The booklet, designed to explore the issues of international justice in the context of the Gospel, reviews relations between the United States and Panama. It includes background materials and a study guide for parish leaders and other educators. The central question pertaining to the Panama Canal concerns the rights of the United States according to the 1903 treaty. This treaty states that the United States can exercise "in perpetuity" power and authority over the ten-mile strip of land along the Canal route. The question over these rights is addressed to those who believe Christians have a valid contribution to make in regard to national and international policymaking. This issue was chosen because it represents a test of how a large and a small nation can relate in an interdependent world, and also because churches in both countries can facilitate debate in and between the two nations. The issue has substantial moral content; the treaty not only restricts Panama as an agent in its own development, but also detrimentally affects its economy. The moral challenge for churches is to see that the test is one of justice rather than one of power. Statements by both U.S. and Panamanian clergymen, a play, study guide, and summaries of both sides of the argument are included in the text. Statements issued by conferences of both countries and a general statement by the Delegation of National Council of Churches are reproduced in appendices. Books, voluntary organizations, and names of government spokesmen are listed in the bibliography. (KC)
THE PANAMA CANAL AND SOCIAL JUSTICE

Margaret D. Wilde, editor.

October 1976
Office of International Justice and Peace
United States Catholic Conference
1312 Massachusetts Avenue, N.W.
Washington, D.C. 20005
50¢
CONTENTS

INTRODUCTION ......................................................... 4

CHAPTERS
1. The Current State of the Question ................................ 5
   The Rev. J. Bryan Hehir
2. The Penama Canal: A Test Case .................................... 8
   The Most Rev. Marcos G. McGrath, C.S.C.
3. Yankee Doodle Over There (a one-act play) ..................... 12
   James R. Jennings
4. The U.S. National Interest: Highlights of the Debate .......... 18
   James R. Jennings
5. A Challenge to North American Churches (study guide) ....... 20
   Margaret D. Wilde

APPENDICES
A. A Summary of Past and Present Treaties ..................... 24
B. Interim Agreements .................................. 26
C. Panama-U.S. Relations .................................. 28
   Administrative Board
   U.S. Catholic Conference .................................. 28
D. A Declaration ........................................ 29
   Panamanian Bishops Conference .......................... 29
E. A Statement ........................................ 30
   Delegation of the National Council of Churches .......... 30

BIBLIOGRAPHY/RESOURCES ......................................... 52
INTRODUCTION

Do Christians have a valid contribution to make in the realm of national and international policymaking, not as political and economic experts but as Christians?

This book is addressed to those who believe we do. The burden of proof is on us, in a world of increasing technical specialization and deference to expertise. In order to merit respect for an informed, prophetic Christian viewpoint on political and social issues, we must show ourselves capable of considering the facts—some of which are unclear and the subject of persistent debate among experts—in the light of Scripture and the Christian faith, and suggesting practical, realistic courses of action.

We propose to take the Panama Canal issue as a test case: to study the facts set forth on both sides, and to see whether it is possible to arrive at a position that does justice to the legitimate interests of all concerned, according to our Christian interpretation of justice.

This booklet is designed as a resource for group discussion. "A Challenge to U.S. Christians," chapter 5, suggests guidelines for that process. It is based on the belief that the church, as community of faith, by bringing a diversity of interpretations and experience to the issue at hand, can reflect the light of Scripture and Christian ethics more faithfully than can any individual Christian.

It is hoped that most readers will come to this booklet as members of a community of faith; that is, as a group that shares basic principles of Christian ethics, and that within that community each one's perceptions of the situation described here will be enriched and distilled into a Christian perspective on the issue.

The Panama Canal and Social Justice is published by the U.S. Catholic Conference, which has adopted a position on the Panama Canal issue: The position supports neither the extreme of Panamanian nationalism nor that of full U.S. sovereignty over the Canal Zone, but recommends a new treaty involving major concessions of control to Panama. That position is reproduced in Appendix C. Other appendices include statements by the Panamanian bishops and the National Council of Churches of Christ which represent many U.S. Protestant churches. It is significant that all three groups, despite differences in nationality and creed, have independently reached essentially the same position after long study and discussion of the issue.

This booklet has been compiled from that viewpoint; it does not claim to take a wholly impartial view. We have, however—J. Bryan Hehir and James R. Jennings who contributed interpretive materials, and I as editor—tried to reflect both sides fully and faithfully.

Margaret D. Wilde
The basic problem: to renegotiate the current treaty over the Panama Canal or to let it stand as it is. The author, J. Bryan Hehir, is Associate Secretary of the Office of International Justice and Peace of the U.S. Catholic Conference. He outlines the moral reasons why Catholic leaders in this country have come out in favor of renegotiation and foresees tragic consequences if it is not done.

Background of the Issue

The renegotiation of the 1903 “Treaty between the United States and Panama has become an issue of domestic politics in the United States, with substantial opposition expressed in Congress and in some sectors of public opinion.

The Hay/Bunau-Varilla Treaty of 1903, revised in 1936 and 1955, granted the United States the right to build, operate and defend a canal across the Isthmus of Panama and to exercise “in perpetuity,” the power and authority “which the United States would possess and exercise if it were sovereign” in a strip of land ten miles wide along the Canal route. (See Appendix A.)

The purpose of a new treaty would be to abrogate the “in perpetuity” clause and to establish a new basis of cooperation between the United States and Panama, in which the Panamanian exercise of sovereignty in the Canal Zone would be clear in theory and practice. The treaty would cover a defined period, at the end of which Panama would take over the maintenance and operation of the Canal.

The United States indicated a willingness, in principle, to renegotiate the treaty through President Lyndon B. Johnson in 1964; in 1967, treaty drafts were drawn up but never acted on by either country. New negotiations were begun in June 1970, and produced a joint statement of principles signed by U.S. Secretary of State Henry A. Kissinger and Panama’s Foreign Minister Juan Antonio Tack on February 7, 1974. (See Appendix B.) Briefly stated, the principles call for the following elements in a new treaty:

- Elimination of the “in perpetuity” provision;
- Termination of U.S. exercise of sovereignty and jurisdiction in the Canal Zone, with the United States granted rights, facilities and territory as needed to operate and defend the Canal during the life of the treaty;
- Increasing Panamanian participation in operation and defense of the Canal with eventual reversion of operation and control of the Canal to Panama at the end of the treaty;
- A just and equitable share of the economic benefits from the Canal to be accorded to Panama.

As described by U.S. negotiator, Ambassador Ellsworth Bunker, the negotiation process envisioned a three-step movement: 1) the determination of principles, which was achieved in the Kissinger-Tack agreement; 2) discussion of conceptual issues grouped under the principles; and 3) determination of treaty language. The discussion of conceptual issues has proceeded from 1974 to the present. Two authoritative but incomplete accounts have been made public regarding the status of the discussion of conceptual issues.

1) Ambassador Bunker stated on September 15, 1975, that conceptual agreement had been reached on “Panamanian participation in the operation of the Canal, defense of the Canal, and certain aspects of jurisdiction.” Conceptual agreement has yet to be reached on economic benefits, the land and waterways needed by the United States for defense and operation of the Canal, the option to expand the Canal or build a new sea-level canal, and the duration of the treaty. The Ambassador was careful to note that details of the agreed upon issues still remain undefined and modifications are possible.
2) The Panamanian Negotiating Commission released a report on September 20, 1975 (see Appendix B), which listed areas of agreement on jurisdiction, administration and defense. The Commission also listed a much wider range of disputed issues: a) the duration of the treaty, b) defense lands and waterways, c) compensation, d) the status of Canal Zone residents, e) expansion and/or new works, f) neutrality, and h) the hydrographic basin for water supply.

Why This Issue?

The decision of the U.S. Catholic Conference to select and highlight the Panama Canal issue is based on two factors. First, the nature of the issue as a question of international social justice: It is a highly visible test case of how a large and a small nation can relate in an interdependent world. Second, the churches in Panama and the United States are in a position to facilitate reasoned debate within each country and civil dialogue between the two countries on a significant political issue having substantial moral content.

The issue presents unique opportunities for local churches in each place to act as a bridge on a highly sensitive political question. On biblical, moral, legal and political grounds, the local churches have both a legitimate right and an excellent opportunity to play a mediating role.

In 1974, the Administrative Board of the U.S. Catholic Conference issued a statement supporting a new treaty. (See Appendix C.) The key topics which surfaced for discussion are: 1) Panama's exercise of sovereign rights and 2) the impact on Panamanian political and socio-economic life of the present situation.

The sovereignty issue has been at the heart of the Panama question since 1903. Both the conditions under which Panama submitted to the treaty and the continuing intrusions on Panamanian sovereignty which the treaty legitimizes call for moral examination. In a still decentralized world, sovereignty is the means by which a nation preserves its identity and marshals its resources to defend its interests and protect its rights.

Panama is severely hampered in all these respects...
because the heartland of the nation and its principal resource are beyond its control and influence. The continual stress in the teaching of Pope John XXIII and Pope Paul VI—that nations should be the principal agents of their own development—makes the Church particularly sensitive to this limitation on Panama’s right to pursue a responsible and free role in an interdependent world.

The political issue of sovereignty also has socio-economic implications for the development of Panama. As indicated in the 1974 statement, the Treaty of 1903 not only limits Panama’s political identity but deprives the country of much of its most valuable land and resource development.

The issues at stake are those which the Synod of Bishops described in their document Justice in the World as issues of international social justice: that is, issues in which the relationships among nations directly affect the domestic development of a country. Both the sovereignty question and its socio-economic impact are problems of international social justice; on both counts the Treaty of 1903 can be called into question.

In the past and present, considerations such as the legitimate right of sovereignty and the requirements of social justice have been subordinated to be a pure test of power among nations. Two of the significant moral challenges facing the Church today are to identify the issues of justice and to stand against any pure power dynamic which would disregard the claims of justice.

What Is at Stake?

The significance of the current negotiations between the United States and Panama can be understood at two levels. The first involves, primarily, the two nations themselves: Panamanians see their case as an issue of simple, elemental justice which should be accorded to any nation-state. The justice claim is difficult to refute: the original treaty was never signed by Panamanian delegates; its terms were exceedingly one-sided in favor of the United States; in a changing world the United States has first refused, then half-heartedly agreed to consider bringing the treaty into line with modern reality.

If the United States simply disregards the claim to justice and seeks through sheer size, influence and power to maintain a diplomatic anachronism, the certainty of political-legal conflict, and the high possibility of military conflict, are evident. Such an outcome, when a reasonable alternative is available, could only be labeled a diplomatic tragedy for both parties.

The second level affects the whole of U.S. relations with Latin America and the rest of the world. Support for the Panamanian position from other Latin American nations has been demonstrated in the United Nations, the Organization of American States, and bilateral statements. This issue is a test case for U.S.-Latin American relations in the immediate future: to succeed here will not guarantee success on other fronts, but to fail here will prevent progress on other issues.

As a test case, the Canal issue takes on all the symbolic overtones associated with North-South issues in international relations today. These issues bear as much upon political dignity and independence as on economic benefits. The test of the Panama case is how large and small nations can relate to each other with mutual respect, in a new, non-colonial, international context.

Footnotes

1 Remarks by Ambassador Ellsworth Bunker to the Canal Zone Civic Organization, September 15, 1975. Available from the Panama Canal Information Office, Department of State, Washington, D.C.

2 Ibid. A similar account is provided in “Panama Canal Treaty Negotiations,” Current Policy, #0, November 1975. Available from the Department of State, Washington, D.C.

3 The position of the U.S. Department of Defense was expressed by General George S. Brown, Chairman of the Joint Chiefs of Staff in September 1975: “The Joint Chiefs and the Department of Defense are committed to working out a new treaty; we fully support Ambassador Bunker’s negotiating efforts.”


Marcos McGrath, Archbishop of Panama, is known for his advocacy of national autonomy and social justice, his admiration for U.S. historical principles, and his even-handed, sensitive criticism when we depart from those principles.

In this text, adapted from a 1974 speech to the Carnegie Endowment for International Peace, Archbishop McGrath places the Panama Canal issue in the context of a longstanding imbalance of economic and political power between the United States and Latin America.

He shows how that imbalance is manifested in the Panama Canal. Panama's principal natural resource is its geographic position between the Atlantic and Pacific Oceans. However, the United States, not Panama, derives most of the benefit from that resource. Based on a treaty never signed by Panamanians, the Canal not only subsidizes U.S. commerce but also provides land, at a cheap price, for fourteen military installations. These installations are concerned more with training Latin American military leaders than with defending the Canal.

