

The Panama Canal Debates:

## Approaching Kissinger's Second Vietnam

The first showdown in the U.S. Senate over the proposed Panama Canal treaties is now scheduled for March 16, when the Senate will vote on the treaty guaranteeing the neutrality of the Canal after Panama assumes full control in the year 2,000. According to anti-treaty sources close to the Buckley family, which has helped lead the British-infiltrated Fabian wing of America's

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"conservatives" in over three weeks of filibuster and stall tactics, the vote will be 34 against the treaty — exactly the number required to block passage.

The same sources are predicting that Senate rejection means, "Bye, bye, Torrijos" — that is, the overthrow of Panamanian head of state, General Omar Torrijos, shortly thereafter.

Those same sources might as well add: "Bye, bye, Carter; Hello, Mondale and another bloody Vietnam," for that may well ensue from a treaty rejection and Torrijos's overthrow.

*Executive Intelligence Review* has previously documented (Vol. IV, #32) that the Panama Canal treaty negotiations were *designed* by British-linked policy planning networks in the U.S., most notably those tied to Henry Kissinger, to lead to precisely the explosive situation now facing the United States. The most explicit statement of this "Second Vietnam" strategy was contained in the "print-out" put together during 1976 by two of Kissinger's top protégés, Roger Fontaine and James Theberge, and published in the Commission on Critical Choices Report for Americans on Latin America in early 1977. Briefly, the Panama Canal negotiations, as a British strategy, have three objectives:

**Second Vietnam:** The deliberate provocation of a nationalist "jacquerie" in Panama, including probable guerrilla warfare and possible sabotage of the Canal, which will require U.S. military intervention. The appropriate nationalist climate for the activation of agent provocateurs in Panama is to be created either through rejection of the treaties by the U.S., or as a backlash to heavy-handed "Ugly American" actions during the negotiations themselves. Kissinger has repeatedly stressed throughout the year his own determination to commit "all the troops" necessary in the event of such nationalist chaos. Estimates of the minimum American troops required under those circumstances to defend the canal are put at 100,000.

**Confrontation with Cuba:** U.S. military intervention into Panama is almost certain to bring the U.S. into face-to-face confrontation with Cuba, thus turning Panama into another pawn in the global confrontation strategy

with the Warsaw Pact now sought in numerous arenas by the British faction within the U.S. headed up by Brzezinski and Kissinger. A showdown in Panama is also seen as a means to destroy Cuban influence in the Caribbean, a pet obsession of Brzezinski.

**Dump Carter, Install Mondale:** Recent press coverage of the canal negotiations has stressed that Carter's presidency is now at stake with the treaties. According to the London press, Senate rejection will signal to the world that Carter does not "speak for the American people," nor has the authority at home to provide leadership. Undermined at home, the argument goes, President Carter will be too weak to sustain U.S. strength in the Mideast negotiations, or face the Soviets at SALT — setting the preconditions for Carter to be forced to step down. Lawrence Marks, in an article in the *Sunday Observer*, bluntly stated that "failure to ratify will irreparably damage the President at home and abroad...the penalties of failure for U.S. stature and influence in the world could be savage..."

At the same time, the threat of "public degradation" is being used to extract from the beleaguered White House a commitment to Brzezinski's confrontationist posture in other areas. Kissinger-conduit William Safire delivered a blunt ultimatum in the *New York Times* March 6: "I would not want the world to know that a U.S. president, even a not very competent one, does not speak for the U.S. in foreign affairs." The condition for Senate support, however, must be "specific assurances that any SALT treaty would ensure veritable security, that the Senate's lawful right to approve arms sales would not be subverted by a doctrine of executive package deals, and the Cuban mercenaries in Africa no longer considered a 'stabilizing force' by the ideologue who misrepresents us at the United Nations."

With cliff-hanger estimations of Senate support for the treaties down to the wire, Safire's "offer" may be one the White House cannot refuse.

