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Final Issues in the Panama Canal Giveaway

Commentators described the Senate ratification of the Panama Canal Neutrality Treaty on March 16 as a big victory for President Carter, a "breakthrough" that gave the White House reason to celebrate. The photographs of a jubilant President showed that he agrees with this verdict.

President Carter had staked his personal prestige on the Treaty and it carried by only one vote to spare. The vote was certainly a victory for the Treaty. The question is, was it a victory for President Carter?

He succeeded in forcing the Neutrality Treaty on the American people, but he failed to convince them that it was the wise or right thing to do. He succeeded in inducing enough Senators to vote aye, but it was not the merits of the Treaty that persuaded them.

The final ratification votes were obtained by promises to grant or withhold Federal spending for agricultural and copper prices, and by promises to give some Senators an easy ride to re-election by making sure that no formidable candidate files against them this year. Senator Bob Packwood brought out into the open charges that the treaty was "bought" when he revealed the President's promises of Administration decisions for copper stockpiling and farm price increases.

Commentators say that the ratification of the Treaty was a "symbolic triumph" that "significantly strengthened" President Carter's prestige abroad. But the tradeoff may be to diminish his popularity at home. Was it worth it?

Press comment states that the President would have been "crippled" in dealing with Latin America and Moscow if the Treaty had been rejected. But it is probable that the way ratification was achieved has crippled the President in his future dealings with Congress.

White House aides are hoping that the Treaty ratification will produce the "turnaround" in Carter's public image that he has been seeking in order to pull his Administration out of stalled negotiations on his energy package, the Middle East problem, the coal strike, and SALT II. But inducing Senators to vote against their conscience or their constituents, or both, hardly builds good will that will facilitate passage of other Administration goals.

On the morning of the vote on March 16, Senator Wendell Ford aptly pointed out that all the emphasis seemed to be on making the Treaty terms acceptable to dictator Torrijos instead of making the terms acceptable to the American people.

This strange misplaced concern was confirmed that night when the White House revealed its "concern" about Torrijos' reaction to the DeConcini reservation added by the Senate. No concern was expressed by the White House about the American people's reaction at being forced to give away a great national treasure they didn't want to surrender.

This concern to protect Torrijos is further evidenced by the Carter coverup of the heroin-peddling activities of the Torrijos family. The censoring and the shredding of Drug Enforcement Administration documents makes the Watergate coverup look pale by comparison.

A Pyrrhic victory is one which is too costly. It dates back to 279 B.C. when General Pyrrhus won a costly victory over the Romans. President Carter may, like General Pyrrhus, be defeated by his too costly victory on March 16.

Who Supports the Panama Treaties?

Why is it that some Senators appear to be willing to take the political risk of defying the overwhelming majority of their constituents on the issue of ratification of the Panama Canal Treaties? Some Senators admit that their mail is running 1,000 to 1 against the treaties but still they plan to vote for them.

One answer to that question is the power and prestige of the hidden backers of the treaties, namely, the giant international banks. On December 1, 1977, 95 large international banks ran an advertisement in the *Wall Street Journal* announcing that they had loaned Panama another \$25 million on November 2. This brings the total bank loans outstanding to Panama to \$2.777 billion.

The treaties that President Carter signed with dictator Torrijos are the only way these banks can ever be repaid. The Torrijos regime is paying 39 percent of its national income in debt service. Just ask any banker how much he will lend you if you tell him that you are now paying 39 percent of your income in interest on money you have already borrowed.

The banks know those loans are uncollectible unless Torrijos takes control of the U.S. Canal. Those banks have a large financial stake in the ratification of the Panama Treaties -- clearly enough to justify contacting their correspondent banks and other business connections who happen to be constituents of undecided Senators.

Intense pressure has been generated by the "selling" campaign carried on by President Carter, the State Department, and the Pentagon. To try to sway the vote of first-term Democrat Senator Edward Zorinsky, President Carter invited 280 Nebraska opinion makers to visit him in the East Room of the White House. The President hoped the guests would be so impressed with the honor of his hospitality that they would rush over to Capitol Hill and ask Senator Zorinsky to vote yes. It is believed that President Carter also threatened to pull the Strategic Air Command (SAC) base out of Omaha unless Zorinsky voted yes. To his credit, the Senator voted no.

