

Witness in Noriega Trial Says U.S.

By Michael Isikoff
Washington Post Staff Writer

MIAMI, Sept. 17—A former transporter for the Medellin drug cartel testified at the trial of Manuel Antonio Noriega today that the U.S. government has paid him \$255,900 in rewards and spent another \$414,345 on living expenses for him and his family in exchange for information about former associates in the drug business.

Max Mermelstein, a Brooklyn-born engineer who said he was responsible for smuggling 56 tons of cocaine into the country, also said on cross-examination that law-enforcement officials had agreed to drop numerous drug, firearms and tax-evasion charges against him.

He said they also granted him immunity from prosecution for involvement in five separate killings in the early to mid-1980s while he worked with Colombian drug dealers in the United States.

The cross-examination previewed what is expected to be a centerpiece of Noriega's defense in the drug-trafficking case—that most of the government's witnesses cannot be believed because they are confessed felons given lucrative deals or paid hefty "bribes" for testimony against the deposed Panamanian leader.

"Isn't it true that the United States government, in the last two years, has paid you \$255,900 to be a government witness?" asked Noriega's lawyer, Frank Rubino.

"Yes and no," said Mermelstein, 47, who gave flip and sometimes combative responses. "Yes, they gave it to me. But it was my reward for assisting the government in a case" that resulted in up to \$50 million in seizures of cartel assets.

Mermelstein, who served two years and 21 days in jail on drug-related charges before entering the federal witness-protection program

in 1987, presented a particularly inviting target to the defense because he acknowledged that he had never met Noriega and could offer

Mermelstein acknowledged he had never met Noriega and could offer only secondhand testimony.

only secondhand testimony about Noriega's alleged involvement in the drug business.

Prosecutors have charged that, as dictator of Panama, Noriega was a "crooked cop" paid off by the Medel-

WEDNESDAY, SEPTEMBER 18, 1991 A3

Gave Him \$255,900 'Reward'

lin cartel to turn his country into a safe haven for manufacture and transportation of cocaine. Mermelstein, the government's first witness, has been among its major witnesses against the cartel, having served as the organization's "transportation arm" until his arrest in 1985.

During morning questioning by Assistant U.S. Attorney Michael P. Sullivan, Mermelstein said he flew to Panama in March 1983 and met with a woman identified to him as a Panamanian official to discuss buying landing rights for drug flights and purchase of firearms in Panama.

The woman, whom he described as "35 to 40 years old, olive complexion . . . not too good-looking," replied that "she wouldn't see any problem fulfilling our shopping list and said she would go back and talk to Noriega. She represented she was representing him," Mermelstein said.

Mermelstein said he never spoke to or saw the woman again until

December 1989 when he recognized her on a Cable News Network videotape. The tape, which Sullivan played for the jury, showed a dark-haired woman standing behind a laughing Noriega clad in jungle fatigues and waving his fist defiantly at a public rally.

By the end of the day in U.S. District Court, the woman's identity remained in question. Panamanian journalists at the trial said she is Balbina de Perinan, a well-known Noriega supporter now serving in the Panamanian legislature.

Under cross-examination, Mermelstein acknowledged that, earlier this year, he wrote federal officials identifying her as someone whose name he said had been suggested to him by a U.S. Border Patrol official. "I have no way of knowing what the name of the person really is," he said.

Mermelstein also said that, while in Medellin in 1984, he met with the cartel's "comptroller" who showed him a ledger book for the drug organization. "He was flipping

through it, [and] there was one page that had Noriega's name on it," he said. But Mermelstein said that the comptroller did not explain the entry and that he never saw the book again.

During cross-examination, Rubino hammered at Mermelstein's long criminal history, including smuggling firearms to the cartel and failure to pay taxes on about \$2.5 million in drug profits. Mermelstein also acknowledged accepting a \$500,000 cartel contract to kill another government informant, Barry Seal, in 1984.

Although Mermelstein hired two men to execute Seal, he said, he could not see the job completed because of his 1985 arrest. Seal was slain by another Colombian hit man in February 1986.

"To be very candid about it, you're quite proud of the life you lived and the criminal activity you were involved in?" Rubino asked.

"I did it," Mermelstein replied. "I'm not proud of it, but I did it."