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OUR CHANGING ROLE IN PANAMA: AN OVERVIEW

by

COLONEL NORMAN M. SMITH, US ARMY

The construction of the Panama Canal was the first international testimony to the future greatness of the United States. Emerging from what was still basically an agrarian society, Americans surpassed the engineering and scientific skills of the French. The effort was worthy of the first overseas visit by an incumbent US President, Theodore Roosevelt, who inspected the canal operation before it opened in August 1914.

The epoch began with a Frenchman—driven by ambition, greed, and a higher sense of mission—whose vision enabled him to sense that only the emerging industrial power of the United States, backed by the government, could perform the monumental task of uniting the oceans. His reputation was at stake, and he stood to gain enormous financial benefits if the United States Government would compensate the French Engineering Company for the right to dig the canal in Panama. In a Gaullian sense, his actions would restore a degree of French honor which had been lost in the debacle of their attempt to build a canal. And, in some small way, he would restore an element of honor to his idol, the aging Ferdinand de Lesseps, proud builder of the Suez, whose senility had been hastened by his failure in Panama.

All these passions inspired Philippe Bunau-Varilla, acting as self-appointed agent of Panama, to constantly revise a treaty which he knew would survive US Senate review. By his own admission, selling out Panamanian sovereignty to cut short debate enabled him

to recoup the de Lesseps' share of the millions paid by the US Government to the French company for rights to build the canal,¹ but the same act set in motion the debate which continued until April 1978.

For almost 75 years, the perpetuity of the 1903 treaty and the US "sovereignty" over the Canal Zone were like a "stake in the heart" of the Panamanians.² On 18 April 1978, following one of the greatest senatorial debates of the past quarter century, the US Senate completed its advice and consent to the treaties signed by President Jimmy Carter and General Omar Torrijos on 7 September 1977.³ The treaties' passage marked a new era in American diplomacy, demonstrating the willingness of a great and powerful nation to negotiate equitably and peacefully with a smaller, weaker, and poorer country.

THE CHANGES

Reading the alterations in relations caused by the two treaties is like having a telephone conversation—there is a tendency for responses to spew forth at every pause. What is required is the same painstaking reflection and reconsideration entailed in a multilayered bureaucratic response to a problem.

The first change is the timing of the treaties. (Two treaties replace the 1903 treaty: the Panama Canal Treaty and the treaty concerning the permanent neutrality and operation of the canal, the Neutrality Treaty.) The Panama Canal Treaty is scheduled to go into effect six months from the date of the exchange of the instruments of

ratification, but not later than 1 October 1979. This will be followed by a 30-month transition period. The Panama Canal Treaty terminates at noon on 31 December 1999.

Until that time, the defense and operation of the canal are US responsibilities. The treaty concerning the permanent neutrality and operation of the canal enters into effect at the same time as the Panama Canal Treaty. In contrast to the fixed duration of the Panama Canal Treaty, the Neutrality Treaty retains an element of the perpetuity of the 1903 agreement in that it contains no references to termination of the understanding.

Another change involves what has been the Panama Canal Company and the Canal Zone Government. At present, Major General H. R. Parfitt serves as both president of the company and Governor of the Zone. The position of Governor of the Canal Zone, representing jurisdictional authority, ceases to exist when the Panama Canal Treaty enters into force; however, certain elements of the position transition out of being over 30 months. The position of president of the Panama Canal Company changes to that of administrator for the Panama Canal Commission, a new US Government agency. This will be a less prestigious job, but the administrator will still be the highest ranking individual on the scene and will be in charge of the canal's operation. The administrator will report to the Board of Directors of the Commission, which will be composed of five US and four Panamanian citizens, all appointed by the United States. Until 31 December 1989, a US citizen will be the administrator, with a Panamanian deputy. This arrangement will be reversed during the last 10 years of the treaty, although the United States will retain the majority of the members on the Board of Directors and the right to approve the nomination of the Panamanian administrator.

In addition, the countries will establish a Consultative Committee, composed of an equal number of high-level representatives. This committee will assume general advisory responsibilities to Panama and the United States regarding canal operations.

Article IV of the Panama Canal Treaty establishes a Combined Board, comprised of an equal number of senior military representatives. This board will be responsible for consulting and cooperating on all matters pertaining to the protection and defense of the canal. This includes contingency plans, combined military exercises, and military operations. The Combined Board appears to be the most significant military organization mentioned in the treaty.

