance to Yugoslavia in 1999.

The Libyan “humanitarian bombing” campaign is an integral part of a military strategy which consists in destroying the country’s civilian infrastructure. It is a “copy and paste” of previous “humanitarian bombing” endeavors including the 1999 bombing of Yugoslavia and the 2003 military campaign and occupation of Iraq.

The military technology applied today against Libya is far more sophisticated and precise.

In 1999, when Belgrade was bombed, the children’s hospital was the object of air attacks. It had been singled out by military planners as a strategic target.

NATO acknowledged that that had done it, but to “save the lives” of the newly borne, they did not target the section of the hospital where the babies were residing, instead they targeted the building which housed the power generator, which meant no more power for the incubators, which meant the entire hospital was for all sakes and purposes destroyed and many of the children died.

I visited that hospital, one year after the bombing in June 2000 and saw with my own eyes how they did it with utmost accuracy. These are war crimes using the most advanced military technology using NATO’s so-called smart bombs.

In Yugoslavia, the civilian economy was the target: hospitals, airports, government buildings, manufacturing, infrastructure, not to mention 17th century churches and the country’s historical and cultural heritage.

The following article focussing on the KLA, written and published in April 1999, documents

the KLA's links to organized crime and Al Qaeda.

While the nature of the opposition in Libya remains to be analysed, Western media reports have confirmed that it is integrated by members of the Libyan Islamic Fighter Group (LIFG), a terrorist organization with links to Al Qaeda.

Michel Chossudovsky, March 24, 2011

Heralded by the global media as a humanitarian peace-keeping mission, NATO's ruthless bombing of Belgrade and Pristina goes far beyond the breach of international law. While Slobodan Milosevic is demonised, portrayed as a remorseless dictator, the Kosovo Liberation Army (KLA) is upheld as a self-respecting nationalist movement struggling for the rights of ethnic Albanians. The truth of the matter is that the KLA is sustained by organised crime with the tacit approval of the United States and its allies.

Following a pattern set during the War in Bosnia, public opinion has been carefully misled. The multibillion dollar Balkans narcotics trade has played a crucial role in "financing the conflict" in Kosovo in accordance with Western economic, strategic and military objectives. Amply documented by European police files, acknowledged by numerous studies, the links of the Kosovo Liberation Army (KLA) to criminal syndicates in Albania, Turkey and the European Union have been known to Western governments and intelligence agencies since the mid-1990s.

"...The financing of the Kosovo guerilla war poses critical questions and it sorely test claims of an "ethical" foreign policy. Should the West back a guerilla army that appears to partly financed by organised crime." 1

While KLA leaders were shaking hands with US Secretary of State Madeleine Albright at Rambouillet, Europol (the European Police Organization based in the Hague) was "preparing a report for European interior and justice ministers on a connection between the KLA and Albanian drug gangs."2 In the meantime, the rebel army has been skilfully heralded by the global media (in the months preceding the NATO bombings) as broadly representative of the interests of ethnic Albanians in Kosovo.

With KLA leader Hashim Thaci (a 29 year "freedom fighter") appointed as chief negotiator at Rambouillet, the KLA has become the de facto helmsman of the peace process on behalf of the ethnic Albanian majority and this despite its links to the drug trade. The West was relying on its KLA puppets to rubber-stamp an agreement which would have transformed Kosovo into an occupied territory under Western Administration.

Ironically Robert Gelbard, America's special envoy to Bosnia, had described the KLA last year as "terrorists". Christopher Hill, America's chief negotiator and architect of the Rambouillet agreement "has also been a strong critic of the KLA for its alleged dealings in drugs."3 Moreover, barely a few two months before Rambouillet, the US State Department had acknowledged (based on reports from the US Observer Mission) the role of the KLA in terrorising and uprooting ethnic Albanians:

"...the KLA harass or kidnap anyone who comes to the police, ... KLA representatives had threatened to kill villagers and burn their homes if they did not join the KLA [a process which has continued since the NATO bombings]... [T]he KLA harassment has reached such intensity that residents

of six villages in the Stimlje region are “ready to flee.” 4

While backing a “freedom movement” with links to the drug trade, the West seems also intent in bypassing the civilian Kosovo Democratic League and its leader Ibrahim Rugova who has called for an end to the bombings and expressed his desire to negotiate a peaceful settlement with the Yugoslav authorities.⁵ It is worth recalling that a few days before his March 31st Press Conference, Rugova had been reported by the KLA (alongside three other leaders including Fehmi Agani) to have been killed by the Serbs.

