

# Unveil State Dept. coup plot in Panama

by Gretchen Small

On Feb. 24, the chairman of Panama's Democratic Revolutionary Party (PRD), Romulo Escobar Betancur, charged on national radio that the Panamanian opposition "has been conspiring with a sector of the U.S. State Department, to work out a plan" to overthrow the government of Panama, "similar to that used in Haiti and the Philippines."

The first phase of the destabilization was begun by the head of the Christian Democratic Party, Ricardo Arias Calderón, in a recent tour of Chiriqui province, Escobar Betancur stated. Controlled by Panama's coffee oligarchy, Chiriqui has long been the stronghold of Arias Calderón's uncle and political mentor, Nazi ex-President Arnulfo Arias. In his tour, the younger Arias finalized plans for a March uprising, to be triggered with the seizure of National Defense Forces (FDN) outposts in the area. Then, a meeting of the Democratic Opposition Alliance will be called, at which its leader, Arnulfo Arias, is to declare the current government illegitimate.

The opposition plans to complete this initial phase of insurgency by March 14 and 15, Escobar Betancur specified, and has sped up organizing of middle-level officers for a revolt against the leadership of the FDN accordingly. Panama's difficulty in getting foreign loans forms part of the plot, he noted.

Why the mid-March rush by the State Department's opposition? On March 30, Peruvian President Alan García is scheduled to visit Panama, and an Ibero-American Presidents' summit on the debt is expected to lead the agenda. Links between Peru's and Panama's governments go back to the August 1985 visit of Panamanian defense chief Gen. Manuel Noriega to Lima. Noriega endorsed García's fight against the International Monetary Fund and for his nation's economic and political sovereignty. Shortly thereafter, Panamanian President Nicolás Ardito Barletta (a former World Bank vice-president) was forced to resign, when the FDN joined opposition to his austerity policies. The government of Eric Delvalle, which replaced him, then offered to host García's proposed summit.

Pressure has begun in Peru to stop García's trip. A recent newspaper column by ex-Prime Minister Manuel Ulloa urged the Peruvian President to cancel it, as Panama is "a dictator-

ship." Ulloa, whose own financial policies helped turn Peru into a cocaine-based economy, alleged that "corruption" of Panama's defense forces would discredit García and *endanger his security*. Besides, declared Ulloa, the idea of a debtors' summit was over-hasty.

## Canal security at stake

A split in the Defense Forces, in the midst of mass civil disturbances, provides an ideal cover for terrorist attack on the Panama Canal. General Noriega warned after the December airport massacres in Rome and Vienna that terrorist suicide squads are being trained in the Caribbean for an attack on the Canal. U.S. officials dismissed this warning as "unsubstantiated." On Feb. 25, the *Washington Times* wrote that U.S. officials have said outright that, "despite the Panama Canal's importance to the United States as a strategic and commercial gateway between two oceans, relations with Panama will not return to normal until internal changes take place."

Assigned the job of insuring "internal changes," is a protégé of Sen. Jesse Helms, Ambassador Arthur H. Davis, just named ambassador to Panama. Davis testified at his Senate confirmation hearings on Feb. 19 that he plans to exert U.S. "leverage" until the murder of terrorist Hugo Spadafora is "solved" (see quotes, below), and the FDN forced out of politics.

Davis had been a Colorado businessman, before he was named U.S. ambassador to Paraguay in 1982, but his early business years in Ibero-America were cited as the reason he was picked for diplomatic service. Davis began his career at the same W. R. Grace Company which produced Peru's Manuel Ulloa. From 1945-56, Davis worked for Pan American Grace Airways, called Panagra, the same years Ulloa ran Panagra's public relations office, and then W. R. Grace's Latin American Division.

Davis's congressional testimony caused a diplomatic crisis. The PRD party and the CONATO labor federation demanded that Davis be declared *persona non grata* by the Delvalle government. The Panamanian Defense Forces announced their agreement with President Delvalle and Foreign Minister Jorge Abadía, both of whom denounced Davis's statements. Panamanian labor leader Eduardo Ríos called Davis "one of the experts in agitation, who proved it when he practically single-handedly organized the last election of Stroessner in Paraguay."

On Feb. 26, Foreign Minister Abadía went to Washington to lodge a formal protest, after a National Security Council meeting mooted retracting Davis's ambassadorial credentials. Shultz backed off, promising Abadía that Davis's testimony had been "misinterpreted" by the press. The next point of crisis, however, is set for March 10, when Senator Helms has called Senate hearings on Panama, to review "human rights violations" and the Spadafora case. The hearings are timed to occur as the opposition launches "Phase I" of the State Department's destabilization plan.