Backing up the treaties are two implementing agreements. A separate implementing agreement to Article IV (Protection and Defense) of the Panama Canal Treaty establishes a Joint Committee. The committee will consist of a representative from each country with one or more deputies on a parity basis. In contrast to the Combined Board, the Joint Committee will involve itself with administrative affairs. A representative sampling includes: criminal jurisdiction; civilian employment; acquisition of Panamanian supplies and services; telecommunications; military post offices; commissaries, exchanges, and other service installations; contractors and contractors' personnel; licensing and registration of vessels, aircraft, and vehicles; taxation; import duties; surveys; and claims.

The Canal Zone itself, a strip of land running the length of the canal and extending outward five miles on each side, disappears as an entity on Treaty Day. In its place, the United States will retain those areas and installations required to manage, operate, and maintain the canal. The United States and Panama will jointly share the task of protecting and defending the canal, although the United States will retain the primary responsibility until the year 2000. Areas and installations required to house, support, and train US forces are also delineated in the implementing agreement. All other lands revert to the control of Panama on the effective date. Basically, this means that unused lands primarily near the old boundaries will be available to Panama for its use.

OUR MILITARY BASES IN PANAMA

In his January 1978 statement for the Armed Services Committee of the US Senate, Lieutenant General D. P. McAuliffe, Commander-in-Chief, US Southern Command (USCINCSO), commented on the widely divergent number of local military bases he had seen reported in the press.⁴ The 1975 Code of Federal Regulations identifies 22 bases. One way or another that figure is misleading, however, for these only represent federally established bases and exclude some significant facilities on license from the Canal Zone Government.

Under the new treaty, the United States will have four major Defense Sites—complexes of several of the above bases—until the year 2000:

- A southwest complex (Pacific side) consisting of Howard Air Force Base; Fort Kobbe; Farfan; US Naval Station, Rodman; and the Marine Barracks. Howard Air Force Base is capable of landing all aircraft in the USAF inventory. Fort Kobbe has traditionally housed an infantry battalion with limited airborne capability.

- A southeast complex (Pacific side—closest to Panama City) consisting of Fort Clayton; the Corozal Army Reservation; and Albrook Air Force Station, West. The Fort Clayton complex has been the site of a mechanized infantry battalion and will become the location for the headquarters of the infantry brigade.

- A northeast complex (Atlantic side—closest to Colon) consisting of Fort Davis, Dock 45, and the Atlantic General Depot area. A third infantry battalion is quartered at Fort Davis.

- A northwest complex (Atlantic side) consisting of the Fort Sherman reservation, which is the home of the Jungle Operations Training Center. Infantry battalions from the continental United States rotate through the center throughout the year and, while there, are available for any contingency. Additionally, Galeta Island, the US Navy Transisthmian Pipeline, and the Semaphore

