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Testimony links U.S. to drugs-guns trade

Dealers got their 'own little arsenal'


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BY GARY WEBB

Mercury News Staff Writer

DANILO BLANDON WAS a full- service drug dealer. In addition to the tons of inexpensive cocaine he provided his clients, he also sold them assault weapons and sophisticated communications gear, including hidden microphone detectors to sniff out undercover cops.

"We had our own little arsenal," recalled Rick Ross, who was Los Angeles' biggest "crack" cocaine dealer in the mid-1980s. "Once he tried to sell (my partner) a grenade launcher. I said, "Man, what ... do we need with a grenade launcher?!"

Blandon testified in March that his source for such accouterments -- which included Uzi submachine guns and Colt AR-15 assault rifles  was an ex-Laguna Beach burglary detective named Ronald J. Lister. Lister and his partners sometimes showed up at meetings of Contra supporters in Los Angeles to demonstrate machine guns, Blandon said.

Lister, 50, claimed he worked for the Central Intelligence Agency, according to federal officials and FBI documents. He later worked as an informant for the DEA and the FBI, records and interviews revealed.

In late 1986, as part of Special Prosecutor Lawrence Walsh's Iran-Contra investigation, FBI agents investigating the Iran-Contra scandal interviewed Lister's former real estate agent, who told of Lister's paying cash for a \$340,000 house in Mission Viejo. When the Realtor asked Lister where the money came from, Lister replied that he was [raising funds for the Contras](#), an activity he described as "CIA-approved."

Christopher Moore, an L.A. attorney who once worked as an office assistant for Lister's company, Mundy Security Group, said Lister sent him to El Salvador in June 1982 to "baby-sit" a U.S. government contract the company had to install a security system for a Salvadoran air force base.

Spoke of CIA protection

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Lister often spoke of "being protected by the CIA," Moore said in an interview. "I didn't know whether to believe him or not."

One thing is certain: There is considerable evidence that El Salvador's air force was deeply involved with cocaine flights, the Contras and Blandon's cocaine supplier, Norwin Meneses.

Pilot admits role

Meneses said one of his oldest friends is a former Contra pilot named [Marcos Aguado](#), a Nicaraguan who works for the Salvadoran air force high command.

Aguado was identified in [1987 congressional testimony](#) as a CIA agent who helped the Contras get weapons, airplanes and money from a major Colombian drug trafficker named George Morales. Aguado admitted his role in that deal in a videotaped deposition taken by a U.S. Senate subcommittee that year.

His name also turned up in a deposition taken by the congressional [Iran-Contra committees](#) that same year. Robert W. Owen, a courier for Lt. Col. Oliver North, testified he knew Aguado as a Contra pilot and said there was "concern" about his being involved with drug trafficking.

While flying for the Contras, Aguado was stationed at Ilopango Air Base near El Salvador's capital of San Salvador.



[Biographical information on Marcos Aguado](#)



[Transcript of 1987 congressional testimony.](#)



[Deposition taken by congressional Iran-Contra committees](#)

Agent's reports ignored

In 1985, the DEA agent assigned to El Salvador -- Celerino Castillo III -- began picking up reports that cocaine was being flown to the United States out of hangars 4 and 5 at Ilopango as part of a Contra-related covert operation. Castillo said he soon confirmed what his informants were telling him.

Starting in January 1986, Castillo began documenting the cocaine flights -- listing pilot names, tail numbers, dates and flight plans -- and sent them to DEA headquarters.

The only response he got, Castillo wrote in his 1994 memoirs, was an internal DEA investigation of him. He took a disability retirement from the agency in 1991.

"Basically, the bottom line is it was a covert operation and they (DEA officials) were covering it up," Castillo said in an interview. "You can't get any simpler than that. It was a coverup." DEA officials would not respond to those statements. A Freedom of Information Act request for Castillo's reports is still pending. Lister, who pleaded guilty to federal cocaine charges in 1991 and is serving a prison sentence in Phoenix, did not respond to several requests for an interview. Aguado could not be reached for comment.

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