



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MJR # 2653

DATE FILMED 11-18-88 CAMERA NO. 3

CAMERAMAN PC.

98040723492

600#9620

RECEIVED  
FEDERAL ELECTION COMMISSION

88 JUN 27 AM 9:30

1605 East Olive, Apt. 102  
Seattle, Washington  
June 23, 1988

Federal Elections Commission  
999 East E Street Northwest  
Washington, D.C.

Gentlemen:

I hereby formally request that the Federal Elections Commission investigate the charge that the Colombian cocaine cartel contributed \$180,000 to Ronald Reagan's presidential campaign in 1980.

This information is provided in the book, Out of Control, by Leslie Cockburn, Atlantic Monthly Press, 1987. The source is Milian-Rodriguez, convicted in 1985 on some sixty counts of racketeering and laundering narcotics money. He testified before the Senate Foreign Relations Subcommittee on Terrorism and Narcotics in July, 1987 and was interviewed by a CBS news team.

Page 154: Good relations with government are as important for the cocaine trade as for any other billion-dollar business, and the accountant continued to make himself useful in this regard. Indeed, in 1981 he was actually invited to the presidential inauguration in recognition of the \$180,000 in campaign contributions from his clients (the cocaine cartel) that he had channeled to the victorious camp in thousand-dollar lots—"Reagan was our kind of candidate."

Respectfully submitted,

*Margie A. White*

Margie Ann White, R.N.

88 JUN 29 AM 11:36  
RECEIVED  
FEDERAL ELECTION COMMISSION

88040725493



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

July 11, 1988

Ms. Margie Ann White  
1605 E. Olive  
Apt. 102  
Seattle, WA 98102

Dear Ms. White:

We have received your letter on June 29, 1988, regarding the possibility of a violation of the Federal Election Campaign Act of 1971, as amended ("the Act").

The 1976 amendments to the Act and Federal Election Commission regulations require that a complaint meet certain specific requirements. Your letter does not meet these requirements. Consequently, the Commission can take no action at this time to investigate this matter.

However, if you desire the Commission to look into the matter discussed in your letter to determine if the Act has been violated, a formal complaint as described in 2 U.S.C. § 437g(a)(1) must be filed. Requirements of this section of the law and Commission regulations at 11 C.F.R. § 111.4 which are a prerequisite to Commission action are detailed below:

- (1) A complaint must be in writing.  
(2 U.S.C. § 437g(a)(1))
- (2) Its contents must be sworn to and signed in the presence of a notary public and shall be notarized.  
(2 U.S.C. § 437g(a)(1))
- (3) A formal complaint must contain the full name and address of the person making the complaint.  
(11 C.F.R. § 111.4)
- (4) A formal complaint should clearly identify as a respondent each person or entity who is alleged to have committed a violation. (11 C.F.R. § 111.4)
- (5) A formal complaint should clearly identify the source of information upon which the complaint is based. (11 C.F.R. § 111.4)
- (6) A formal complaint should contain a clear and concise recitation of the facts describing the violation of a

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statute or law over which the Commission has jurisdiction. (11 C.F.R. § 111.4)

- (7) A formal complaint should be accompanied by supporting documentation if known and available to the person making the complaint. (11 C.F.R. § 111.4)

Finally, please include your telephone number, as well as the full names and addresses of all respondents.

Enclosed is a copy of Commission regulations, and your attention is directed to 11 C.F.R. § 111.4 through § 111.10 that deal with preliminary enforcement procedures. Also, enclosed is a compilation of Federal Election Campaign laws on which these regulations are promulgated. I trust these materials will be helpful to you should you wish to file a legally sufficient complaint with the Commission. The file regarding this correspondence will remain confidential for a 15 day time period during which you may file an amended complaint as specified above.

If we can be of any further assistance, please do not hesitate to contact me at (202) 376-8200.

Sincerely,

Lawrence M. Noble  
General Counsel

*Lois G. Lerner*  
By: Lois G. Lerner  
Associate General Counsel

Enclosures  
Excerpts  
Procedures

cc: respondents

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

July 11, 1988

Scott M. Mackenzie, Treasurer  
Reagan for President  
901 S. Highland Avenue  
Arlington, VA 22204

Dear Mr. Mackenzie:

On June 29, 1988, the Federal Election Commission received a letter alleging that Reagan for President and you, as treasurer, violated sections of the Federal Election Campaign Act of 1971, as amended. However, as indicated from the copy of the enclosed letter to the complainant, those allegations do not meet certain specified requirements for the proper filing of a complaint. Thus, no action will be taken on this matter unless the allegations are refiled meeting the requirements for a properly filed complaint. If the matter is refiled, you will be notified at that time.

