

Argentine Filled Key Role In Latins' Drugs Network

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Third of four articles on why Latin America is now the major source of hard drugs entering the United States.

By NICHOLAS GAGE

The one man in South America whom drug enforcement officials say they would most like to see behind bars is Armando H. Nicolai, a 46-year-old Argentine who has been under indictment on narcotics conspiracy charges in New York since 1971.

"Nicolai is the only man down here with the reputation, contacts and know-how to reorganize the South American Connection," said Frank Macolini, the Federal Drug Enforcement Administration's deputy regional director for South America.

Until 1972, 35 per cent of all the French heroin smuggled into the United States every year was sent through the Latin-American networks of

European fugitives, most of them French Corsicans.

At its peak, the French Connection controlled much of the heroin supply for the United States, but it lost its hold on all its market except New York. Even in the city, the French traffickers fared poorly for a long spell, but authorities report that French heroin is plentiful on the streets again. [Page 53.]

The South American Connection, in its powerful days, was composed primarily of two major groups of Corsican traffickers.

One organization, based in Paraguay, was led by Auguste Joseph Ricord, a 64-year-old

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naturalized Argentine citizen who served as an agent of the Gestapo in France during World War II. The father was headed by Lucien Sarti, the fugitive murderer of a Belgian policeman, who arrived in South America in 1966, when he was 29, to look into the narcotics trade. Mr. Nicolai was an important member of the Sarti organization.

Beginning in 1972, a barrage of extraditions, shootouts and seizures broke up the lucrative South American Connection. Most of the leading principals, including Mr. Ricord, were expelled to the United States, where they were convicted of narcotics violations and imprisoned. Others fled to their native Europe. Authorities say the only major figure who managed to avoid their net was Armando Nicolai.

Mr. Sarti and Mr. Nicolai met when the Corsican and his associates began courting native contrabandistas—South Americans who made a living by smuggling various goods across borders for the black market.

Mr. Nicolai had already become a legend among the contrabandistas. Part of his fame was due no doubt to his physical size and strength, for in a country where great height is uncommon, Mr. Nicolai is 6 feet 3 inches tall and weighs well over 230 pounds.

In one instance, in 1962, when he and a group of associates were arrested by the police, Mr. Nicolai broke his handcuffs with his bare hands and beat up seven policemen while his cohorts escaped. "After that, every contrabandista in Argentina looked up to him," said Rhyn C. Tryal, the head of the Drug Enforcement Administration's district office in Buenos Aires.

Mr. Nicolai has an aristocratic appearance that hints of his Italian heritage. His strong profile, with an arched nose, suggests an ancient Roman bust, and his hair, worn fairly long, is dyed reddish brown. He walks with a decided stoop.

Mr. Nicolai was attracted by the huge profits to be made by smuggling hard drugs, and, thanks to his natural leadership ability, he soon rose to a position in the organization equal to that of Mr. Sarti.

He did not, however, share the almost fanatic Spartan discipline of Mr. Sarti and his French Corsican associates, some of whom formed a group called the "Pietra Forte" (hard rock), a Mafia-like organization that specialized in extortion and bank robbery in addition to heroin dealing.

Mr. Macolini of the Federal drug agency said that the group, whose members included François Rossi, Benzo Rogai and François Chiappe, practiced giving one another shock treatments to train themselves to withstand torture if they were seized and questioned by the police. Mr. Sarti himself was admirably referred to by his cronies as "Iron Head."

Informants say that Mr. Nicolai regarded these activities of the Pietra Forte with some amusement. He considered himself merely a "businessman" in the smuggling business and had no taste for robbing banks or exchanging shock treatments.

As a contrabandista, Mr. Nicolai had accumulated a large number of contacts and associates throughout Latin America who were in a position to ease his passage across borders and through customs.

Informants say that after he got into the heroin trade he used the enormous amounts of money he was making to extend his influence within the government, judiciary and the police in half a dozen Latin American countries.

He moved his headquarters

from Buenos Aires to Montevideo, Uruguay, where he lived in luxurious style, entertaining influential politicians at his apartment near the presidential palace and overseeing his fleet of automobiles and private planes, staffed by his own pilots.

Informants maintain that Mr. Nicolai's contacts were so good that he would fly to France himself to pick up shipments of heroin and carry them in suitcases to South America. Say, he would be allowed through customs without having his bags examined.

Mr. Nicolai was doing very well in the heroin-smuggling business when, on July 8, 1971, a young man from Panama named Rafael Richard, was arrested at John F. Kennedy Airport in New York after it was discovered that his suitcases contained 70 kilograms (154 pounds) of heroin.

