

2

AD-A236 727



NAVAL WAR COLLEGE
Newport, R. I.

DTIC
ELECTRIC
JUN 1 1991

UNITED STATES INTERVENTION IN PANAMA: THE BATTLE CONTINUES!

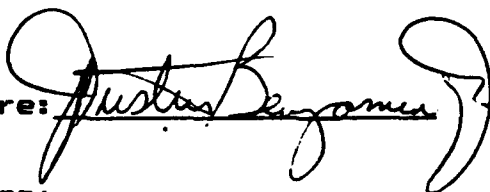
by

Justus Benjamin, Jr.

Lieutenant Commander, Medical Service Corps
United States Navy

A paper submitted to the Faculty of the Naval War College in partial satisfaction of the requirements of the Operations Department.

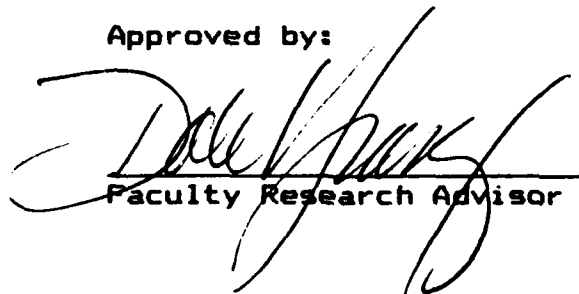
The contents of this paper reflect my own personal views and are not necessarily endorsed by the Naval War College or the Department of the Navy.

Signature: 

11 February 1991

Paper directed by
Dale V. Franz, Lieutenant Colonel, United States Air Force
Faculty Advisor, Latin America, Department of Operations

Approved by:


Faculty Research Advisor

11 Feb 91
Date

Approved for public release;
Distribution Unlimited

REPORT DOCUMENTATION PAGE

1a. REPORT SECURITY CLASSIFICATION Unclassified		1b. RESTRICTIVE MARKINGS	
2a. SECURITY CLASSIFICATION AUTHORITY		3. DISTRIBUTION/AVAILABILITY OF REPORT DISTRIBUTION STATEMENT A: Approved for public release; distribution is unlimited	
2b. DECLASSIFICATION/DOWNGRADING SCHEDULE		4. PERFORMING ORGANIZATION REPORT NUMBER(S)	
4. PERFORMING ORGANIZATION REPORT NUMBER(S)		5. MONITORING ORGANIZATION REPORT NUMBER(S)	
6a. NAME OF PERFORMING ORGANIZATION OPERATIONS DEPARTMENT	6b. OFFICE SYMBOL (if applicable) C	7a. NAME OF MONITORING ORGANIZATION	
6c. ADDRESS (City, State, and ZIP Code) NAVAL WAR COLLEGE NEWPORT, R.I. 02841		7b. ADDRESS (City, State, and ZIP Code)	
8a. NAME OF FUNDING/SPONSORING ORGANIZATION	8b. OFFICE SYMBOL (if applicable)	9. PROCUREMENT INSTRUMENT IDENTIFICATION NUMBER	
8c. ADDRESS (City, State, and ZIP Code)		10. SOURCE OF FUNDING NUMBERS	
		PROGRAM ELEMENT NO.	PROJECT NO.
		TASK NO.	WORK UNIT ACCESSION NO.
11. TITLE (Include Security Classification) U. S. INTERVENTION IN PANAMA: THE BATTLE CONTINUES! (v)			
12. PERSONAL AUTHOR(S) LCDR JUSTUS BENJAMIN, JR. MSC, USN			
13a. TYPE OF REPORT FINAL	13b. TIME COVERED FROM TO	14. DATE OF REPORT (Year, Month, Day) 91, February, 11	15. PAGE COUNT 27
16. SUPPLEMENTARY NOTATION A paper submitted to the Faculty of the Naval War College in partial satisfaction of the requirements of the Department of Operations. The contents of this paper reflect my own personal views and are not necessarily endorsed by the Naval War College or the Department of the Navy.			
17. COSATI CODES		18. SUBJECT TERMS (Continue on reverse if necessary and identify by block number)	
FIELD	GROUP	SUB-GROUP	
		"NATIONBUILDING"	
19. ABSTRACT (Continue on reverse if necessary and identify by block number)			
<p>In December 1989, Operation Just Cause successfully dethroned General Manuel Noriega, the declared Maximum Leader of the Republic of Panama. Despite initial jubilation, one year later, it is unclear whether the operation was the turning point toward a strong stable government or merely continuation of the status quo. In the long term, continual direct U. S. military intervention in Panama is counterproductive to achieving U. S. interests. This paper makes a sound argument to: implement a sustained military strategy of "nationbuilding" and economic aid to build a foundation for democracy; reduce the U. S. presence in Panama in accordance with Panama Canal Treaties, and; support the Pentagon's proposed post-cold war concept of reducing the number of unified commands.</p>			
20. DISTRIBUTION/AVAILABILITY OF ABSTRACT <input checked="" type="checkbox"/> UNCLASSIFIED/UNLIMITED <input type="checkbox"/> SAME AS RPT. <input type="checkbox"/> DTIC USERS		21. ABSTRACT SECURITY CLASSIFICATION Unclassified	
22a. NAME OF RESPONSIBLE INDIVIDUAL CHAIRMAN, OPERATIONS DEPARTMENT		22b. TELEPHONE (Include Area Code) 841-3414	22c. OFFICE SYMBOL C

Abstract of
UNITED STATES INTERVENTION IN PANAMA; THE BATTLE CONTINUES!

