

## Panama Report by Carlos Wesley

### Bush puppets face growing resistance

*The Endara government is fast collapsing, and the only ones left supporting it are the bankers and the communists.*

An estimated 50,000 workers took to the streets of Panama City on Oct. 16, to protest against the U.S.-installed government and its plans to sell off state-owned companies and weaken the labor code. Rolando Miller, head of the telephone workers union, condemned the United States for returning to power the *rabi-blanco* ("white-tailed") aristocracy, which is laying off thousands of people and otherwise implementing the austerity policies of the International Monetary Fund.

The size of the protest, the largest demonstration seen here since the bloody U.S. invasion of last Dec. 20, shook up the U.S.-installed government headed by the corpulent Guillermo "Porky" Endara. Two days after the workers took to the streets, on Oct. 18 Panama's Attorney General Rogelio Cruz, a partner of the Cali cocaine cartel, came out with the wild story that the march was part of a plot led by former police chief Col. Eduardo Herrera, to overthrow the government.

Herrera, an admitted CIA agent and former Panamanian ambassador to Israel, is already at the center of a growing international scandal. He was deeply involved in the transfer last year of a cache of Israeli weapons to Colombian Gonzalo Rodríguez Gacha, a kingpin of the Medellín cocaine cartel. The weapons were originally obtained by Gen. Pinchas Shajar (ret.), Col. Yair Klein (ret.), and other agents of Israel military industry and the Mossad, Israel's intelligence agency, for an anti-Noriega force organized by the CIA that was to be led

by Herrera.

Cruz said that Herrera might have believed that the supposed coup had the backing of the U.S. government. But this was denied by U.S. Ambassador Dean Hinton, Bush's proconsul in Panama. Panama's labor leaders also rejected any connection with Herrera and said that the government invented the coup plot to stop the mass protests against "its plans for economic adjustments that will impoverish the population."

As have other governments in the Western Hemisphere that have hitched their wagons to George Bush's free-market "Enterprise for the Americas," the U.S.-installed Panamanian regime plans to privatize state-owned ports, railroads, utilities, including the telephone and the electric company—and even plans to privatize the Panama Canal.

According to reports published in Panama, Gilberto Guardia, who was recently sworn in by Bush as administrator of the Panama Canal Commission, said that the privatization of the canal is being considered as a serious option. "One of the alternatives being considered is for an agency to administer and operate the waterway after the year 2000," when the United States is supposed to turn over control of the canal to Panama, said Guardia. According to the Oct. 10 *La Prensa*, the other option under consideration is outright privatization of the canal. "That means putting it up for sale on the open market for a price still to be determined."

Endara's embrace of George Bush's economic prescription has re-

ceived support from an unlikely source: Panama's pro-Moscow communist party, officially called Partido del Pueblo (People's Party). In an official statement issued through their newspaper *Unidad*, the Panamanian communists endorsed the Bush plan, saying it "will help Latin America to overcome its backwardness . . . by dealing with three issues that affect our countries negatively: foreign debt, international trade, and capital investments."

Otherwise, the Endara regime enjoys little support. Unemployment exceeds one-third of the labor force. There has been a total breakdown of law and order since the invasion; armed robberies, once an unknown phenomenon, are now daily occurrences. Drug trafficking, the ostensible reason for Bush invasion, has increased.

"As confidence in Mr. Endara wanes, many Panamanians who welcomed the invasion feel they have been betrayed by Washington, which has provided only \$78 million of the \$460 million in promised aid," reported the *Baltimore Sun* on Oct. 23. The article by John M. McClintock also contained much the same information previously reported by the Oct. 19 *EIR*—namely, that the 300-pound Endara is on the board of directors of Banco Interoceanico, also known as Interbanco, which is linked to "Colombian cartel chieftains, men such as Gilberto Rodríguez Orejuela of the Cali Cartel, and Jorge Luis Ochoa Vasquez, of the Medellín Cartel."

In what is sure to be a damning revelation, the *Sun* adds that "U.S. drug agents say the Bush administration knew of the bank's ties to the Colombian cartels since 1984, but chose to ignore them in its efforts to oust General Noriega. Instead, the U.S. helped finance Mr. Endara's 1989 presidential campaign."