

Panama's neighbors rip U.S. 'economic coercion'

by Robyn Quijano

On March 29, the member states of the Latin American Economic System (SELA) unanimously decided "to repudiate . . . the coercive economic measures adopted by the United States of America against Panama, which affect the autonomy and the economic security of this member state," and called on the United States to immediately end its coercion against Panama.

With this act of solidarity with the republic of Panama, and with the month-old government of President Manuel Solis Palma, one stage in the Reagan administration's undeclared war against Panama came to an end. The unprecedented violation of international law, through the calculated dismemberment of the Panamanian economy, was exposed for what it is: U.S. economic warfare to reimpose colonialist rule on a sovereign state.

U.S. threatens commando raid

On the same day as the historic SELA resolution, Panama's President-in-Hiding, Eric Arturo Delvalle, into whose accounts the Reagan administration has been funneling tens of millions of dollars that belong to the Panamanian government, requested a U.S. invasion of his own nation. At the same time, the U.S. government announced that the helicopter carrier *Okinawa*, which had been pulled out of the Persian Gulf in a deal with the Soviets, was entering the Panama Canal, and would remain in the area for several days. The ship carries 700 marines and a large number of attack helicopters, required for an invasion. On April 1, thirteen hundred more U.S. troops were sent into Panama, with the U.S. media reporting the troops would be used to "protect U.S. citizens" should the Panamanian population react against a U.S. commando raid to kidnap or assassinate Defense Forces Commander Manuel Noriega.

The Reagan administration let it be known that it was

considering the use of the Delta Force commando units to kidnap General Noriega. When asked on CBS-TV's "Face the Nation" on March 27 if there were any chance the United States would go into Panama and physically remove Noriega, Elliott Abrams, Assistant Secretary of State for Inter-American Affairs, said: "I would say that we have the right to arrest General Noriega, because he is under two federal drug trafficking indictments." Two weeks before, Vice President George Bush had suggested that Noriega be kidnaped and brought to "justice."

Such an action would cost the United States not just a major loss of American lives, but it would also provoke the wrath and resistance of all the nations of Ibero-America.

Were the commando raid against General Noriega to be carried out, the restraint with which the Panamanian Defense Forces have handled U.S. provocations could disappear. Despite U.S. media propaganda, General Noriega has been careful to politically outflank the U.S. aggression, while restraining the military counterattack. In the month since the United States has waged total war on Panama, there has not been one death. The Defense Forces' major weapon against an opposition run directly from Washington, has been tear gas.

"This is not to be a struggle of irresponsible kamikazes," General Noriega warned 500 trade union and peasant leaders at a "united front" meeting on March 23. "This must be a scientific struggle, and we must perceive the lures and provocations of some who seem to be picking a fight in order to strike back. This struggle must be executed with a cool head . . . this struggle must be militant and arouse consciences. . . . If there is to be a solution—and there must be a solution—we will also have to be creative and determined when seeking it. . . . This front will be the last bulwark, where Panamanian men will write the stories of their patri-

otism for the good of our children.”

Whether the Reagan administration chooses to believe it or not, the Panamanian people are, by a large majority, choosing to be patriots. U.S. miscalculation of this fact could end up being a national tragedy.

President Manuel Solis Palma, who had been consolidating support of trade unionists, peasant organizations, and other sectors in a national united front over the previous weeks, achieved total victory for the legitimacy of his government with the SELA support. The ludicrous charade of the U.S. puppet President-in-Hiding was not even a subject of discussion, as Ibero-America threw its weight against the Reagan administration's violation of national sovereignty.

Even the generally controlled U.S. media, which has been so instrumental in promoting the “Big Lie” that Noriega is a drug runner with no support among the population, began to ask some real questions. When State Department spokesman Charles Redman was bombarded with questions on the significance of the SELA decision, he stated that he was unconcerned, because the U.S. government has taken no economic sanctions against Panama, but rather has honored Delvalle's request for economic pressures against General Noriega. “Do you feel the Latins do not understand U.S. policy?” a reporter asked. “Up to now,” another queried, “you were actively pursuing Latin support for our actions against Panama. In light of the SELA resolution, does it mean that our policy has failed?” Redman had no answer.

