

NATIONAL SECURITY COUNCIL  
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INFORMATION  
18 January 1972

MEMORANDUM FOR: DR. KISSINGER  
FROM: ASHLEY HEWITT  
SUBJECT: Warming in Relations Between Panama and Cuba

Attached at Tab A for your information is a report which I requested from CIA on the evolution of relations between Panama and Cuba. I think you will find it of interest.

Briefly, it notes that a clear trend toward establishing more frequent contacts and closer relations between Panama and Cuba is evident and predicts a continuation of this trend. CIA believes that, in the short term, Panamanian strongman General Torrijos will stop short of establishing formal diplomatic relations with Cuba, fearing that such a move might jeopardize the chances of obtaining a new Panama Canal treaty. (In fact, Castro reportedly has advised Torrijos against formal establishment of relations, saying this would only cause Panama problems with the U.S.) CIA believes, however, that in the longer term Panama may move to establish relations regardless of the outcome of the treaty negotiations.

The change in the official Panamanian attitude toward Cuba appears to have been an evolutionary development and is reflected in Panamanian approval in September for the opening of a Cuban Prensa Latina office in Panama; increased Panama-Cuba contacts, often at Panamanian initiative; increased use of these contacts as an informal communication channel; and, most recently, Torrijos' private description of the sending of a delegation to Cuba to negotiate the release of the crews of two Panamanian-flag ships seized by the Cubans last month as being a first step in the establishment of formal relations. The Panamanian Foreign Minister announced last November that Panama was seriously studying the question of renewal of diplomatic relations with Cuba.

The official attitude change appears to have been influenced by three trends in Panama:

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- The growing leftist posture of the Torrijos Government;
- The development of Torrijos' nationalism along anti-US lines; and
- The efforts by Torrijos to gain international support for Panama's demands for a new canal treaty.

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Closer Panamanian-Cuban relations are attractive to Torrijos as a means of enhancing his revolutionary image at home and abroad and of demonstrating his independence of the U. S. To Castro, on the other hand, such relations offer the possibility of lessening U. S. influence in Latin America (and particularly in the Caribbean), as well as of developing some leverage to encourage Torrijos to adopt more leftist policies.

Attachment:

Tab A -- CIA Intelligence Memo dtd 13 Jan 1972

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CENTRAL INTELLIGENCE AGENCY  
Directorate of Intelligence  
13 January 1972

## INTELLIGENCE MEMORANDUM

Relations Between Panama and Cuba

1. There is a clear trend toward closer relations between Panama and Cuba. Such a policy appeals to Torrijos' view of himself as a nationalist and as a leader. It is also in line with his "revolutionary" pretensions and his apparent obsession with demonstrating his independence from the US. Castro, of course, is always willing to pursue ways of reducing US influence in Latin America.

2. The question of formal diplomatic relations will be determined by Torrijos' assessment of US reaction. Indeed, Castro has reportedly advised Torrijos not to worry about establishing diplomatic relations, adding that the step was not of major importance to Havana and would only cause trouble for Torrijos. In the short run, therefore, Torrijos will delay such a move as long as he believes it would have a serious negative impact on the canal negotiations or impede ratification of a treaty by the US Senate. Given the current delicate state of the negotiations, re-establishment of full relations does not seem imminent.

3. If the treaty negotiations are broken off or reach an impasse which leads Torrijos to believe he has lost his chance for a victory on the canal issue, he might well consider it to his advantage to recognize Cuba as part of a policy of confrontation with the US. This step would cost little and win him plaudits for standing up to the US.

4. Over the longer term and assuming conclusion of a new treaty, Torrijos may see little reason not to recognize Cuba. He would not want to alienate himself from the mainstream of Latin American policy on Cuba, but once a general move toward establishment of relations seemed under way Torrijos would not wait overlong to get on the bandwagon. Given the growing willingness by Latin Americans generally to consider Cuba's re-entry into

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the Latin American community, Torrijos might even be tempted to move a little ahead of the pack in order to establish himself as a trend setter--a personage to be reckoned with.

5. Until recently, the Torrijos' administration has focused mainly on sports and cultural contacts with Cuba. Panamanian teams have been flown by the Panamanian Air Force to Cuba, and Cuban teams have regularly been welcomed in Panama. There have been no penalties for travel to Cuba by Panamanian citizens, and Panamanian leftists have made frequent trips to Cuba via Mexico. Of late, Panama has taken the initiative in increasing contacts. In September, for example, Panama gave approval for the opening of a Cuban Prensa Latina office in Panama. In December, for the first time in several years, a Cuban student delegation was permitted to visit Panama.