The full text of Archbishop McGrath's speech is available from the U.S. Catholic Conference, and includes a large portion of his earlier article, "Ariel or Caliban?" published in Foreign Affairs, October 1973.

Religious spokesmen must address human, spiritual, and moral issues. They must do so honestly, in pursuit of peace, through justice and understanding. Today, it is urgently necessary for those who hold for high moral principles, for justice and peace among all peoples, join hands in each land and across all frontiers, in this world without borders in which we now live.

The Canal issue is a test case. I speak as a Panamanian interested in the welfare of his country, and as a man concerned with inter-American and international justice and understanding, but above all as a Christian given a task of leadership in the Church, convinced that there is here a clear-cut issue of justice.

Injustice, National and International

There is a double state of injustice and extortion affecting the bulk of our peasant, Indian and worker population in Latin America. The first is inner oppression: that of the few in our countries who in no small measure still live off the many, or who, living better, simply forget about a structure which favors them and holds others down. Within our borders, the rich will justify their lives and their actions and cite all they do for the poor—whose plight, in this version, is the result of their own laziness and general ineptitude.

Then there is the other oppression of our peoples which is due to international, especially inter-American, structures which oppress. In this case, it is the United States which, benefiting from this structure, maintains it; all the while, it seems to be public opinion in the United States that their country is generously assisting the southern nations, whose sorry plight and ingratitude are the fruit of their own dishonesty, or laziness, or communism, or something similar.

Experts on inter-American relations know the facts. But the people of the United States do not. History, in U.S. schools, concentrates on the United States and its origins in northern Europe. Latin America is but a vague shadow cast by the yet black legend of Spain. North Americans have a strong conviction that their government has given huge sums of money to our nations; that this money has been lost by corrupt and ineffective governments; that our people are ungrateful for this largesse; that this foreign aid had best stop so that we learn to sink or swim by ourselves.

It is a stark reality that 25 percent of the world's population are now consuming 75 percent of the world's goods. The United States with 6 percent of the world's population consumes over 30 percent of the world's goods. There is blatant waste in the face of cruel want—within nations, and among nations and hemispheres.

The underlying world economic structure continues to be colonialist: that is, the developed nations export manufactured goods and import usually unprocessed
prime materials, placing tariff restrictions upon the importation of processed or manufactured goods from the less developed nations. The efforts of the prime producers—for instance, of crude oil—to exact a higher price from buyers to the north have roused pious cries of protest: “Extortion!” Suddenly northerners fear that they may have to depend on foreign producers. Do they ignore the extortion and economic dependence they exercise upon the poorer lands?

Objective economic reports establish an annual deficit for Latin America, in its trade with the United States, of approximately three quarters of a billion dollars. How can this be balanced by the bare $300 million assigned annually by the United States for aid? The bulk of this is loan money, given at near commercial interest, which so hampers Latin American foreign indebtedness that some nations are hard pressed to cover their debts, even with new loans.

A former director of the U.S. Agency for International Development (AID) has pointed out that very little money is turned over in cash by AID. More than 80 percent is spent on its own personnel, on U.S. technical advisors, and on materials bought in the United States and shipped in U.S. bottoms. Even development loans at 2 percent interest can become exorbitantly expensive when the borrower must spend a large part of the monies on “services” which refund the monies into the U.S. economy.

Multilateral aid agencies should be free of these trammels, but they are not. The Inter-American Development Bank, for example, determines its aid—mostly loans, most of them at semi-commercial rates—by vote. The United States has 40 percent of the voting power, a fact painfully felt by nations whose requests were turned down because they had nationalized previously U.S.-controlled interests.

This reflects the post-colonial issue of a nation’s right to control its natural resources, a right affirmed by the United Nations and in papal encyclicals. The United States manifests concern at the small capital control exercised within its own frontiers by foreign investors. But it finds it hard to understand the resentment, leading to government takeovers, toward U.S. or other foreign control in some of our nations of the bulk of industry and commerce, including that based upon prime natural resources.

One could go on and on: The growing power of the multinational corporations, with annual budgets often larger than those of the countries in which they operate; tariff barriers; the arbitrary determination of world monies by the richer nations, with virtually no consultation with the poor; the yearly increase in the gross national product of the United States—usually greater than the entire GNP of India, a nation of 550 million people. The gap truly widens. How can this make for conditions of international peace?

The Case of Panama

The U.S. people and their leaders have certainly, time and again, proven their generosity in coming to the aid of suffering peoples around the world. What is more, by its origin, spirit and many declarations, the United States is committed to international justice and the elimination of colonialism in Africa, Asia and around the world.

But this same people and their leaders, in large measure, ignore many of the facts about Latin America, and specifically about Panama. An aging “Teddy” Roosevelt proudly proclaimed, “I took Panama,” and thus created a mood which still persists. “We built the Canal and it’s ours.” “We bought the Canal Zone and we won’t cede an inch.” “We could no more give back the Canal Zone than Alaska or Hawaii!” “Those people in Panama never had it so good. All they have we’ve given them!” “Why not turn them back to Colombia?” “Give up any part of the Canal Zone or the Canal and the whole continent will go over to the Communists.”

How terribly unjust that the U.S. people and some of its leaders are so badly informed: unjust to them and unworthy of the good will they have and profess for world justice; unjust for the people of Panama, unfortunate and difficult now that we are trying to work for a new and more just Canal treaty.

What are some of the relevant and evident facts of the case? First of all, the independence of Panama is not an artificial creation of President Theodore Roosevelt. The Herran-Hay Treaty, proposed by the United States and rejected by Colombia, was the occasion; the presence of the U.S. Navy impeding the Colombian forces was the means by which the independence group in Panama was able to assert itself. But increasingly over half a century, the leadership in what was then the Colombian department of Panama desired independence and had made unsuccessful attempts to obtain it. These leaders desired self-government to better the situation of Panama in education, commerce and other ways, complaining rightly that the central Bogota government was severely neglecting Panama.

It is well to recall, too, a bit of the nineteenth century history about an isthmian canal—a history contained in a series of international agreements. In these, the United States sought to ward off any kind of international control.

Secondly, the Treaty of 1903 which still governs the Canal was drawn up and signed without the participation of any Panamanian. This must be one of the greatest anomalies of its kind in the history of international law. Philippe Bunau-Varilla, himself a French citizen, represented the old French canal company. He was anxious to get the new canal treaty so as to salvage for his operation what the United States would pay the old French company for rights and materials. He lobbied for the canal in the United States when the treaty with Colombia was rejected as unfavorable to Colombian interests.

Bunau-Varilla offered his services to the independentist group in Panama, which appointed him ambassador plenipotentiary to Washington to obtain recognition of Panamanian independence, but with
strict instructions regarding the elements of a treaty. By the time the Panamanian delegates, empowered to sign a treaty, arrived in Washington, the treaty had been drawn up by Bunau-Varilla and offered to Secretary Hay, who found it so favorable that he immediately accepted it, had it approved by the Senate without any change, signed by himself and Bunau-Varilla.

The treaty startled many: it not only gave the United States all it had requested, and had been denied by Colombia, but much more. U.S. statesmen and others, such as the British ambassador in Washington, remarked publicly on the severe imposition this treaty wrought on Panama. The Panamanian delegates, on discovering the treaty already signed, objected, but to no avail. The new ruling junta in Panama protested, but to no avail. It was clear that they would accept the treaty or risk losing U.S. recognition and their newly found independence.

Who Benefits?

There is no denying that the presence of the Canal has brought economic and social benefits to Panama. Personally, I am aware of the many social and charitable services provided to our people by persons and institutions in the Canal Zone. But the benefits to the United States have been considerable, apparently far greater; and what is more, they have been unilaterally determined by the United States. Here are a few facts:

- The savings to the United States Military Forces in the use of the Canal in the sixty years since its inauguration are calculated in excess of $11 billion.
- Toll fees on the Canal were frozen at the 1914 level on the principle that the Canal should be non-profit, after repayment of the initial investment made by the United States. Since 70 percent of the goods that transit the Canal come from or go to U.S. ports, the present non-commercial fees represent a $700 million annual saving to U.S. commerce; Panama is subsidizing the richest nation of the world and world commerce in general.
- The toll fees also subsidize many educational and other social services for Canal Zone employees, though these pay federal taxes for that purpose, as well as for U.S. military personnel in the Canal Zone.
- The 500 square miles of the Canal Zone represent the heartland, the most valuable economic resource, of Panama. Much of it is wasted. Sixty-eight percent of the land is reserved for military purposes, most of it not used at all; 3.6 percent for Canal installations; 3.2 percent for miscellaneous uses; 25 percent is not used. For this territory, including fourteen military bases, the United States has paid an annual $1.9 million, compared to $20 million annually which it pays for three bases in Spain.
- Neither Panama City nor Colon has adequate port facilities at its disposal; nor does Panama possess trans-Isthmian oil pipelines or railroads. It is now contemplating huge expenditures for ports and a pipeline, even though these facilities already exist in the Canal Zone and are only partially employed.
- According to testimony presented to the U.S. House of Representatives September 22-23, 1971, the military investment in the Canal Zone ($4.8 billion) more than doubles the total civilian investment ($2.2 billion). This military expense goes far beyond any notion of the defense of the Canal; the U.S. Southern Command located there is a training center for military from all over Latin America and a nerve center of military contact throughout the continent. Military bases established within a nation should be the object of negotiation. Panama quite naturally objects to the large military establishment functioning within its borders without adequate information, negotiation or compensation.
- Approximately 20 percent of Panama's gross national income derives from the Canal Zone economy, principally in indirect forms such as salaries and sales. The rise and fall of this income, according to changes in building and other operations within the Canal Zone, has a strongly distorting effect on the Panamanian economy simply because these changes are entirely out of Panamanian control.
- Land, income, etc. in the Canal Zone are exonerated from all Panamanian taxes; thus the national government cannot extract revenues from the main natural resource of the nation. What little the government has been able to accomplish in the development of economic infrastructure and socio-economic development has been financed largely by foreign capital, most of it from U.S. sources. This has not only built up a large foreign debt, but also limits the freedom of Panama in negotiating on the Canal.

A Question of Values

I would like to close with a few observations on the human and social values involved, from the Panamanian viewpoint.

Panama, whose principal natural resource is its position bridging the oceans, has no adequate harbor or port facilities, no trans-Isthmian train or oil pipeline, though they exist in the Canal Zone and are only partly used.

The growth of Panama's two major cities, Panama City on the Pacific and Colon on the Atlantic, is blocked by the Canal Zone. Teeming tenements face open fields or virgin jungles—space unused, reserved, denied. Panama City has had to grow unnaturally, across the very waist and heart of the nation. Are those things just or fair? Are they necessary to Canal operations or its defense? I think not.

The real danger is that the new treaty will be blocked
appar-poured through those slight fissures in the wall!

This fissure which is the Canal could be the same. Ignore it, or oppose it through neglect of the facts, and you might well unloose similar torrents in the hemisphere.

Almost 200 years ago, the United States proclaimed the principle of national dignity and independence; it has fought two world wars to free other nations from political servitude, without any territorial aims for itself; it declared the Philippines independent, and after World War II led the cause of independence for old European colonies.

Now let the United States recognize Panama’s claim to genuine and complete national independence. In so doing, it will find its interests in the Canal sufficiently guaranteed, and its respect in the world, especially in this New World of the Americas, refurbished.

ews digging canal across Panama isthmus, 1913.
CHAPTER 3

YANKEE DOODLE OVER THERE

James R. Jennings

This play is based on serious research, though it is written as a fantasy and requires of the reader both imagination and a sense of humor.

The author, James R. Jennings, is Political Advisor in the Office of International Justice and Peace of the U.S. Catholic Conference.

The historical basis for the discussion between the two main characters, Mr. Dandee and the Doctor, is documented in footnotes. The positions attributed to Grover Cleveland and John L. O'Sullivan are consistent with the attitudes of the two men as reflected in nineteenth century historical events, but they are taken largely from the current debate on the issue. The positions are identified in Chapter 4, "Highlights of the Debate."

Your study group may want to stage the play as an informal reading to stimulate discussion/reflection.