In December 1989, Operation Just Cause successfully dethroned General Manuel Noriega, the declared Maximum Leader of the Republic of Panama. Despite initial jubilation, one year later, it is unclear whether the operation was the turning point toward a strong stable government or merely continuation of the status quo. In the long term, continual direct intervention in Panama is counterproductive to achieving U. S. interests. This paper makes a sound argument to: implement a sustained military strategy of "nationbuilding" and economic aid to build a foundation for democracy; reduce the U. S. presence in Panama in accordance with the Panama Canal Treaties; and support the Pentagon's proposed post-cold war concept of reducing the number of unified commands.



Accession For	
ERIC GRA&I	<input checked="" type="checkbox"/>
DTIC TAB	<input type="checkbox"/>
Unannounced	<input type="checkbox"/>
Justification	
By _____	
Distribution/	
Availability Codes	
Avail and/or	
Dist. Limits	
A-1	

91-01546



91 6 7 064

PREFACE

In preparing this paper I have attempted to go beyond the surface issues of the problems plaguing Panama and provide recommendations in correlation with achieving U. S. interests. Approximately 25% of the sources listed in the Bibliography are by Latin American authors, mostly Panamanians. American professors specializing in Panama and Latin America in general authored several articles. The remaining articles pertain to U. S. policy and strategy in Panama and are written by military professionals and government officials.

TABLE OF CONTENTS

CHAPTER	PAGE
ABSTRACT	ii
PREFACE	iii
I INTRODUCTION	1
II UNITED STATES NATIONAL INTERESTS	3
Goals and Objectives	3
Current U. S. Strategy	5
III ENDARA'S GOVERNMENT: CHALLENGES FOR DEMOCRACY	8
The Political Arena	8
Reform Initiatives	10
Economic Recovery	13
IV ANALYSIS & RECOMMENDATIONS	15
V CONCLUSION	19
ENDNOTES	20
BIBLIOGRAPHY	24

UNITED STATES INTERVENTION IN PANAMA: THE BATTLE CONTINUES!

CHAPTER I

INTRODUCTION

On December 20, 1989, Guillermo Endara took the oath as Panama's new President at an American air base in Panama.¹ Less than two weeks later, Operation Just Cause culminated in the capture of General Manuel Noriega, the declared dictator of the Republic of Panama. Operation Just Cause was a mix of surprised forced entry, night air assault using forward-deployed and U. S.-based contingency ground forces.² The Army led the joint mission, accomplishing most military objectives in less than 24 hours. The U. S. coordinated attacks, though not flawless, brought swift military success with minimum casualties. Many Americans and Panamanians applauded U. S. actions as necessary to provide Panama with another opportunity to establish a democratic system of government. Few reflected on the 12 prior U. S. interventions that proved counterproductive to U. S. and Panama's long term interests.³

In authorizing Operation Just Cause, President Bush outlined four political objectives. They were: 1) to safeguard U. S. citizens; 2) to protect U. S. interests in the Panama Canal; 3) to depose a dictatorship and establish the elected government and; 4) to bring Noriega to justice.⁴

¹Included two Vice-Presidents elected in May 89 Panamanians elections.

⁴Statement by President Bush (Jan. 3, 1990) (Office of the Press Secretary, the White House)-

These objectives related to General Noriega's disregard for democracy, his personal greed, his declaration of war against the U. S., and the lawlessness of the Panama Defense Force (PDF).

Yet one year later, despite the accomplishment of President Bush's objectives, Panamanians show signs of impatience and former PDF members threaten Panama's stability.⁵ In the face of rising discontent, Panama's government must revamp the economy, establish an effective security force, eliminate drug trafficking, and strengthen its political base if it is to retain power.

To achieve national interests, the U. S. must reduce Panama's dependence on U. S. support while structuring a policy to foster positive U. S.-Panama relations. Considering past PDF performance, the infancy of the Endara government, and recent changes in the Soviet Union and Latin America, the environment is ripe for a mutually agreeable outcome for Panama and the United States. This paper, in an effort to clarify the U. S. position in Panama, addresses the following questions:

- 1) What long term policy and military strategy best serves U. S. objectives in Panama?
- 2) What is the greatest threat to democracy and the stability of Panama's government?
- 3) What compromises will result in an acceptable outcome for both governments?

⁵10,000 state workers protest march against government one day before Colonel Herrera led a failed rebellion followed by one day general strike.

CHAPTER II

UNITED STATES NATIONAL INTERESTS

Goals and Objectives

President Bush's National Security Strategy of the United States, published in March 1990 serves as a guideline for U. S. interests, goals and objectives in Panama. They are:

1. The survival of the United States as a free and independent nation, with its fundamental values intact and its institutions and people secure;
2. A healthy and growing economy to ensure opportunity for individual prosperity and a resource base for national endeavors at home and abroad;
3. A stable and secure world, fostering political freedom, human rights and democratic institutions; and
4. Healthy, cooperative and politically vigorous relations with allies and friendly nations."¹

Applying these broad objectives to Panama, U. S. interests relate to political, economic, security and strategic issues.