Covert Financing of “Freedom Fighters”

Remember Oliver North and the Contras? The pattern in Kosovo is similar to other CIA covert operations in Central America, Haiti and Afghanistan where “freedom fighters” were financed through the laundering of drug money. Since the onslaught of the Cold War, Western intelligence agencies have developed a complex relationship to the illegal narcotics trade. In case after case, drug money laundered in the international banking system has financed covert operations.

According to author Alfred McCoy, the pattern of covert financing was established in the Indochina war. In the 1960s, the Meo army in Laos was funded by the narcotics trade as part of Washington’s military strategy against the combined forces of the neutralist government of Prince Souvanna Phouma and the Pathet Lao.⁶

The pattern of drug politics set in Indochina has since been replicated in Central America and the Caribbean. “The rising curve of cocaine imports to the US”, wrote journalist John Dinges “followed almost exactly the flow of US arms and military advisers to Central America”.⁷

The military in Guatemala and Haiti, to which the CIA provided covert support, were known to be involved in the trade of narcotics into Southern Florida. And as revealed in the Iran-Contra and Bank of Commerce and Credit International (BCCI) scandals, there was strong evidence that covert operations were funded through the laundering of drug money. “Dirty money” recycled through the banking system—often through an anonymous shell company—became “covert money,” used to finance various rebel groups and guerilla movements including the Nicaraguan Contras and the Afghan Mujahadeen. According to a 1991 Time Magazine report:

“Because the US wanted to supply the mujehadeen rebels in Afghanistan with stinger missiles and other military hardware it needed the full cooperation of Pakistan. By the mid-1980s, the CIA operation in Islamabad was one of the largest US intelligence stations in the World. `If BCCI is such an embarrassment to the US that forthright investigations are not being pursued it has a lot to do with the blind eye the US turned to the heroin trafficking in Pakistan’, said a US intelligence officer.⁸

America and Germany join Hands

Since the early 1990s, Bonn and Washington have joined hands in establishing their respective spheres of influence in the Balkans. Their intelligence agencies have also collaborated. According to intelligence analyst John Whitley, covert support to the Kosovo rebel army was established as a joint endeavour between the CIA and Germany’s Bundes

Nachrichten Dienst (BND) (which previously played a key role in installing a right wing nationalist government under Franjo Tudjman in Croatia).⁹ The task to create and finance the KLA was initially given to Germany: "They used German uniforms, East German weapons and were financed, in part, with drug money".¹⁰ According to Whitley, the CIA was, subsequently instrumental in training and equipping the KLA in Albania.¹¹

The covert activities of Germany's BND were consistent with Bonn's intent to expand its "Lebensraum" into the Balkans. Prior to the onset of the civil war in Bosnia, Germany and its Foreign Minister Hans Dietrich Genscher had actively supported secession; it had "forced the pace of international diplomacy" and pressured its Western allies to recognize Slovenia and Croatia. According to the Geopolitical Drug Watch, both Germany and the US favoured (although not officially) the formation of a "Greater Albania" encompassing Albania, Kosovo and parts of Macedonia.¹² According to Sean Gervasi, Germany was seeking a free hand among its allies "to pursue economic dominance in the whole of Mitteleuropa."¹³

Islamic Fundamentalism in Support of the KLA

Bonn and Washington's "hidden agenda" consisted in triggering nationalist liberation movements in Bosnia and Kosovo with the ultimate purpose of destabilising Yugoslavia. The latter objective was also carried out "by turning a blind eye" to the influx of mercenaries and financial support from Islamic fundamentalist organisations.¹⁴

Mercenaries financed by Saudi Arabia and Koweit had been fighting in Bosnia.¹⁵ And the Bosnian pattern was replicated in Kosovo: Mujahadeen mercenaries from various Islamic countries are reported to be fighting alongside the KLA in Kosovo. German, Turkish and Afghan instructors were reported to be training the KLA in guerilla and diversion tactics.¹⁶

According to a Deutsche Press-Agentur report, financial support from Islamic countries to the KLA had been channelled through the former Albanian chief of the National Information Service (NIS), Bashkim Gazidede.¹⁷ "Gazidede, reportedly a devout Moslem who fled Albania in March of last year [1997], is presently [1998] being investigated for his contacts with Islamic terrorist organizations."¹⁸