Mr. Richard had refused to open his suitcases, maintaining that he had diplomatic immunity because his father was Panama's Ambassador to Taiwan. But the inspector opened them anyway and when Mr. Richard was taken into custody, he agreed to cooperate with the authorities.

Mr. Richard said he had made five earlier smuggling trips to the United States and another to Brazil and Argentina, most of them with his uncle, Guillermo González, or in one case with his aunt, Nelda Jurado de González. In Buenos Aires, he said, his aunt gave a package to a man named Armando, who gave her money in return.

Two other informants subsequently said that Guillermo González was closely linked with Armando Nicolai, and that the association between them dated back 10 years when Mr. González was an air controller in Panama and would clear planes for Mr. Nicolai that contained contraband.

As a result of this information, Mr. Nicolai was indicted in New York for conspiracy in connection with the heroin. Mr. Richard attempted to smuggle into the United States. Mr. Richard and Mr. González were convicted and sent to prison.

A Prime Target

After the Richard arrest, Mr. Nicolai became a prime target of United States narcotics agents posted in South America. When informants leaked the information that something big was brewing in the Sarti-Nicolai group, United States narcotics agents got permission from Uruguayan officials to put a tap on Mr. Nicolai's telephone.

In early 1972, Lucien Sarti traveled to La Paz, Bolivia, in the company of a friend named Jean-Paul Angeletti and Housep Caramian, a Buenos Aires businessman who had been introduced to the heroin traffic a few years earlier. Traveling with the men were Mr. Sarti's common-law wife and Mr. Angeletti's girlfriend. All were using false identities.

Informants say the group went to Bolivia to buy a 6,000-acre plantation on which to grow their own coca leaves so that they could branch out into cocaine. They carried with them \$380,000 in a case, which they had with them when they were arrested at their hotel. The police had been called by an astute bellhop who remembered Mr. Sarti from a previous visit and who noticed that on this trip he had registered under a different name.

Armando Nicolai's lawyer in Buenos Aires, Mario Conterno, promptly turned up in La Paz and attempted without success to obtain their release. Next to arrive, however, was Helena Ferreira.

Miss Ferreira had flown to La Paz from her native Brazil, where she had been living for a time with Mr. Sarti. Pretending to be his sister, she persuaded the Bolivian officials to release Mr. Sarti and all his associates except Mr. Caramian. But when they left La Paz, informants say, they no longer had the \$380,000 that had been in their possession when they arrived.

The group traveled first to Peru, where they were picked up by Mr. Sarti's pilot, Julio Luján who flew them to Mexico. Miss Ferreira, however, was not with them; she had been arrested in Peru and detained on a currency charge. The arrest may have saved her life.

When Mr. Sarti arrived in Mexico, he telephoned Armando Nicolai in Montevideo. The narcotics agents who were tapping Mr. Nicolai's phone heard Mr. Sarti (whom they had not yet identified) tell him that he

must come at once to Mexico City. Mr. Sarti wanted him to meet with two French Corsicans who were suppliers of heroin and some representatives from Mafia families in New York who were presumably to be the buyers.

There was going to be a conference to set up future sales, Mr. Sarti indicated, as well as to settle a deal for 70 kilograms of heroin that he had already on hand.

"Nicolai made reservations half a dozen times for Mexico, but each time he held off," recalled Mr. Macolini, the narcotics agent heading the investigation of Mr. Nicolai. "He drove us crazy."

Although he could not put his finger on what was wrong, Mr. Nicolai apparently sensed that there was danger afoot and he was reluctant to join Mr. Sarti in Mexico City. It was just one example of Mr. Nicolai's sixth sense for danger that authorities say has made him the only survivor of the South American Connection.

Lucien Sarti and his associates were all using aliases during their stay in Mexico City and in their telephone conversations with Mr. Nicolai. The eavesdropping narcotics agents were desperately trying to find out their real identities.

The Agents Move In

The break came when, in the course of a conversation with Mr. Nicolai, Mr. Sarti mentioned his own daughter's name, Veronica.

The name was telegraphed to Washington, where Jerry Strickler was then heading the Federal drug agency's Latin American desk. Mr. Strickler was known for his computer-like memory and soon he was able to identify Lucien Sarti simply from his daughter's first name.

After repeated telephone calls to Mr. Nicolai, saying that the Frenchmen were now in Mexico City and waiting for him, Mr. Sarti gave up and decided to go ahead with the meeting without him. At that point the police decided to move against the principals.