Cast of Players

Y. D. Dandee: An associate of Captain Gooding, reputed to have been popular with the ladies. Also known as "Gringo," "Doughboy," "G.I. Joe," and, more recently, "Grunt." While trying to be a good soldier, he preferred by many accounts (remember Catch-22?) to stay alive and to do the right thing.

Doctor: A wise, prudent and dispassionate observer. Dedicated to helping people, and to keeping himself physically strong, mentally awake and morally straight. In a word, a good scout.

John L. O'Sullivan: An editor of a mid-nineteenth century periodical. Reported to have coined the phrase, "manifest destiny." He was followed by such illustrious Americans as James Polk, Alfred Mahan, William McKinley and Henry Luce, whose fame far outstripped him and whose policies converted the phrase into an American way of life.

Grover Cleveland: A President of the United States late in the nineteenth century. He tended to suspect strong nations of designs against weaker ones, detected jingoism and imperialism, and was easily the least imperialistic of American Presidents.

Props

Two small tables and two chairs, one each for Dandee and the Doctor; a large book placed on the Doctor's table; a large table with two chairs, for Cleveland and O'Sullivan, forming a triangle with the smaller tables. Beside the large table is an easel, with two poster boards: one is blank, and one has a large map (which you can sketch) of Panama, with the Canal Zone clearly marked.

Script

(As the play begins, Dandee and the Doctor are seated at small tables. A large book lies open on the table before the Doctor.)

DANDEE I'm not sure why I'm here. I'm not even sure where I am. (Pause) But it's even worse than that. (Longer pause) I know I have to do something, but I don't know what to do.

DOCTOR I know; it's here in this book.

DANDEE What's in the book, Doctor?

DOCTOR A lot of things about you and what you've done.

DANDEE Well, maybe that's why I'm here. To find out what happened.

DOCTOR Don't you know what happened, Mr. Dandee?

DANDEE I'm not sure. Sometimes I think I do. Other times I think it was just a dream.

DOCTOR What do you remember?

DANDEE About the dream?

DOCTOR Yes.

DANDEE (Pause) Well, in one of them I remember I was sitting in a large theater filled with people—thousands of people. On the stage, a little man in a giant yellow hat was singing. When he finished, he bowed to the audience, and I stood up and began to clap. A second later, I realized that I was...
the only person in the theater who was clapping. I was the only person making a sound. My clapping made a hollow clacking sound. I stopped clapping and I closed my eyes. In a flash I opened them, and everyone in the theater was staring at me. I stood there paralyzed.

DOCTOR What did you do then?
DANDEE Nothing.

DOCTOR What do you want to do now?
DANDEE I don’t know. I know that I don’t want much. A job. A roof over my head. A chance for my kids to go to school. If there is anything left over, I’d like to be able to load the family in the car on Sunday and take them to church and go for a drive in the country.

DOCTOR What else do you want to do?
DANDEE (Pause) I’m not sure. I know I shouldn’t get too involved with other people, especially foreigners. They always seem to be getting into fights. I don’t think I should get messed up in their squabbles.

DOCTOR What do you think you should do?
DANDEE I think I should lead an active, vigorous life. To be a man you have to be where the action is. You have to be strong and brave and be able to fight. If the time comes, a man should be willing to serve his country.

DOCTOR Have you served your country?

DOCTOR Matamoros? What happened there?
DANDEE (Pause) It’s not clear to me what did happen there. Matamoros was a small Mexican town across the Rio Grande. We were there under the command of Captain Thornton in the spring of 1846. Mexico had warned us that if any Americans were caught on Mexican soil, they’d be shot. One day, Thornton sent us out on a scouting party and we were ambushed. About twelve of the men were killed; some were captured and the rest of us escaped.

DOCTOR One soldier at the time wrote in his diary: “We have no right to be here... It looks like the government sent a small force here on purpose to bring on a war, so we can have a pretext for taking California and whatever else we choose.”

DANDEE Maybe so. I never heard that before.

DOCTOR The Matamoros incident is what started the Mexican War.

DANDEE Is that so?

DOCTOR When Taylor heard what happened, he notified Washington and President Polk asked for a declaration of war on Mexico.

DANDEE We really went to it. More than 100,000 of us poured into Mexico. The whole thing was over in about two years.

DOCTOR It wasn’t a very popular war in the United States.

DANDEE Why not? We never lost a battle. We got California, Nevada, Utah, and parts of New Mexico, Arizona, and Colorado out of it—and only lost about 12,000 men.

DOCTOR Five months before the war ended, Congress passed a resolution condemning the war as unnecessary and unconstitutional.

DANDEE I don’t remember anything about that. (Pause) All I remember is the Monroe Doctrine and Manifest Destiny. Conestoga wagons and prairie schooners. Sailing ships and sealing wax. The China Sea and Tokyo Bay.

DOCTOR Those were great times. But what were you doing in Tokyo Bay?

DANDEE (Pause) I’m not sure. Alls I know is in July 1853, we steamed into Tokyo Bay with four Navy ships as big as life. When we docked and marched on to the pier—there were about 300 of us—we were all armed with muskets and side arms. We were all big men; Commodore Perry selected us for our size and military appearance. We overwhelmed the small Japanese soldiers who crowded around us even though there were more than 5,000 of them armed with swords and spears. Then the Commodore landed. He handed President Filmore’s letter to the chief Japanese representative.

DOCTOR What did the letter say?

DANDEE Told them to change their laws. Open their ports for trade with the United States. Told the Japanese to take their time to decide and we’d be back in the spring for their answer.

DOCTOR What did the Japanese do?

DANDEE They said, “Maybe.”

DOCTOR Then what happened?

DANDEE Nothing.

DOCTOR What do you mean, “nothing”?

DANDEE Nothing! The place went dead silent. Nobody said anything. Finally, the Japanese asked if the four U.S. ships would return. Perry said, “No, there would probably be more than four ships in the next time.” The guns of our ships in the Bay were aimed at the crowds on the dock and the people on the shore.

DOCTOR Were you scared?

DANDEE I guess so! We figured, if anything broke loose, it would be a fight to the death.

DOCTOR What happened?

DANDEE The Japanese said, “You will leave now, at once.” And so we left. But we came back in the spring.

DOCTOR Yes, and the Japanese signed their first treaty with a foreign country without a shot being fired; a whole new era was opened between the Western nations and Japan. You were lucky.

DANDEE I don’t know anything about that. I do
know that after that we went everywhere. We were in and out of China, South America, the Caribbean, Mexico, Hawaii.12

DOCTOR What were you doing in these places?

DANDEE Protecting American interests from attack and helping to restore order. We landed in Panama five times in a period of 50 years, even before we ever dug the Canal.

DOCTOR What was happening in Panama?

DANDEE The last time—before we built the Canal—we went in back in 1903. I was aboard the Nashville, under Commander John Hubbard, docked in Kingston, Jamaica, when we got orders to go to Panama.13 We had often been ordered there for standby duty during uprisings. It was lousy duty and six of our crewmen went AWOL as soon as word got around that we were headed back to Panama. When we docked at Colon on the Atlantic side of the isthmus, everything was quiet in town; we didn't even post a street patrol. The night we docked, a Colombian gunboat came alongside and put several hundred troops ashore. The following day, Torres, the Colombian Commander, demanded rail transportation of his troops across the isthmus to Panama City to put down a rebellion. When Hubbard told him he couldn't use the railroad, Torres threatened to kill every American in town.

DOCTOR I thought the United States supported Colombia in its efforts to put down revolution in Panama?

DANDEE So did I, Doctor. But this time I guess it was different.14 We took up our battle position in the railroad station, and we waited. About an hour later, Torres surrendered. Nothing happened. Not a shot was fired.

DOCTOR Who won?

DANDEE I don't know.15

(Cleveland enters and walks to his chair and sits down. O'Sullivan enters carrying two large poster boards. Places them on the easel, the blank one covering the map of Panama. Walks to his chair and sits down. Dandee and Doctor sit in silence until O'Sullivan and Cleveland are seated.)

DOCTOR What happened after that?

DANDEE It's all hazy. I don't remember too clearly. (Pause) I just know that I have to do something, but I don't know what I'm supposed to do.

DOCTOR What else do you remember?


O'SULLIVAN Excuse me, Doctor?


CLEVELAND Excuse me, Doctor?

DOCTOR Do you remember anything else?

O'SULLIVAN Excuse me, Doctor? Could I say a word?

DOCTOR (Doctor finally looks at O'Sullivan) Yes, what is it?

O'SULLIVAN May I say something?

(Doctor and O'Sullivan continue to look at each other while Dandee speaks)

DANDEE I remember, I was walking along a country road just outside a small town. I could hear threshing machines in the field beside the road and the farm hands were laughing and calling to one another. Some of them waved to me. The sun was bright and birds filled the air. Across the road was an old farm house and on the front porch a small boy playing with a dog. As I walked by, I could hear loud scuffling sounds coming from behind the house like men wrestling and pulling at each other.

DOCTOR (Speaking to Cleveland and O'Sullivan) Are you gentlemen here to help Mr. Dandee?

CLEVELAND I think so.

O'SULLIVAN Absolutely! Dandee has been intimidated. Perhaps even lied to. Over the years he has made a great contribution to this country and to the rest of the world. And now his courageous actions are being turned against him and people are falsely accusing him of being an imperialist. Panama is a test case. He is being told that he should give away the Panama Canal.

CLEVELAND I must say that I disagree with everything O'Sullivan has said, with the exception that I also think Panama is a test case for Mr. Dandee.

DOCTOR (Turning to Dandee) Shall we proceed, Mr. Dandee?

DANDEE I don't know what they're talking about. (Pause) I stopped in front of the farm house and then I noticed a man with a large box camera mounted on a tripod was standing in the front yard. Suddenly, another man—an Indian in full dress, feathers and all—came running from behind the house and raced toward the road. Another man, wearing a cowboy hat, was chasing him.

DOCTOR I think it's all quite simple, Mr. Dandee. It's all here in this book. After more than 70 years the people of Panama want a new treaty which will give them more direct control over the Panama Canal and the Canal Zone. But not everyone in the United States is agreed. Four questions seem to be raised by the debate. Do you know what they are, Mr. Dandee?

DANDEE I don't know what you're all talking about. (Pause) I remember in the excitement the little dog began barking and ran after the Indian. The cowboy stopped, aimed his gun at the Indian and fired. The bullet hit the dog in the back of the head and sent him flying into the air. The boy ran to the bleeding animal, knelt down beside it and began to cry. I closed my eyes and continued to walk down the road. And immediately, the
sound of the boy’s sobbing stopped. But I could hear the birds and the farmhands singing.

DOCTOR The first question is sovereignty over the Canal Zone.

O'SULLIVAN That's ridiculous, Doctor. Sovereignty is not an issue. The record is absolutely clear. The United States bought and paid for the Canal.

(D'O'Sullivan rises, walks to easy., removes the first poster board. Second poster board is a map of Panama.)

O'SULLIVAN No part of the Canal is situated on Panamanian territory. We bought it. We've paid for it. It's ours.

(D'O'Sullivan turns to walk back to his chair. When Dandee begins to talk O'Sullivan stops, stands still, waits for Dandee to finish. Then returns to his chair.)

DANDEE As I walked down the road, my mouth became very dry—dry as cotton. I began to cough and I coughed so hard that my chest ached and it felt like it was going to explode. When I opened my eyes I saw that I was in the middle of great clouds of dust—like a giant dust storm. I could hardly see my hand in front of my face. As I continued to walk, I noticed that other men were in the dust storm with me, but they weren't coughing. They just had their eyes straight ahead and they walked; it was more like they were marching. And I was caught up in their marching rhythm. And as I did, my coughing stopped. We were still in heavy dust clouds, but I wasn't coughing anymore.

(O'Sullivan takes his seat)

CLEVELAND Doctor, no wonder Mr. Dandee is paralyzed, if he's being fed this kind of nonsense by Mr. O'Sullivan. The facts are quite the opposite. The United States does not own the Panama Canal Zone. Since 1904, the U.S. government has consistently recognized the Canal Zone as Panamanian territory, not U.S. soil. The original Treaty is quite clear about this. We were granted the use of the Zone in Panamanian territory and the rights to exercise authority over the region as if the United States had sovereignty.

O'SULLIVAN It's the commercial value of the Canal to the United States that is an important issue. Seventy percent of the Canal's traffic either starts or ends in the United States. About twenty percent of the U.S. trade goes through the Canal. If the United States lost control of the Canal, it would be a deep concern to us as well as to important American shipping interests.