Historically, U. S. interests in Panama centered on guaranteeing the long term security and efficient operation of the Panama Canal. This interest outlined in the canal treaties, allows Panama to assume sole canal ownership and management on December 31, 1999. The treaties also provide for permanent joint Panama and U. S. responsibility for protection of the canal.² These treaties were necessary to protect U. S. commerce, but over the years the canal's economic value has decreased. This decline is due to establishment of alternative commercial routes, opening of the trans-isthmian oil pipeline,

the canal's inability to accommodate supertankers/bulk cargo carriers, and a decrease in automobile imports.³ Statistics from, Panama: A Country Study, substantiates the canal's economic decline,

" . . .since 1979, when the treaties went into effect, the amount of canal traffic has stagnated. In 1979, the canal was transited by 13,056 ships; by 1984 that number had fallen to 11,230-- the lowest number in 2 decades. Cargo tonnage also dropped during the same period, from about 154 million to about 140 million tons."⁴

In addition, the canal's military value has also declined. According to General David S. Parker, former Governor of the canal zone,

" . . . the canal's vulnerability and its inability to accommodate carriers, in its current configuration the canal cannot be considered critical or vital to U. S. national security."⁵

Despite the canal's decreased current value to the U. S., it continues to play a vital role in the economies of other countries in the Western Hemisphere. More importantly, the strategic value of U. S. military bases have increased. U. S. bases in Panama serve as a central point for intelligence collection, theater reinforcement, and for providing military support to budding democratic institutions in Central and South America. Unfortunately, military basing rights in the Panama Canal Treaties require return of military bases to Panama in

1999. If this occurs, the U. S. will have no military bases in Central America as the lease on the Navy base at Guantanamo Bay, Cuba expires at the same time.⁴

Because of the basing rights issues, many question whether it is in the U. S. interests to return the canal and bases as outlined in the treaties. But, as Deputy Secretary of State, Lawrence Eagleburger stated,

"The U. S. Government remains convinced that compliance with the Panama Canal Treaties is in the national interest of the United States. The problem today is not the treaties, it is the absence of a stable, popular government in Panama."⁷

This suggests U. S. national objectives in Panama favors implementing measures to support and establish a stable democratic government.

Current Strategy

Current U. S. military strategy in Panama began with the establishment of Joint Task Force (JTF) South, which was responsible for carrying out Operation Just Cause. JTF South's mission included: protecting U. S. lives; securing key sites and facilities; neutralizing the PDF; restoring law and order; supporting the installation of the U. S. recognized government and, conducting an orderly redeployment as quickly as possible.⁸ Notwithstanding the careful planning and success of Operation Just Cause, there were no post-invasion plans for rebuilding

Panama. According to General Frederick Woerner, former Commander in Chief, U. S. Southern Command (USSOUTHCOM),

" the plans were nothing more than a liberating force followed by as rapid a withdrawal as possible."⁹

General Woerner also reflected on Washington's lack of concern on any post-invasion planning, which has subsequently caused additional problems for the fledgling Endara government.

The U. S. did provide immediate humanitarian assistance and disaster relief through USSOUTHCOM's formation of a Civil Military Operations Task Force (CMOTF), which was to return control of the government and its services to the Panamanians as soon as possible.¹⁰ The 361st Civil Affairs brigade was responsible for the tactical civil affairs mission, but did not arrive in force until 3 January 1990.¹¹ The CMOTF initially consisted of more than 300 troops, but 1 year later the unit has dwindled down to 24 troops.¹² The mission of civil military operations is to stabilize operations and "nationbuilding," which in the eyes of many Panamanians actually concluded before it began.¹³

U. S. strategy currently focuses on security assistance measures, fighting the drug war, and reconstructing the dismantled PDF. In support of this strategy, U. S. officials helped the Endara government establish a police

¹³Panamanians' view of U. S. Army's refusal to pay combat related damages, dispute over the number of civilian deaths and U. S. under-estimation of the number of displaced families and assumption Panama's private sector would fund new housing units.

academy and intelligence network. However, efforts to revamp the rank and file of the PDF into a credible police force has met with little success. For example, former PDF Colonels Armijo and Herrera, headed up the new Panama Public Force, (PPF), but improprieties resulted in their dismissal.¹⁴ The U. S. has had more success with Panama's new intelligence agency, the Council of Public Security and National Defense. Its mission is to gather information on ideological groups that threaten Panama's national security.¹⁵ The U. S. recognized the need for such an organization when the lack of human intelligence delayed U. S. forces capture of General Noriega during Operation Just Cause.¹⁶

But apparently the U. S. has not fully recognized the need for a long term strategy of "nationbuilding" to complement its security assistance program. Instead it continues to shore up Panama's executive branch of government. A measure that after 21 years of dictatorship does little toward establishing a democratic infrastructure.

¹⁵ Agents are all newly recruited with no prior service in PDF.

CHAPTER III

THE ENDARA GOVERNMENT--CHALLENGES FOR DEMOCRACY

The Endara government faces a legacy of political, military, social, and economic strife inherited from previous administrations. These problems threaten the stability of the current government and possibly the democratic process in Panama. Essentially, the challenges facing Panama's new leadership can be divided into three main areas: the political arena, reform initiatives, and economic recovery.

The Political Arena

In Panama's May 1989 election, the present government defeated the Noriega backed Democratic Revolutionary Party (PRD). General Noriega nullified the election, but the Endara government took office on the day of Operation Just Cause. Prior to the election a tenuous coalition formed when:

" . . . Guillermo Endara left the Authentic Panamenista Party (PPA) and formed the Arnulfist Party. The Arnulfist Party threw its weight behind the Civic Democratic Opposition Alliance (Civic ADD), and its leader Guillermo Endara, was put forward as Civic ADD's presidential candidate. In addition to Endara, Civic ADD's elected slate included Ricardo Arias Calderon of the Christian Democratic Party (PDC) for first vice president and Guillermo Ford of the National Liberal Republican Movement (MOLIRENA) for secondvice president.¹

The political parties making up this coalition were citizens from the middle and upper classes. The coalition received the people's support largely due to the animosity they felt for the Noriega backed party. The coalition's victory was not a vote for Endara, but a vote against Noriega.