On April 27, 1972, the Mexican police approached Lucien Sarti as he was getting into an automobile with his wife and young daughter. Mr. Sarti, who probably realized he would be identified as the fugitive under sentence of death for killing a policeman in Belgium, pulled out a Colt Cobra and opened fire. The police shot him dead.

Immediately the police moved in on the hotel room of Mr. Sarti's companion, Jean-Paul Angeletti. They expected another shootout, but when they entered the room Mr. Angeletti was in bed with his mistress, Georgette Viazzi, and his Colt Cobra was out of reach on the night table.

After the death of Lucien Sarti, all of his associates in Mexico were deported. Mr. Angeletti and Mr. Sarti's wife, Liliana Rous Viallet, were sent back to France. Within the next several months most of the European-born traffickers involved in the South American Connection were arrested or deported and the Sarti and Ricord organizations had collapsed.

Armando Nicolai alone had survived the purge, but shortly after, he faced a new threat. The Drug Enforcement Administration had organized "Operation Springboard," which was designed to persuade Latin American countries to expel to the United States traffickers who were not natives of the country if they were under indictment in the United States.

Mr. Nicolai realized that he was no longer safe in Uruguay and so he returned to his native Argentina. Authorities there say he made some efforts toward reorganizing the drug traffic from Buenos Aires. But they add that he knew he was a prime target of the police and that the knowledge, evidently was working on his nerves.

In February, 1973, during a state of siege in Argentina before Juan Perón had returned to power, the police picked him up in a general round-up. They say he was so rattled that he shouted to the arresting officers: "I give up! Don't kill me!"

Elements of the Argentine police were said to be so eager to get Mr. Nicolai out of their country that they arranged to hold him incommunicado until the Federal drug agents arranged for a plane to come and take him to the United States.

But once again Mr. Nicolai second-guessed them. He had made arrangements with his family and friends that he would call them every couple of hours. If they did not hear

from him, they were to assume he had been arrested.

Within two hours of his arrest, Mr. Nicolai's lawyer, Mario Conterno, had contacted the police, saying that a writ of habeas corpus was on its way and demanding that his client be produced.

Within four hours the writ arrived—not from a local court, but from the Supreme Court of Argentina. The police realized that they would never be able to spirit away Mr. Nicolai to the United States. On May 25, Mr. Nicolai was released in a general amnesty.

By this time, some Argentine police officers were so frustrated at not being able to act against Mr. Nicolai that they approached United States agents with an offer: If the United States consented, they would have him killed.

The offer was rejected. "We didn't want him that bad," said the United States official to whom the offer was made.

Mr. Nicolai is now maintaining a very low profile in Buenos Aires, conscientiously living the life of a middle-class merchant in leather goods. He lives in a modest apartment in Barrio Once, the old Jewish section of Buenos Aires, with his wife Angela and two sons, Ernesto, 20, and Angel, 12.

According to Mr. Conterno, an aristocratic, handsome, well-spoken lawyer, reports of such involvement in the heroin trade are "fantasies." He said that Mr. Nicolai has categorically denied any involvement in the drug charges against him in the United States.

When it was pointed out that Rafael Richard and other convicted drug traffickers have named Mr. Nicolai as the source of their drugs, Mr. Conterno said, "When a man is facing 20 years in jail and you give him a guitar and tell him that if he sings well he might get out earlier, you'd be surprised how many arias he'll make up."

He contended that the "persecution" of Mr. Nicolai by United States agents is "a water-closet scandal. It's like Watergate and it stinks."

Underworld informers suggest, however, that Mr. Nicolai is considering two very tempting deals.

After Lucien Sarti was shot in Mexico City, his pilot, Julio Luján was said to have flown back to Uruguay with a cache of 90 kilos of heroin that Mr. Sarti had on hand. Mr. Luján is now serving a prison term and Mr. Nicolai would like to think of a way to sell that heroin, the police said.

In addition, Mr. Sarti is said to have hidden another 100 kilos of heroin in several places and Mr. Nicolai is trying to find it.

Meanwhile, both American and Latin American narcotics agents are eagerly trying to find something—anything—on which they can convict Mr. Nicolai in Argentina. They believe his freedom constitutes the biggest threat that the South American Connection might once again be revived.

Tomorrow: A close look at the United States efforts to fight narcotics in Latin America.



Armando H. Nicolai, right, who now operates a leather business in Buenos Aires, is believed by American and Latin American narcotics agents to be best equipped to renew the drug trade in Latin America.