

Rocky's Panama Scenario

Nelson Rockefeller's Commission on Critical Choices for Americans lays out the following scenarios for Panama in its 1977 volume, Latin America: Struggle for Progress. (Lexington Books, D.C. Heath and Company, Lexington, Mass.)

The Panama Canal could well be this country's most intractable problem in Latin America...a ratified treaty may not end the matter while security questions may go unanswered...

...opposition to any treaty will be great — a matter which is already reflected in the United States Senate. Moreover, the likely mood of the country after Vietnam and Angola will be to view such a treaty as another surrender to men who wish the United States no good. The fact that General Omar Torrijos has cultivated a close relationship with Fidel Castro will only fuel that suspicion...

...the following scenarios are offered as the most likely. In the first, the Senate would ratify in 1977 a treaty that returns the Canal and the Canal Zone to Panama after a fixed period of continued U.S. management and defense. The immediate consequences in Panama would be a defusing of the issue, with Torrijos given credit for a victory over American imperialism...

The more likely chain of events, however, would begin with the Senate rejection of the treaty. The first likely consequence will be the overthrow of Torrijos, who has risked his prestige on getting a favorable treaty. This would not damage American interests...Predictions of what would happen next have varied from low level violence to guerrilla warfare. The former is certain to occur because it is part of the Panamanian political way of life...the atmosphere would hardly be conducive to orderly negotiations....

The worst possible outcome would be a prolonged campaign of terrorism and outright guerrilla warfare. In such a case, U.S. military forces would be employed to protect the Canal as well as American lives and property. But the effectiveness of our counterinsurgency would be limited because of the sanctuary that Panama proper would offer to the guerrillas.

...no group (in Panama) is now capable of conducting such a campaign. If it were to do so in the near future it

would require outside help. That help could only come from Castro's Cuba. In such a case, the United States should certainly take measures to protect itself from outside intervention...

...without foreign or official Panamanian support, guerrilla warfare would not resemble Vietnam's but the urban terrorism that once flourished in countries like Brazil and Uruguay. Robberies, kidnappings, bombings, and assaults on police and civilian functionaries in the Zone and Panama proper may well occur...U.S. military and police units would find it tempting to chase terrorist groups into Panamanian territory, thus provoking nationalist outcries in Panama.

On a lower scale of violence there is the danger of sabotage of Canal facilities. This is more plausible because the Canal is vulnerable. A small group reasonably proficient in explosives could do serious damage...The possibility would place a heavy strain on the police and military forces within the Canal Zone.

Although the exact nature of the possible violence is not clear, the official Panamanian reaction is. Panama's government will double its efforts to solicit worldwide support...the United States can expect heavy criticism in the OAS, the United Nations...But such attacks are not likely to create a favorable climate for a new treaty...

But despite the bleakness of the prospect, it should, nevertheless be turned into an opportunity...A rejected treaty would give (American officials) the chance to review our policy...

In economic terms are we prepared to accept a Panamanian imposed increase in toll rates...? In an increasingly economically interdependent world are we prepared to accept a closing of the Canal by the Panamanians for whatever reason? Do we as a superpower have a special role in protecting the economic interests of other major users of the Canal?

How important is the Canal in military terms for the next quarter-century? ...it may well be by 1977 that the United States would find a canal of greater importance than many had previously assumed.

In political terms, would the eventual return of the Canal to Panama without any restrictions create a precedent for other American facilities in the Caribbean? Would it merely reinforce the image of America-in-decline?...