*Making the Canal an Issue*

President Carter was saddled with the Panama Canal treaties before his Administration took office through the recommendations of the two planning bodies putting together his Latin American policy: the neo-Fabian Institute for Policy Studies, and the so-called Linowitz Commission, headed by Sol Linowitz, the man who personally headed the U.S. negotiating team. Both set the resolution of the canal issue as the first necessary step for improving relations with Latin America. At the same time, both bodies stressed "human rights" as a topic to replace discussion of trade, debt and development! The malleable Carter was sold the idea with the promise of a place in history as the president who "ended U.S. colonialism."

The grandiose style in which the negotiations were

announced was the initial step in sabotaging a possibility of negotiating the necessary peaceful transition of the canal to Panamanian control. The fanfare around the treaties triggered the predictable emotional responses in Panama and the U.S., thereby eliminating a climate conducive to flexible negotiations.

The next step was to build the Panama Canal into a major national issue in the United States. To that effect, the major British-linked press outlets in the U.S., led by the *Washington Post*, have conducted a psychological warfare campaign to present the Canal as the last line of defense of America's receding power — a line calculated to goad the conservatives' typical loser's mentality. On Feb. 12, the *Washington Post* ran a long feature article by Harvard University Professor William Schneider entitled "Behind the Passions of the Canal Debate," which essentially catalogued the deliberate linguistical manipulation of the U.S. population carried out by press and pollsters over the past year on the canal issue.

Schneider quoted one Dr. Robert Dorn, a professor of psychiatry at Eastern Virginia Medical School: "Any political talk that implies that we are giving away something which is currently viewed in fantasy as part of ourselves, or possibly being 'robbed' of something which is a part of us, certainly stirs up a response. *If such key words as 'ours,' 'giving away,' and 'robbed' don't work*, there is always the back-up idea of others wresting away control of this 'essential link' that keeps our 'country intact.' The fragmentation of our nation is, indeed, a frightening fantasy" (emphasis added).

The much-touted poll results on the Canal treaties were the result of such linguistical manipulation, Schneider points out. He demonstrated in particular how the "vast shift" in public opinion in favor of the Canal reported after several national polls taken in January was a direct result of the questions asked in the polls themselves — not a shift in attitudes. The polls of NBC, Associated Press, and Opinion Research Corporation of Princeton, New Jersey in September and October 1977 had all asked vaguely worded questions along these lines: "The new treaty between the United States and Panama calls for the U.S. to turn over the canal to Panama at the end of this century..." Such questions produced the majority response opposing the treaties. Subsequent polls all added such clauses as: the U.S. "would retain the right to defend the canal against a third nation" or "with the U.S. retaining military defense rights." Lo and behold, "public opinion" shifted to support!

The networks of Richard Viguerie and associates did the rest. Viguerie, close to British networks in the conservative movement like the Buckleys, used his role as the principal fundraiser for the conservatives to portray the Canal as the best possible "gate-receipts" tactic of Republicans and Conservatives. The mentality which Viguerie fostered was epitomized by Utah Senator Laxalt, who early in the year called the canal issue "the hottest thing to come down the pike since gun-control in the Sunbelt states." With Viguerie ensuring that every conservative received a mammoth supply of anti-treaty postcards, the Canal was turned into an issue of political survival for conservatives — and to hell with U.S. interests.

The real irony, however, in the success of the mass

psychological campaign behind the buildup of the issue is captured in the pathetic remark of Lawrence Marks in the *Observer*. The psychological profile on which intensely patriotic Americans in the conservative movement have been manipulated is a straightforward projection of British rage at the loss of the Empire!

#### *Dangerous Senatorial Antics*

Once hooked, conservative opposition in the Senate has played faithfully into the Kissinger Second Vietnam strategy, adopting tactics which will provoke maximum reaction within Panama. One such tactic has been to force through amendments to the treaties as negotiated, which serve, as one aide to Senator Baker put it, as a "killer amendment." Nearly every amendment proposed has been an elaboration of Kissinger's doctrine of "limited sovereignty" for Panama, including the granting of perpetual rights to the U.S. to station troops in Panama as the U.S. unilaterally decides, and a call for the removal of the clause prohibiting U.S. intervention in the internal affairs of Panama — completely unacceptable to any government in Panama! Such antics ensure that, even if the treaties pass the U.S., the attached amendments will require a second national plebiscite in Panama (the treaties as negotiated were overwhelmingly passed in an Oct. 23 plebiscite) which, all estimates indicate, will lead to rejection.