Despite waning popular support,² President Endara appears undaunted by the obstacles confronting his government. If he follows his mentor, deceased populist leader Arnulfo Arias Madrid, he may support a political philosophy that offers elements of nationalism, populism, racism, and opportunism.³ The extent of Arias' influence on Endara is still forthcoming, but he is developing a warm association with the traditional elite families, known as the *rabiblancos* (white tails).

Other political conflicts in the Endara government may arise from the top three executive leaders belonging to different political parties. Currently, Endara's First Vice President, Arias Calderon is responsible for restructuring the military and Second Vice President Ford is revamping the economy. This division may work in Endara's favor,

"If, as seems probable, the economy deteriorates, the police lapse into habitual corruption, and the discontent grows on the city's streets, Arias Calderon and Ford may get burned while Endara remains above the fray."⁴

Undoubtedly, the possibility of conflict within the Endara administration exists simply based on internal politics. Still, the real threat to democracy is the remnants of the now defunct Panama Defense Forces (PDF), and the Democratic Revolutionary Party (PRD), which makes up the largest political opposition to the coalition government. In the past, the PRD employed tactics appealing to class and racial divisions, "emphasizing nationalism, and engaging in *ad hominem* attacks."⁵ Moreover,

the prominence of black Panamanians in the PRD leadership versus their absence in the coalition government⁶ enhances the PRD's ability to portray conflict in race and class divisions. This is significant in a country where 90% of the population is dark-skinned.⁷

Regardless of the challenges facing Endara, should his government fail, it is doubtful the blame will come to rest at his feet. In the tradition and history of Panama's former leaders, Endara may first implicate the United States, and then his political rivals if his government is unsuccessful. Endara says, "Should the United States meddle, they will find out that I am truly nationalistic,"⁸ and the Panamanians always sensitive to actual or perceived U. S. imperialism, will rally to his call.

Reform Initiatives

The Endara government must implement reform initiatives to correct common practices of corruption in Panama's government, military, and judicial system. President Endara must establish his government as the spearhead and symbol of reform as the populace requires evidence of his commitment.⁹ For instance, the government had the opportunity to expand its political base by filling government jobs with members of opposition groups, but patronage and nepotism serve as the route to employment.¹⁰

¹⁰Endara's appointment of his law office partner, Menalco Solis as Executive Secretary of the new intelligence agency despite Solis's past involvement as a senior puppet minister for Noriega.

Also, Panama's constitution requires major revisions to delineate: the relationship between the President and his cabinet; the nature and authority of local government; and the military's involvement in political parties.¹¹

Next, Endara must address class and race divisions within Panama if he is to unite the country and remove a potential weapon from the hands of the PRD. As Colonel Herrera stated following his potential coup attempt,

"The popular class is not being attended to. There must be more respect for the class of workers and campesinos. If the government does not change its attitude and look for reconciliation, there will be more demonstrations and more problems."¹²

Nevertheless, the most difficult task facing Panama's government and the U. S. is forming a military subordinate and obedient to civilian authority. Toward this end, Vice President Calderon and U. S. officials have demilitarized the PDF, transforming former infantry and combat battalions into a national police force.¹³ The transition from a corrupt military to a honest police force has been difficult and many problems remain. An 11,000- strong military stripped of its arms and perks, but not of its thirst for power,¹⁴ is a constant threat to the government and civil liberty. This became evident when Colonel Herrera led 100 former PDF members in a potential coup attempt on December 4, 1990.¹⁵ Distrustful of its new PPF, the government requested American troops to thwart the rebellion.¹⁶

¹⁴A subsequent poll found 56.4% of Panamanians believed the government would have fallen without U. S. help.

Even with reform efforts and U. S. support, the threat of the former PDF will be constant. Radio and newspaper reports indicate a possible insurgency by former Noriega supporters is underway. Cable News Network (CNN)'s reporting of Noriega's routine communication with a former legislator, Luis Gomez, at the Cuban Embassy in Panama,¹⁷ also suggest such a threat. In addition, following Operation Just Cause, a subversive group called "M-20" (20 December Movement) conducted, "several attacks against U. S. soldiers, and Endara government officials, and continues subversive activities in rural areas of Panama."¹⁸

The government must also create a new corrupt-free criminal justice system. This is necessary because the present judiciary has a questionable history involving executive interference and PDF de facto right of review in criminal cases.¹⁹ Moreover, some Noriega appointed judges remain in office,²⁰ eighty-five per cent of the jailed prisoners require sentencing,²¹ and ineffective laws undermine the democratic process. Further exacerbating the problem are old, decaying jails, and confinement of a prison population that has doubled since the invasion.²² Finally, reform measures must provide some reconciliation between the old Noriega forces and the Endara government. Successful reconciliation will help heal a deeply divided Panama, thus reducing the threat to the Endara government as it establishes its credibility.

Economic Recovery

Rebuilding Panama's economy is a monumental challenge for the Endara government. Panama's economy suffers from Noriega's systematic looting of the economy, property and financial losses caused by the invasion, and U. S. sanctions. These sanctions froze:

"...Panamanians assets (about US\$50 million) in United States banks, withholding its monthly payment for use of the canal, and suspended trade preferences on imports from Panama... The U. S. also decertified Panama as an ally in the drug-fighting war, which, according to a 1986 law, would mandate an aid cut-off and justify other discretionary sanctions, which were not imposed initially.²³

The sanctions had a negative impact on Panama's middle class and private sector, which is the base for moderate democratic forces in Panama. And after two and a half years without foreign and domestic investment, recovery over the past year has been slow. For instance, the international banking sector suffered immeasurably, the number of merchant vessels registered in Panama declined, and hundreds of businesses went bankrupt.²⁴ This economic disaster, combined with damages during Operation Just Cause, resulted in additional economic losses totalling an estimated \$2 billion.²⁵

