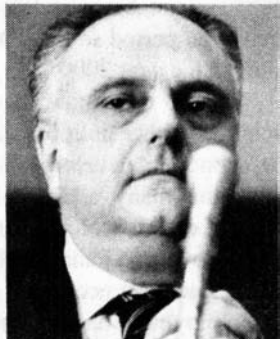


capitated and showing particularly brutal torture marks on his body. He was last seen alive while under arrest by a member of the G-2, the PDF security forces. He was returning to Panama after vowing publicly to expose key PDF officers' involvement in the drug traffic. . . .

The reason given for Barletta's ouster was the country's economic and financial crisis and his inability to deal with it. Panama's crisis descended, ironically, on the eve of the international financial convocation in Seoul, where the U.S. unveiled the outline of a new program for dealing with Latin America's huge external debt—thus offering these countries a light at the end of the economic tunnel for the first time in three years. . . .



Norman Bailey

The overthrow of President Barletta's government is triply dangerous. In the first place, his downfall, as mentioned, is the first reversal of the recent process of democratization in Latin America. Second, the excuse used (and it is certainly nothing more than an excuse) crisis. There is not a country in Latin America where this pretext could not be used to justify a coup. Thus the worst fears of the pessimists may be coming true. Finally, [Gen. Manuel Antonio] Noreiga, widely suspected of drug dealings and the murder of an opposition figure shortly before the coup, has indicated that he staged the takeover to forestall a similar action by his second-in-command, Lt. Col. Roberto Díaz Herrera, a leftist with reported ties to the Sandinistas

and Castro, who was slated for retirement early this year, but did not.

Nicolás Barletta claims that he is still constitutional President of Panama. . . . Since the coup d'état, Panama has been steadily moving farther into the narco-terrorist orbit, the military openly taking over key civilian institutions, one by one, such as the ports, airports, railroad, customs and immigration services. The ingredients are there for Panama to become the first country to institutionalize the drug traffic and laundering of narcodollars under the auspices of a government run by the PDF. . . .

The present voice of Panama in the Contadora process is the voice of a government controlled by military officers who regularly visit Managua and Havana . . . given the dangers of the lethal formula of drugs plus guns in strife-ridden Latin America, is it too much to ask the countries of the Hemisphere to meet in the council of the Organization of American States, put aside their habitual hypocrisy for once and demand that the constitutional president of Panama be restored to the exercise of his office? . . . .

*Statement of Laura Spadafora Justice, sister of terrorist Hugo, read to the Subcommittee by Adelaida Eisenmann, head of the Panamanian Human Rights Committee:*

. . . It is the opinion of a large section of Panamanian society that Panama is the Philippines of tomorrow for the Western Hemisphere. There are many significant parallels: Panama has an 18-year-old corrupt and brutal military dictatorship which is now totally exhausted. Panama's dictatorship has received almost the highest per capita U.S. aid support in the world. There is visible multi-million dollar ostentation by

## Qaddafi, Spadafora, and a plot against Guatemala

Former Panamanian terrorist turned "Contra," Hugo Spadafora, hailed by Sen. Jesse Helms (R-N.C.) floor of the Senate on March 10 as an "insistent critic" of the Panamanian military, in 1980 received \$4 million and an unspecified amount of arms and military equipment from Libya's Col. Muammar Qaddafi, in order to build a new insurrection against the government of Guatemala.

According to information uncovered by this news service, Qaddafi financed the creation of Spadafora's International Brigades, whose mission was to establish a "beachhead" for their insurrection in Belize, with weapons transhipped through Surinam, and from Belize to launch a bid to overthrow the Guatemalan government.

Spadafora suggested that the plan would also give crucial support to the Salvadoran "revolutionary movement."

This is the same Hugo Spadafora whom Senator Helms now cites as a model of courage, in his ongoing campaign to destabilize the Panamanian government and replace it with avowed Nazi Arnulfo Arias. Spadafora was killed in September 1985, by unknown persons, and since then a campaign has been launched to pin his murder on the Panamanian Defense Forces and its commander, Gen. Manuel Noriega.

EIR uncovered Spadafora's Guatemalan plot while researching the Nazi background of the leader of Panama's Democratic Opposition Alliance, Arnulfo Arias Madrid, whom aides to Senator Helms have stated they will help to return to power in Panama. Arias and Spadafora are first known to have worked together in 1969, when Spadafora joined the terrorist resistance organization established by Arias, to combat the new Torrijos government.