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## GOLDEN GATEWAY FOR DRUGS

The Miami  
Connection PENNY LERNOUX

*About two and a half years ago, Penny Lernoux told us she wanted to follow her just-published Cry of the People with a book about banks. We assigned an intern, David Corn, as a full-time researcher on the project. When the first draft of her book came in, we were fascinated by some of the stories she had collected on Miami's booming drug scene and asked her to expand them into an article, with her banking material serving as a backdrop. She did so and here are the results. (Additional research, supervised by Eric Etheridge, was done by interns David Bank and L.A. Kauffman.)*

—The Editors

*Penny Lernoux is The Nation's Latin America correspondent. This article draws on In Banks We Trust, published this month by Anchor Press/Doubleday. © Copyright 1984 by Penny Lernoux. The author gratefully acknowledges the assistance of The Fund for Investigative Journalism.*

**M**iami International Airport. All year round, the mile-long concourse is jammed with sweating people who pound on ticket counters and push through customs gates. The worst crush is at the counters of the Latin American airlines, where crowds of Spanish-speaking passengers mill about, surrounded by wailing children, anxious relatives and enormous crates of gringo goodies—inflatable boats, television sets and refrigerators. At Colombia's Avianca, airport security guards are regularly called to clear a path through the mob and the boxes.

"You live in Colombia, huh?" says the Cuban exile taxi driver as we slam out of the airport. "I'm looking for some extra business. You wouldn't happen to have any coke for sale?"

When I say no, he floors the accelerator and jumps the light at the tollgate on the freeway. "I'm not going to pay their fucking toll," he says. "Those gringos, their rules are for them, not us." One hears that often in Miami.

## 'Casablanca on the Gulf Stream'

When the narcotics boom took off in the mid-1970s, Miami became the drug capital of the world. More than 70 percent of the U.S. supply flows through it. The traffic has brought drug-related crime (Miami's murder rate is the nation's second highest) and wealth in the form of "narco-bucks," which are laundered in legitimate as well as shady banks and financial institutions. The huge influx of hot dol-

lars has made Miami financial capital.

"Casablanca on the city. The intriguing movie, but the city the same venal political strings. Spanish this down-home di-

rupt practices endemic to politics in their native lands.

Four groups of players are prominent in the Miami action: Italian and Jewish crime syndicates; Cuban exile terrorist groups and the Central Intelligence Agency; Latin American drug dealers; and bankers.

## The Cuba-Mafia-C.I.A. Axis

A high proportion of the Latin drug dealers are Cuban exiles. Actually, the Cuban drug connection goes back to Prohibition and the rise of Charles (Lucky) Luciano, one of the most brilliant organized-crime executives of the century. In the early 1930s he restructured the old Mafia into twenty-four family cartels. Luciano also brokered an *entente cordiale* between the Mafia and the Jewish mobs of Meyer Lansky, who became Luciano's lieutenant and later the financial genius of the U.S. underworld. With the end of Prohibition in sight, Luciano turned to heroin, which offered an attractive substitute for the liquor trade. His agents developed an efficient supply network in China, where Gen. Chiang Kai-shek had come to power with the help of the Shanghai heroin cartel.

Under dictator Fulgencio Batista in the 1930s, Cuba became the principal entry point of Luciano's heroin network. Lansky controlled the Cuban traffic as well as most of Havana's gambling casinos, but his base of operations was Florida. There he became friendly with Sicilian-born Santo Trafficante, who had earned his reputation as an effective organizer in the Tampa gambling rackets. Lansky came to trust Trafficante and in 1940 put him in charge of his interests in Havana. By early in the next decade, Trafficante had carved out an empire of his own, and he set up his son Santo Jr. with the Havana rackets. When the elder Trafficante died in 1954, Santo became Mafia boss of Florida. Unostentatious and self-effacing, he proved to be one of the most effective organized-crime leaders in the United States.

After Luciano's death in 1962, his number-two men, Lansky and Vito Genovese, were the logical successors. Genovese, however, was serving a fifteen-year sentence on a heroin-trafficking charge; Lansky, then in his 60s, was too old and too carefully watched to become more actively involved. Thus, Luciano's role went to Trafficante by default.

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