White House spokesman Roman Popadiuk then made it official: “Any action to freeze funds is in clear support of the Panamanian people.” But the U.S. “right” to define the oligarchy and the monied classes as the “people” of another nation, is getting harder and harder to sell.

SELA's triumph

The SELA resolution is one of Ibero-America's most important triumphs. Despite a serious effort on the part of the Socialist International to twist the support for Panama into an attack on General Noriega, the 22 nations of SELA took primary aim at the illegal U.S. aggression. Since SELA's primary purpose, at its founding, was to promote continental economic integration and protect member states against economic coercion, it provided the perfect forum for assailing U.S. violation of international law, which as a precedent, threatens every nation of the sub-continent.

The permanent secretary of SELA, Carlos Perez del Castillo, hailed the capacity of the nations of the continent to work together in the special meeting on Panama. “We are showing the world our potential for joint action and for reciprocal support in confronting adverse circumstances,” he said. The meeting was necessary, Perez stated, “because the solidarity of Latin America and the Carribean is a fundamental condition to prevent foreign interventionist acts that could be hatched in the future against self-determination and sovereignty in Latin America.”

The message to the Reagan administration could not be clearer.

Said Panamanian Foreign Minister Jorge Abadia, “If Panama falls, the security of independence and the territorial integrity of all the states of the continent will also fall.” This message was well understood by every member of SELA. As Ibero-America responded in support of Argentina during the war of the Malvinas, they have responded to a threatened invasion of Panama. But this time the solidarity came before the war. Should the Reagan administration plunge forward, nevertheless, in a military adventure in Panama, it will find a continental resistance that will make what they hoped would be a commando raid into a Vietnam-style war.

In Panama, General Noriega addressed a meeting on March 30, of Ibero-Americans who came to give support to the government. “Here in Panama, we are in hand-to-hand combat in the battle for the dignity of Latin America. You mustn't let us fall. You mustn't allow Panama to lose this battle,” he told them. If Panama falls, “Latin America will go to hell,” he warned.

“They have spent more than \$70 million to disarm, to plot, to buy the conscience of the traitors, and of the weak ones. But with all the gold in the world, all the money of the world, they have not been able to bring this people, nor this commander, nor these armed forces to their knees. Accustomed to treating us as colonials, or slaves, they believe the problem is one man or one community. But they are wrong. It is a problem of Latin America,” Noriega told the support rally.

On March 29, Norman Bailey, a former National Security Council staffer who is now a prime mover of the get-Noriega gang, told congressional hearings, “Getting rid of General Noriega does not solve the problem. . . . To start rooting out the problem, the Panamanian Defense Force would have to be reduced by one half to two thirds, and the entire high command would have to be replaced.”

That is the reality of the U.S. war on Panama. The treaties that will return the Canal Zone to Panamanian sovereignty on Dec. 31, 1999 require a strong Panamanian military. It is a nationalist military, founded by the late Gen. Omar Torrijos, and continued by Noriega, that the Reagan administration will not tolerate.

The “Big Lie” that the United States just wanted to get rid of the “drug-running tyrant” in the name of the “Panamanian people,” has just collapsed. If the Reagan-Bush administration chooses military intervention in Panama, Bush will never make it to the White House. What before might have been sold to the U.S. population as a necessary surgical strike against a dictator, won't be so easy to sell. Elliott Abrams gave Noriega till April 1 to leave Panama. Instead, on April 4, the opposition strike will be over. Banks will begin to open. Ibero-American nations have pledged to study specific aid proposals to counter the U.S. economic sabotage.

Panama won this round. But the wounded beast, an

administration that has put so much into destroying a small allied nation, may yet show itself to be clinically insane.