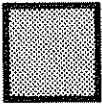
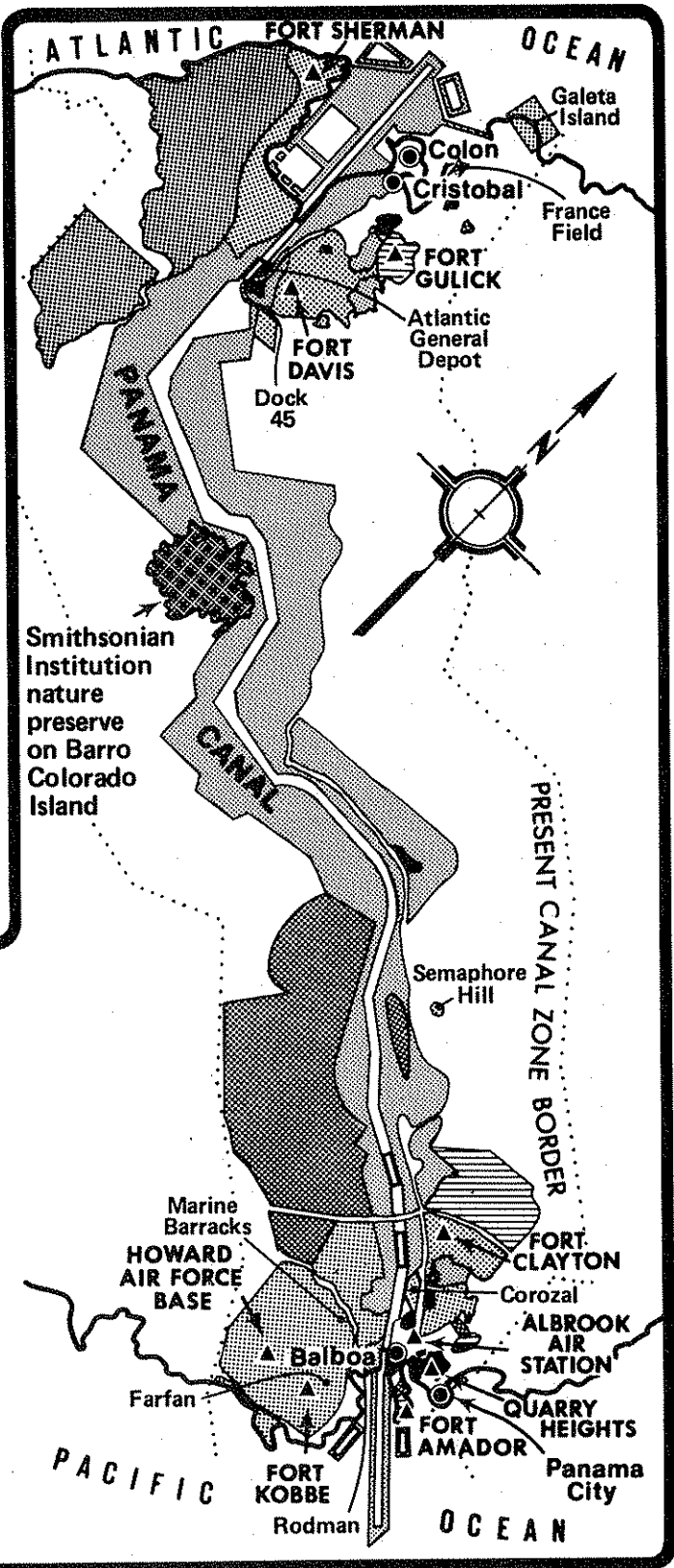
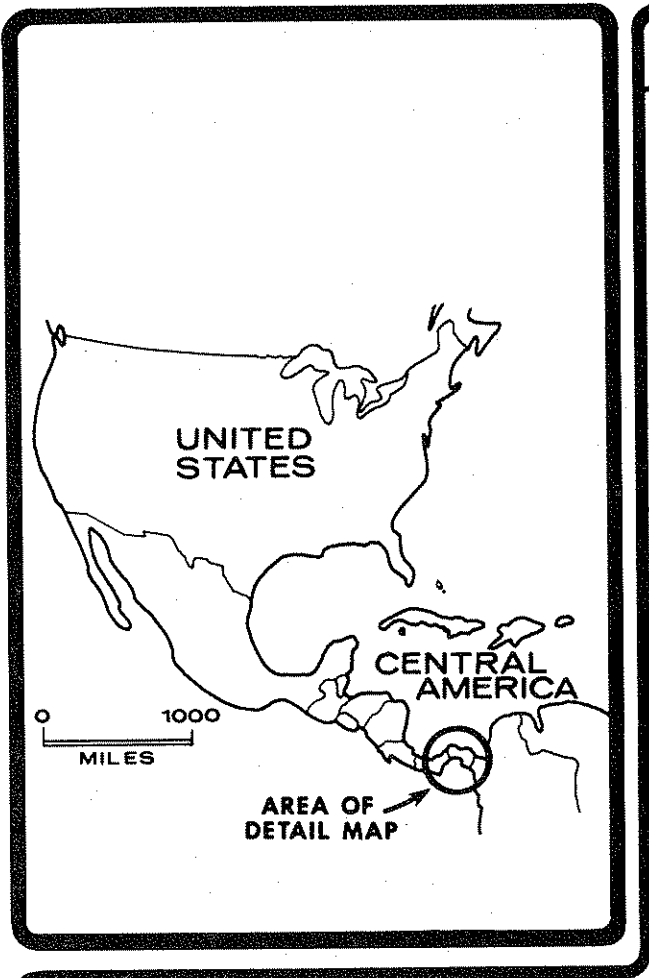
Hill long-range radar and communication link are classified as Defense Sites.

These Defense Sites plus the Military Areas of Coordination discussed below closely parallel the present arrangements. Under the Panama Canal Treaty, Panama permits US forces to use the sites for the specific purposes stated in the treaty, insuring the defense of the canal. The United States will have responsibility for control of entry to and security of the sites. Panama may share in this control as agreed upon by the Joint Committee. The US flag will be flown jointly with the Panamanian flag at the sites. Since Panama is a signatory to the treaty of Tlatelolco, we are prohibited from placing any nuclear armaments on the sites; however, this does not affect our right to transit our nuclear-armed ships through the canal. Every two years, or upon request of either government, the status of the Defense Sites will be reviewed.