The supply route for arming KLA "freedom fighters" are the rugged mountainous borders of Albania with Kosovo and Macedonia. Albania is also a key point of transit of the Balkans drug route which supplies Western Europe with grade four heroin. 75% of the heroin entering Western Europe is from Turkey. And a large part of drug shipments originating in Turkey transits through the Balkans. According to the US Drug Enforcement Administration (DEA), "it is estimated that 4-6 metric tons of heroin leave each month from Turkey having [through the Balkans] as destination Western Europe."¹⁹ A recent intelligence report by Germany's Federal Criminal Agency suggests that: "Ethnic Albanians are now the most prominent group in the distribution of heroin in Western consumer countries."²⁰

The Laundering of Dirty Money

In order to thrive, the criminal syndicates involved in the Balkans narcotics trade need friends in high places. Smuggling rings with alleged links to the Turkish State are said to control the trafficking of heroin through the Balkans "cooperating closely with other groups with which they have political or religious ties" including criminal groups in Albanian and Kosovo.²¹ In this new global financial environment, powerful undercover political lobbies connected to organized crime cultivate links to prominent political figures and officials of the

military and intelligence establishment.

The narcotics trade nonetheless uses respectable banks to launder large amounts of dirty money. While comfortably removed from the smuggling operations per se, powerful banking interests in Turkey but mainly those in financial centres in Western Europe discretely collect fat commissions in a multibillion dollar money laundering operation. These interests have high stakes in ensuring a safe passage of drug shipments into Western European markets.

The Albanian Connection

Arms smuggling from Albania into Kosovo and Macedonia started at the beginning of 1992, when the Democratic Party came to power, headed by President Sali Berisha. An expansive underground economy and cross border trade had unfolded. A triangular trade in oil, arms and narcotics had developed largely as a result of the embargo imposed by the international community on Serbia and Montenegro and the blockade enforced by Greece against Macedonia.

Industry and agriculture in Kosovo were spearheaded into bankruptcy following the IMF's lethal "economic medicine" imposed on Belgrade in 1990. The embargo was imposed on Yugoslavia. Ethnic Albanians and Serbs were driven into abysmal poverty. Economic collapse created an environment which fostered the progress of illicit trade. In Kosovo, the rate of unemployment increased to a staggering 70 percent (according to Western sources).

Poverty and economic collapse served to exacerbate simmering ethnic tensions. Thousands of unemployed youths "barely out of their Teens" from an impoverished population, were drafted into the ranks of the KLA...²²

In neighbouring Albania, the free market reforms adopted since 1992 had created conditions which favoured the criminalisation of State institutions. Drug money was also laundered in the Albanian pyramids (ponzi schemes) which mushroomed during the government of former President Sali Berisha (1992-1997).²³ These shady investment funds were an integral part of the economic reforms inflicted by Western creditors on Albania.

Drug barons in Kosovo, Albania and Macedonia (with links to the Italian mafia) had become the new economic elites, often associated with Western business interests. In turn the financial proceeds of the trade in drugs and arms were recycled towards other illicit activities (and vice versa) including a vast prostitution racket between Albania and Italy. Albanian criminal groups operating in Milan, "have become so powerful running prostitution rackets that they have even taken over the Calabrians in strength and influence."²⁴

The application of "strong economic medicine" under the guidance of the Washington based Bretton Woods institutions had contributed to wrecking Albania's banking system and precipitating the collapse of the Albanian economy. The resulting chaos enabled American and European transnationals to carefully position themselves. Several Western oil companies including Occidental, Shell and British Petroleum had their eyes rivetted on Albania's abundant and unexplored oil-deposits. Western investors were also gawking Albania's extensive reserves of chrome, copper, gold, nickel and platinum... The Adenauer Foundation had been lobbying in the background on behalf of German mining interests. ²⁵

Berisha's Minister of Defence Safet Zoulali (alleged to have been involved in the illegal oil and narcotics trade) was the architect of the agreement with Germany's Preussag (handing

over control over Albania's chrome mines) against the competing bid of the US led consortium of Macalloy Inc. in association with Rio Tinto Zimbabwe (RTZ).²⁶

Large amounts of narco-dollars had also been recycled into the privatisation programmes leading to the acquisition of State assets by the mafias. In Albania, the privatisation programme had led virtually overnight to the development of a property owning class firmly committed to the "free market". In Northern Albania, this class was associated with the Guegue "families" linked to the Democratic Party.

