

The Contra-Cocaine Drug Trade: America's Debt to Journalist Gary Webb

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Global Research, December 11, 2022

<http://www.consortiumnews.com/>, 13
December 2004

Region: [USA](#)

Theme: [Crimes against Humanity](#)

Today December 10, 2022 we commemorate assassination of San Jose Mercury News journalist **Gary Webb**.

This article by the late award winning journalist **Robert Parry** was first published on December 13, 2004

In 1996, journalist Gary Webb wrote a series of articles that forced a long-overdue investigation of a very dark chapter of recent U.S. foreign policy — the Reagan-Bush administration's protection of cocaine traffickers who operated under the cover of the Nicaraguan contra war in the 1980s.

For his brave reporting at the San Jose Mercury News, Webb paid a high price. He was attacked by journalistic colleagues at the New York Times, the Washington Post, the Los Angeles Times, the American Journalism Review and even the Nation magazine. Under this media pressure, his editor Jerry Ceppos sold out the story and demoted Webb, causing him to quit the Mercury News. Even Webb's marriage broke up.

On Friday, Dec. 10, Gary Webb, 49, died of an apparent suicide, a gunshot wound to the head.

Whatever the details of Webb's death, American history owes him a huge debt.

Though denigrated by much of the national news media, Webb's contra-cocaine series prompted internal investigations by the Central Intelligence Agency and the Justice Department, probes that confirmed that scores of contra units and contra-connected individuals were implicated in the drug trade. The probes also showed that the Reagan-Bush administration frustrated investigations into those crimes for geopolitical reasons.

Failed Media

Unintentionally, Webb also exposed the cowardice and unprofessional behavior that had become the new trademarks of the major U.S. news media by the mid-1990s. The big news outlets were always hot on the trail of some titillating scandal — the O.J. Simpson case or the Monica Lewinsky scandal — but the major media could no longer grapple with serious crimes of state.

Even after the CIA's inspector general issued his findings in 1998, the major newspapers could not muster the talent or the courage to explain those extraordinary government admissions to the American people. Nor did the big newspapers apologize for their unfair treatment of Gary Webb. Foreshadowing the media incompetence that would fail to challenge George W. Bush's case for war with Iraq five years later, the major news organizations effectively hid the CIA's confession from the American people.

The New York Times and the Washington Post never got much past the CIA's "executive summary," which tried to put the best spin on Inspector General Frederick Hitz's findings. The Los Angeles Times never even wrote a story after the final volume of the CIA's report was published, though Webb's initial story had focused on contra-connected cocaine shipments to South-Central Los Angeles.

The Los Angeles Times' cover-up has now continued after Webb's death. In a harsh obituary about Webb, the Times reporter, who called to interview me, ignored my comments about the debt the nation owed Webb and the importance of the CIA's inspector general findings. Instead of using Webb's death as an opportunity to finally get the story straight, the Times acted as if there never had been an official investigation confirming many of Webb's allegations. [Los Angeles Times, Dec. 12, 2004.]

By maintaining the contra-cocaine cover-up — even after the CIA's had admitted the facts — the big newspapers seemed to have understood that they could avoid any consequences for their egregious behavior in the 1990s or for their negligence toward the contra-cocaine issue when it first surfaced in the 1980s. After all, the conservative news media — the chief competitor to the mainstream press — isn't going to demand a reexamination of the crimes of the Reagan-Bush years.

That means that only a few minor media outlets, like our own Consortiumnews.com, will go back over the facts now, just as only a few of us addressed the significance of the government admissions in the late 1990s. I compiled and explained the findings of the CIA/Justice investigations in my 1999 book, *Lost History: Contras, Cocaine, the Press & "Project Truth."*

Contra-Cocaine Case

Lost History, which took its name from a series at this Web site, also describes how the contra-cocaine story first reached the public in a story that Brian Barger and I wrote for the Associated Press in December 1985. Though the big newspapers pooh-poohed our discovery, Sen. John Kerry followed up our story with his own groundbreaking investigation. For his efforts, Kerry also encountered media ridicule. Newsweek dubbed the Massachusetts senator a "randy conspiracy buff." [For details, see Consortiumnews.com's "Kerry's Contra-Cocaine Chapter."]