The State Department carried on a massive lobbying campaign for ratification that resembled the political headquarters of a presidential candidate, complete with charts and pinboards for every state, and a weekly progress report called PITS (Panama Information Track Score). In one week's activity, the State Department arranged 476 pro-treaty speeches or debates and 288 media interviews to counteract the "bombardiers" (State's lingo for treaty opponents).

Much of the information put out at taxpayer expense by the Carter Administration is not accurate. The Administration originally claimed, for example, that the treaties would not cost the U.S. taxpayers any money because Torrijos' new money will come out of Canal tolls.

Congressman Philip Crane listed some of the specific costs that will have to be born by the taxpayers if the treaties are ratified: \$135 million to pay for the early retirement of Panamanians now employed in the Zone, an estimated \$1.3 billion for services now provided by the Panama Canal Company which would have to be provided by the Defense Department, the construction of new facilities for our military personnel to replace those turned over to Panama, the expense of training Panamanians to run the Canal, and the loss of \$17 million a year in tolls that the Canal Company has been paying to the U.S. Treasury but which will go to Panama under the treaties.

President Carter said in his fireside chat that "the Canal Zone has always been Panamanian territory." To the contrary, in the 1907 case of *Wilson v. Shaw*, the U.S. Supreme Court unanimously ruled: "A treaty with it [the Republic of Panama], ceding the canal zone, was duly ratified. . . . Congress has passed several acts based upon the title of the United States. . . . It is hypercritical to contend that the title of the United States is imperfect, and that the territory described does not belong to this nation."

Our Supreme and lower Federal courts have continued to cite with approval *Wilson v. Shaw's* holding that the Panama Canal Zone belongs to the United States.

Panama Canal Neutrality

The proponents of the Panama Canal Treaties have tried to claim that Panama dictator Torrijos will permit the United States to "maintain the neutrality of the Canal" after Panama takes full control in the year 2000. Why in the world would we want our Canal to be neutral? "Neutrality" is a treaty trap that would imperil our national security.

During World War II, we used the Canal constantly but closed it to German and Japanese ships and submarines. Weren't we fortunate that the Canal wasn't administered under a treaty of neutrality that would

have guaranteed equal treatment to both Allied and Axis ships?

During the Missile Crisis of 1962, after our U-2 plane discovered the missiles Khrushchev had deployed in Cuba, our national survival depended on moving our fleet quickly from the Pacific to the Caribbean. Fortunately our Navy had immediate and unimpeded access to our Canal.

If Castro's friend Torrijos had been in control of the Canal, he might have decided to "alleviate world tension" by closing the Canal to both U.S. and U.S.S.R. ships. Such neutrality would have left us at the mercy of Soviet offensive missiles, but would not have hurt the Soviets because their missiles were already in the Caribbean.

During the Vietnam War, 70 percent of our war supplies went through the Canal. It is not difficult to imagine Torrijos taking the position that it would violate the Canal's neutrality to allow the war to be supplied through the Panama Canal.

Torrijos adamantly refused to allow a treaty provision promising that Panama would keep the Canal open. Panama negotiator Escobar bragged that, although the United States demanded such a provision, Panama refused to agree to it.

The Canal can be neutral and closed just as well as it can be neutral and open. But the facts of world geography dictate that neutrality, either open or closed, would hurt the United States but not our enemies.

Suppose Castro brings his victorious 14,000 troops home from Angola and decides to conquer several islands in the Caribbean. We decide to bring our Pacific fleet through the Canal to set up a blockade to prevent such aggression. Would Torrijos allow our warships to transit the Canal in order to frustrate the plans of his friend Castro?

Torrijos could simply close the Canal for "repairs" for 30 days. By the time we could sail our ships around the tip of South America, we would be confronted with the choice of accepting the fait accompli of additional Castro/Soviet bases in the Caribbean or mounting an invasion with U.S. Marines.