This matter will remain confidential for 15 days to allow for the correction of the defects. If the defects are not cured and the allegations are not refiled, no additional notification will be provided and the file closed.

If you have any questions, please do not hesitate to call me at (202) 376-8200

Sincerely,

Lawrence M. Moore  
General Counsel

*Fris A. Jensen*  
*by HJM*

Copy of Letter to Complainant

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RECEIVED  
FEDERAL ELECTION COMMISSION

88 JUL 25 AM 11:04

COCA 9708

Wm 2653

July 20, 1988

Federal Elections Commission  
Washington, D.C. 20463

88 JUL 25 PM 2:48

RECEIVED  
FEDERAL ELECTION COMMISSION

I wish to file a formal complaint regarding possible violations of the Federal Election Campaign Act of 1971. I am filing as a citizen. I am not an attorney; thus, I ask the Federal Election Commission's forbearance.

My name is Margie Ann White. My address is 1605 East Clive Street, Apt. 102, Seattle, Washington 98122. My phone is (206) 323-6073.

My source for making this complaint is the text, Out of Control, written by Leslie Cockburn, published by Atlantic Monthly Press, 1987. The author's source of information is Ramon Milian-Rodriguez, money launderer and accountant for the Colombian cocaine cartel. I enclose copies of pages 154 and 274 from the text: relevant passages are bracketed.

The respondent in my complaint is the principal campaign committee for the election of Ronald Reagan as president in 1980.

Simply put, this is my complaint:

Though the \$180,000 contribution to the campaign committee was laundered through 180 different contributors, the actual source, the Colombian cocaine cartel, was known to the campaign committee.

Cursory reading of the Code of Federal Regulations, Federal Elections 1980 would indicate two possible violations by the campaign committee: first, acceptance of false sources of contributions and second, acceptance of a contribution from a foreign national.

It is likely that further details may be needed from Ramon Milian-Rodriguez, now in federal custody. I am well aware that communication with an inmate is restricted because I have worked as a registered nurse in a prison. I, therefore, must rely on your concern for uncovering the truth, in obtaining further information from him.

Respectfully submitted,

*Margie Ann White*

Margie Ann White

Enclosures  
Pages 154, 274

Sworn and signed before me this  
20th day of July, 1988

*J. J. [Signature]*

residing at Seattle, WA.  
my apt exp: 3/10/90

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Leslie Cockburn

affair and to the TV audience, Milian-Rodriguez was also addressing a group of senators. They were members of the subcommittee set up by the Foreign Relations Committee in order to probe unwholesome allegations of a CIA-contra-narcotics link.

Unlike North, Milian-Rodriguez did not have a TV audience to play to, since the senators had decided that his information was rather too explosive to be shared with the American people. He had been subpoenaed to testify how he and his clients in the cocaine cartel had been solicited to help the contras, and how they had wholeheartedly responded with cash and services. Nicaragua had first crossed his ledgers back in the mid-1970s, when he had arranged for the covert delivery of "\$30 to \$40 million," as he recalled, from the CIA to Anastasio Somoza. But his connection with the agency had begun long before that. When he graduated from Santa Clara Business School his mentor was Manuel Artime, one of the grand old men of the Miami Cuban community. Artime had been political head of Brigade 2506 at the time of the Bay of Pigs (selected for the post by Watergate conspirator E. Howard Hunt). Artime had arranged for his bright young protégé to take instruction in the finer points of money laundering from old associates at the CIA. Young Milian-Rodriguez's apprenticeship in the business was to arrange \$200,000 individual payments for the Cuban burglars jailed for their part in the Watergate break-in. "They were real men," Milian notes approvingly; "they didn't talk, like Haldeman and Ehrlichman."

Good relations with government are as important for the cocaine trade as for any other billion-dollar business, and the accountant continued to make himself useful in this regard. Indeed, in 1981 he was actually invited to the presidential inauguration in recognition of the \$180,000 in campaign contributions from his clients (the cocaine cartel) that he had channeled to the victorious camp in thousand-dollar lots.—"Reagan was our kind of candidate."