So when Gary Webb revived the contra-cocaine issue in August 1996 with a 20,000-word three-part series entitled "Dark Alliance," editors at major newspapers already had a powerful self-interest to slap down a story that they had disparaged for the past decade.

The challenge to their earlier judgments was doubly painful because the Mercury-News' sophisticated Web site ensured that Webb's series made a big splash on the Internet, which was just emerging as a threat to the traditional news media. Also, the African-American community was furious at the possibility that U.S. government policies had contributed to

the crack-cocaine epidemic.

In other words, the mostly white, male editors at the major newspapers saw their preeminence in judging news challenged by an upstart regional newspaper, the Internet and common American citizens who also happened to be black. So, even as the CIA was prepared to conduct a relatively thorough and honest investigation, the major newspapers seemed more eager to protect their reputations and their turf.

Without doubt, Webb's series had its limitations. It primarily tracked one West Coast network of contra-cocaine traffickers from the early-to-mid 1980s. Webb connected that cocaine to an early "crack" production network that supplied Los Angeles street gangs, the Crips and the Bloods, leading to Webb's conclusion that contra cocaine fueled the early crack epidemic that devastated Los Angeles and other U.S. cities.

Counterattack

When black leaders began demanding a full investigation of these charges, the Washington media joined the political Establishment in circling the wagons. It fell to Rev. Sun Myung Moon's right-wing Washington Times to begin the counterattack against Webb's series. The Washington Times turned to some former CIA officials, who participated in the contra war, to refute the drug charges.

But — in a pattern that would repeat itself on other issues in the following years — the Washington Post and other mainstream newspapers quickly lined up behind the conservative news media. On Oct. 4, 1996, the Washington Post published a front-page article knocking down Webb's story.

The Post's approach was twofold: first, it presented the contra-cocaine allegations as old news — "even CIA personnel testified to Congress they knew that those covert operations involved drug traffickers," the Post reported — and second, the Post minimized the importance of the one contra smuggling channel that Webb had highlighted — that it had not "played a major role in the emergence of crack." A Post side-bar story dismissed African-Americans as prone to "conspiracy fears."

Soon, the New York Times and the Los Angeles Times joined in the piling on of Gary Webb. The big newspapers made much of the CIA's internal reviews in 1987 and 1988 that supposedly cleared the spy agency of a role in contra-cocaine smuggling.

But the CIA's decade-old cover-up began to crack on Oct. 24, 1996, when CIA Inspector General Hitz conceded before the Senate Intelligence Committee that the first CIA probe had lasted only 12 days, the second only three days. He promised a more thorough review.

Mocking Webb

Meanwhile, however, Gary Webb became the target of outright media ridicule. Influential Post media critic Howard Kurtz mocked Webb for saying in a book proposal that he would explore the possibility that the contra war was primarily a business to its participants. "Oliver Stone, check your voice mail," Kurtz chortled. [Washington Post, Oct. 28, 1996]

Webb's suspicion was not unfounded, however. Indeed, White House aide Oliver North's emissary Rob Owen had made the same point a decade earlier, in a March 17, 1986,

message about the contra leadership. “Few of the so-called leaders of the movement ... really care about the boys in the field,” Owen wrote. “THIS WAR HAS BECOME A BUSINESS TO MANY OF THEM.” [Capitalization in the original.]

Nevertheless, the pillorying of Gary Webb was on, in earnest. The ridicule also had a predictable effect on the executives of the Mercury-News. By early 1997, executive editor Jerry Ceppos was in retreat.

On May 11, 1997, Ceppos published a front-page column saying the series “fell short of my standards.” He criticized the stories because they “strongly implied CIA knowledge” of contra connections to U.S. drug dealers who were manufacturing crack-cocaine. “We did not have proof that top CIA officials knew of the relationship.”

The big newspapers celebrated Ceppos’s retreat as vindication of their own dismissal of the contra-cocaine stories. Ceppos next pulled the plug on the Mercury-News’ continuing contra-cocaine investigation and reassigned Webb to a small office in Cupertino, California, far from his family. Webb resigned the paper in disgrace.