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7. Although the Panamanians have consistently reassured the US that no change in official policy toward Cuba was contemplated, the shift in official attitude has been quite perceptible. While Torrijos was willing to talk publicly of "liberating" Cuba in 1969, by 1970 both Torrijos and Foreign Minister Tack showed a marked disinclination even to reaffirm publicly Panamanian support for OAS policy toward

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Cuba. By November, 1971 the pendulum had swung so far that Tack, while in Caracas, publicly stated that Panama was seriously studying the renewal of diplomatic relations with Cuba.

8. Panama's change in attitude does not seem the result of a deliberate policy decision but is rather an evolutionary development influenced by three divergent trends.

First, the growing leftist posture of the Torrijos government. Once he had displaced the oligarchy, Torrijos sought to put his personal stamp on Panamanian history by developing a new political system. Lacking an ideology or even a clear program, Torrijos adopted the rhetoric of reform and revolution and then tried to tailor government action to his rhetoric. He has attempted to forge an alliance of students, peasants, workers, and technocrats and has been fostering agrarian reform, community development, cooperatives, and a strengthened labor movement. In the process, Torrijos reached an accommodation with the Moscow-oriented Panamanian Communist Party, allowing it a freedom of action denied to all other political parties in return for its active support of his policies. This modus operandi naturally made Torrijos attractive to Castro and it lessened somewhat Torrijos' own suspicions about contacts with Communist states.

Second, the development of Torrijos nationalism along anti-US lines. US coolness to Torrijos immediately after his seizure of power and his sense of insecurity heightened by a number of coup plots behind which he thought he saw the hand of the US government, seems to have set the stage for his hostility toward the US. During this period Torrijos seemed to have developed the view that the way to succeed with the US and at the same time improve his standing at home was to act tough and to keep the US on the defensive. Dalliance with Cuba or the Communist bloc was appealing, therefore, both as a manifestation of his independence from the US and as a device for frightening the US into concessions.

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Third, the efforts by Torrijos to gain international support for Panama's demands for a new canal treaty. Torrijos has always considered such support a necessary adjunct to the negotiating efforts. Last November, for example, as the negotiations inched along Torrijos attempted without much success to gain public backing from Mexico and Spain. He did receive a promise of support from El Salvador and a strong public statement from Costa Rica. The Panamanians also circulated in the UN a lengthy document detailing their position on treaty provisions and can be expected to use their newly won Security Council seat to focus international attention on the canal negotiations. Torrijos has also been aware that Communist states would seize a ready-made opportunity to demonstrate solidarity with a small Latin American state against the US. Indeed, news services in Communist countries have already begun to take up the canal issue. Torrijos has helped such support along by allowing Soviet cultural visits, reportedly giving permission for the opening of a TASS office in Panama, and the establishment of diplomatic relations with Rumania last October.

9. All three of these strands were tied together in the wake of the Cuban seizure of two Panamanian flag merchant vessels in December 1971. The Castro regime stated that these were "pirate ships" which had taken part in earlier raids against Cuba and that one captain and one crewman were being held on spy charges. Castro went out of his way to assure the Torrijos government that Cuba had no hostile intentions toward Panama, and he invited a Panamanian delegation to Cuba to negotiate the release of all the other captured crewmen.

10. Torrijos accepted with alacrity, dispatching a three-man delegation to Cuba which he privately described as a first step in establishing diplomatic relations. In this way the slowly developing pattern of indirect contacts between Panama and Cuba was suddenly overlaid by direct official communication on a major issue. The government-controlled press in Panama sensationalized the cooperation and

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attention given the Panamanian delegation. Torrijos' for his part, gave every sign of placing a high value on Castro's attention, obviously seeing domestic advantage in this certification of his "revolutionary" credentials and reveling in his diplomatic success in an arena where the US was seemingly powerless. Torrijos will undoubtedly milk this propaganda victory for all it is worth and--by giving the incident a decidedly anti-US cast--signal his capacity for generating headlines and causing trouble. Closer ties and increased contact seem to be in prospect, but Torrijos is unlikely to do much more at this point. Cautioned by Castro and concerned not to upset unduly the atmosphere for canal negotiations, he will wait a more propitious moment to establish formal relations with Cuba.

11. A key foreign policy goal of the Castro regime has always been the reduction of US influence in Latin America and especially in the Caribbean. Castro probably has few illusions about Torrijos' commitment to leftist reforms and seems uncertain about Torrijos' real attitude toward Cuba. Still, Castro has singled out Panama, along with Chile and Peru, for special attention, and he is likely to continue and possibly increase his public support for the Panamanian position in the canal negotiations. He may also hope that this assistance will give him some leverage to encourage Torrijos to adopt more leftist policies. He surely can see that a canal agreement favorable to Panama could also set a precedent which Castro could use as a tool to pressure the US on the Guantanamo naval base.

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