Given these kinds of credentials and associations it is hardly surprising that Milian and his clients should have been called on to do their bit for the contras. In an interview in June 1987, Milian casually disclosed what may be the most shocking revelation in the entire Iran-contra affair. He said he had laundered a \$10 million contribution from the Colombian cocaine cartel to the "freedom fighters," at the behest of a CIA veteran and key figure in the White House contra supply network. Milian repeated his story under oath to the members of the Senate Foreign Relation Subcommittee on Terrorism and Narcotics in July. The hearing room in the Capitol was

## OUT OF CONTROL

surrounded by heavy security; the session was closed to the public and the press. Senate staffers were warned not to leak the explosive information.

Ten million dollars in cash was disbursed, the accountant told the senators, through an established network of couriers in Miami, Guatemala, Costa Rica, and Honduras. The first payments were made, Milian testified, in late 1982 and continued through 1985. The accounting spreadsheet, seized with approximately five hundred documents when Milian was arrested in 1983, lists a \$3,690,000 expenditure, in a column marked "CIA." This November 1982 entry, said Milian, represented a portion of the cartel's contra aid program.

Such largesse did not come unsolicited, according to the accountant. Payments were made at the request of an old friend and CIA veteran, who along with Milian was a longtime associate of Bay of Pigs leader Manuel Artime. The old friend, Milian told the Senate subcommittee, was Felix Rodriguez, the shooter team alumnus who wore Che Guevara's watch and counted George Bush among his friends. From the cartel's point of view, the \$10 million outlay was petty cash. It bought, according to Milian, influence and "goodwill." It was in line with the "conservative politics" of cartel members, he explained, who considered the contra forces substandard (in contrast to the cartel's own crack mercenary force) but fighting for the right cause. Milian named contra leader Adolfo Calero, among others, as one of the recipients of the cash transfers. The allocation of the money "drops" was the responsibility of Felix Rodriguez. "Felix would call me with instructions on where to send the money."

When Felix Rodriguez took the stand behind closed doors in August 1987, he told the committee that he was indeed an old friend of Ramón Milian. Rodriguez claimed he had never solicited drug money. Yet the drug accountant's intimate involvement with a U.S. government-approved contra supplier raised serious doubts about Felix Rodriguez's testimony, as did the veteran CIA man's former business partners.

In late 1984, Milian said, Felix Rodriguez called the accountant for another favor. His expertise was needed to launder cash from a dozen or so Miami companies to the contras. It was about that time that Felix Rodriguez's former business partner, Gerard Latchinian (they were both directors of the Giro Aviation Corp.), was arrested by the FBI for smuggling \$10.3 million worth of cocaine into the U.S. to finance a coup against the president of Honduras, Roberto Suazo Cordova. Latchinian has always stoutly maintained that the cocaine

RECEIVED  
FEDERAL ELECTION COMMISSION  
SECRETARIAT

FEDERAL ELECTION COMMISSION  
999 E Street, N.W.  
Washington, D.C. 20463

88 OCT -7 AM 10:07

FIRST GENERAL COUNSEL'S REPORT

**SENSITIVE**

MUR # 2653  
DATE COMPLAINT RECEIVED  
BY OGC July 25, 1988  
DATE OF NOTIFICATION TO  
RESPONDENTS August 2, 1988  
STAFF MEMBER Phillip L. Wise

COMPLAINANT: Margie Ann White  
RESPONDENTS: Reagan for President General Election  
Committee 1980 (AKA Reagan-Bush Committee)  
and Scott M. Mackenzie, as treasurer  
RELEVANT STATUTES: 2 U.S.C. § 441e(a)  
2 U.S.C. § 441a(a) (1) (A)  
2 U.S.C. § 441f  
2 U.S.C. § 441a(f)  
2 U.S.C. § 434(b) (3)  
26 U.S.C. § 9012(b)  
26 U.S.C. § 9012(d)

INTERNAL REPORTS  
CHECKED: Disclosure Reports

FEDERAL AGENCIES  
CHECKED: None

I. GENERATION OF MATTER

Margie Ann White of 1605 East Olive Street, Apartment #102, Seattle, Washington, alleges that the principal campaign committee for the election of Ronald Reagan as president in 1980 ("Respondent") knew that \$180,000 in contributions, whose actual source was the Columbian cocaine cartel, was laundered to the Committee through 180 different contributors. (Attachment 1.) Ms. White contends that the basis for this complaint was the text, Out of Control, written by Leslie Cockburn, published by Atlantic Monthly Press, 1987. According to Ms. White the

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author's source of information is Ramon Milian-Rodriguez, alleged money launderer and accountant for the Columbian cocaine cartel.