Suppose we have a future confrontation with the Soviet Union or with Red China. Panama could announce that, in such a time of crisis, world peace requires that the Canal be neutral and closed for the duration. A neutral closed Canal would deprive us of our ability to defend our long ungarded Atlantic and Pacific coastal cities, but it would not interfere in the least with strategic war plans of Russia or China.

Those who argue that it would not be in Panama's economic interest to close the Canal and forfeit the tolls do not understand Communist tactics. Communists never permit economic considerations to take priority over ideological objectives. Those who might argue that Torrijos is not a Communist have absolutely no way of guaranteeing that his successor will not be.

The giveaway of our Canal to a Latin American dictator would mean the conversion of a major U.S. military asset into a strategic weapon in the hands of any and all potential enemies. American national security depends on maintaining our right to send our ships through the Canal in time of crisis, while denying transit to our enemies.

Defending the U.S. Canal

When President Carter said he would defend the Panama Canal even if it takes 100,000 American troops,

he was indulging in an emotional argument designed to scare us into ratifying the Canal Treaties by conjuring up the threat of rioting, sabotage, or military attack.

President Carter has the shoe on the wrong foot. The 100,000 troops are what might be required if we sign the Canal treaties -- not if we reject them. The terms of the treaties require us to give up the two great non-military assets that now peacefully protect the Canal against violence, and would leave us with only American troops to do the job.

On the other hand, without the treaties, we can defend the Canal indefinitely with our existing level of troops there, just as we have done for more than 60 years.

One of our present non-military assets is the Canal Zone of five miles on each side of the Canal that has always enabled us to keep any troublemakers at a safe distance. Under the treaties, we would surrender this Zone immediately to Panama.

The other non-military asset that keeps Panamanian rioters and troops from doing any damage is their knowledge that, if they get too rambunctious, we can simply cut off the flow of U.S. dollars by pulling out and building another canal in Nicaragua. Under the Canal Treaties, however, we promise not even to talk with any third nation about building another Canal.

Nicaragua is a much better place for a canal. The climate is better, it's closer, and it has a deep lake that would cut costs. The original Isthmian Canal Commission recommended that our Canal be built in Nicaragua.

The reason Panama won out over Nicaragua as the location of the great U.S. Canal was because the Panamanians were lucky enough to have as their agent a smart French promoter-diplomat named Bunau-Varilla. He knew that the sweetener that would tip the scales in favor of Panama was the offer to give the U.S. sovereignty "in perpetuity" over the Canal Zone.

Senator Harry Byrd estimates that the overall cost of the Canal Treaties would eventually reach \$10 billion. That is the sum of our present capital investment in the Canal and Canal Zone, plus the more than \$2 billion we are scheduled to pay Panama to take it.

This figure doesn't even take into account the economic costs from the increase in Canal tolls. Treaty negotiator Sol Linowitz admits that Panama will raise the tolls 30 percent. Most observers expect a 50 percent increase.

More important is the cost to the good name of America in letting the world know that we are willing to surrender to any petty dictator who has a tantrum, makes threats, and hurls demands.

According to Freedom House, Torrijos has the worst record on human rights in all of Latin America. Until the Canal Treaties began to run into opposition in the United States, Torrijos made a practice of throwing his enemies into prison for 15 years without a trial.

Torrijos' brother Moises is under a Federal indictment in connection with heroin-smuggling charges.

The fatal fallacy in the arguments of those promoting ratification of the Panama Treaties is the very idea that we can give away the Canal and the Canal Zone and then, if necessary, use the Marines to enforce our "right" of passage. Those who use that argument have learned nothing from history. If we ever did such a thing, the world would treat us exactly as it treated the British when they sent troops to protect their rights in the Suez Canal.

Panamanian Drug Connection

These comments by Senator Jesse Helms (R-N.C.) are excerpted from a speech he made to the Senate on February 22. Helms is a leader in the fight to prevent the giveaway of America's canal in Panama.

By Jesse Helms, U.S. Senator

I have been somewhat dismayed on several occasions when it has been asserted that the Panamanian drug connection is irrelevant to the Panama Canal Treaty. With all the vigor that I possess I dissent from that position.