Controlled by the Democratic Party under the presidency of Sali Berisha (1992-97), Albania's largest financial "pyramid" VEFA Holdings had been set up by the Guegue "families" of Northern Albania with the support of Western banking interests. VEFA was under investigation in Italy in 1997 for its ties to the Mafia which allegedly used VEFA to launder large amounts of dirty money.²⁷

According to one press report (based on intelligence sources), senior members of the Albanian government during the Presidency of Sali Berisha including cabinet members and members of the secret police SHIK were alleged to be involved in drugs trafficking and illegal arms trading into Kosovo:

(...) The allegations are very serious. Drugs, arms, contraband cigarettes all are believed to have been handled by a company run openly by Albania's ruling Democratic Party, Shqiponja (...). In the course of 1996 Defence Minister, Safet Zhulali [was alleged] to had used his office to facilitate the transport of arms, oil and contraband cigarettes. (...) Drugs barons from Kosovo (...) operate in Albania with impunity, and much of the transportation of heroin and other drugs across Albania, from Macedonia and Greece en route to Italy, is believed to be organised by Shik, the state security police (...). Intelligence agents are convinced the chain of command in the rackets goes all the way to the top and have had no hesitation in naming ministers in their reports.²⁸

The trade in narcotics and weapons was allowed to prosper despite the presence since 1993 of a large contingent of American troops at the Albanian-Macedonian border with a mandate to enforce the embargo. The West had turned a blind eye. The revenues from oil and narcotics were used to finance the purchase of arms (often in terms of direct barter): "Deliveries of oil to Macedonia (skirting the Greek embargo [in 1993-4] can be used to cover heroin, as do deliveries of kalachnikov rifles to Albanian 'brothers' in Kosovo".²⁹

The Northern tribal clans or "fares" had also developed links with Italy's crime syndicates.³⁰ In turn, the latter played a key role in smuggling arms across the Adriatic into the Albanian ports of Dures and Valona. At the outset in 1992, the weapons channelled into Kosovo were largely small arms including Kalashnikov AK-47 rifles, RPK and PPK machine-guns, 12.7 calibre heavy machine-guns, etc.

The proceeds of the narcotics trade has enabled the KLA to rapidly develop a force of some 30,000 men. More recently, the KLA has acquired more sophisticated weaponry including anti-aircraft and antiarmor rockets. According to Belgrade, some of the funds have come directly from the CIA "funnelled through a so-called "Government of Kosovo" based in Geneva, Switzerland. Its Washington office employs the public-relations firm of Ruder Finn-notorious for its slanders of the Belgrade government".³¹

The KLA has also acquired electronic surveillance equipment which enables it to receive

NATO satellite information concerning the movement of the Yugoslav Army. The KLA training camp in Albania is said to “concentrate on heavy weapons training – rocket propelled grenades, medium caliber cannons, tanks and transporter use, as well as on communications, and command and control”. (According to Yugoslav government sources.³²

These extensive deliveries of weapons to the Kosovo rebel army were consistent with Western geopolitical objectives. Not surprisingly, there has been a “deafening silence” of the international media regarding the Kosovo arms-drugs trade. In the words of a 1994 Report of the Geopolitical Drug Watch: “the trafficking [of drugs and arms] is basically being judged on its geostrategic implications (...) In Kosovo, drugs and weapons trafficking is fuelling geopolitical hopes and fears”...³³

The fate of Kosovo had already been carefully laid out prior to the signing of the 1995 Dayton agreement. NATO had entered an unwholesome “marriage of convenience” with the mafia. “Freedom fighters” were put in place, the narcotics trade enabled Washington and Bonn to “finance the Kosovo conflict” with the ultimate objective of destabilising the Belgrade government and fully recolonising the Balkans. The destruction of an entire country is the outcome. Western governments which participated in the NATO operation bear a heavy burden of responsibility in the deaths of civilians, the impoverishment of both the ethnic Albanian and Serbian populations and the plight of those who were brutally uprooted from towns and villages in Kosovo as a result of the bombings.