The second prominent tactic has been to personally smear Torrijos with unproven charges of drug-running, portraying the present Panamanian government as unfit to guarantee the treaties. Led by Senator Robert Dole of Kansas, the Senate held two farcical days of "secret session" early in February to hear testimony by the Senate Intelligence Committee on the supposed involvement of high Panamanian officials, including Torrijos' brother Moises, in drug-running.

Spokesmen for the U.S. Drug Enforcement Administration stated before the Senate entered closed session that no reliable evidence exists against any Panamanian official. Even vociferous treaty opponents such as Sen. Jesse Helms admitted afterwards that the only evidence presented in the secret session had already been published in the U.S. press!

For its part, the Panamanian government angrily charged Feb. 24 that the "evidence" for the drug scandal is based on the testimony of Col. Amado Sanjur, a fascist military officer who led an abortive coup against Torrijos in 1969. Several Panamanian citizens arrested for drug offenses in U.S. territories also charged that the U.S. Drug Enforcement Administration pressured them while they were in U.S. prisons to falsely implicate the Torrijos family in drug-running, according to Panamanian press accounts published Feb. 25. Col. Manuel Noriega, the head of Intelligence of Panama's National Guard, has previously stated that the majority of drug traffic passes through the Canal Zone — under U.S. jurisdiction and where Panamanian officials are not allowed to operate!

Undaunted, the British-run U.S. press went right ahead with the "scandal." The *Washington Post* ran a front page lead story Feb. 22 headlining that Torrijos *personally* had turned a blind eye to the drug networks, and claiming in the same article that relations between the

U.S. and Panama may already have been strained by the Senate's actions. The *Post* ran a second article that day selecting out columns from progovernment papers in Panama as a demonstration that the Panamanian government was close to cutting off negotiations.

#### *Jacquerie of "Mexican System"*

Conservatives in the Congress have been convinced that the treaty debate should be used to bring down Torrijos — with his alleged ties to Fidel Castro and "communism" — and replace him with a democratic government "more compatible" to U.S. interests. These legislators have not yet caught on that, according to the Commission on Critical Choices report, Torrijos' ouster is itself the desired *trigger* for a new Vietnam and a new round of confrontations: the downfall of the current Panamanian government will inevitably lead to disruptions ranging from "low-level violence to guerrilla warfare" (in the words of the report) that would justify U.S. military intervention.

Although the Torrijos government is a mixture of monetarist World Bank-tied agents and popular-based pro-development forces, it is the only present basis for a stable government in Panama. In fact, factions within the government are discussing the formation of a "party of government" along the lines of the Mexican PRI as the next step in consolidating a secure modern republic. The organizing for a "Mexican system" government was explicitly launched in October with the founding of a "Broad Front of Lawyers," to strengthen the pro-development faction within the government, a front expanded into a broad front of professionals at last week's Founding Congress. The purpose of the lawyers' faction, as demonstrated in their first organizing statement, is to "contribute to a better orientation of our citizens regarding the tasks undertaken by the national liberation process," through a program of industrialization and economic development as the next major task of government in Panama.

The Panamanian Communist Party supported moves in this direction two weeks ago with a call for a labor-industry alliance on behalf of national interests, according to an *EFE* wire of Feb. 22. In an article in *Unidad*, their newspaper, the Communist Party explained that there "exists a common denominator between the businessman and worker," and only by mutual support can labor and business ensure the healthy activity of their enterprises. The Communist Party has consistently played a critical role in moderating student and worker anti-Americanism, organizing support for the Torrijos government and its efforts to negotiate a peaceful transition of control over the canal. The Communist Party, working closely with the Professionals Front, has also served as the primary voice for economic development of the country.