For undercutting Webb and the other reporters working on the contra investigation, Ceppos was lauded by the American Journalism Review and was given the 1997 national “Ethics in Journalism Award” by the Society of Professional Journalists. While Ceppos won raves, Webb watched his career collapse and his marriage break up.

Probes Advance

Still, Gary Webb had set in motion internal government investigations that would bring to the surface long-hidden facts about how the Reagan-Bush administration had conducted the contra war. The CIA’s defensive line against the contra-cocaine allegations began to break when the spy agency published Volume One of Hitz’s findings on Jan. 29, 1998.

Despite a largely exculpatory press release, Hitz’s Volume One admitted that not only were many of Webb’s allegations true but that he actually understated the seriousness of the contra-drug crimes and the CIA’s knowledge. Hitz acknowledged that cocaine smugglers played a significant early role in the Nicaraguan contra movement and that the CIA intervened to block an image-threatening 1984 federal investigation into a San Francisco-based drug ring with suspected ties to the contras. [For details, see Robert Parry’s *Lost History: Contras, Cocaine, the Press & “Project Truth”*]

On May 7, 1998, another disclosure from the government investigation shook the CIA’s weakening defenses. Rep. Maxine Waters, a California Democrat, introduced into the Congressional Record a Feb. 11, 1982, letter of understanding between the CIA and the Justice Department. The letter, which had been sought by CIA Director William Casey, freed the CIA from legal requirements that it must report drug smuggling by CIA assets, a provision that covered both the Nicaraguan contras and Afghan rebels who were fighting a Soviet-supported regime in Afghanistan.

Justice Report

Another crack in the defensive wall opened when the Justice Department released a report by its inspector general, Michael Bromwich. Given the hostile climate surrounding Webb’s series, Bromwich’s report opened with criticism of Webb. But, like the CIA’s Volume One, the contents revealed new details about government wrongdoing.

According to evidence cited by the report, the Reagan-Bush administration knew almost from the outset of the contra war that cocaine traffickers permeated the paramilitary operation. The administration also did next to nothing to expose or stop the criminal activities. The report revealed example after example of leads not followed, corroborated witnesses disparaged, official law-enforcement investigations sabotaged, and even the CIA facilitating the work of drug traffickers.

The Bromwich report showed that the contras and their supporters ran several parallel drug-smuggling operations, not just the one at the center of Webb's series. The report also found that the CIA shared little of its information about contra drugs with law-enforcement agencies and on three occasions disrupted cocaine-trafficking investigations that threatened the contras.

Though depicting a more widespread contra-drug operation than Webb had understood, the Justice report also provided some important corroboration about a Nicaraguan drug smuggler, Norwin Meneses, who was a key figure in Webb's series. Bromwich cited U.S. government informants who supplied detailed information about Meneses's operation and his financial assistance to the contras.

For instance, Renato Pena, a money-and-drug courier for Meneses, said that in the early 1980s, the CIA allowed the contras to fly drugs into the United States, sell them and keep the proceeds. Pena, who also was the northern California representative for the CIA-backed FDN contra army, said the drug trafficking was forced on the contras by the inadequate levels of U.S. government assistance.

The Justice report also disclosed repeated examples of the CIA and U.S. embassies in Central America discouraging Drug Enforcement Administration investigations, including one into alleged contra-cocaine shipments moving through the airport in El Salvador. In an understated conclusion, Inspector General Bromwich wrote: "We have no doubt that the CIA and the U.S. Embassy were not anxious for the DEA to pursue its investigation at the airport."

CIA's Volume Two

Despite the remarkable admissions in the body of these reports, the big newspapers showed no inclination to read beyond the press releases and executive summaries. By fall 1998, official Washington was obsessed with the Monica Lewinsky sex scandal, which made it easier to ignore even more stunning disclosures in the CIA's Volume Two..

In Volume Two, published Oct. 8, 1998, CIA Inspector General Hitz identified more than 50 contras and contra-related entities implicated in the drug trade. He also detailed how the Reagan-Bush administration had protected these drug operations and frustrated federal investigations, which had threatened to expose the crimes in the mid-1980s. Hitz even published evidence that drug trafficking and money laundering tracked into Reagan's National Security Council where Oliver North oversaw the contra operations.