Panama's government made some headway in rebuilding the economy. Vice President Ford used the release of frozen government assets and the return of canal payments to reduce the arrears of interest on international debt. Bank deposits have increased and most of the looted stores have reopened. Additionally, to help stabilize the country, the U. S. initially

provided \$48 million in emergency aid, followed by \$500 million in credit guaranteed indirect assistance and \$420 million in grant aid.²⁶ The U. S. released \$120 million of the grant aid as of December 1990, linked payments of the remaining amount to a Mutual Legal Assistance Treaty.²⁷

Unemployment and underemployment are Panama's gravest social and economic concern. Vice President Ford plans to stimulate growth and investment by creating zones where the Torrijos-era labor code would be suspended.²⁸ The code is highly favorable to workers, guaranteeing them good wages, collective-bargaining rights and generous leave.²⁹ This theory proposes to reduce Panama's high labor costs to make it attractive to foreign investors and more competitive with its Latin American neighbors.

During the initial aftermath of Operation Just Cause there was widespread expectation and enthusiasm for a rapid economic recovery. Realization of a sluggish recovery is beginning to erode support for Panama's government and U. S. forces in Panama. Rebuilding the economy will take time the Endara government may not have. And at best, the U. S. plans to continue only limited economic aid.

²⁷Systematically authorizes U. S./Panama's investigations into drug money laundering and tax-evasion in each other's banking centers.

CHAPTER IV
ANALYSIS AND RECOMMENDATIONS

One year following Operation Just Cause, the status of Panama's budding democratic system and its new government are uncertain. The U. S. must push the government to establish credibility and independence through much needed national reforms as continued social and economic problems provide the PDF with fuel to feed an insurgency. Panama's need for U. S. economic and military support is the bargaining chip for attaining U. S. interests. The following recommendations provide the groundwork for a grand strategy of achievement of U. S. interests in Panama:

1. Implement a mini-Marshall plan of long term limited economic aid in Panama, along the guidelines of the Kissinger Commission report of 1984. This economic strategy has three essential elements: "improved economic policies in Central America; increased aid from the United States and; increased trade."¹ Applying these policies to Panama would stimulate economic recovery, while improving the socioeconomic status of the populace. However, U. S. economic aid must be linked to governmental reforms that create democratic institutions and discourage corruption. For example, tying economic aid to the Mutual Legal Assistance Treaty is a step in the right direction because it supports the war on drugs.²

2. Initiate policies that support the democratic process and not just executive government stability as an end in itself. For instance, despite, Noriega's history of corruption and drug

activities, the U. S. supported his regime because it brought a measure of stability to Latin America.* If Endara fails to make the necessary reforms and does not broaden his political base, the U. S. faces supporting a regime or the democratic process. In such circumstances, U. S. intervention in support of Endara may be counterproductive to long term national objectives.

3. Establish a JTF to implement a long term strategy of "nationbuilding" appropriate to the low intensity conflict warfare underway in Panama. Presently, former Noriega forces and supporters are employing a Cuban strategy, and are at the preinsurgency/organizational stages of insurgency development.* The insurgency is mainly a militarily organized with elements of political and urban, organized structures, because of their former governmental status. They are currently vulnerable to intensive LIC warfare and "nationbuilding" operations. Simply stated,

". . . U. S. military operations should emphasize indirect advice and assistance, with severe constraints on the use of force... While the use of military force is necessary for successful insurgency and counterinsurgency operations in LIC, civic action and civil assistance are equally important to provide the public support necessary for legitimacy."*

Effective "nationbuilding" measures will build Panama's democratic infrastructure from the local government upwards and complement Panama's new intelligence network by winning the "hearts and minds" of Panamanians.

*Examples of evidence to support stages of insurgency is provided on pages 9-12.

4. Make USSOUTHCOM a regional theater commander by placing it as a subunified command under Commander in Chief, U. S. Atlantic Command(USCINCLANT). USSOUTHCOM becomes, Commander U. S. Forces Latin America/Caribbean, and will transfer headquarters to U. S. territory. Other subunified commanders at USSOUTHCOM can be incorporated into subunified commands at USCINCLANTIC. This concept would prevent USSOUTHCOM from devoting inordinate attention to internal events in Panama and fits in with the Pentagon's strategy for the post-cold war world of reducing the number of CINC's.⁵ Also, these changes are in accord with the Panama Canal Treaties and solves the unity-of-effort problems posed by the proximity of land/sea boundaries within the CINC's areas of operations.

5. Implement diplomatic initiative to amend the Panama Canal Treaty on military basing rights. The treaty documents provide that U. S. troops could be stationed in Panama after the year 2000, but only if both governments agree.⁶ A reduced U. S. military base presence centered around Howard Air Force base, a Special Operations Task Force at Albrook Air Force Station and maintenance of the Rodman Naval Station would benefit both nations.⁷ Panama will receive full ownership of the canal, but will also keep an acceptable U. S. presence until the current threats to democracy subsides. The remainder of the military complexes can be stripped of military hardware and transferred to Panama's government. This issue must be directed to the people of Panama in a national referendum, which I believe, will pass overwhelmingly with a U. S. strategy of "nationbuilding"

and foreign aid.⁹ The military basing rights agreement can be a long term leasing arrangement and costs can be offset against foreign aid through grant aid, no interest loans, or security assistance costs.⁹

These recommendations require compromises by both countries. They uphold the Panama Canal Treaty obligations, but more importantly, benefit the peoples of the Western Hemisphere. The recommendations are broad in scope and require the mastery of *realpolitik* for success. It will take a coordinated effort and an understanding of the new Latin American perspective reflected in the writing of Mexican author and former diplomat, Carlos Fuentes, who write,

" . . .no concessions without a price in return;
relations on the basis of a strict *quid pro quo*;
and rapid movement away from *faits accomplis*."¹⁰

⁹Poll estimates 63.2% of Panamanians feel economic progress is dependent on U. S. foreign aid.