U.S. conservatives, however, in their blind opposition to "communism" are openly coordinating with Torrijos's "opposition," a potpourri of the old Panamanian oligarchy, and the Maoist and ultraleft agents of the Institute for Policy Studies in Panama!

Five of the principal "opposition" groups, including both "left" and "right," met in Florida Feb. 12 to coordinate their strategy against the treaties and set up

formal collaboration towards the formation of a broad "civilista front" whose only unity is a demand for a return to "pluralist democracy." Spokesmen for the group told reporters that the intent of the meeting was to gain U.S. support for an alternative to the Torrijos government.

The chairman of the meeting was Arnulfo Arias, the Panamanian politician known to be closely working with Ronald Reagan. Arias, the pro-Nazi head of the oligarchic Panamenista Party whose crazy nationalism led to the failure of his three previous attempts at Presidency, has been coordinating opposition with the Maoist terrorists since the 1969 Torrijos coup. Besides the Panamenista Party, representatives of the Christian Democratic Party, the terrorist Social Democratic Party, the non-existent Republican Party and the newly formed "leftwing," IPS-run "Independent Movement for Democracy" attended. At the meeting, Arias called for a moment of silence for three Panamanian "national martyrs," including an open terrorist!

The opposition groups have further made clear they will not negotiate a stable treaty with the U.S. The final declaration from the Florida meeting stated that *any* amendment, modification, or even clarification of the treaties must be subjected to a second plebiscite in Panama. Kissinger-linked networks have been widely proclaiming that this will be the kiss of death for the Torrijos government. The final document further threatened that if Torrijos did not accede to demands for a return to "formal democracy" in Panama, "violence and destruction" might be unavoidable. A spokesman for the five parties who had met in Florida told a reporter following the meeting that their plans already include the repudiation of *any* treaty signed by Torrijos if they come to power — in order to demand even more radical concessions from the U.S.

—Gretchen Small

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### Kissinger's Panama Scenario

*Kissinger protégés Roger Fontaine and James Theberge, for the Commission on Critical Choices for Americans, lay out the following scenarios for Panama in the Commission's 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....

...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 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 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.

### "Panama, The Great Divider"

Sunday Observer (London), by Laurence Marks, Feb. 12:

...Fifty-five per cent of Americans are opposed to giving up the canal. Some Senators' daily post — it's the biggest mail producer since Watergate — is running 40-1 against. Yet failure to ratify will irreparably damage the President at home and abroad.... But like other 'great debates,' it touches depths of emotion that do not respond to argument....

It is about how America should relate to a world that seems recently to have become unmanageable. It is also about whether Americans should feel ashamed of their past. It is about feelings of powerlessness and self-respect — with all their potential for violent reaction.

The canal is not an issue of global importance. Changes in patterns of trade and military technology have reduced its value. But it is seen as a symbol of retreat and vulnerability.

The tone of the popular debate reminds one less of the bitterness of Suez than of that curious episode a few years ago in which an undistinguished BBC-TV series on the Empire revealed uncharted layers of quiet, stubborn resentment at the suggestion that British colonialism had been shameful....

Mr. Carter has mounted an intensive exercise in persuasion — a trial run for the far more critical debate over arms limitation with the Russians....

All this exposes Mr. Carter to enormous political risk.

Having boldly staked his leadership on Panama instead of shelving the issue as did both Nixon and Ford, the penalties for failure for U.S. stature and influence in the world could be savage.

Defeat would encourage the impression that the

President no longer speaks for America and that an unpredictable Congress is now the arbiter of foreign policy.

It would alter Soviet calculations in its bargaining over arms limitation at Geneva, would probably increase the chances of Senate rejection of a SALT treaty and would cause the Middle East nations to feel anxious about the U.S. role as a guarantor of any peace agreement.

### "Behind the Passions of the Canal Debate"

Washington Post, by William Schneider (Associate Professor of Government, Harvard University), Feb. 12:

Last year Senate Majority Leader Robert C. Byrd of West Virginia declared that the Panama Canal treaties negotiated by the Carter Administration were doomed unless public opinion shifted decisively. He, like most others, thought voters overwhelmingly opposed the treaties. Several polls, after all, had indicated that opposition was running as high as 10 to 1.

Then earlier this year, prospects suddenly changed. The treaties appeared to have a chance. A Gallup Poll taken in early January found for the first time that more Americans supported the treaties than opposed them. A vast switch in attitudes appeared to have taken place.

No such thing.... The fact is that American opinion had never been as massively against the treaties as thought.... Why, then, the sharply different public, press, and political perceptions? It should come as no great surprise to anyone by now that answers to polls depend on the questions asked....

A look at all the questions asked over the past year reveals that "control" of the canal has long been the key issue to the American public. Any question which specifies that the U.S. will hand over control of the canal to Panama elicits a strongly negative public reaction — unless the meaning of "control" is further qualified.

### Oligarchy versus Nation-Builders

Compare the ennui of the "oligarchy" with the dedicated nation-building focus of the founding statement of the Lawyers Broad Front. Ironically, it is the former with whom U.S. conservatives are working, out of fear of the "communism" of the latter! First, excerpts from "Waiting for the Treaties — Tropical Malaise and Endless Mañanas", by Sally Quinn, published in the Washington Post, March 5:

The "oligarchy" of Panama is, in fact, no longer the small despotic group of very rich people who control the country — because they don't. But they still refer to themselves as the "oligarchy" because they do have the money and, in Panama, money is still power. So, since their leader, elected President Arnulfo Arias, was deposed in a bloodless coup by Omar Torrijos, they have been allowed to live the same way....

One gets the feeling that Torrijos could be overthrown at any moment — if only someone would think of it. But nobody really hates him because they can't figure out

what he stands for. Besides, it's too much trouble.... "We wake up every morning hoping there was a coup the night before, said (one oligarch) "But, it's like waiting for Godot." ... She shrugs listlessly.

Still, there are those who say things will change. "After the treaties...."

*The following is an excerpt from the "Punto de Partida column of Griselda Lopez, in Panama City's La Republica, Oct. 18, 1977, entitled "Lawyers Broad Front Outlines Objectives":*

Following are the objectives of this broad nationalist front (of lawyers — ed.):

1. To bring together as many lawyers as possible into a permanent group to analyze and discuss domestic and international problems.

2. To disseminate the results of our analyses and thereby contribute to a better orientation of our citizens regarding the tasks undertaken by the national liberation process....

Minimum program of objectives with which other professional and social forces can identify:

1. The improvement of the agrarian reform, which implies:

A) A more vigorous implementation of the constitutional principle which assigns a social function to the land so that large idle estates can be used by the agrarian reform, while at the same time protecting the integrity of large commercial production sectors whose yield falls below the national production average, provided they do not clash with national and social interests.

B) To expand state, social and mixed properties with

these lands and distribute these lands among the landless peasants.

C) To pursue a dynamic organization policy of small and medium independent producers and provide them with technical and financial assistance.

D) To implement agrarian jurisdiction by creating special courts.

2. Development of the national industry.

This includes:

A) The utilization of a portion of the overall economic surplus to establish new industries (mainly state, municipal and mixed) such as fertilizer, light machinery, farm implements and other industries.

B) The strengthening of existing private industry through strict protectionist measures and by granting loans at low interest rates.

3. Increasing participation of the state in the control of foreign trade.

4. Consolidation of relations with Third World countries by establishing embassies in countries of these areas.

5. Improving the educational reform.

Educational reform must be related to the tasks of agricultural and industrial development set forth in this program. Along these lines, we propose an integral education which, at the same time, includes the most advanced scientific and technological courses and implants the great values of universal culture in our people. The national meeting of lawyers feels that the elimination of problems of high social tension such as unemployment, poverty, open and hidden mendicity and illiteracy depend on the bold execution of this program of minimum objectives, some of whose aspects are already being implemented.