Documentation

What SELA members said about the U.S. moves on Panama

Excerpts from Panamanian Foreign Minister Jorge Abadía's speech:

It is important and urgent that the peoples and governments of Latin America and the Caribbean understand that if Panama were to fall, its constitution be derogated . . . the constitutions of the other American nations would not be safe from a similar monstrosity; and all in the name of "democracy."

At stake in the Panama battle is the economic security of the Latin American and Caribbean nations and also the future of their political independence, because if the government of the United States can openly, brazenly, with impunity, and unopposed, carry out an aggression against Panama, what guarantee does any country on this continent have that one day, when it opposed Washington's will or were seen as an electoral trophy, all that country's resources would not be thrown against it? If there are no morals, nor scruples, nor sanctions, after seeing the U.S. government leave Panama bereft of circulating currency, is it crazy to ask what guarantee there is that that same organized power not be used to destroy the vital machinery of any Latin American or Caribbean economy?

Mexican Undersecretary for International Cooperation Manuel Rodríguez Arriaga moved the March 27 SELA meeting with a powerful argument for sovereignty. Excerpts follow:

The solution to the Panama crisis is the exclusive responsibility of the Panamanians, by their right to self-determination. Any act of foreign intervention to influence Panama's destiny or any threat or use of force or use of political or economic coercive measures is inadmissible. . . .

Nothing contrary to free self-determination by the Panamanians can be justified. Not the concept of democracy, which always presupposes self-determination; nor the thesis of national security; nor the appeal to juridical or moral values

which one seeks to defend at the price of violating others that also must be respected. Therefore, coercive economic measures which alter the Panamanians' living conditions and political will, must cease. Let us make SELA's decisions effective. . . .

U.S. control over information flow in our world is too strong, perhaps too total and too powerful for the world to easily discern the reality of our situation. . . .

Each people must build its own democracy, inspired by its history, its culture, its concrete reality, its aspirations. We postulate democracy as a proposal, an attitude, a behavior, but not as an invariable and rigid formula. No two democracies will ever be alike. Therefore, we do not accept political or ideological simplifications in the Panama case, nor any other. . . .

It is a fallacy to pose democracy and self-determination as if they were alternatives. . . . We will not permit such lofty and noble values as democracy and freedom to be used as a cover for ideological fundamentalism nor for interests of domination. . . .

Today it is Panama. Yesterday, many others. Tomorrow, any of us. . . .

Excerpts follow from the document the Panamanian government sent SELA on March 23, "Information on the facts upon which is based the petition of the Republic of Panama for the urgent convocation of a ministerial-level extraordinary meeting of the Latin American Council of SELA."

The United States has in its hands a powerful instrument which, being used against Panama, has a destructive effect on the bases of its economy and its national security: Given that in the Panamanian system, dollar reserves for international transactions, and the liquidity in dollars of the [domestic] system are one and the same and both are under the control of the United States and its banks in Panama, the political decision of said country to drain all the dollars from the economy, has as a consequence the incredible result of leaving the Panamanians without any means of exchange, of creating total illiquidity in both the national and foreign banks, and, literally, of expropriating all of them.

This, along with other elements of economic coercion, has created an economic and social emergency. There has been an alarming impact on the production of goods and services; the means for circulation of goods, services and transactions of all kinds have been broken. Scarcity and failure to meet the population's vital needs have become generalized. . . .

The order was given to retain the money the National Bank of Panama had in the United States, as well as the money of all Panamanian consulates in that country, causing a serious liquidity crisis, bigger than any the country had ever had before. As is generally known, in the inequitable colonialist treaty Panama signed in 1904 with the United States,

it renounced having a national currency and accepted the U.S. dollar as the day-to-day legal tender. That is why this unusual measure affects not only Panama's foreign accounts, that is, production, circulation, and all transactions normally made in the country. . . .

