

U.S. Blocks Return of Controversial Noriega Witness

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MIAMI, Sept. 3—The Justice Department is blocking return to the United States of Boris Olarte, a controversial witness in the case of Panama's Manuel Antonio Noriega, because of newfound discrepancies in Olarte's testimony that officials said could damage the prosecution, according to knowledgeable sources.

The latest twist in the story of the convicted drug smuggler casts new light on a seemingly inexplicable mishap that plagued the Noriega case this summer.

It also raises questions about the 1988 indictment of Noriega that was based in part on grand jury testimony by Olarte that he had passed to the former Panamanian dictator \$4 million in bribes from the Medellín drug cartel in the spring of 1984.

Olarte, who court papers show has received \$199,000 in informant fees from the government, was to

be one of the Justice Department's star witnesses in Noriega's trial that starts this week.

But last month, Drug Enforcement Administration officials were flabbergasted to learn that Olarte had left the country and returned to his native Colombia after the Customs Service recruited him to go there as an undercover informant.

When Olarte indicated that he was not planning to return, government sources told reporters that the Customs Service action—blamed on a overly zealous "rogue agent"—could undermine the effort to prove the payoffs to Noriega.

Lawyers close to the case speculated whether recruitment of Olarte was secretly the work of the Central Intelligence Agency or other agencies who purportedly do not want the Noriega case to proceed.

But this week, reliable sources gave an updated account, saying Olarte signaled willingness to return and two weeks ago, officials at the Treasury Department, which

oversees the Customs Service, arranged for an airplane to fly to Colombia to get him.

But the flight fell through when the U.S. attorney's office here threatened to prosecute Olarte on a relatively minor charge of making false statements to the Immigration and Naturalization Service about the purposes of his departure in July.

Sources close to the case said the prosecutors' stance related to new questions about Olarte's credibility. For example, Olarte had told the original Noriega grand jury that he and another co-defendant, Amet Paredes, met Noriega in early 1984 to discuss sale of 500 drums of either an and acetone—chemicals used in production of cocaine—to the Medellín cartel.

This meeting is one of the overt acts cited in the Noriega indictment. But Paredes, who earlier this year pleaded guilty and agreed to testify at the Noriega trial, has

since told prosecutors that he never attended such a meeting. In addition, before he left the country, Olarte was shown photographs of several figures in the case with whom he claimed to have met. Seeking to identify them, "he picked the wrong people," a knowledgeable source said, adding, "He flubbed big-time."

Diane Cossin, spokeswoman for the U.S. attorney's office here, declined to comment about Olarte.

Questions about Olarte's credibility illustrate problems facing the prosecution in a case greatly reliant on testimony of convicted drug smugglers.

In addition, former federal prosecutor Richard Gregorie who wrote the Noriega indictment, said his lawyers can argue that the government is covering up witness discrepancies by keeping Olarte out of the country.

Prosecutors, he said, "are creating an issue that could have the case thrown out on appeal."