

# Sovereignty fight for Canal comes to fore in Panama crisis

by Gretchen Small

The Reagan administration has now added the functioning of the Panama Canal to its arsenal of attack against Panama. The crudeness of the latest U.S. action indicates that the administration has decided it can safely give up even a pretense of adhering to the 1977 Canal Treaties, without suffering a serious diplomatic backlash.

That decision might prove the biggest mistake yet in the Reagan administration's Panama fiasco.

Under the treaties, Canal functioning until the year 2000 is to be overseen by a Canal Commission, made up of five Americans and four Panamanians appointed by their respective governments. The treaty stipulates that an American shall head the Commission until 1989; after that, a Panamanian assumes the post. In the last two months, however, the United States quietly began stripping the post of its powers, passing them over to U.S. citizens.

Then, in early July, U.S. officials announced that the next meeting of the Panama Canal Commission, scheduled for July 13-14, will be held in Savannah, Georgia, instead of Panama City. With a catch: The State Department refused to issue visas for either the Panamanian support staff which normally accompanies its commissioners at these meetings, or a new commissioner appointed March 15 by the government of Manuel Solís Palma!

The excuse given for denying a visa for Panama's new commissioner, was the same that the Reagan administration has used to withhold all payments from Canal operations due to the Panamanian government since March: The administration insists that Eric Delvalle, and not Solís Palma, is Panama's President.

The State Department's assertion that it has the right to name who can represent Panama on the Commission was the last straw. On July 5, Panama's Foreign Minister Jorge Ritter called a press conference to announce that, while Panama has tried to isolate the Canal from the political crisis, U.S. actions have now made that impossible. Panama withdrew from the Commission "until the U.S. recognizes its representatives," Ritter said.

He decried the U.S. insistence on clinging to "the farce of a non-existent government," which only the United States

recognizes. Ritter acknowledged the decision was "difficult," but called it necessary because "the U.S. attitude endangers the very integrity of the Treaties." Panama will not recognize any decision of the Canal Commission which is taken without its participation, he emphasized. Ritter cautioned the United States: Fulfillment of the Treaties is not only a binational matter, but affects all countries which make use of the Canal. Panama will take its case to the Organization of American States, and to all user countries, he said.

The foreign ministry then forwarded an explanation of Panama's actions, and U.S. treaty violations, to local and international press, and to all accredited diplomatic personnel in Panama. Panama's United Nations delegation did the same. That was on July 5. Sure enough, on July 13, unnamed U.S. State Department officials told the *New York Times* that it was Panama, "under General Noriega," which was failing to meet its commitments.

## A hemispheric issue

Most Ibero-American governments have attempted to stay on the sidelines of this battle. Many which have sent economic assistance under the table, refuse to come out openly in Panama's defense. U.S. abrogation of the Canal Treaties, however, will make it difficult for those governments to continue to pay lip service to the lie that "democracy" is the issue in the Panama crisis.

Foreign Minister Ritter warned other Ibero-American governments on June 28 that, while Latin American unity behind Panama's sovereign rights had led the U.S. to accept the Canal Treaties in the first place, that success is now threatened. The U.S. is testing the capacity of Latin America as a whole to defend its rights, he stressed. If Panama is excluded from the Group of Eight (an informal diplomatic bloc formed by eight major area governments), "the unity and integration of Latin America will fracture, [and] one of the hardest blows will have been given to Latin American economic integration."

Nonetheless, the Group of Eight decided at the end of June to continue to exclude Panama (a founding member of the Group), on the grounds that some "confusion" exists as

to the legitimacy of the Solís Palma government—even though *all* of them recognize that government! Mexico argued for Panama's participation, but Venezuela and Argentina, ever fearful of displeasing the U.S. Establishment's bankers, championed the U.S. line.

### Renewed integration push

It would be a mistake to write off Ibero-America as a factor in the U.S.-Panama equation, however.