Notification of this complaint was mailed to the Respondent on August 2, 1988. To date there has been no response.

**II. FACTUAL AND LEGAL ANALYSIS**

The complaint gives rise to many possible violations of The Federal Election Campaign Act of 1971, as amended ("The Act") which follow:

Pursuant to 2 U.S.C. § 441e(a), it is unlawful for a foreign national directly or through any other person to make any contribution in connection with an election to any political office. It is also unlawful for any person to solicit, accept, or receive any such contribution from a foreign national.

Pursuant to 2 U.S.C. § 441f, no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person.

Pursuant to 2 U.S.C. § 441a(f), no candidate or political committee shall knowingly accept any contribution or make any expenditure in violation of the provisions of this section.

Under 2 U.S.C. § 441a(a)(1)(A), no person shall make contributions to any candidate and his authorized political committee with respect to any election for Federal office which, in the aggregate, exceed \$1,000.00.

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2 U.S.C. § 434(b) (3) requires that political committees properly identify each person who makes a contribution to the reporting committee during the reporting period, whose contribution or contributions have an aggregate amount or value in excess of \$200 within the calendar year.

Pursuant to 26 U.S.C. § 9012(b) (1) it shall be unlawful for a candidate of a major party in a presidential election eligible to receive public funds, or any of his authorized committees, knowingly and willfully to accept any contributions to defray qualified campaign expenses.

26 U.S.C. § 9012(d) (1) (A) states that it shall be "unlawful for any person knowingly and willfully to furnish any false, fictitious, or fraudulent evidence, books, or information to the Commission under this subtitle, or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to a certification by the Commission under this chapter ...."

Assuming that the Respondent knowingly accepted \$180,000 from the Columbian cocaine cartel, through 180 different contributors, it would appear that the above provisions of the Act were violated. However this assumption is not supported by the complaint, and the text upon which it is based. Out of Control is a 287 page book and only refers to the alleged \$180,000 contribution in one paragraph on page 154 and in one sentence of page 274. The book offers no evidence to corroborate

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the allegations of a convicted felon, Ramon Milian-Rodriguez. The complaint and the book do not offer names of any of the alleged 180 contributors, or the dates of any alleged contributions; therefore, despite a review of the reports filed by the Committee, it is impossible to corroborate any of the complainant's allegations.

This complaint lacks sufficient specificity regarding the alleged factual circumstances, supporting evidence or documentation, and sufficient indicia of the credibility of the information. Thus, it does not provide an adequate basis for further inquiry. Accordingly, the Office of the General Counsel recommends that the Commission find no reason to believe that the Respondent violated any provisions of the Act as alleged in this complaint.

III. RECOMMENDATIONS

1. Find no reason to believe that the Reagan for President General Election Committee 1980 (Aka Reagan-Bush Committee) and Scott M. Mackenzie, as treasurer, violated any statute within the Commission's jurisdiction.
2. Approve the attached letters.
3. Close the file.

Lawrence M. Noble  
General Counsel

10-6-88  
Date

BY:   
Lois G. Lerner  
Associate General Counsel

Attachments

1. Complaint
2. Proposed Letters

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Reagan for President General	)	
Election Committee 1980 (AKA	)	MUR 2653
Reagan-Bush Committee) and	)	
Scott M. Mackenzie, as treasurer	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on October 12, 1988, the Commission decided by a vote of 4-0 to take the following actions in MUR 2653:

1. Find no reason to believe that the Reagan for President General Election Committee 1980 (AKA Reagan-Bush Committee) and Scott M. Mackenzie, as treasurer, violated any statute within the Commission's jurisdiction.
2. Approve the letters as recommended in the First General Counsel's Report signed October 6, 1988.
3. Close the file as recommended in the First General Counsel's Report signed October 6, 1988.

Commissioners Aikens, Elliott, Josefiak and McGarry voted affirmatively for the decision. Commissioners McDonald and Thomas did not cast votes.