Hitz revealed, too, that the CIA placed an admitted drug money launderer in charge of the Southern Front contras in Costa Rica. Also, according to Hitz's evidence, the second-in-command of contra forces on the Northern Front in Honduras had escaped from a Colombian prison where he was serving time for drug trafficking

In Volume Two, the CIA's defense against Webb's series had shrunk to a tiny fig leaf: that the CIA did not conspire with the contras to raise money through cocaine trafficking. But Hitz made clear that the contra war took precedence over law enforcement and that the CIA withheld evidence of contra crimes from the Justice Department, the Congress and even the CIA's own analytical division.

Hitz found in CIA files evidence that the spy agency knew from the first days of the contra war that its new clients were involved in the cocaine trade. According to a September 1981 cable to CIA headquarters, one of the early contra groups, known as ADREN, had decided to use drug trafficking as a financing mechanism. Two ADREN members made the first delivery of drugs to Miami in July 1981, the CIA cable reported.

ADREN's leaders included Enrique Bermudez, who emerged as the top contra military commander in the 1980s. Webb's series had identified Bermudez as giving the green light to contra fundraising by drug trafficker Meneses. Hitz's report added that the CIA had another Nicaraguan witness who implicated Bermudez in the drug trade in 1988.

Priorities

Besides tracing the evidence of contra-drug trafficking through the decade-long contra war, the inspector general interviewed senior CIA officers who acknowledged that they were aware of the contra-drug problem but didn't want its exposure to undermine the struggle to overthrow the leftist Sandinista government.

According to Hitz, the CIA had "one overriding priority: to oust the Sandinista government. ... [CIA officers] were determined that the various difficulties they encountered not be allowed to prevent effective implementation of the contra program." One CIA field officer explained, "The focus was to get the job done, get the support and win the war."

Hitz also recounted complaints from CIA analysts that CIA operations officers handling the contra war hid evidence of contra-drug trafficking even from the CIA's analytical division. Because of the withheld evidence, the CIA analysts incorrectly concluded in the mid-1980s that "only a handful of contras might have been involved in drug trafficking." That false assessment was passed on to Congress and the major news organizations — serving as an important basis for denouncing Gary Webb and his series in 1996.

Though Hitz's report was an extraordinary admission of institutional guilt by the CIA, it passed almost unnoticed by the big newspapers.

Two days after Hitz's report was posted at the CIA's Internet site, the New York Times did a brief article that continued to deride Webb's work, while acknowledging that the contra-drug problem may indeed have been worse than earlier understood. Several weeks later, the Washington Post weighed in with a similarly superficial article. The Los Angeles Times never published a story on the release of the CIA's Volume Two.

Consequences

To this day, no editor or reporter who missed the contra-drug story has been punished for his or her negligence. Indeed, many of them are now top executives at their news organizations. On the other hand, Gary Webb's career never recovered.

At Webb's death, however, it should be noted that his great gift to American history was

that he — along with angry African-American citizens — forced the government to admit some of the worst crimes ever condoned by any American administration: the protection of drug smuggling into the United States as part of a covert war against a country, Nicaragua, that represented no real threat to Americans.

The truth was ugly. Certainly the major news organizations would have come under criticism themselves if they had done their job and laid out this troubling story to the American people. Conservative defenders of Ronald Reagan and George H.W. Bush would have been sure to howl in protest.

But the real tragedy of Webb's historic gift — and of his life cut short — is that because of the major news media's callowness and cowardice, this dark chapter of the Reagan-Bush era remains largely unknown to the American people.

Robert Parry broke many of the Iran-Contra stories in the 1980s for the Associated Press and Newsweek. His new book, *Secrecy & Privilege: Rise of the Bush Dynasty from Watergate to Iraq*, can be ordered at secrecyandprivilege.com. It's also available at Amazon.com, as is his 1999 book, *Lost History: Contras, Cocaine, the Press & 'Project Truth.'*

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