In view of all this, without considering the current situation getting worse—or even continuing—it is expected that the economy will be reduced by at least 10% in 1988.

A second Panamanian brief to the SELA meeting concludes:

Faced with this serious situation, which not only threatens the Republic of Panama's sovereignty, but also attacks the economic security of the SELA member nations, we aspire to receive economic and technical cooperation in support of initiatives being taken and to be taken in Panama's economic life. We are especially interested in Latin America and Caribbean backing for the issuance of a Panamanian currency and the building of a national monetary system; for financial accords which assure that said currency would have enough support for it to be able to fulfill its functions under current conditions of extra-regional aggression; for financial aid to the government of Panama to attenuate current illiquidity which will inevitably continue until the indicated measures are taken to create a monetary authority and issue Panamanian paper money; for urgent assistance in the form of popular consumer goods in order to control the emergency in Panama; for collaboration of all the region's countries in absorbing Panama's export products; and finally, in such actions as would help Panama make its human resources more and better trained to fulfill its commitments derived from the Torrijos-Carter Treaties in the activities the Panamanians will be called upon to perform in the administration and management of the Panama Canal.

Decision 271

Extracts from "Decision 271" of the Latin American Council of SELA (Latin American Economic System) taken in Caracas, Venezuela March 29:

Decisions 112 and 113 adopted by the Latin American Council, concerning economic measures of coercive character;

The pertinent articles of the Charter of the United Nations and of the Charter of the Organization of American States;

The petition presented March 18, 1988 by the Government of Panama to the Permanent Secretary of the Latin American Economic System, in accord with Decision 113, for convoking an urgent Extraordinary Meeting of the Latin American Council at the ministerial level, in which petition the country describes the coercive economic measures to which it is being subjected and makes known its sovereign will and firm determination to deepen its democratic system.

Decisions number 115, 189 and 269 relative to the 1977 Panama Canal Treaties.

Considering:

That self-determination and non-interference in internal affairs of countries are fundamental principles of international relations;

That the United States is applying coercive economic measures against Panama which are causing serious harm to the Panamanian people;

That these coercive economic measures are contrary to International Law and incompatible with the Charter of the U.N. and the Charter of the OAS.

That Decision No. 112 of the Latin American Council condemns the use of coercive measures and requires the elimination of embargoes and economic blockades, freezing of funds, suspension of credits and other [such acts];

That the solidarity of Latin America and the Caribbean is a fundamental condition for strengthening Latin American self-determination and sovereignty;

Decides:

Article 1. It reaffirms the sovereign right of all nations to decide their own destiny in peace and liberty, in the economic, social, and political realms, free from pressures, aggressions, and external threats.

Article 2. It reiterates the condemnation contained in Article 3 of Decision 112 of the use against any SELA member state of coercive economic measures insofar as such threatens their sovereignty and their economic security and violate their right to independent development.

Article 3. Consequently, it repudiates the coercive economic measures taken by the government of the United States of America against Panama that affect the autonomy, and threaten the economic security of that Member State and that constitute a case of grave economic emergency as foreseen in Article 1 of Decision 113.

Article 4. It urges the government of the U.S.A. to revoke immediately the coercive economic measures it has taken against Panama.

Article 5. In the spirit of solidarity, it considers the request for assistance from the government of Panama, stated in the document "Requirements of economic cooperation of the Republic of Panama (CL/VI.E/DT No 1, Corr. 1) and mandates the Permanent Secretary of SELA to promote and coordinate consultations with the Member States on necessary actions and measures.

Article 6. It takes note of document CL/VI.E/Di No. 1, presented at the VI Extraordinary Meeting of the Latin American Council of SELA by the Government of Panama, in which it reaffirms and confirms the commitment and full determination of said government to deepen its democratic system.

Article 7. It reaffirms the necessity for strict compliance of the 1977 treaties on the Panama Canal of 1977 and exhorts the Government of the U.S.A. to respect the commitments in them.