

U.S. ditches sanity in Panama Canal grab

by Gretchen Small

Teddy Roosevelt rides again in Washington. Reagan administration officials have declared that the United States will use whatever means required, up to and including full trade embargo and military intervention, if that's what it takes to drive Defense Force Commander Gen. Manuel Noriega from power in Panama. No Reagan policy yet has won such avid support from the liberal side of the aisle, including Democratic, as has this one.

If someone didn't know Panama had a population of 2 million, and has been one of the friendliest in the world to the United States since its founding, he might think the United States had declared war on its ultimate enemy.

From Brussels, Secretary of State George Shultz labeled Noriega "bad news for the region," and ordered him to quit. His Assistant Secretary for Inter-American Affairs, Elliott Abrams, warned that Panama will soon find Noriega "too expensive a luxury" to keep in office. President Reagan endorsed Shultz's declaration that Noriega must go.

Visas for Panamanian diplomats representing the government which holds power in Panama, have been canceled. On March 2, the State Department ordered Panamanian government assets in United States banks frozen, and transferred the first \$10 million to the U.S. Federal Reserve. An estimated \$50 million was effectively frozen in this action, as the State Department threatened that any bank which disbursed funds to "the Noriega government," will be liable in federal courts for that money, if the "legitimate government" recognized by the State Department chooses to sue.

The seizure was described as the first in "a campaign of economic warfare intended to create a cash flow crisis for Panama." Fees, taxes, and other payments made to Panama's government abroad will also be confiscated, officials announced, adding that Panama's share of Canal revenues will not be disbursed, as required under the 1979 Panama Canal treaties.

On March 3, U.S. troops seized the canal administration building, without consulting the Panamanian Defense Forces, as required under the treaties, using the pretext of a bomb scare. Although they left within hours, this, plus the seizing of Panama's share of canal revenues, delivered the message: The United States does not consider the treaties legally binding.

All this has been done in the name of "President in hiding" Eric Arturo Delvalle, a man who has not been seen, except in video recordings, since he refused to step down after Panama's National Assembly deposed him on Feb. 26 for taking orders from a foreign power. Juan B. Sosa, his "ambassador," issues declarations only after meeting with Elliott Abrams, while Kissinger Associates partner William D. Rogers now serves as the official spokesman for the phantom "government in hiding."

President Manuel Solis Palma, named as Delvalle's replacement, has already put together a national coalition with broader support than any government since Omar Torrijos died in 1981. Delvalle's call for support failed utterly; he has failed to rally the opposition movement behind him, never mind any popular forces or even a faction of the military. Yet the Reagan administration has declared, that it is its State Department which decides who rules in Panama.

Around the world, ridicule of the United States' new war is increasing, as the level of U.S. firepower deployed against Panama grows. The Reagan administration "appears to have miscalculated badly in the latest moves against General Noriega," wrote London's *Independent* on Feb. 27. The United States' Panama policy makes the Reagan administration look "ridiculous," France's *Le Monde* commented on Feb. 29. From London the same day, the *Sunday Times* told its readers that opposition to Noriega is still a "rather middle-class affair," not supported by "the majority of citizens. . . . The United States may for the moment have to live with General

Noriega's apparent survival," they suggest.

Jornal do Brasil summarized the estimate of many in a March 2 editorial, entitled "Small Enemies." They wrote: "The melancholy thing in all this is to see how the Reagan administration once more chooses the wrong enemy and sinks itself into the Central American swamp. . . . The final result is a diplomatic defeat for the White House. . . . The United States has a lot to lose—and nothing to win—in this."

As usual these days, however, if the U.S. political elite declares the Moon to be made of green cheese, all U.S. allies are required to agree. On March 4, news services reported that Japan's Foreign Ministry had announced that Japan recognizes President Solis Palma's government as the legitimate government. By mid-morning, the U.S. Senate was in an uproar. Abrams called in the Japanese chargé d'affaires, and ordered Japan to change policy. A shaken chargé d'affaires emerged from the meeting to announce that his Foreign Ministry would be informed in full on his meeting, claiming that Japan had not recognized the Solis Palma government.

The method in the madness

The situation may indeed be ludicrous, but it would be a mistake to dismiss it as merely error. This war against Panama begins the last phase of implementation of the New Yalta deal, which the crazed U.S. establishment believes it has struck with Moscow. Under that supposed deal, outlined by the late Yuri Andropov in April 1983, America withdraws from its entanglements in the Old World, to fight whatever wars it pleases in the Americas—what some consider the U.S. "back yard."

Indeed, Shultz's brave threats against Panama were issued from the Brussels NATO meeting, which the Reagan administration called to force its European allies to accept the INF treaty, which begins U.S. withdrawal from Western Europe. From that meeting, an advance team left for Moscow to begin preparing for the planned mid-May Reagan-Gorbachov summit. At the same time, in Southwest Asia, American diplomats were pressuring the Pakistani government to accept Russia's terms for its new deal in Afghanistan. In the Persian Gulf, U.S. naval forces are already sailing home, leaving behind a scaled-down force more appropriate, Defense Secretary Frank Carlucci argues, to the diminished budget of a declining power.

Instead of defending Western allies and itself against Soviet advances around the globe, U.S. military might is being deployed to depose and impose governments in the developing sector, with special rights in Central and South America. A *Wall Street Journal* editorial of March 1 specified that the United States cannot rule out the use of military force against Panama, precisely because military force may be required for action against other "General Noriegas" in the region.

Indeed, the precedents set in this absurd war are as astounding as they are dangerous. Despite numerous threats, this is the first time in six years of the debt crisis, for example,

that government assets and revenues abroad have been seized, on the high seas as it were.

Congress, however, is busy preparing even tougher measures against Panama. On March 4, six senators sent to the floor legislation imposing a total U.S. trade embargo on Panama, a country which sends 60% of its exports to the United States. The move was prepared by that "strange bedfellows" alliance of Sens. Jesse Helms (R-N.C.) D'Amato (R-N.Y.), and the ultraliberal junior senator from Massachusetts, Democratic John Kerry, which has been leading the congressional charge against Panama.

"What you have to do is begin to precipitate a larger crisis, frankly," Kerry claims. "Because without the larger crisis, the kind of real economic pressure and other things that have to happen will not be brought to bear. . . . I mean cutting off landing rights . . . moving to prevent the Federal Reserve from transferring funds" to Panama.

The Ibero-American factor

Will the strategy succeed? "There is no doubt we can make Panama miserable with rigid sanctions," one nervous administration official told the *Baltimore Sun* on March 1. "The question is whether that will be enough to convince the officers supporting Noriega that he must go. There is an additional consideration of whether, having done that, there will be a lasting resentment against the United States for having caused the misery."

The question of Panama's survival, depends now on how the rest of Ibero-America responds to the crisis. The initial reaction, throwing regional support behind the hypocritical U.S. cries about democracy, has shifted, as the Panama war becomes increasingly viewed as an assault on the principle of sovereignty itself.

Brazil has quietly recognized the Solis Palma government, the Brazilian press reported March 2. Likewise, the Cerezo government in Guatemala, one of the initial backers of the U.S. moves against Panama at the Organization of American States, later issued a statement granting de facto recognition to the new regime in Panama. Guatemala follows the Estrada Doctrine, which specifies that governments maintain relations with countries, not individuals, President Vinicio Cerezo announced.

An editorial in Mexico's prestigious newspaper, *Excelsior*, reflected the reassessment. "The Panama crisis is taking an extremely dangerous course," it wrote. "The fact that attack helicopters have begun arriving at the U.S. military base cannot be interpreted except as a show of force to intimidate the Panamanian army and possibly, later, to be used for armed intervention.

"For the Panamanian people and all of Ibero-America, military intervention would represent a brutal regression of unimaginable magnitude. It must not occur under any justification. If would be equivalent to extending the stain of the Central American conflict to the South, and to project an ominous shadow over the hopes of the entire subcontinent."