CHAPTER V

CONCLUSION

Today, we are once again living in historic times, a time when a great principle is spreading across the world like wild fire. That principle, as we all know, is the revolutionary idea that the people, not governments, are sovereign. This principle is the essence of the democratic form of government.¹

If the people, not governments are sovereign, then "nationbuilding," not continued direct military intervention provides the best opportunity for achieving U. S. interests in Panama and Latin America. The U. S. has intervened 14 times in Panama this century. Each intervention resulted in limited successes of short duration. Therefore, it is reasonable to conclude that direct U. S. military intervention in Panama is counterproductive to building a lasting democratic infrastructure. Intervention, without an appropriate post-invasion strategy, increases Panama's dependency on the U. S. and alienates U. S. alliances in Central and Latin America.

A grand strategy centered on "nationbuilding," combined with a reduction in U. S. military presence, and carefully appropriated economic aid will achieve U. S. long term interests. It is time to apply the same economic strategies the U. S. employed in Japan and Germany following World War II to Panama. Operation Just Cause should be the historic turning point for doing so. If it is not, then indeed, the battle continues!

¹Statement of Ambassador Thomas Pickering, to the U.N. Security Council explaining U. S. position in Panama on December 23, 1989.

NOTES

Chapter I

1. Christopher Dickey, "Fat Man's Burden," The New Republic, 20 & 27 August 1990, p. 17.
2. Robert R. Ropelewski, "Planning, Precision, and Surprise Led To Panama Successes," Armed Forces Journal International, February 1990, p. 26.
3. Jochen Siemens, "Bush's Big Stick," World Press Review, February 1990, p. 16.
4. Anthony D'Amato, "Agora: U. S. Forces in Panama," The American Journal of International Law, April 1990, p. 494.
5. Linda Robinson, "Winter Of Their Discontent," U. S. News & World Report, December 17, 1990, p. 55.

Chapter II

1. The White House, National Security Strategy of the United States, (Washington, DC: March 1990), p. 2-3.
2. Dennis Hanratty and Sandra W. Meditz, Panama A Country Study. (Washington DC: U. S. Government Printing Office, 1989), P. xxvi.
3. Ibid., pp. 142-143.
4. Ibid., p. 142.
5. Major General David S. Parker, USA-Ret, "The Panama Canal Is No Longer Crucial To U. S. Security," Armed Forces Journal, December 1987, p. 56.
6. Richard L. Clark and John H. Syme, "The Panama Canal Giveway: A Strategic Mistake," Defense Transportation Journal, August 1990, p. 14; Samuel J. Stoll, Canalgate: A Panama Canal Brief for the American People, (New Jersey: Policy Press, 1989).
7. Lawrence Eagleburger, Deputy Secretary of State, "The Case Against Panama's Noriega," Address to the Organization of American States, U. S. State Department, Washington: U. S. Govt. Print Off., 1989, p. 5.
8. Major Richard F. Ballard, "Operation Just Cause," Friends of West Point Library Newsletter, Naval War College, Verticle File, November 1990.

9. Linda Robinson et al., "The Plan To Rebuild Panama, " U. S. News & World Report, January 15, 1990, p. 26.

10. Lt. Col. Courtenay S. Welton, II, "Reservists Equal to Task for Panama," The Officers, March 1990, p. 13.

11. Dennis Steele, "Operation Just Cause," Army, February 1990, p. 44.

12. Early Bird Current News, "After Victory in Panama, " Baltimore Sun, 29 December 1990, p. 14.

13. Linda Robinson et al., The Plan To Rebuild Panama, p. 32.

14. Linda Robinson et al., The Plan To Rebuild Panama, p. 26.

15. Kenneth Freed, Early Bird Current News, "U. S. Quietly Helps Panama Organize, Intelligence Office," Los Angeles Times, December 23, 1990 p. 5.

16. Ibid.

CHAPTER III

1. Hanratty and Meditz, Panama A Country Study, pp. xxxvi-xxxvii.

2. Foreign Broadcast Information Service Latin America (FBIS-LAT), "Poll Rates Leadership Efficiency, Popularity," (Panama City: FBIS-lat-90-233, 1990), p. 26.

3. Richard L. Millett, "Looking Beyond Noriega," Foreign Policy, Summer 1988, p. 48.

4. Dickey, A Fat Man's Burden, p. 18.

5. Richard L. Millett, "The Aftermath of Intervention: Panama 1990," Journal of Interamerican Studies & World Affairs, Spring 90, p. 11.

6. Millett, Looking Beyond Noriega, p. 54.

7. Defense Intelligence Agency, Cultural Behavior Handbook Panama. (Washington, D.C.: 1987), p. 1.

8. Dickey, Fat Man's Burden, pg. 18

9. Foreign Broadcast Information Service Latin America (FBIS-LAT), "Poll Rates Leadership Efficiency, Popularity," (Panama City: FBIS-LAT-90-233, 1990), p. 26.