CLEVELAND That's really old hat. The Canal, in fact, is not vital to America's commercial interests.

O'SULLIVAN It's damned convenient.

CLEVELAND No question about that. But "vital," that's something else. The Canal accounts for less than one percent of the U.S. GNP. If the Canal were to close, the effect on U.S. commerce would be inconsequential.

DOCTOR Perhaps in those terms, it's more vital to the people of Panama.

CLEVELAND Of course. The Canal's traffic contributes 30 percent of Panama's GNP and 40 percent of its foreign exchange earnings. Besides in relative commercial terms, the operation of the Canal is much more vital to Nicaragua, El Salvador or Ecuador than it is to the United States.

DOCTOR Are you getting any of this, Mr. Dandee?

DANDEE As we walked down the road surrounded by great billows of dust, I looked up and saw a large clear blue patch of sky. An airplane—one of those sky writers—flew through the blue patch and behind the plane in little white puffs of smoke was written the words: "If you must choose righteousness or peace, choose righteousness." Then I could hear and feel a strong breeze blowing across my face and the blue patch in the sky was covered again with the billowing clouds of dust.

O'SULLIVAN The really critical issue, Doctor, is U.S. national security. The Canal is the jugular vein of the Americas. In the current struggle for world domination, the Canal has become a focal point. As part of the coastal line of the United States, its defense is just as important as the protection of the Chesapeake Bay. We must have the capability of moving naval forces and commercial supply ships from one ocean to the other. The Panama Canal figures prominently in these plans.

CLEVELAND Of course, the Canal is important to ship movement. But conditions are changing. The newest ships are much larger than the older ones. More than 3,000 of the newer, larger ships can't pass through the present Canal. Rail traffic across the continent to ocean ports can make a big difference. If the Canal had not been available during the Vietnam War, alternative shipping routes would have had no adverse effect on our efforts in Indochina. The Canal has declining value as a military asset.

DANDEE Finally, we came to a large bandstand in the middle of the road. Three old men and a boy were playing, "My country 'tis of thee." In front of the band stood a tall man with a beard who looked like Lincoln. As we trooped by the stand, he said over and over again, "We are the world's last great hope." As we were passing by, quick as a flash, Lincoln disappeared and a short muscular man with a flag tattooed on his chest shouted at us, "I am not a bumbling giant. I am not!" We walked by with our heads down and I could still hear the band music.

DOCTOR (Addressing Cleveland and O'Sullivan) I read where Gen. George Brown, Chairman of the Joint Chiefs of Staff, said that the U.S. Department of Defense was committed to working out a new treaty with Panama.
CLEVELAND That's correct.
O'SULLIVAN You're both talking nonsense. You sound like you think we can sign over the Canal to the Panamanians and expect that they can operate the Canal and that they will allow us to use it. Surrender U.S. sovereignty over the Canal Zone and violence will probably be the order of the day. I know the kind of people the Panamanians are. Let's be realistic. In the past, Panama has been a land of endless intrigue and turmoil. During the last seventy years Panama has had 59 presidents.
CLEVELAND I'm delighted that Mr. O'Sullivan wants to talk about reality. The fact is the Panama Canal is no longer considered to be defensible. It could be closed for extended periods of time by the use of relatively simple weapons. To minimize the Canal's vulnerability, it is essential that there be a friendly local environment. In other words, Panamanians must see that they have a stake in the Canal's continued, uninterrupted operation.
O'SULLIVAN That's blackmail; it's nonsense.
CLEVELAND No, it's common sense.
DANDEE Up ahead, beyond the clouds of dust, I couldn't make out whether it was a celebration. I could hear sounds—maybe firecrackers. I couldn't make them out. Suddenly a man came running right at me. He stopped, pointed a gun at me, and fell on his face—dead.
DOCTOR (Addressing Danee) Either a new treaty with Panama or go with what you've got. It's your chances. Which will it be, Danee? Are those the choices?
DOCTOR I think so.
DANDEE What about the dead man?
O'SULLIVAN That's only a dream.
CLEVELAND I don't know anything.
DOCTOR What are you going to do, Danee?
DANDEE No, that's not the question. What are you all going to a funeral. The rest of it is for

The play ends. Discussion might be

Visit by U.S. Naval Squadron to Panama City, 1909.
was a riot or a cele-
like pistol shots or
tell what was hap-
running out of the
me and shouting.
me and fired, point
to me spun around

Well, I guess that's
ama and a peaceful
got ... and take
Mr. Dandee?

an in the road?

ing about him.
do?
question. The ques-
to do? I'm going
you all to decide.

?

"Europe has a set of primary interests which to us have none or a very remote relation. Hence she must be engaged in frequent controversies, the courses of which are essentially foreign to our concerns... Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity? in the toils of European ambition, rivalry, interest, honor, or caprice? It is our true policy to steer clear of permanent alliances with any portion of the foreign world..."—from George Washington's Farewell Address, 1793.

"The good man should be both a strong and a brave man; that is, he should be able to fight, he should be able to serve his country as a soldier, if the need arises... The question must not be merely, is there to be peace or war? The question must be, is the right to prevail? And the answer from a strong and virile people must be 'yes,' whatever the cost."—Theodore Roosevelt, History as Literature, David M. Keniket Press Corp., Port Washington, N.Y., 1923, pp. 144-148.

"The Mexicans may as well admit that in 1846-1848 they fought a war of aggression against Mexico. President Polk touched off the war when he ordered General Taylor to the line of the Rio Grande. He hoped to provoke the Mexicans and managed to do it. The war was an act of aggression by the United States for the purpose of conquering territory from a helpless neighbor... The war against Mexico was not a just war."—Robert H. Ferrell, American Diplomacy, W. W. Norton, New York, 1969, pp. 216-217.

"Freshman Congressman Abraham Lincoln proposed, in December 1847, that the Polk Administration demonstrate that the Thornton ambush had actually occurred on American soil, since Polk justified the declaration of war on this basis. The outcome of the House debate was passage in 1849 (85 to 81) of a resolution introduced by Congressman John Quincy Adams declaring the war to be unconstitutional.—Karl Jack Bauer, The Mexican War, 1846-1848, Macmillan Co., Riverside, New Jersey, 1974.


"As a consequence, both of settlement on the western coast and the high drama of the clipper ship era, Americans looked toward Asia in the middle of the [nineteenth] century as they would not again until its close. William H. Seward, Secretary of State, projected the idea that our commerce with Asia, having brought the Ancient Continent near us, 'created necessities for a new position—perhaps connections or colonies there.' Commodore Perry shared these imperialistic views and his epochal voyages to Japan first raised the question of possible overseas expansion. In his dispatches to the State Department, Perry also urged American annexation of what were then called the Liaochiu Islands—the principal one now is called Okinawa—which were under Chinese sovereignty."—Foster Rhea Dulles, "American Interest in China," in William A. Williams, The Shaping of American Diplomacy, Rand McNally, New York, 1970.

"Perry's orders [from President Fillmore] forbade him to use force, except as a last resort; but the Kanagawa Shogun who then ruled Japan was so impressed by the display of U.S. ships that, contrary to precedent, he consented to transmit the President's letter to the Emperor... Conferences were held at the little village of Yokohama where gifts were exchanged: lacquers and bronzes, porcelain and brocades, for a set of telegraph instruments, a quarter-century steam locomotive complete with track and cars, Audubon's Birds and Quadrupeds of America, an assortment of farming implements and firearms, a barrel of whisky, and seven cases of champagne. Thus old Japan first tasted the blessings of western civilization. Japanese progressives who wished to end isolation persuaded the Emperor to sign an agreement allowing the United States to establish a consulate..."—Samuel Eliot Morrison, The Oxford History of the American People, Oxford University Press, New York, 1965, pp. 579-80.

"I helped purify Nicaragua for the international banking house of Brown Brothers in 1909-1912. I helped make Mexico and especially Tampico safe for American oil interests in 1916. I brought light to the Dominican Republic for American sugar interests in 1916. I helped make Haiti and Cuba a decent place for the National City [Bank] boys to collect revenue in. I helped in the rape of half a dozen Central American republics for the benefit of Wall Street... The Spanish-American War was a high point in my life when I went to it at the age of sixteen to defend my home in Pennsylvania against the Spaniards in Cuba."—General Smedly D. Butler, twice a recipient of the Congressional Medal of Honor, address at the American Legion Convention, 1931.

"Hubbard's orders: 'Maintain free and uninterrupted transit of the railroad; If interruption is threatened by armed force, occupy the line of railroad. Prevent landing of any armed force with hostile intent, either Government or insurgent..."—W. Starrs Lee, The Strength to Move a Mountain, G. P. Putnam's Sons, New York, 1958, p.33.

"Insurgent Panamanians in Panama City captured the Colombian generals, placed them under arrest, and declared Panama free and independent from Colombia. The Republic of Panama was born.—Ibid., pp. 45-63.

"Three days after the revolt, the U.S. extended official recognition to the new Republic of Panama—before many residents of Panama knew they were citizens of an independent nation, before Colombia had any clear conception of what had transpired. A reporter cabled, 'The people here are frantic with delight at the United States' recognition of the de facto Government of the Republic of Panama. All during the day fireworks were everywhere exploded..."—Ibid., p. 61.


"The reasons for the precipitous recognition of Panama by the United States were given by Theodore Roosevelt: 'First, our treaty rights; second, our national interest and safety; and third, in the interest of collective civilization... We policed the isthmus in the interest of its inhabitants and of our own national needs and for the good of the entire civilized world.'"—Doris Graber, Crisis in Diplomacy, Public Affairs Press, Washington, D.C., 1958.
The following selection of arguments supporting and opposing a new treaty was prepared by James R. Jennings in his research for the one-act play, "Yankee Doodle Over There." Independently of the play, however, it provides a useful summary of opinions on both sides of the argument, from the viewpoint of U.S. national interest.

The following four questions are raised in the debate over the Panama Canal Zone in the Congressional Record, October 7, 1974, HR 9720.

1. Will the new treaty mean a surrender of U.S. sovereignty over the Canal?

Yes

"The record is absolutely clear. The United States bought and paid for the Panama Canal. It is our property. It belongs to the people of this country. . . . We bought it; we have paid for it. It is ours. Neither the President nor the State Department has the authority to dispose of this property except by an act of Congress."

Senator Strom Thurmond, Congressional Record, March 29, 1974, S4733.

"No part of the Canal is situated on the Panamanian territory. If that were indeed the case, then there might be some question of injustices involved in renegotiation of the treaty and the elimination of the concept of perpetuity; however, that is emphatically not the case."

Ibid, S4730.

No

"Since 1904 the U.S. government has consistently recognized that the Canal Zone is Panamanian, not United States territory. The United States was granted use of this zone of Panamanian territory and rights to exercise authority which the United States would possess and exercise as if it were the sovereign. The clear meaning of these words is that the United States is not the sovereign. Rather, it has jurisdiction over a portion of territory which remains Panamanian. Indeed, this was recognized by both governments in Article 3 of the 1936 Treaty where the Zone is described as territory of the Republic of Panama under the jurisdiction of the USA."

John Blacken, First Secretary of the U.S. Embassy in Panama, Congressional Record, May 22, 1975, S9068.

2. Will the new treaty adversely affect U.S. commercial interests?

Yes

"Some 15,000 vessels from 55 nations transit the Canal annually and 70% of its traffic either starts or terminates in the U.S. While 16.8% of U.S. trade goes through the Canal, it handles 37% of the trade of Chile, 32% for Colombia, 27% for Costa Rica, 51% for Ecuador, 66% for El Salvador, 30% for Guatemala, 76% for Nicaragua, 41% for Peru, and 29% for Panama. Important shipping interests have expressed their deep concern over loss of control over the Canal Zone by the United States and oppose its surrender. Similar opposition can be expected from other maritime nations, including those of Latin America that have the most to lose."

Congressman Daniel Flood, Congressional Record, October 7, 1974, HR9720.