The July 12 announcement from Panama City that a group of Ibero-American nationalists is organizing a conference on integration for August in Panama, with the task of preparing a "Second Amphictyonic Congress of Panama," demonstrates the backlash which U.S. aggression has already provoked. (In ancient Greece, the amphictyonic councils were associations of neighboring states.) The First Amphictyonic Congress, held in Panama in 1824, was the last time governments of Ibero-America met together to discuss the formation of a single Great Fatherland.

These nationalists argue that out of Panama's current crisis, can come the will to forge that unity, so that Ibero-America can "stand strong in the concert of nations, on equal footing, capable of making itself respected by other world powers" (see *Documentation*).

Within Panama, political debate has also moved far beyond discussions of the formalities of democracy, to take up the more fundamental question of what strategic role Panama should play in the world crisis today. Ironically, Panamanian leaders who believe Panama must chose between subservience to Washington or Moscow, have joined together to oppose those who argue that Panama must serve as the protagonist of Ibero-American unity. Those favoring a special relationship with the United States, argue that Panama must become a "free trade" colony modeled on Hong Kong. Moscow enthusiasts insist that Panama has no choice but to impose a Cuban-style economic dictatorship, allied with the socialist bloc. The economic program of the nationalists centers around Panama's potential role in an industrial-based Ibero-American Common Market—an option which Panama's communists and the Hong Kong advocates say cannot exist.

Discussion of the possibilities of constructing a second, sea-level Canal, as the focal point for continental integration, has entered the debate. On July 3 and 10, Panama's pro-government newspaper, *La Republica*, published sections of the SchillerInstitute's pamphlet, "How to Stop the 'Financial Malvinas' Against Panama: Emergency Measures to Save Panama." Featured in its coverage was the preface to the pamphlet written by Lyndon LaRouche. "Panama's future importance is centered around the fact, that it is the logistical keystone of Ibero-America's participation in world trade," LaRouche proposed, explaining how, as world trade expands, and new technologies come on line, "the existence of a sea-level canal through the proper isthmus route will be essential to the prosperity of Ibero-America as a whole."

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## Documentation

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*On July 12, members of the Organizing Committee for a "Meeting Toward a Second Amphictyonic Congress of Panama," held a press conference in Panama City to announce plans to hold a conference on the integration of Latin America in Panama City on Aug. 8-12.*

*Excerpts from their release follow.*

Goals: Our continent today is living through profound moments of crisis. The financial bodies of the international oligarchy are looting our peoples, and we are beset by the specter of famine, epidemics, illiteracy, and spiritual disintegration, for the sake of payment of a foreign debt, unpayable and eternal under current conditions. This aggression, which threatens our people with genocide, is exacerbated today by attempts to limit our sovereignty and subjugate us through economic sanctions and embargos, military interventions, and psychological warfare. The destiny of all our America is at stake in Panama. The fate of Panama will decide the future of our sister nations. Integration becomes necessary now, for reasons of life and death; either we unite, or we will cease to exist.

We believe the Bolivarian Patriotic Mandate to call a Second Amphictyonic Congress is the order of the day. The objective conditions exist; the subjective conditions are coming into being. But one thing cannot be doubted: Latin America, after the Malvinas, the aggression against Nicaragua, the savage attacks against Panama, is turning increasingly toward itself. The oft-heralded moment has come, in which Latin American Man is the protagonist of his own history. We are beginning a new chapter in the history of our America, where cooperation replaces foreign interference; where peace and friendship govern relations between our sister nations. That hour draws near, which was presaged by Bolívar, San Martín, Perón, Torrijos, and all those men who fought so that all America, as a single Great Fatherland, could stand strong in the concert of nations, on equal footing, capable of making itself respected by other world powers.

Bolívar said that the day would come in which Panama would become for Latin Americans, what Corinth was for the Greeks. It behooves the peoples of America to lay the bases for their governments to proceed toward the integration of the continent. It is the time; the hour of history has arrived. It is the place, and the right people are at hand, for the reunion of Latin America.

This meeting will be the inter-American forum in which the problems of the region will be analyzed, and where Latin American solutions for the problems of our America will be elaborated. The cry of our peoples announced in the process "Towards the Second Amphictyonic Congress of Panama," will also be where, finally, the integration of our continent will come to fruition.