10. Peter Cary and Linda Robinson, "Life After Manuel Noriega," U. S. News & World Report, July 30, 1990; Kenneth Freed, Early Bird Current News, "U. S. Quietly Helps Panama Organize, Intelligence Office," Los Angeles Times, December 23, 1990 p. 5.
11. Millett, The Aftermath of Intervention: Panama 1990, p.11.
12. Linda Robinson et al., "The Plan To Rebuild Panama, " U. S. News & World Report, January 15, 1990, p. 20.
13. Lee Hockstader, "Panama's Problems Continue to Mount In spite of Invasion," The Washington Post, 16 December 1990, p. 14.
14. Eric Schmitt, "U. S. Quell Revolt In Panama." The New York Times, 6 December 1990, p. A1.
15. Early Bird Current News, "After Victory in Panama, " Baltimore Sun, 29 December 1990, p. 14.
16. Robinson, Winter of Their Discontent, p. 55.
17. Foreign Broadcast Information Service Latin America (FBIS-LAT), "Disorders Reportedly Planned for 5 Dec Strike," (Panama City: FBIS-lat-90-232, 1990), p. 26.
18. FBIS-LAT, "Authorities Report on 'Subversive' Movement," (Paris AFP, FBIS-LAT-90-205, October 22, 1990), p. 22.
19. Hanratty and Meditz, Panama A Country Study, p. 254.
20. Cary and Robinson, Life After Manuel Noriega, p. 31.
21. Ibid., p. 31.
22. Tim Coon, Early Bird Current News, "U. S. Invasion Brings Panama Slim Dividends," London Financial Times, 20 December 1990, p. 6.
23. Hanratty and Meditz, Panama A Country Study, p. xxxi.
24. Millett, The Aftermath of Intervention: Panama 1990, p. 7.
25. Ibid., p. 7.
26. Panama—One Year Later, Michael Kozak, Principal Deputy, Interamerican Affairs, U. S. State Department, C-SPAN, 20 December 1990.

27. Tim Coon, Early Bird Current News, "U. S. Invasion Brings Panama Slim Dividends," London Financial Times, 20 December 1990, p. 6.

28. Cary and Robinson, Life After Manuel Noriega, p. 31.

29. Ibid.

CHAPTER IV

1. Alan Stoga, U. S. Policy in Central America: Vol. V, The Kissinger Commission Report: Economic Problems, Prospects, and Proposals, July 1984 (Washington, D. C.: AEI Institute for Public Policy Research, 1984), p. 13.

2. Tim Coon, Early Bird Current News, "U. S. Invasion Brings Panama Slim Dividends," London Financial Times, 20 December 1990, p. 6.

3. John Dinges, Our Man In Panama (New York: Random House, 1990), p. 318.

4. Lt. Col. Rudolph C. Barnes, Jr., "Civic Action, Humanitarian & Civic Assistance, and Disaster Relief: Military Priorities In Low Intensity Conflict," Special Warfare, Fall 89, p. 35.

5. Michael R. Gordon. "Pentagon Drafts Strategy for Post-Cold war World." The New York Times, August 1, 1990, p. A-14.

6. Lawrence Eagleburger, "The Case Against Panama's Noriega," p. 5.

7. Major General David S. Parker, USA-Ret, "The Panama Canal Is No Longer Crucial To U. S. Security," p. 60.

8. FBIS-LAT, "Poll Reveals Attitudes on U. S. Bases, Soldiers," (Panama City, FBIS-LAT-90-232, December 1, 1990), p. 35.

9. Thomas S. Sutter, "Base Rights Agreements," Air University Review, July-August 83, p. 40.

10. Carlos Fuentes, "Some Lessons From Panama," World Press Review, February 1990, p. 19.

CHAPTER V

1. Thomas R. Pickering, Democracy Finally Returns to Panama, ROA National Security Report, Vol 8, No. 2 (Washington, D. C.: The National Security Newsletter of the Reserve Officers of the U. S., 1990), p. 1.

BIBLIOGRAPHY

- Ballard, Richard F. "Operation Just Cause." Friends of West Point Library Newsletter, Naval War College, Verticle File, November 1990.
- Barnes, Rudolph C., Jr. "Civic Action, Humanitarian & Civic Assistance, and Disaster Relief: Military Priorities In Low Intensity Conflict." Special Warfare, Fall 89, p. 34-40.
- Calhoun, W. M. "The Panama Incursion." National Security Decision Making Department, Resever Officer Course, Supplemental Reading, 1990 pp1-12.
- Cary, Peter and Robinson, Linda. "Life After Manuel Noriega." U. S. News & World Report, July 30, 1990, pp. 29-32.
- Clark, Richard L. and Syme, John H. "The Panama Canal Giveaway: A Strategic Mistake." Defense Transportation Journal, August 1990, pp. 10-14; Stoll, Samuel J. Canalgate: A Panama Canal Brief for the American People, New Jersey: Policy Press, 1989.
- Coon, Tim. Early Bird Current News, "U. S. Invasion Brings Panama Slim Dividends." London Financial Times, 20 December 1990, p. 6.
- D'Amato, Anthony. "Agora: U. S. Forces in Panama." The American Journal of International Law, April 1990, p. 494-524.
- Defense Intelligence Agency. Cultural Behavior Handbook Panama. Washington, D.C.: 1987.
- Dickey, Christopher. "Fat Man's Burden." The New Republic, 20 & 27 August 1990, pp. 17-19.
- Dinges, John. Our Man In Panama. New York: Random House, 1990.
- Eagleburger, Lawrence. Deputy Secretary of State, "The Case Against Panama's Noriega." Address to the Organization of American States, Current Policy U. S. State Department, Washington: U. S. Govt. Print Off., 1989, pp. 3-5.
- Early Bird Current News. "After Victory in Panama." Baltimore Sun, 29 December 1990, p. 14.
- Evenson, Michael K. U. S. National Strategy in Panama. Defense Technical Information Center, Alexandria, Va.: U. S. Army War College, March 1990, pp. 1-101.