No

"The adjective most frequently applied to the Canal by some Americans is 'vital.' In terms of U.S. trade, however, the numbers would justify more modest description. Convenient. Useful. The Canal is economically vital to Panama (30% of Panama’s GNP and
40% of its foreign exchange earnings are directly or indirectly attributed to the Canal and related installations, perhaps to Nicaragua and a few Latin American countries, but not the United States. Foreign trade accounts for less than 10% of U.S. GNP, the Canal affects less than 1% of the U.S. GNP. By volume, less than 5% of the total world trade transits the Canal. By value, the proportion would be little more than 1%; an increasing percentage of more expensive cargo is being transported by air—e.g., 10% of U.S. foreign trade. The fact is the countries most likely to be adversely affected by increased toll rates if Panama were to so decide—that is, Latin Americans—have unanimously endorsed Panama's call for greater sovereignty over the Canal. Latin Americans have never before been as united and outspoken in support of Panama's grievances against the United States. (Most countries which use the Canal are interested mainly in efficient operation and reasonable tolls.)


3. Will the new treaty prejudice our national security?

**Yes**

"The Panama Canal is the jugular vein of the Americas. In the current struggle for world domination, the Panama Canal, as a crucial element in American seapower... has become a focal point.... As a part of the coast line of the United States its defense is just as important as the protection of the Chesapeake Bay. The real issue involved is not U.S. control vs. Panamanian, but continued U.S. sovereign control vs. USSR domination. As to its physical vulnerability, the Armed Forces of the United States successfully protected it during two world wars as well as during the Korean and Vietnam wars."

Congressman Flood, Congressional Record, October 7, 1974, HR9720.

**No**

"The Canal remains a prime consideration in the planning for and accomplishment of the safe and timely movement of naval units between the Atlantic and Pacific Oceans... However, in 1970, there were about 1300 ships afloat, under construction or on order which could not enter the Panama Canal locks. There were approximately 1750 more ships that could not pass through the Canal fully laden because of draft limitations due to seasonal low water level.... The denial of the Canal to both defense and commercial shipping for two years could have a serious adverse effect on the national defense.... A former service officer of the U.S. Budget Bureau Military Division believes that alternative models of shipment would have had no adverse effect on the Vietnam war effort and that additional costs would have been negligible.

A ranking State Department expert in Panamanian affairs now terms the Canal a military asset of declining value. Residual utility will remain for some time, largely because of the constraints of U.S. West Coast port facilities, particularly in munitions-handling."

Robert Cox, cited, pp. 138-140.

4. Will the new treaty weaken the U.S. position by exposing the Canal to political instability and violence?

**Yes**

"This U.S. territory has long served as an area of stability in a land of endless political turmoil. Surrender of U.S. sovereignty over the zone will not improve but worsen the situation; probably extending violence to the lock walls of the Canal. I know the kind of people the Panamanians are..."

Congressman Flood, Congressional Record, September 24, 1975, H9052.

"During the last seventy years they have had 59 presidents in a land of endless intrigue and turmoil." Congressmen Flood, Congressional Record, April 24, 1974, S6205.

"Other Zonians rejected that (This government is Communist) as a description of Panamanian strongman Omar Torrijos, but agreed that he is a dictator whose rule is capricious and unstable. Several cited arrests of specific Panamanian friends or relatives. None of the stories can be officially corroborated, but Torrijos' exile of 13 dissidents last January and his speedy trial of an alleged terrorist last month did nothing to allay Zonians' fears."


**No**

"If Americans have a national interest in protecting a distant enterprise that is marginally useful in their defense and affects less than 1% of their GNP, the Panamanians might have even greater interest to protect the Canal. It is on their territory, provides about a third of their GNP, and constitutes their primary national resource."

Robert Cox, cited, p. 152.
"There are two important resources for Christian decision-making," a professor of mine used to tell his students: "the Bible and the daily newspaper." But after he handed out the semester's reading list, the students knew that to understand the Bible and the daily newspaper, we would have to spend a lot of time reading theology, economics and politics.

Even that is not sufficient, because it is an individual effort. A better way to discern God's will is in community, that is, in a group willing to share their perspectives on contemporary reality and their Scriptural insights.

This chapter is a guide for that sharing process. What position to adopt regarding the Panama Canal treaty, what action to take, is up to the readers. There is no pre-packaged set of recommendations here; there are suggested questions, and Biblical themes to start you on a collective search for the light of Scripture on those questions.

A Word About Process

Ideally, your discussion will serve as preparation for action. But whether or not you decide to take action, the discussion can be important in and of itself—if it leads to a better understanding of the process by which ethical decisions are made.

So you will want to take time, at the beginning and throughout the discussion, to talk about that process. Given a particular set of choices—for instance, whether or not to renegotiate the Panama Canal treaty—how do Christian citizens discern God's will? What questions do Christians ask that might not occur to other citizens?

If yours is a newly formed group, one that has not worked together before, you will also want to be aware of your own process. Some groups are comfortable with a "group dynamics" style of discussion, in which leadership is shared and the members openly discuss how their evolving relationships affect their perspective on the debate. If you choose this approach, a brief evaluation at the end of each session can be helpful.

Other groups may prefer to adopt some sort of parliamentary procedure. In either case, it helps to agree beforehand on the process and on the degree of commitment expected of each member (meeting times, preparation, outside research).

The two focal points in this study guide are the political issues and the Bible. The process should be a movement back and forth between Scripture and contemporary reality, between "the Bible and the daily newspaper." The Bible was written, God's word was spoken, between twenty and thirty centuries ago, to a people who never heard of the Panama Canal. But the Bible was written, God's word was spoken, for all times; its lessons are applicable here and now, and can help us to understand what is happening in our time, in this particular situation.

How your group makes this back-and-forth movement between the Bible on the one hand, and economics and politics on the other, will depend on the way you are used to thinking. People who like to have things neatly lined up in categories—the secular considerations in one box and the spiritual considerations in another—will want to divide the sessions accordingly. You will have a problem deciding which to take first, but you can make it work if you try.

Probably a more effective way—but more difficult—is to tackle both groups of questions together. It's harder to maintain an orderly discussion that way, since group discussions have a way of wandering off into irrelevant topics; but there is a strong chance that the more free-wheeling discussion style will lead to insights—both on the issue and on the process—that would not otherwise have occurred.

Asking the Questions

The right answer to the wrong question can still be a wrong answer—as anyone knows who has had to undergo cross-examination by an unsympathetic law-
yer. An important focus in the search for justice is to ask the right questions.

As you read this book and study outside resources, your first task is to decide on the validity of the questions that are being asked. Look again, as a group, at the chapter entitled "The U.S. National Interest: Highlights of the Debate." Four questions are asked there:

- Will the new treaty mean a surrender of U.S. sovereignty over the Canal?
- Will the new treaty adversely affect U.S. commercial interests?
- Will the new treaty prejudice our national security?
- Will the new treaty weaken the U.S. position by exposing the Canal to political instability and violence? (The mirror image of this question is: Would the absence of a new treaty weaken the U.S. position by exposing the Canal to political instability and violence?)

These have been the main questions raised in the U.S. debate on the Canal treaty; they are important questions. From the point of view of U.S. citizens, they may be the most important questions; they are clearly concerned with the three basic rights of the Declaration of Independence—life, liberty and the pursuit of happiness—as well as with property rights, also highly respected in our society. But the quest for justice requires us to consider the issue from a broader viewpoint as well.

Now look at the one-act play, "Yankee Doodle Over There," which is based in part on those questions. In the play, it is the Doctor who asks questions from a different perspective: "What were you doing in those places (China, South America, the Caribbean, Mexico, Hawaii)?" "What was happening in Panama?" "Who won?"

They sound like the questions a parent might ask his or her children when they come in from an afternoon in the park—whether it’s a fight or a football game they’re reporting. Since Christians see themselves as God’s children, it’s a useful comparison. So let us add a few more questions to the first set:

- What were we doing in Panama? Why were we there?
- What was happening there, among the local people?
- Who won? What did we—and they—gain or lose?

There are other questions that God might ask his children about Panama:

- Did you play fair?
- Did you learn anything from the experience, that might help the United States improve its relations with Panama and other countries in the future?

So far we have identified four questions from a U.S. perspective, and five from a broader point of view. Are there other questions that should be asked? Should the wording of these questions be changed for the purposes of your group, to shift emphasis or clarify the meaning? Make your own list of questions on newspaper or poster boards for use at each meeting, leaving plenty of space in between to add subquestions or new ones.

Reflecting on the Scriptures

Once your group has decided on the basic questions that seem to frame the issue most appropriately, the next step is to seek the light of Scripture on these questions. "Not as the Pharisees do," using the Bible merely to prove a point or support a particular position. Throughout the process, it is important to keep in mind the role of Scripture in forming moral judgment. As James M. Gustafson notes:

The Christian community judges the actions of persons and groups to be morally wrong, or at least deficient, on the basis of reflective discourse about present events in the light of appeals to this variety of material as well as to other principles and experiences. Scripture is one of the informing sources for moral judgments, but it is not sufficient in itself to make any particular judgment authoritative.

_Theology and Christian Ethics_  

In a spirit of humility and openness to the possibility that there may be things in God’s word to surprise us, what light can Scripture shed on the issues involved in the Panama Canal? Three scriptural themes are suggested here for review and reflection; if you think of others, they should be introduced as well.

1. **Dominion over the earth:** One of the principal issues has been the question of sovereignty. Who owns, who has the right of control over the Canal Zone? In the creation story, in the Book of Genesis, God gave his children dominion over every moving thing, and over all the plants. With that dominion, or sovereignty, went a certain responsibility: they were to take care of the land and use it well. When they did not use it according to his instructions—when they ate of the forbidden fruit—it became very clear that their "ownership" of the land lasted as long as God was pleased by the way they used it, and no longer.

Read the first three chapters of Genesis, with the following questions in mind:

- What does sovereignty mean? What are the rights and obligations involved in control over the land?
- What do we know about the way in which the United States has used the Canal Zone? In what way has U.S. use of the Zone benefitted people—in this country and in others, in economic, political and military terms? Has it been harmful to anyone, and if so, how? If the government of Panama regained control over the Canal Zone, how would that situation change?
- How would God judge the U.S. claim to sovereignty over the Canal Zone, based on the argu-
ments that (a) we bought it, and (b) we helped Panama separate from Colombia? How would He judge Panama’s claim, based on the arguments that (a) they depend on the land and the Canal as a principal national resource, and (b) the Americans are foreigners and don’t belong there?

- Who, in the last analysis, is really sovereign in the Panama Canal Zone?

2. The uses of power: The Old Testament is essentially about the struggle of God’s people to win the land he had promised them, and to keep it in the face of incursions by neighboring peoples. From Moses on, through periods of exile, captivity and warfare, God’s power went with the people of Israel, or seemed to abandon them, depending on whether or not he was pleased with their behavior.

I Samuel, chapter 17, tells of one time when the power of God was with the Israelites against the Philistines. The Israelites were outnumbered and cowering—until a boy named David, who had no business being there where grown men were fighting, stepped forward to accept the challenge of Goliath, the Philistine leader.

The boy won, and went on to become a powerful king. But he did not always use his power wisely; in one case he used it to usurp the property (for a wife was property) of a powerless man named Uriah, one of his soldiers. II Samuel, chapters 11 and 12, tells what happened. God sent a prophet named Nathan to rebuke him; Nathan told him about a rich man who took a poor man’s property—in this case, a lamb. “For God’s sake,” exclaimed King David, “the man should be executed—or at least pay it back, four times over.” Nathan answered: “You are the man.”

The real point of the story is not about property ownership but about the use and abuse of power. There can be no clear assumption that the United States has usurped foreign property, as there was when David took Uriah’s wife; that question must be discussed separately. Here we are talking about the power relationships between the United States and Panama.

Read the stories of David, with the following questions in mind:

- Many Americans are worried that if we give in to Panama, the United States will appear on the world scene as a bumbling giant, easily intimidated by little bullies. Did Goliath lose because he was a bumbling giant? Or were there other reasons? If so, what were they?
- In the years between young David’s heroic moment, and King David’s shame, how had he changed? How had his power affected him?
- How has the United States used its power in the Canal Zone?

3. Social Justice:

The spirit of the Lord is upon me; therefore he has anointed me.

He has sent me to bring the glad tidings to the poor,
to proclaim liberty to the captives,
Recovery of sight to the blind
and release to prisoners,
to announce a year of favor from the Lord.

(Luke 4:18,19)

Early in his ministry, Jesus used this quotation from the prophet Isaiah to describe his own ministry: “Today this scripture passage is fulfilled in your hearing.” (Luke 4:21)

Mary knew, even before he was born, that this was what he was about. She was quoting Scripture too—the Song of Hannah and several Psalms—when she marveled:

He has shown might with his arm;
he has confused the proud in their inmost thoughts.
He has deposed the mighty from their thrones and raised the lowly to high places.
The hungry he has given every good thing,
while the rich he has sent away empty.