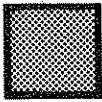
Quarry Heights, the US Naval Station at Fort Amador (both in the southeast quadrant), and Fort Gulick (in the northeast) have been designated as Military

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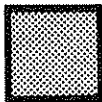




CANAL OPERATING AREA HELD BY U.S. UNTIL THE YEAR 2000



MILITARY AREAS HELD BY U.S. UNTIL THE YEAR 2000 BUT USED JOINTLY



MILITARY BASES HELD BY U.S. UNTIL THE YEAR 2000



MILITARY AREAS TURNED OVER TO PANAMA BEFORE THE YEAR 2000



HOUSING AREAS FOR U.S. AND PANAMANIAN CANAL EMPLOYEES

Areas of Coordination. In addition, there are Military Areas of Coordination for training and for housing, as well as for numerous special activities such as schools, communications facilities, hospitals, and health centers. Under the treaty, Panama authorizes the United States to use these areas for purposes of communications and military training and for housing and support. Their security shall be the combined responsibility of both countries: Panama, externally; the United States, internally. Liaison offices of the forces of the Republic of Panama may be established within each area. Except at the site of the Combined Board, located at Quarry Heights, only the Panamanian flag will be flown at these areas.

The Combined Board will be the body to be consulted with regard to joint training in the Military Areas of Coordination. US forces will have responsibility for scheduling the use of training areas until the year 2000. As noted earlier, the Joint Committee will be consulted on all administrative matters.

Some of these areas are already scheduled for return to full Panamanian control, such as the France Field housing area and the Fort Gulick military facilities (less housing and community support facilities) by 1984.

Together, the Defense Sites and Military Areas of Coordination include the major airfield, troop support facilities located in proximity to the canal on both the Pacific and the Atlantic sides, training areas for tactical ground and air units, logistic and administrative support facilities, piers and docks, communications sites, and family housing. They adequately support the present force structure and should continue to do so in the future. The US military commander in Panama has emphasized in congressional testimony that the reduction in the size of base areas is not significant in terms of supporting US forces and in terms of our mission accomplishment.⁵

Since all of our military bases and training areas are not contiguous, the treaty provides that vehicles and equipment may move freely in the Republic of Panama in the performance of official duties. Vessels and aircraft may move freely through

Panamanian airspace and waters without impediment.

PANAMA'S DEFENSE CONTRIBUTION

As already noted, we will share canal defense responsibilities with Panamanian forces. Panama's military organization, the *Guardia Nacional*, has the dual mission of internal security and national defense. At first glance, its present 8000-man strength compares favorably with that of the US military contingent in Panama.⁶ However, about 6000 of the *Guardia* are assigned police duties, ranging from traffic direction in the major cities to rural functions in the countryside.

The predominant characteristic of the remaining forces is that of light infantry, with training emphasis on riot control and counterinsurgency. In the mid-70's, they received delivery of 16 Cadillac-Gage armored cars equipped with M-60 and 50-caliber machine guns.⁷ These vehicles are normally located at the Rio Hato Military Base some 75 miles west of Panama City. The *Guardia* has no artillery, tanks, or missiles.

The naval arm, the *Marina*, has two 103-foot Vosper Thornycroft patrol boats with 20mm and 50-caliber guns.⁸ It also has a medium landing ship and several small patrol boats, all manned by about 200 personnel. An air force of similar size has four C-47s, 17 helicopters, and a variety of utility aircraft.⁹ In the past, Panama has considered the purchase of C-130 aircraft with the funds which may become available through foreign military sales credit. However, the high cost of the C-130 may be prohibitive.

Panama's initial contribution to the defense of the canal will probably be small but visible. Surely some of the "leanest and fittest" of the *Guardia* will share guard responsibilities at areas where their presence will visibly project a favorable image. Combined training will necessarily be limited in scope and numbers, due to the size and mission of the *Guardia*. Panamanians will continue to use military training facilities on the US installations, and some agreement may be reached on the utility of continued

operation of the US Army School of the Americas at Fort Gulick. The status of the school is not specified in the treaty, but a separate exchange of notes states that its tenure is five years except as agreed upon by the two countries.