*The following are excerpts from testimony by U.S. Ambassador to Panama Arthur H. Davis before the Senate Committee on Foreign Relations, Feb. 19, 1986. Ambassador Davis was questioned about government "harassment" of the opposition.*

... We have to move very rapidly to let them know that we are sure we do not want those things to continue. . . . Over the last years, from the time of the negotiations of the Canal Treaty and more recently in the last few months with the removal of Mr. Barletta and the Spadafora case, practically every visitor, whether it is congressional, senatorial, or senator's staffs or military, has stressed the great desire of the United States for a more civil constitutional type government. The Panamanian Defense Forces (PDF) have always had a large voice in the politics of Panama. . . . We have

consistently, under many administrations, stressed our great desire to have, as I say, an opening of democracy and put the military under civilian power. We have also stressed right up to the recent days, in meetings with Noriega and other people in Panama, our desire that the PDF calm down and take a back seat. . . .

I will certainly keep insisting upon a solution to the Spadafora case, and I think we always have to study whatever means we have, whether it is military assistance or aid assistance, in order to bring that about. . . . I do believe that the force of the United States and the pressure of the United States will have an effect on Panama. I think we will have to keep pressuring . . . to see to it that both on the opening up of democracy and on the violations of their human rights, that they know what our definite stand is and they know the consequences.

## Qaddafi's Spadafora

Hugo Spadafora spent his life as a gun-running mercenary for any "liberation army" Qaddafi could find. Born of Italian-Panamanian family, Hugo joined the Italian Socialist Party while studying medicine at the University of Bologna in the early 1960s. Spadafora's connections to Middle Eastern terrorism followed quickly, when he accepted a scholarship to Cairo University in 1965. Once in Cairo, "the first thing I did was to go to the Cuban Embassy and tell them I was ready to go," Spadafora bragged to the *New York Times* in December 1980.

The Cubans rejected him, he claimed. So, he joined Amil Cabral's "liberation" war in Guinea-Bissau in 1966, to receive "a political education." Spadafora returned to Panama in 1967, to join "guerrilla" organizing of the Paris-café set at the University of Panama. Jailed in June 1969 for opposing the Torrijos government, Spadafora soon cut a deal with the government, and secured his release.

In 1978, Spadafora formed a "Bolivarian" brigade, to fight with the Sandinistas in Nicaragua. The 80-man brigade joined "Commander Zero," Eden Pastora in the Southern Front, the wing of the rebels financed by gangster Robert Vesco and his Costa Rican protector, Don "Pepe" Figueres. The Bolivarian Brigade was a precedent for today's gnostic narco-terrorist armies, exemplified by the "Americas Battalion" now fighting in Colombia. Explained Spadafora in 1980, "The time has come for the creation of a Bolivarian force—independent of superpow-

ers and governments and capable of combatting militarily anywhere in the continent where the armed struggle is the only avenue left for peoples seeking their liberation. . . . There are tens of thousands of Latin Americans willing to fight for the liberation of the continent, but for this we must achieve the authentic unity of all revolutionaries, of Marxists, of Catholics, of Social Democrats, of progressive Christian Democrats."

He traveled back and forth between Libya, Europe, Mexico, and Central America. With a reputation as a coward who never fought, Spadafora used the cover of his "brigades" to funnel arms and money from Libya to all sides of Central America's civil wars. In 1982, Spadafora began running weapons to the Nicaraguan "counter-revolution," which his friend Eden Pastora had now joined. By a year later, he claimed to have split with Pastora, to begin supplying the Misurata "Indian resistance." When assassinated, rumors had it that Spadafora was setting up "guerrilla" operations in Panama.

On Sept. 14, 1985, Spadafora was found, decapitated, in a river bordering Costa Rica and Panama. The opposition immediately charged that General Noriega had ordered him killed. International media took up the charge, burying any clues which lead to another doorstep.

Not reported were the charges by Eden Pastora, broadcast on Miami radio, that Spadafora had betrayed the "contras," selling their arms shipments to the Sandinistas. Nor was it reported that the Costa Rican Judicial Investigations Organization found, in November, that Spadafora had been killed, not in Panama, but in the Punta Burica area of Costa Rica. On newspaper, *La Nacion*, reported that the area where Pastora's body was found is a center of the drug-trade, with "extensive marijuana plantations and cocaine-processing laboratories."