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PROGRAM NBC Nightly News

STATION WRC TV
NBC Network

DATE June 12, 1986 7:00 PM

CITY Washington, DC

SUBJECT Panama's Military Leader Linked to Crimes

TOM BROKAW: High American officials say tonight that they are disturbed about reports linking Panama's military leader, General Manuel Antonio Noriega, to drug dealing and murder. Those reports by NBC News and the New York Times raised questions about the support that Noriega has long enjoyed from Washington.

NBC chief diplomatic correspondent Marvin Kalb, who has been investigating Noriega, reports now on the charges against him.

MARVIN KALB: General Noriega flew out of Washington, no pictures of him allowed, no interviews granted, after a 24-hour visit highlighted by news reports linking him to murder, drug trafficking and money laundering. The reports are based, in part, on recent closed-door testimony on Capitol Hill.

Senior officials of the U.S. intelligence community making these key points. First, that Noriega planned and supervised the murder last September 14th of Doctor Hugo Spadafora (?), a popular physician turned politician and critic. Two officers tortured and beheaded him and then tossed his body into an old U.S. mailbag. Noriega has resisted all attempts to investigate the killing.

Second, that Noriega is directly involved in drug running. U.S. intelligence officials say Noriega earns $1200 a month but lives in a well-guarded villa, owns a fleet of expensive cars, flies five or six times a year to Zurich to deposit money in a Swiss bank account, as much as $100 million.

Third, that Noriega, according to a CIA source, is also

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directly involved in arms shipments to left-wing insurgencies in Colombia and El Salvador and to the Sandinistas in Nicaragua. He cooperates closely with Libya, Cuba and the PLO, and still the U.S. supports him.

The administration wants to push democratic reform in Latin America but, in the case of Panama, seems to be more concerned about the security of the canal. But there is now some pressure for change, with the CIA privately arguing that Noriega must go, that by bringing the country to ruin, he may spawn a communist insurgency that could threaten the canal.

Although Noriega has not made himself available to respond to these charges, his hand-picked president has.

PRESIDENT ERIC DELVALLE (PANAMA): If it's a closed door committee -- meeting, how do you know what was said in there if it hasn't been made public? I think people are -- are, you know, are exaggerating or passing the word of things that haven't happened.

KALB: The administration's public reaction so far, cautious.

SECRETARY OF STATE GEORGE SHULTZ: I've seen these reports. And, of course, activities of that kind are, obviously, of importance and concern to us.

KALB: On Capitol Hill some senators are calling for an investigation. Others issuing simple warnings.

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SENATOR JESSE HELMS: I think this government ought to say to the governments which say that they are our allies, "Clean up your act." Just as simple as that.

KALB: In private, some top U.S. officials say that although there is no easy alternative to Noriega, there are honest officers in Panama who could be encouraged to work with existing political parties in a democratic way.

But it is hard to change U.S. policy. It is easier for the administration to stick with a known strongman, especially when the U.S. is concerned about the canal, about the 9,000 American troops there, part of the U.S. Southern Command, and about the possible spread of communism from Nicaragua. That could affect Panama, and Panama is already in trouble. It is in the grip of deep recession, 20 percent unemployment and a literate population that is frustrated, angry.

ROBERTO EISENMANN: We are fighting dictatorship in Panama. We will continue fighting dictatorship. Washington will not be able to decide whether we fight or we don't fight.

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Washington will be able to decide who wins the fight.

KALB: There are obvious parallels with the Philippines. After a return to democracy there, many Panamanians look to the United States for similar help and leadership. But so far, anyway, they are not getting it.

Marvin Kalb, NBC News, the State Department.

BROKAW: In Panaman tonight, Noriega's general staff held what was called a crisis meeting. One of his top aides saying that Noriega faced a serious crisis, the worst of his political life.

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