(Luke 1:51-53)

It would be an oversimplification to think of God’s justice as a great leveler, designed to take power and wealth from those who have it, to give to those who lack it. The story of the talents (Matthew 25:14-30) contradicts that view: there the enterprising servant was rewarded, and the one who buried his coin to protect it was punished: “For to everyone who has will be given more. . . .”

Indeed, in most of the Bible the amount of a person’s possessions does not seem to be the measure of justice, although Jesus does warn about excessive attachment to possessions (see Matthew 6:24; 19:23f; 1 Timothy 6:10). The measure seems rather to be whether or not people have what they need to live full lives; and whether they have more than they need, depriving others of the basic necessities (James 2:15f; 1 John 3:17). This is the sense of Isaiah 65, where the prophet describes the “new heavens and a new earth” that God wills for his people:

No longer shall there be in it
an infant who lives but a few days,
or an old man who does not round out his full lifetime . . .
They shall live in the houses they build,
and eat the fruit of the vineyards they plant;
They shall not build houses for others to live in,
or plant for others to eat.
As the years of a tree, so the years of my people;
and my chosen ones shall long enjoy the produce of their hands.

In the prophets and in the Gospel, “knowing the Lord” and “doing justice” were very close to meaning one and the same thing. Jeremiah, speaking for the Lord, said, “The days are coming . . . when I will make a new covenant with the House of Israel. . . . No longer will they need to teach their friends and kins-
men how to know the Lord. All from least to greatest shall know me. . . . “ (Jeremiah 31:31ff). Jesus saw himself, and Paul later saw him, as the embodiment of the new covenant of which Jeremiah spoke (Luke 22:20; I Cor. 11:25; II Cor. 3:6).

In the time of the new covenant, that is during the Christian era, all will come to know the Lord. But what does that mean? Jeremiah tells us: “The Lord says, ‘He did what was right and just, and it went well with him.’ Because he dispensed justice to the weak and poor, it went well with him. Is this not true knowledge of me?” (Jeremiah 22:15f).

And then we have the word of the prophet Micah, with great finality:

You have been told, O man, what is good, and what the Lord requires of you:
Only to do the right and to love goodness, and to walk humbly with your God.

(Micah 6:8)

Read these passages and ask:
• To what extent has the United States been “proud of heart” in our dealings with Panama?
• Supposing the negotiations on a new treaty break down altogether, to what extent might Panama claim God’s justice on their side for open rebellion against U.S. domination of the Canal Zone?
• Is there a valid comparison to be made between Panama’s economic and political dependence on the United States, and the image of building a house for another to inhabit? If many Panamanians do not have the basic necessities for a full life, to what extent is the United States—and our support of the existing class structure in Panama—responsible?
• What does it mean to be a Christian, a minister of the new covenant? What does it mean to know the Lord? Is justice a hallmark of the new covenant people, and if so, what does justice mean in this situation?

A Final Word

Centuries ago, our civilization developed an understanding that there were two subjects that polite people should not bring into conversation: religion and politics, because either one could lead to conflict. Your group is undertaking to talk about religion and politics; there’s no way you’re going to avoid conflict. Indeed, if there is no conflict, the chances are that everyone in the group shares the same pre-conceived notions—for or against a new treaty, and about what a new treaty should include—and you’d better examine those assumptions.

So be prepared for conflict, and if possible, establish an understanding about the right and wrong way to express disagreement. This, too, is part of the process of understanding God’s will; speaking the truth in love, Christians should find that it is possible to discuss religion and politics.
Appendix A  A SUMMARY OF PAST AND PRESENT TREATIES

The following list of U.S. and Panamanian rights in the Canal Zone, as they have evolved through three major treaties, was prepared by EPICA (the Ecumenical Program for Inter-American Communication and Action) and appears in The People’s Primer: Uniting Panama (EPICA, 1500 Farragut Street, N.W., Washington, D.C. 20011; updated version, 1976).

Hay-Bunau-Varilla Treaty, 1903

Rights Received

1) In perpetuity, to a zone of land and land under water 10 miles in width and extending 3 miles into the Caribbean and 3 miles into the Pacific Ocean, plus certain small islands in the Bay of Panama, for the maintenance, operation, sanitation, and protection of a canal across the Isthmus of Panama.

2) In perpetuity, the use, occupation, and control of any other lands and waters outside of the Zone which may be necessary and convenient for the construction, maintenance, operation, sanitation, and protection of the Canal.

3) All the power and authority within the Zone and within the limits of all auxiliary lands and waters which the United States would possess and exercise if it were sovereign, to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power, or authority.

4) All the rights of the New Panama Canal Company and the Panama Railroad upon purchase of the Company’s rights, privileges, properties, and concessions.

5) At all times and at its discretion to use its police and its land and naval forces or to establish fortifications for the safety or protection of the Canal, or of the ships that transit it, or the railways and auxiliary works.

6) To use the rivers, streams, lakes, and other bodies of water in the Republic of Panama for navigation, the supply of water, or water power or other purposes as may be necessary and convenient for the construction, maintenance, operation, sanitation, and protection of the Canal.

7) A monopoly in perpetuity for the construction, maintenance, and operation of any system of communication by means of canal or railroad connecting the Caribbean Sea and the Pacific Ocean across Panamanian territory.

8) To acquire in the cities of Panama and Colon, by purchase or by the exercise of the right of eminent domain, any lands, buildings, water rights, or other properties necessary and convenient for the construction, maintenance, operation, and protection of the Canal and of any works of sanitation, such as the collection and disposition of sewage, and the distribution of water in the said cities of Panama and Colon, at the discretion of the United States.

9) To impose and collect water rates and sewerage rates which shall be sufficient to provide for the payment of interest and the amortization of the principal of the cost of such works within a period of 50 years, upon which time the system of sewers and water works shall revert to and become the properties of the cities of Panama and Colon.

10) To enforce in perpetuity sanitary ordinances prescribed by the United States in the cities of Panama and Colon and the territories and harbors adjacent thereto in case the Republic of Panama should not be, in the judgment of the United States, able to maintain such order.

11) In perpetuity, to maintain public order in the cities of Panama and Colon and the territories and harbors adjacent thereto in case the Republic of Panama should not be, in the judgment of the United States, able to maintain such order.

12) To make use of the towns and harbors of Panama and Colon as places of anchorage, and for making repairs, for loading, unloading, deposition, or transshipping cargoes either in transit or destined for the service of the Canal and for other works pertaining to the Canal.

13) Freedom from taxation upon the Canal, the railways and auxiliary works, tugs, and other vessels employed in the service of the Canal, shorehouses, workshops, offices, quarters for laborers, factories of all kinds, warehouses, wharves, machinery and other works, property, and effects appertaining to the Canal or railroad and auxiliary works, or their officers or employees, situated within the cities of Panama and Colon, and freedom from taxation upon officers, employees, laborers, and other individuals in the service of the Canal and railroad and auxiliary works.

14) To import at any time into the Zone and auxiliary lands, free of customs duties, import duties, taxes, or other charges, and without any restrictions, all materials necessary and convenient for the use of the Canal, shorehouses, workshops, offices, quarters for laborers, factories, machinery, and other works, property, and effects appertaining to the Canal or railroad and auxiliary works, or their officers or employees, within the Zone and Colon.

15) The right to purchase or lease lands adequate and necessary for naval or coaling stations on the Pacific coast and on the western Caribbean coast of the Republic of Panama at certain points to be agreed upon.

Concessions

1) Guaranteed the independence of the Republic of Panama.

2) Granted the right to have official dispatches of the Government of Panama transmitted over any telegraph and telephone lines established for Canal purposes and used for public and private business at rates not higher than those required from officials in the service of the United States.

3) $10 million in gold coin of the United States and an annual payment of $250,000, beginning nine years after the date of the exchange of ratifications.

4) Granted the Republic of Panama the right to transport
over the Canal its vessels and its troops and munitions of war at all times without paying charges of any kind. The exemption is extended to the auxiliary railway for the transportation of persons in the service of the Republic of Panama, or of the police force charged with the preservation of public order outside of the Zone, as well as to their baggage, munitions of war, and supplies.

5) United States assumes the costs of damages caused to owners of private property of any kind by reason of the grants contained in the treaty or by reason of the operations of the United States, its agents or employees, or by reason of the construction, maintenance, operation, sanitation, and protection provided for in the treaty.

6) After 50 years, the system of sewers and waterworks constructed and maintained by the United States shall revert to and become the properties of the cities of Panama and Colon.

Treaty of 1936

Rights Received

1) Jurisdiction of a corridor from Madden Dam to the Canal Zone.

2) Unimpeded transit across the Colon corridor (provided for in the treaty) at any point, and of travel along the corridor, and to such use of the corridor as would be involved in the construction of connecting or intersecting highways or railroads, overhead and underground power, telephone, telegraph and pipe lines, and additional drainage channels.

Concessions

1) Renounces the guarantee of Panamanian independence.

2) Renounces the right to expropriate without restriction additional land for Canal use. Henceforth, in the event of some unforeseen contingency, should the utilization of lands or waters additional to those already employed be necessary for the maintenance, sanitation, or efficient operation of the Canal, or for its effective protection, the two governments will agree upon such measures as may be necessary to take.

3) Renounces right of “eminant domain” in cities of Panama and Colon.

4) Renounces right to intervene to maintain public order in the cities of Panama and Colon.

5) Renounces unlimited right to defend Canal. In the event that the security of the Republic of Panama or the Canal is threatened, the matter will be the subject of consultation between the two governments.

6) Increases annuity from $250,000 to $430,000.

7) Persons not connected with the operation or administration of the Canal are not to rent dwellings in the Canal Zone belonging to the Government of the United States or to reside in the Zone.

8) Sale of goods imported into the Zone or purchased, produced, or manufactured there by the Government of the United States is limited to persons employed by the United States in the Canal Zone and members of the Armed Forces of the United States, and their families. Contractors operating in the Zone and their employees and persons engaged in religious, welfare, charitable, educational, recreational, and scientific work may purchase such items only when they actually reside in the Zone.

9) All private business enterprises in the Zone, with the exception of concerns having a direct relation to the operation, maintenance, sanitation, or protection of the Canal, other than those existing at the time of the signature of the treaty, are prohibited.

10) United States extends to merchants residing in Panama full opportunity for making sales to vessels at terminal ports of the Canal or transiting the Canal.

11) United States will permit vessels entering at or clearing from ports of the Canal Zone to use and enjoy the dockage and other facilities of the ports for the purpose of loading or unloading cargoes and receiving or disembarking passengers to or from territory under the jurisdiction of the Republic of Panama.

12) Republic of Panama is given right to collect tolls from merchant ships in the ports of Panama City and Colon, even though they later pass through the Canal.

13) United States will furnish to the Republic of Panama free of charge the necessary sites for the establishment of customhouses in the ports of the Canal Zone for the collection of duties on imports destined to the Republic and for the examination of merchandise and passengers consigned to or bound for the Republic of Panama. Panama is given exclusive jurisdiction to enforce the immigration or customs laws of the Republic of Panama within the sites so provided.

14) Republic of Panama is given the right to determine what persons or classes of persons arriving at ports of the Canal Zone shall be admitted or excluded from its jurisdiction.

Treaty of 1955

Rights Received

1) Exclusive use without cost, for a period of at least 15 years, of a military training and maneuver area (approximately 19,000 acres) in the Rio Hato region.

2) Panama waives the right, under article XIX of the 1903 convention, to free transportation over the Panama Railroad of persons in the service of the Republic of Panama, or of the police force charged with the preservation of public order outside of the Canal Zone, as well as to their baggage, munitions of war, and supplies.

3) Panama waives certain treaty rights in order to enable the United States to prohibit or restrict the use of a contemplated new strategic highway within the Canal Zone by commercial transisthmian traffic.

4) Panama waives certain treaty provisions in order to enable the United States to extend limited post exchange privileges to military personnel of friendly foreign countries visiting the Canal Zone under U.S. auspices.

5) A lease for a period of 99 years without cost to two parcels of land contiguous to the U.S. Embassy residence site in the city of Panama.

6) Panama will reserve permanently as a park area certain land in front of the U.S. Embassy office building site in Panama City.