NOTES

1. Roger Boyes and Eske Wright, *Drugs Money Linked to the Kosovo Rebels* The Times, London, Monday, March 24, 1999.
2. Ibid.
3. Philip Smucker and Tim Butcher, “Shifting stance over KLA has betrayed’ Albanians”, Daily Telegraph, London, 6 April 1999
4. KDOM Daily Report, released by the Bureau of European and Canadian Affairs, Office of South Central European Affairs, U.S. Department of State, Washington, DC, December 21, 1998; Compiled by EUR/SCE (202-647-4850) from daily reports of the U.S. element of the Kosovo Diplomatic Observer Mission, December 21, 1998.
5. “Rugova, sous protection serbe appelle a l’arret des raides”, Le Devoir, Montreal, 1 April 1999.
6. See Alfred W. McCoy, *The Politics of Heroin in Southeast Asia* Harper and Row, New York, 1972.
7. See John Dinges, *Our Man in Panama, The Shrewd Rise and Brutal Fall of Manuel Noriega*, Times Books, New York, 1991.
8. “The Dirtiest Bank of All,” Time, July 29, 1991, p. 22.
9. Truth in Media, Phoenix, 2 April, 1999; see also Michel Collon, *Poker Menteur*, editions EPO, Brussels, 1997.

10. Quoted in Truth in Media, Phoenix, 2 April, 1999).
11. Ibid.
12. Geopolitical Drug Watch, No 32, June 1994, p. 4
13. Sean Gervasi, "Germany, US and the Yugoslav Crisis", Covert Action Quarterly, No. 43, Winter 1992-93).
14. See Daily Telegraph, 29 December 1993.
15. For further details see Michel Collon, Poker menteur, editions EPO, Brussels, 1997, p. 288.
16. Truth in Media, Kosovo in Crisis, Phoenix, 2 April 1999.
17. Deutsche Presse-Agentur, March 13, 1998.
18. Ibid.
19. Daily News, Ankara, 5 March 1997.
20. Quoted in Boyes and Wright, op cit.
21. ANA, Athens, 28 January 1997, see also Turkish Daily News, 29 January 1997.
22. Brian Murphy, KLA Volunteers Lack Experience, The Associated Press, 5 April 1999.
23. See Geopolitical Drug Watch, No. 35, 1994, p. 3, see also Barry James, In Balkans, Arms for Drugs, The International Herald Tribune Paris, June 6, 1994.
24. The Guardian, 25 March 1997.
25. For further details see Michel Chossudovsky, La crisi albanese, Edizioni Gruppo Abele, Torino, 1998.
26. Ibid.
27. Andrew Gumbel, The Gangster Regime We Fund, The Independent, February 14, 1997, p. 15.
28. Ibid.
29. Geopolitical Drug Watch, No. 35, 1994, p. 3.
30. Geopolitical Drug Watch, No 66, p. 4.
31. Quoted in Workers' World, May 7, 1998.
32. See Government of Yugoslavia at <http://www.gov.yu/terrorism/terroristcamps.html>.
33. Geopolitical Drug Watch, No 32, June 1994, p. 4

[Comment on Global Research Articles on our Facebook page](#)

[Become a Member of Global Research](#)

Articles by: [Prof Michel Chossudovsky](#)

About the author:

Michel Chossudovsky is an award-winning author, Professor of Economics (emeritus) at the University of Ottawa, Founder and Director of the Centre for Research on Globalization (CRG), Montreal, Editor of Global Research. He has undertaken field research in Latin America, Asia, the Middle East, sub-Saharan Africa and the Pacific and has written extensively on the economies of developing countries with a focus on poverty and social inequality. He has also undertaken research in Health Economics (UN Economic Commission for Latin America and the Caribbean (ECLAC), UNFPA, CIDA, WHO, Government of Venezuela, John Hopkins International Journal of Health Services (1979, 1983) He is the author of 13 books including The Globalization of Poverty and The New World Order (2003), America's "War on Terrorism" (2005), The Globalization of War, America's Long War against Humanity (2015). He is a contributor to the Encyclopaedia Britannica. His writings have been published in more than twenty languages. In 2014, he was awarded the Gold Medal for Merit of the Republic of Serbia for his writings on NATO's war of aggression against Yugoslavia. He can be reached at crgeditor@yahoo.com

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: publications@globalresearch.ca

www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca