

Panama Report by Carlos Wesley

Barletta was paid by drug cartel

Evidence at Noriega's trial shows the U.S. government mired in sleaze, and its own agents tied to the narcos.

Former Panamanian President Nicolás Ardito Barletta, a former vice president of the World Bank, personally received a suitcase full of cash from Colombian drug kingpins for his 1984 electoral campaign, according to the testimony of witnesses at the federal trial in Miami against Gen. Manuel Noriega. A photograph of a smiling Barletta receiving the cash contribution for his U.S.-backed electoral effort from admitted cocaine-cartel operative Ricardo Tribaldos, was also introduced into evidence at the trial.

Jaime Castillo, one of Tribaldos's associates, testified at the trial on Oct. 29, that Barletta was told at the time that the cash came from Medellín Cartel kingpin Jorge Ochoa. Barletta admits he got \$96,000 from Tribaldos and company, but says he didn't know the cash was drug money.

According to Barletta, he turned the money over to Panama's Attorney General, two months after the May 1984 elections, following the arrest of Tribaldos and the others on drug-related charges by the Noriega-led Panamanian Defense Forces. The PDF also dismantled a cocaine-processing lab in Panama's jungle province of Darién and cashiered Lt. Col. Julian Melo who, along with Tribaldos, had arranged with Ochoa for the lab's installation in exchange for a \$4 million payoff. Melo and the others were remanded to the custody of the civilian judiciary.

They were let out of jail by Panamanian courts, thanks to the intercession of Hernán Delgado, the key adviser and law partner of Guillermo

Endara. Endara was installed as President of Panama by the 1989 U.S. invasion, despite—or because of—his notorious ties to drug banking and money-laundering.

As *EIR* reported in its 1987 Special Report, "White Paper on the Panama Crisis," Colonel Melo did work as an intermediary between the drug cartels and a former commander of the PDF—Gen. Rubén Darío Paredes. But Melo has not been called by prosecutors to testify at Noriega's trial, probably because his testimony would implicate Paredes too deeply, and Paredes is a protégé of former U.S. Secretary of State Henry Kissinger.

So is Barletta, who saw his role in Panama as "a little like that of a Kissinger," and who was picked for the presidency by Kissinger.

Trained as an economist at the University of Chicago by Prof. George Shultz, who was later secretary of state during the Reagan-Bush administration, and who "remembers him well and affectionately," according to a mutual friend—Barletta came to Panama's presidency straight from his job as vice president of the World Bank in Washington, D.C., where he served under former U.S. secretary of defense Robert Strange McNamara.

Barletta got that job as a reward for creating Panama's offshore banking center during the 1970s, for the benefit of Sol Linowitz's Marine Midland Bank, Chase Manhattan Bank, and other financial legal institutions. In a 1982 interview with the *Wall Street Journal*, he bragged that the

banking code he designed allowed for transactions in Panama to be not only tax free, but "more secret than Switzerland."

Why the secrecy? To facilitate money-laundering, of course. While Noriega was fighting drugs and earning commendations from the U.S. Drug Enforcement Administration (DEA) for his efforts, Barletta and his American mentors were openly working to make money laundering easier for the drug-trade.

According to a 1986 report co-authored by Barletta and issued by Linowitz's Inter-American Dialogue, "Waging war on drugs costs money," and "will inevitably result in the loss of jobs, income, and foreign exchange that the drug trade provides." Therefore, the Inter-American Dialogue demanded "selective drug legalization."

That call was also signed by the dean of the U.S. Eastern Establishment, McGeorge Bundy; by Jimmy Carter's secretary of state, Cyrus Vance, and by Barletta's former boss at the World Bank, McNamara. Three years later, in 1989, Barletta's teacher George Shultz—during whose tenure as secretary of state the "get Noriega" campaign was launched by the U.S. government—also demanded the "controlled legalization of drugs."

But, if further proof were needed that the U.S. government has been waging a war *for*, not against, drugs, consider the case of Stephen Kalish, another one of the long list of drug dealers, criminals, and murderers who have cut sweetheart deals with the prosecutors in Miami to testify against Noriega. Caught dead to rights trafficking drugs, and convicted, Kalish could have been sentenced to life in prison without parole, plus 285 years in jail. Instead, he will go free in two years, and the U.S. government *will let him keep* some of the millions he made running drugs.