7) A reduction of 75 percent in the import duty on alcoholic beverages which are sold in Panama for importation into the Canal Zone.
Concessions

1) The annuity is increased from $430,000 to $1,930,000.
2) Subject to certain general conditions, Panama is enabled to levy income taxes on the following categories of personnel employed by Canal Zone agencies: (1) Panamanian citizens irrespective of their place of residence and (2) citizens of other countries who reside in territory under the jurisdiction of Panama.
3) Renounces monopoly with respect to the construction, maintenance, and operation of transisthmian railroads and highways, with the proviso that no system of interoceanic communication by railroad or highway within territory under Panamanian jurisdiction may be financed, constructed, maintained, or operated directly or indirectly by a third country or nationals thereof unless in the opinion of both parties such action would not affect the security of the Canal.
4) Renounces treaty right to prescribe and enforce sanitary measures in the cities of Panama and Colon.
5) Certain lands, with improvements thereon, previously acquired for Canal purposes (including Puerta Peñasco and the Panama Railroad yard and station in the city of Panama) but no longer needed for such purposes, are to be transferred to Panama and there is to be a gradual transfer to Panama of the New Cristobal, Colon Beach, and Fort de Lesseps areas in Colon.
6) Canal Zone commissary and import privileges of non-Panamanian Negotiating Commission on the present status of this section.
7) The U.S. Congress will be requested to enact legislation authorizing establishment of a single basic wage scale for all U.S. and Panamanian employees of the U.S. Government in the Canal Zone and providing for uniform application of the Civil Service Retirement Act to citizens of the United States and citizens of Panama employed by the U.S. Government in the Canal Zone.
8) The United States will afford equality of opportunity to citizens of Panama for employment in all U.S. Government positions in the Canal Zone for which they are qualified and in which the employment of U.S. citizens is not required, in the judgment of the United States, for security reasons.
9) Citizens of Panama will be afforded opportunity to participate in such training programs as may be conducted for employees by U.S. agencies in the Canal Zone.
10) Articles, materials, and supplies that are mined, produced, or manufactured in the Republic of Panama, when purchased for use in the Canal Zone, will be exempted from the provisions of the Buy American Act.
11) The U.S. Congress will be requested to enact the necessary legislation for the construction across the canal at Balboa of a bridge.

Appendix B  INTERIM AGREEMENTS

As early as 1974, it became evident that public opinion in the United States would balk at any major revision of the existing treaty, and that the issue would involve party politics — thus making final agreement unlikely until after the 1976 elections.

In an effort to establish the progress already made, and to reassure both sides, U.S. Secretary of State Henry A. Kissinger and Panamanian Minister of Foreign Affairs Juan Antonio Tack issued an "Agreement on Principles" dated February 7, 1974. That statement is reproduced in full in this section.

It is followed by a September 1975 report by the Panamanian Negotiating Commission on the present status of the negotiations. Reproduced here is an unofficial translation, taken from the Star and Herald, English-language newspaper of the Canal Zone.

Agreement on Principles
(February 7, 1974)

The Republic of Panama and the United States of America have been engaged in negotiations to conclude an entirely new treaty respecting the Panama Canal, negotiations which were made possible by the Joint Declaration between the two countries on April 3, 1964, agreed to under the auspices of the Permanent Council of the Organization of American States acting provisionally as the Organ of Consultation. The new treaty would abrogate the Treaty existing since 1903 and its subsequent amendments, establishing the necessary conditions for a modern relationship between the two countries based on the most profound mutual respect.

Since the end of last November, the authorized representatives of the two governments have been holding important conversations which have permitted agreement to be reached on a set of fundamental principles that will serve to guide the negotiators in the effort to conclude a just and equitable treaty eliminating, once and for all, the causes of conflict between the two countries.

The principles to which we have agreed, on behalf of our respective governments, are as follows:
1) The Treaty of 1903 and its amendments will be abrogated by the conclusion of an entirely new interoceanic canal treaty.
2) The concept of perpetuity will be eliminated. The new treaty concerning the lock canal shall have a fixed termination date.
3) Termination of U.S. jurisdiction over Panamanian territory shall take place promptly in accordance with terms specified in the treaty.
4) The Panamanian territory in which the Canal is situated shall be returned to the jurisdiction of the Republic of Panama. The Republic of Panama, in its capacity as territorial sovereign, shall grant to the United States of America, for the duration of the new interoceanic canal treaty and in accordance with what that treaty states, the right to use the lands, waters and airspace which may be necessary for the operation, maintenance, protection and defense of the Canal and the transit of ships.

5) The Republic of Panama shall have a just and equitable share of the benefits derived from the operation of the Canal in its territory. It is recognized that the geographic position of its territory constitutes the principal resource of the Republic of Panama.

6) The Republic of Panama shall participate in the administration of the Canal, in accordance with a procedure to be agreed upon in the treaty. The treaty shall also provide that Panama will assume total responsibility for the operation of the Canal upon the termination of the treaty. The Republic of Panama shall grant to the United States of America the rights necessary to regulate the transit of ships through the Canal and operate, maintain, protect and defend the Canal, and to undertake any other specific activity related to those ends, as may be agreed upon in the treaty.

7) The Republic of Panama shall participate with the United States of America in the protection and defense of the Canal in accordance with what is agreed upon in the new treaty.

8) The Republic of Panama and the United States of America, recognizing the important services rendered by the interoceanic Panama Canal to international maritime traffic, and bearing in mind the possibility that the present Canal could become inadequate for said traffic, shall agree bilaterally on provisions for new projects which will enlarge Canal capacity. Such provisions will be incorporated in the new treaty in accord with the concepts established in principal 2.

Henry A. Kissinger
Secretary of State of
The United States of America

Juan Antonio Tack,
Minister of Foreign Affairs of
The Republic of Panama

Report By The Panamanian Negotiating Commission on the Present Status of the Negotiations

Points of Agreement

On the Subject of Jurisdiction: It has been agreed that, three years after approval of the new treaty, the Canal Zone disappears and Panama assumes jurisdiction over that territory. Specifically, the following has been agreed upon:

a) There will be no Canal Zone Government. The Governor and the administrative apparatus will disappear.

b) There will be no North American Police because the National Guard will assume those functions.

c) There will be no North American laws, courts or judges. Only the Panamanian law will be enforced.

d) Fire-fighting, license and plate issuance and postal services will be provided by Panama exclusively.

e) There will be no boundaries nor any map of the Isthmus of Panama will be drawn in which the designation "Canal Zone" appears.

On the Subject of Administration:

a) The Panama Canal Company disappears and an entity will be created in which both countries will be represented.

b) Panamanian workers may be promoted to all positions relating to the operation, maintenance, sanitation and administration of the Canal.

c) The employment of Panamanians in the administration of the Canal will be carried out in an increasing manner, so that upon the termination of the Treaty, the Canal will be operated exclusively by Panamanians.

d) The concept of the neutrality of the Canal is incorporated.

Points of Disagreement

Duration of the Treaty: Panama proposes a period of duration for the treaty that will not be extended beyond the end of this century. The United States, in its latest proposal, accepts a period of 25 years as duration for the Canal treaty, but one of 50 years for the defense of the waterway. Further the United States insists that after 50 years, the United States will have the right to continue defending the Canal for an indefinite time, which is tantamount to perpetuity.

Panama has emphatically rejected this proposal.

Defense Sites: The United States proposes that the existing 14 military bases be maintained. As a negotiating position, Panama proposes the existence of up to three defense sites provided that such sites will not be close to the cities of Panama and Colon and that they come under a schedule of dismantling during the period of duration of the treaty.

Land and Waters: Panama proposes, for purposes of administration of the Canal, a strip bordering on the Canal (also subject to Panamanian jurisdiction) for warehouses, maintenance shops, etc. This strip is equivalent to 10 percent, approximately, of the land which at present constitutes the Canal Zone. The United States proposes, for purposes of administration and defense, a section of lands and waters that is equivalent to 85 percent of the present Canal Zone. Panama has rejected this proposal.

Panama proposes that the ports of Balboa and Cristobal come under Panamanian jurisdiction, the participation of the Entity that administers the Canal being permitted for purposes of the operation of the Canal and the transit of ships.
ships. The United States proposes that the administration entity of the Canal retain control over those ports.

Panama has rejected this proposal.

Compensation or Annuity: The United States proposes a system of annuity based on tonnage which amounts approximately to 35 million Balboas annually. Panama has rejected this proposal and insists that this subject will be discussed only after what is agreed on jurisdiction and defense.

Status of Zonians: The United States proposes systems aimed at maintaining the privileges of Zonians and excluding them from Panamanian jurisdiction. Panama has rejected this proposal and has set forth the alternative that the presence of those citizens disappear gradually, while retaining certain guarantees for their jobs but without detriment to Panamanian jurisdiction.

Expansion or New Works: In the eight-point Tack-Kissinger declaration, it was agreed that both countries would agree in the new treaty on the expansion of the present Canal or on New Works (Sea Level Canal). However, in its latest presentation, the United States proposes as its unilateral right the carrying out of the expansion of the present Canal of New Works.

Panama has rejected this proposal.

Neutrality: Panama has proposed that the neutrality of the Canal must be effective and must be guaranteed by all countries through the United Nations. The United States had accepted this Panamanian proposal, but has changed that position in its latest proposal and now proposes to maintain what it understands as neutrality in relation to the exclusive interests of the United States.

Panama has rejected this proposal.

Hydrographic Basin: Panama has conducted, on its own account, a study of the Hydrographic Basin which provides water for the Panama Canal. The purpose is to reforest that basin with trees and sufficient vegetation in order to maintain the volume of the rivers, so that when the Canal passes into Panama’s hands it will not be in disuse for lack of a sufficient volume of water.

Appendix C  PANAMA-U.S. RELATIONS

In February 1975, the Administrative Board of the U.S. Catholic Conference released the following statement. The Administrative Board, composed of 46 members (three cardinals, eight archbishops and the rest bishops) is chaired by the President of the U.S. Catholic Conference, Archbishop Joseph L. Bernardin of Cincinnati.

Statement by the Administrative Board
United States Catholic Conference

The United States and the Republic of Panama are currently engaged in active negotiations regarding a treaty involving the Panama Canal. It is a moral imperative—a matter of elemental social justice—that a new and a more just treaty be negotiated.

The history of these negotiations spans a 70-year period, beginning with the original Treaty of 1903 by which the United States assumed virtually sovereign and perpetual control over the heartland of the Panamanian Isthmus. More recently, in February 1974, the two nations signed the Kissinger-Talbert Agreement on Principles, which provides a significant basis for a new treaty.

Why is a new treaty imperative? In the first place, the 1903 Treaty is, in itself, of dubious moral validity, drafted as it was when international affairs were frequently determined by precepts of power. Since that time, and despite the 70 years that have passed in this century in which other peoples have achieved their independence or have established functional control over their territory, this Treaty has remained essentially unchanged at the insistence of the more powerful of the two parties.

In the second place, a more fundamental issue is the right of every nation to utilize its natural resources for the development of its people. In his 1963 encyclical Pacem in Terris, Pope John XXIII emphasized this basic principle of international justice which had been strongly affirmed in the previous year’s declaration of the U.N. General Assembly (Resolution 1803, XXVII, December 14, 1962). Nations, the Holy Father stressed, “have the right to play the leading part in the process of their own development” and “no country may unjustly oppress others or unduly meddle in their affairs.”

The principal natural resource of Panama is and always has been its geographic location and its configuration. The Treaty of 1903 established a monopoly, “in perpetuity,” in favor of another government over the principal natural resource of the Republic of Panama.

The question, therefore, lies in whether or not we accept the fact that Panama is a free and independent nation. As such, her claims over the Canal area are a simple consequence of her basic right. In other words, if we accept the rights of Panama over her territory, then instead of Panama negotiating with the United States to obtain for herself some compensation for the use of the Canal and the Canal Zone, it might be reasoned that negotiations should be the other way around. The main benefits from the Canal should accrue to Panama, as a nation with principal control over its natural resources, and a fair compensation should accrue to the United States for its investment in Panama.