Foreign Broadcast Information Service Latin America (FBIS-LAT).

"Poll Rates Leadership Efficiency, Popularity." Panama City: La Prensa, FBIS-LAT-90-233, 1990, p. 26.

_____. "Disorders Reportedly Planned for 5 Dec Strike." Panama City: El Diario Independiente, FBIS-lat-90-232, 1990, p. 26.

_____. "Authorities Report on 'Subversive' Movement." Paris AFF: FBIS-LAT-90-205, October 22, 1990, p. 22.

_____. "Poll Reveals Attitudes on U. S. Bases, Soldiers." Panama City: La Prensa, FBIS-LAT-90-232, December 1, 1990, p. 35.

_____. "Guerrilla Activity Reportedly Detected in Chiriqui." Panama City: FBIS-LAT-90-206, Critica Libre, October 23, 1990, p.25.

_____. "M-20 Reportedly Holds Up Bus, Robs Passengers." Panama City: FBIS-LAT-90-205, Critica Libre, October 22, 1990, p. 23.

_____. "FDC Proposal for Rebuilding Country Outlined." Panama City: FBIS-LAT-90-240, Circuito RPC Radio 13 December 1990, p. 17.

_____. "Several Radios Receive Alleged Coupists' Calls." Panama City: FBIS-LAT-90-240, El Diario Independiente, 13 December 1990, p. 21.

_____. "Armed Troops Sighted in Cerro Azul; Shots Heard." Panama City: FBIS-LAT-90-240, Circuito RPC Television, 12 December 1990. p. 22.

_____. "Endara Confirms Solis in Post." Panama City: ACAN, FBIS-LAT-91-001, Critica Libre, 1 Jan 1991, p. 15.

Freed, Kenneth. Early Bird Current News, "U. S. Quietly Helps Panama Organize Intelligence Office." Los Angeles Times, December 23, 1990 p. 5.

Fuentes, Carlos. "Some Lessons From Panama." World Press Review, February 1990, p. 17-19.

Galvin, John R. "An exclusive AFJ Interview with Commander in Chief, U. S. Southern Command." Armed Forces Journal International, December 1985, pp. 34-42.

Gordon, Michael R. "Pentagon Drafts Strategy for Post-Cold war World." The New York Times, August 1, 1990, p. A-14.

Guide to the Analysis of Insurgency. Newport: Naval War College. Operations Department. NWC 2228. pp. i; 1-15.

- Hanratty, Dennis and Meditz, Sandra W., ed., Panama A Country Study. Washington DC: U. S. Government Printing Office, 1989.
- Hockstader, Lee. "Panama's Problems Continue to Mount Inspite of Invasion." The Washington Post, 16 December 1990, p. A51-52.
- _____. "U. S. Army Guarantess Endara Stays in Power." The Washington Post, 16 December 1990, pp A51-52.
- Kozak, Michael. "Panama-One Year Later." Principal Deputy, Interamerican Affairs, U. S. State Department, C-SPAN, 20 December 1990.
- Miles, Donna. "A Real -Life Mission Helping Real-Life People." Soldiers, April 1990, pp. 6-9.
- Millett, Richard L. "Looking Beyond Noriega." Foreign Policy, Summer 1988, p. 46-63.
- _____. "The Aftermath of Intervention: Panama 1990." Journal of Interamerican Studies & World Affairs, Spring 90, pp. 1-15.
- Parker, David S. "The Panama Canal Is No Longer Crucial To U. S. Security." Armed Forces Journal, December 1987, pp. 56-60.
- Fernini, James K. "Relocation and Realignment of the United States Southern Command." Naval War College, Operations Department, FD-14, NWC 4052, 1990, pp 1.15.
- Fickering, Thomas R. Democracy Finally Returns to Panama. ROA National Security Report, Vol 8, No. 2. Washington, D. C.: The National Security Newsletter of the Reserve Officers of the U. S., 1990.
- Robinson, Linda. "Winter Of Their Discontent." U. S. News & World Report, December 17, 1990, p. 55.
- Robinson, Linda et al., "The Plan To Rebuild Panama. " U. S. News & World Report, January 15, 1990, p. 25-26.
- Ropelewski, Robert R. " Planning, Precision, and Surprise Led To Panama Successes." Armed Forces Journal International, February 1990, p. 26-32.
- Schmitt, Eric. "U. S. Quell Revolt In Panama." The New York Times, 6 December 1990, p. A1.
- Siemens, Jochen. "Bush's Big Stick." World Press Review, February 1990, pp. 32-41.

Steele, Dennis. "Operation Just Cause." Army, February 1990, p. 35-44.

Steward, Lee H. "Intelligence Support to Military Civic Action in Low- Intensity Conflict." Military Intelligence, July-September 1990, pp. 15-16.

Stoga, Alan. U. S. Policy in Central America: Vol. V, The Kissinger Commission Report: Economic Problems, Prospects, and Proposals. July 1984, Washington, D. C.: AEI Institute for Public Policy Research, 1984, p. 13-25.

Sutter, Thomas. S. "Base Rights Agreements." Air University Review, July -August 1983, pp. 32-41.

The White House. National Security Strategy of the United States. (Washington, DC: March 1990), pp. 2-3.

Welton, Courtenay S., II. "Reservists Equal to Task for Panama." The Officers, March 1990, p. 11-15.

Woerner, Fred, F. "U. S. Southern Command: Shield of Democracy in Latin America." Defense/87, November/December 1987, pp. 20-25.