DOUBTS AND REASSURANCES

There are still many unanswered questions to date. Until the treaties were actually ratified, US planning had to be unilateral. The Panama Canal treaties, together with the implementing legislation yet to be approved, may make major alterations in the direction of our effort. Conversations with personnel at the unified command, the brigade, and the military group reveal wide disparities in the perceived roles and capabilities of Panama's *Guardia Nacional* in the near term. The role of the US Southern Command itself is open to conjecture. Conceivably, the Combined Board may be the top coordinating element. It requires parity in military rank, and that probably will settle at the lieutenant colonel level. The board may serve as a clearing house, similar to a J-3 operations and training directorate. A similar situation of parity in structure exists with regard to the Joint Committee.

A number of problems exist. For example, a minor problem concerns an area shown on the map as reverting to Panama but which, under the agreement, will remain a US bombing range until Panama provides an alternative facility. Information on the reversion of this land area has already been widely disseminated. A helicopter ride across the zone reveals heavy encroachment by squatters even now, and this will no doubt increase dramatically when the treaties enter into force. The question remains as to whether the *Guardia* personnel can properly police the range area of squatters or whether an Air Force strafing mission bringing death to an illegally-settled Panamanian family will inadvertently cause the first major test of the treaty provisions. There are many similar minor problems.

A major concern involves the procedural aspects of using US forces in defense of the

canal. In the past, the first line of defense was with US intelligence agencies, including industrial security as accomplished by the Canal Zone Government's Internal Security Office (ISO). Upon hearing of a minor disturbance, the Governor could send one or more police cars to the anticipated trouble spot in the Zone. If the 263-man police force could not handle the situation, the Governor would turn over all or a limited portion of the Zone to USCINCSO under prearranged conditions. This would include anything from the use of selected military marksmen to requests for reinforcements from the continental United States.

Under the envisaged arrangements, this first line of defense is altered. Ideally, the existence of the treaties will remove any cause of friction and radical elements will not rally against the canal's operation. Or, if students at the National University were to rumble, for example, *Guardia Nacional* units may be able to quickly restore order. More realistically, the question remains unanswered as to what would happen if Panama chose not to share information—for one of a number of reasons—or how the transfer of authority would take place to request the use of US military forces in now-sovereign Panamanian territory, despite USCINCSO's role as a major overseas commander. There will no longer be a Canal Zone Government police cruiser to monitor the situation in the Zone. The Canal Zone Government's Internal Security Office will be out of business, and the administrator of the Panama Canal Commission will have no security responsibilities analogous to those currently held by the Governor. The US Ambassador to Panama, who now has no control over Zone functions, might then have an enlarged, but unspecified, role in requesting or concurring in US military force participation in resolving a crisis (although the US Code specifically exempts military command from the supervision of the Ambassador).

All of this may be readily resolved before October 1979, with specific delineated responsibilities and coordination between United States and Panamanian officials.

Until then, they are matters for specific coordination between the US and Panama.

Many proponents have hinted that approval of the treaties will make relations between the United States and Panama completely harmonious for the rest of the century. History fails to support such optimism. Even before the treaties go into effect, there may be pressures applied to reduce the US troop level, to close bases, and so forth. But keep in mind that the treaties are the direction in which to move. Our mission is to assure US use of the canal in the future, and the treaties are designed to perform the basic military task of minimizing the risk involved in accomplishing that mission.

The treaties and accompanying documents contain a trove of provisions which change relationships long endured. All parties to them must develop understanding and exercise cooperation to make them work. The situation is perhaps analogous to a

sumptuous feast. We need to chew and digest the food properly, for if we gulp it down in haste, we will surely encounter discomfiture rather than nourishment. Thus far, together with the Panamanians, we appear to be chewing the food well.

NOTES

1. Bunau-Varilla fully recognized the value his memoirs would be to future historians, and he therefore wrote in detail and at length to describe his self-acclaimed achievement. See Philippe Bunau-Varilla, *Panama: The Creation, Destruction and Resurrection* (London: Constable and Company, Ltd., 1913).
2. "Ceding the Canal—Slowly," *Time*, 22 August 1977, p. 10.
3. US Department of State, *The Meaning of the New Panama Canal Treaties*, Selected Documents No. 6C, January 1978, pp. 41-56.
4. US Congress, Senate, Armed Services Committee, *Hearings on Defense, Maintenance and Operation of the Panama Canal, Including Administration and Government of the Canal Zone*, 95th Cong., 2d Sess., 1978, p. 24. Hereafter cited as *Hearings, Panama Canal*.
5. *Ibid.*, p. 23.
6. US Arms Control and Disarmament Agency, *World Military Expenditures and Arms Transfers 1966-1975* (Washington: US Government Printing Office, 1976), p. 43.
7. *Hearings, Panama Canal*, p. 25.
8. *Ibid.*
9. *Ibid.*