Attest:

Oct. 12, 1988  
Date

Marjorie W. Emmons  
Marjorie W. Emmons  
Secretary of the Commission

Received in the Office of Commission Secretary:	Fri.	10/07/88	10:07
Circulated on 48 hour tally basis:	Fri.	10/07/88	12:00
Deadline for vote:	Wed.	10/12/88	4:00

8804072503



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 26, 1988

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Margie Ann White  
1605 East Olive Street  
Apartment #102  
Seattle, Washington 98122


RE: MUR 2653

Dear Ms. White:

On October 12, 1988, the Federal Election Commission reviewed the allegations of your complaint dated July 20, 1988, and found that on the basis of the information provided in your complaint, there is no reason to believe the Reagan for President General Election Committee 1980 (AKA Reagan-Bush Committee) and Scott M. MacKenzie, as treasurer, violated any statute within the Commission's jurisdiction. Accordingly, on October 12, 1988, the Commission closed the file in this matter. The Federal Election Campaign Act of 1971, as amended ("the Act") allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Sincerely,

Lawrence M. Noble  
General Counsel

By:   
Lois G. Lerner  
Associate General Counsel

Enclosure  
General Counsel's Report

89040723504



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 26, 1988

Scott M. MacKenzie, Treasurer  
Reagan for President General  
Election Committee 1980  
c/o Reagan-Bush '84  
440 First Street, N.W.  
Washington, D.C. 20001

RE: MUR 2653  
Reagan for President General  
Election Committee 1980 (AKA  
Reagan-Bush Committee) and  
Scott M. MacKenzie, as  
treasurer

Dear Mr. Mackenzie:


On August 2, 1983, the Federal Election Commission notified the Reagan for President General Election Committee 1980 (AKA Reagan-Bush Committee) and Scott M. MacKenzie, as treasurer, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended and Chapter 95 of Title 26, United States Code.

On October 12, 1988, the Commission found, on the basis of the information in the complaint, that there is no reason to believe the Reagan for President General Election Committee 1980 (AKA Reagan-Bush Committee) and Scott M. MacKenzie, as treasurer, violated any statute within the Commission's jurisdiction. Accordingly, the Commission closed its file in this matter.

This matter will become a part of the public record within 30 days. If you wish to submit any materials to appear on the public record, please do so within ten days. Please send such materials to the Office of the General Counsel.

Sincerely,

Lawrence M. Noble  
General Counsel

  
By: Lois G. Lerner  
Associate General Counsel

Enclosure  
General Counsel's Report

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FEDERAL ELECTION COMM

NOV -7 AM 9:1

The Federal Election Commission is charged with a cover-up of the Colombian cocaine cartels contribution to the 1980 Reagan-Bush campaign.

The complainant made this charge on learning that neither the informant, the cartels accountant, Ramón Miliar-Rodriguez, nor the author who had interviewed him in 1987, were contacted by the Commission before arriving at their decision that no violation had occurred.

NOV -7 AM 1:26

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The complaint filed July 25, 1988 alleges that "though the \$180,000 contribution to the campaign committee was laundered through 180 different contributors, the actual source, the Colombian cocaine cartel, was known to the campaign committee." Miliar states that he laundered the money and that he was invited to the presidential inauguration in 1981 in recognition of the cartels contribution. He is quoted in the text, Out of Control by Leslie Cockburn, published by Atlantic Monthly Press, 1987.

An Iran-contra defendant has attempted to prevent sale of the book.

The Commission voted October 12, finding no reason to believe a violation of the Federal Election Campaign Act, as amended, had occurred, and closed the file. By law, the file must be placed on public record within 30 days (toll free number 800-424-9530, F.E.C. Office of Public Records, Complaint # MUR 2653)

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In July of 1987 Milian testified in closed session to Senate Foreign Relations Subcommittee on Terrorism and Narcotics on a \$10 million contribution from the Colombian cocaine cartel to the contras. White asks, if the U.S. Senate allowed his testimony, why did not the F.E.C. ?

Margie A White  
November 3, 1988



FEDERAL ELECTION COMMISSION  
WASHINGTON, D C 20463

THIS IS THE END OF MUR # 2653

DATE FILMED 11-18-88 CAMERA NO. 3

CAMERAMAN P.C.

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