Besides the political, social and cultural consequences of the 1903 Treaty that argue strongly for a fundamental revision of U.S.-Panamanian relations, economic considerations are also considerable. It is worth reviewing, in this regard, some of the main benefits that accrue to each side as recently cited by the Archbishop of Panama, Marcos McGrath, C.S.C.:
The Canal Zone, which measures roughly 10 by 50 miles in area, is the heartland, the most valuable economic area of Panama. Present use represents a significant waste of this natural resource; only 3.6 percent of the land is occupied by Canal installations; some 25 percent is not utilized at all, and 68 percent is designated for military use. For this entire territory, including 14 military bases established without any negotiations with Panama as to their location, the United States pays an annual $1.9 million, as contrasted, for example, to $20 million paid annually for three bases in Spain.

Since 70 percent of the goods that transit the Canal come from or go to U.S. ports, the non-commercial fees, frozen until this year at the 1914 level, have represented an annual saving to U.S. commerce of $700 million. In this way, Panama, a poor nation, is subsidizing the richest nation of the world and world commerce in general.

The savings to the U.S. Armed Forces in the use of the Canal in the 60 years since its inauguration are calculated in excess of $11 billion.

The U.S. military investment in the Canal Zone is more than double the total civil investment, an expense that goes far beyond any notion of course of the Canal. In fact, the U.S. Southern Command, located in the Canal Zone, is a training center for military from all over Latin America and a nerve center of military contact throughout the continent. Surely, military bases established within a nation should be the object of negotiation.

Nearly 20 percent of the gross national income of the Republic of Panama derives from the Canal Zone economy, mostly in indirect form, through salaries and sales. The rise and fall of this income according to fluctuations in building and other operations within the Canal Zone, factors beyond the control of the Republic, has a strongly distorting effect upon the Panamanian economy.

Since property and income in the Canal Zone are exempted from Panamanian taxes, the government of Panama is denied a major source of revenue. As a result, it has not been fully able to undertake programs of economic infrastructures and socio-economic development, particularly for the impoverished rural areas.

While these observations do not attempt to treat all questions relating to the Panama Canal issue, they do serve to place the question within an overall context of international social justice.

For peace in the world, which can come only with justice in the world, it is essential that we citizens of the United States, including our elected representatives, approach the Panama Canal issue with the same moral sensitivity we would apply to issues of justice within our own society.

Our national response to the new treaty will be a significant test of that sensitivity. Not only the rest of the Americas, but the whole world will be watching. The fundamental rights of the people of Panama, as well as the high ideals and long-range interests of the United States, require a new and just treaty. It can become a sign of and a significant contribution toward world peace based upon justice and fraternity between peoples.

Appendix D  A DECLARATION

The Catholic Bishops of Panama, meeting in August 1975, issued the following statement on the negotiations toward a new treaty. The members of the Panamanian Bishops Conference are the six local Ordinaries of the six ecclesiastical territories of the Republic of Panama, and the Auxiliary Bishop of Panama City.

Panamanian Bishops Conference

Since the birth of our country, the Panama Canal and everything related to it has influenced the life and decisions of Panamanians. The existence of the Canal has undoubtedly been the occasion of remarkable improvement in the lives of Panamanians, especially in the cities of Panama and Colon, in matters of health and material welfare.

At the same time, and from the beginning, the leaders of our country have expressed their profound dissatisfaction with the way the 1903 Treaty was negotiated, without the concious and free participation of Panamanian representatives, and furthermore, with the manner in which its clauses have been unilaterally interpreted by the authorities of the United States of America, both in Washington and in the Canal Zone.

It must be pointed out that the relations between the peoples of Panama and the United States have been generally friendly and positive throughout this period. However, the growing self-awareness of the people of Panama as citizens of a free and sovereign country has, as was to be expected, awakened an ever-increasing impatience when faced with the anachronistic situation imposed upon this country by the 1903 Treaty.

There was a time when the fact that international relations were governed by force rather than reason, although questioned by many, was taken for granted. This was a period when European powers colonized Asia and Africa and when the United States Armed Forces intervened a number of times in several Caribbean countries. But times have changed and a new international morality has emerged, based on the fundamental principles of the U.N. Charter which upholds respect for the territorial integrity of each nation-state, the right of the self-determination of peoples and the sovereign right of states over their natural resources.

The modern idea of the sovereign state, born in Europe after the Renaissance, was implemented in the United States in the 18th century. Somewhat later, it was adopted by the
other American nations, and has become increasingly meaningful to different countries throughout the world, including all of the former colonies which have now become free. Documents which enjoy moral authority, such as papal encyclicals and U.N. Resolutions, have urged that each country be recognized as free to exercise its right to self-determination.

It was to this concept that the U.S. Secretary of State referred on the occasion of the signing of the eight basic points for a new treaty (February 8, 1974), when he mentioned that power politics at the international level was no longer viable and the time had come for a politics of consensus based on mutual respect.

From the beginning, the Catholic Church in Panama has affirmed the independence and sovereignty of this nation by not establishing the Canal Zone as a separate ecclesiastical entity. This principle has always been followed. The Zone has always been considered a part of what used to be the only diocese of Panama which was coterminous with the country's boundaries. Throughout the different periods of crisis and conflict, the Catholic Church of Panama has been present with both prayer and support, seeking justice in an atmosphere of harmony and peace. This was true, especially, during the 1964 incidents when it not only stood by those who suffered physical wounds and spiritual grief, but made every effort to channel national feeling towards a just settlement by means of massive demonstrations, known as "Meetings with God and Country," which took place in Panama and David.

Lately, the Panamanian Bishops Conference and the Archbishop of Panama, by means of speeches and declarations, have attempted to stress the need for an equitable new treaty which will recognize effective Panamanian sovereignty over all its territory and which will assure a just solution to all parties. These efforts have led to similar declarations not only in Panama but also by the Administrative Board of the U.S. Catholic Conference and other religious groups in both countries. This is eloquent testimony. It points to the justice of the case and underscores the importance of a reasonable solution which will contribute significantly to world peace.

In conclusion, we urge all the faithful to pray perseveringly so that the current negotiations will result in a convincing example of justice and peace before all nations.

Appendix E A STATEMENT

A fifteen-member delegation of the National Council of Churches (NCC), an organization formed by 31 Protestant and Orthodox communions, returned from a visit to Panama in April 1976, and issued the following statement. They had met with a wide variety of church groups in Panama, and with representatives of the U.S. and Panamanian governments; some also met with Foreign Minister Aquilino Boyd and members of the commission working toward the new treaty.

One member of the team—Eugene Stockwell, head of the NCC Division of Overseas Ministries and son of a Methodist missionary in Latin America—summarized the dilemma...
this way: "What would it be like for us if France still held a five-mile strip each side of the Mississippi River from the Gulf of Mexico to Canada: It's a similar situation."

Delegation of the National Council of Churches

The 1903 Treaty under which the United States assumed the right to build, administer and defend the Canal through the Isthmus of Panama, and as it has been amended and implemented by the U.S. Government, represents a serious injustice to the Republic of Panama and its people. For example, no Panamanian signed the original Treaty. The Republic of Panama was forced to relinquish effective sovereignty over a ten-mile wide strip of territory that cut Panama in half. The United States established military and training bases in the Canal Zone totally unrelated to the defense of the Panama Canal without treaty authorization or the consent of the Republic of Panama.

The present Treaty is a hindrance to the improvement of U.S. relations with Latin America and other nations of the world.

The existence of a Canal Zone in Panama governed by a foreign power is a colonial situation. Therefore, the struggle of the Republic of Panama and its people to assert sovereignty is a struggle against colonialism and its inherent racist oppression.

We support the negotiation of a new treaty that will clearly affirm the effective sovereignty of the Republic of Panama over its entire territory and its right to derive greatly increased benefits from the operation of the Canal.

It is in the long-term interest of the United States as well as the Republic of Panama that a new relation be developed which leads to Panamanian control of the Canal. Therefore, complete transfer to Panama of Canal administration should take place as soon as possible and certainly by the year 2000.

Some U.S. citizens resident in the Canal Zone have been major contributors to hostility in the United States toward new treaty negotiations. This influence on U.S. public opinion by the U.S. employees in the zone is excessive and largely motivated by personal concerns which do not take into account the greater issues of justice for the Panamanian people.

The existence of the Canal Zone deprives the Republic of Panama of the benefit of its principal natural resource, its unique geography and strategic location, and therefore hinders the development of the nation.

The political and military use of the Canal Zone by the United States, for example, the training of Latin American military personnel, the support of intervention in other Latin American countries, etc., is a deterrent to the liberation and self-determination of other nations of Latin America.

In treaty negotiations, the United States should not impose on Panama its military priorities, requiring concessions not related to the defense of the Canal.

Military bases and military training installations deemed by the Panamanian government to be unrelated to and unnecessary for the defense of the Canal should be closed down immediately.

We perceive that the great majority of Panamanians, regardless of other differences, fully support the negotiations for a new treaty as a necessary step toward the liberation and self-determination of Panama.

U.S. churches have a responsibility to inform and educate their constituencies about the facts concerning U.S. involvement in Panama so that they may take appropriate actions as aware Christian citizens.
BIBLIOGRAPHY/RESOURCES

Books and Articles

In preparation of The Panama Canal and Social Justice, a variety of reading lists and card catalogues were consulted. For serious students of an issue, there is no substitute for that kind of research; most of the books listed in the footnotes of the chapters of this book and the following list of additional sources are available in university and public libraries.


Voluntary Organizations

A number of church-related and secular organizations have committed themselves to studying and advocating a position on the Panama Canal issue. They will be glad to respond to requests for additional information, guidance in researching specific questions, and support for the mobilization of public opinion.

The Washington Office on Latin America (110 Maryland Avenue, N.E., Washington, D.C. 20002) is jointly sponsored by the U.S. Catholic Conference and the National Council of Churches of Christ in the U.S.A. WOLA’s small staff informs Congressional and other government personnel of the churches’ concerns for human rights and social justice where U.S. aid to Latin America is concerned. It also puts out a regular bulletin to inform U.S. citizens about events in Latin America, action in Washington, and how to affect that action as citizens.

EPICA (Ecumenical Program for Inter-American Communication and Action, 1500 Farragut Street, N.W., Washington, D.C. 20011) is a volunteer action group dedicated to awareness-building on Latin American issues through documentation and community mobilization.

An EPICA task force has issued a community mobilization packet including useful articles and advice on how to organize support for a new Panama Canal treaty as well as how to approach key legislators on the issue. The main item in the packet is a “people’s primer,” entitled Uniting Panama: A New Canal Treaty. An updated version of the primer is now at press and should be available by October 1976. The summary of the 1903 Treaty and later revisions, included in this booklet as Appendix B, is reproduced from the primer.

Another product of EPICA’s efforts is the National Committee for Panamanian Solidarity, with affiliated groups scattered across the United States. For the name of the group nearest you, write Diane de Grafrenreid at EPICA.

The Americanism Education League (P.O. Box 5986, Buena Park, California 90622) takes a contrasting view, opposing U.S. negotiation of the Canal treaty.

Latin American Studies Department at a university near you can provide a wealth of resources for your study group. One or more of the professors and graduate students may be available as speakers or resource people for the discussion. They may know of recent reports of publications on the Panama Canal issue.

The foreign student office of the university can also tell you if there are Panamanian students at the university. Such students can enrich your discussion with their participation, as will students from families living in the Canal Zone (who are probably U.S. citizens and therefore not registered with the foreign student office).

Government Spokesmen

All U.S. negotiation on treaties with foreign governments is the responsibility of the U.S. Secretary of State. Information on the background and status of the negotiations can be obtained by writing to the Director, Office of Panamanian Affairs (ARA/PAN), Department of State, Washington, D.C. 20520.

The official representative of the Panamanian Government in the United States is the Ambassador of Panama. Information on the Panamanian position can be obtained through the Embassy of Panama, 2862 McGill Terrace, N.W., Washington, D.C. 20008.
Should the United States sign a new treaty with Panama over the operation and use of the Panama Canal? Although negotiations have been in process since June 1970, U.S. public opinion is divided and the question has become an issue in U.S. domestic politics.

The U.S. Catholic Conference, the Panamanian Bishops Conference, and other church leaders of various nationalities and confessions have supported renegotiation of the treaty. This booklet tells why, and challenges U.S. Christians to consider the issue themselves: to participate in a search for justice and reconciliation as part of their Christian witness.

Margaret D. Wilde, a consultant and translator of theological works, studies theology in Argentina and graduated from Union Theological Seminary in New York. She has served in the West Indies as communications consultant to the Caribbean Conference of Churches, and is now on assignment to a church-sponsored social service program in Paraguay.