Those who have been heartsick to see lives lost and lives ruined, characters destroyed, even minds blanked out — none of these will think that it is irrelevant or that it is silly to consider the damage that has been done to the United States by Panama.

While we are talking about the victims of the drug traffic, let us think about the innocent citizens of this country who have been victimized by addicts who are trying to get enough money for a quick fix. Who is going to look out for the interests of the elderly people who have been mugged on their way to the grocery store by addicts looking for an easy mark? Who is going to look out for the ordinary citizen whose home has been victimized by petty burglars, and some not so petty?

Let us not imagine and let us not have the American people believe that we are talking about one or two cases in which Panamanians were involved. We are talking about an organized system in which Panama served as a vital link, an organized system which was carried on with the knowledge and the complicity of high officials of the Panamanian Government.

In recent conversations I have had with former drug enforcement officials of the United States — men who had first-hand knowledge of the narcotics situation at the time of the indictment of Moises Torrijos — I have learned that the proportion of the drug traffic controlled by Panama in that period was at least one-half. Precise figures are, of course, impossible. But I am told that one-half, or even more, is a reasonable estimate.

The Rafael Richard case involved some 150 pounds or more of pure heroin. That is enough heroin on the street to supply all the addicts of New York City for a full month.

Was this Rafael Richard just a poor, misled boy? Don't you believe it, because the facts do not support such a conclusion. Mr. Richard had made five previous trips carrying heroin. For almost half a year, this one criminal — and I use that word advisedly — this criminal had supplied the heroin to terrorize the city of New York with addict-related crimes. There was just that much involved.

It is now public knowledge that a high member of the Panamanian Foreign Service was directly implicated, a high ambassador, who is the brother of the head of state in Panama.

A grand jury has said that the evidence is credible, and that should be enough to bring this man to trial. Why was not the brother of Omar Torrijos turned over five years ago? Dictator Torrijos now says that he did not turn him over because it would have killed his mother, who was alive then. I hope that my distinguished colleagues will think about that. Omar Torrijos was worried about how such a trial would affect his mother.

Well, what about the mothers of the addicts whose lives have been destroyed by the conspiracy in which Moises Torrijos was involved?

The chairman of the Select Committee on Intelligence, in this report, said that Torrijos knew about drug trafficking and did not take sufficient action to stop his brother's activities. That is a very significant conclusion.

Just look at the facts. His brother, the ambassador, assisted the transfer of narcotics through Panamanian Customs. His Foreign Minister, Juan Tack, signed the illegal diplomatic passport that Richard sought to use for the smuggling operation. From the Him case, we know that Panama's Tocumen International Airport was the center of narcotics transfer and routing and we know that the Guardia Nacional was involved in protecting the shipment of these drugs. Now, this may not be enough to bring into a court of law to convict the dictator, Omar Torrijos, but the Senate of the United States, presumably representing the people of this country and the interest and the security of America, is not seeking to convict him in a court of law.

What we are debating is whether or not we should go into partnership with him, not whether we have enough evidence to convict him in a court.

We are debating the question of whether Omar Torrijos is a reliable ally, and, in any sense, a friend of the United States.

Without Panama, the heroin explosion that occurred in the late 1960s and in the early 1970s could never have taken place. It would not have happened except for Panama.

Our Foreign Policy: Success for Whom?

"Do you feel that U.S. foreign policy has been a success or a failure for the past 25 years?"

That question was recently put to George S. Franklin who is the coordinator for the Trilateral Commission, probably the most influential non-governmental planning group in the world today. He answered: "On the whole it's been a very great success in the last 25 years" despite "some very black spots such as the Vietnam War."

The Trilateral Commission is the elite group of financiers, economic czars, and their proteges, who are planning for a new world order based on the triangular relationship of Western Europe, Japan, and the United States. The Trilateral godfather is David Rockefeller. Its intellectual and organizational craftsman was Zbigniew Brzezinski.

Its most famous member was Jimmy Carter. Other ex-members who have graduated to positions of high power are Vice President Walter Mondale, Chief Disarmament Negotiator Paul C. Warnke, Ambassador Gerard S. Smith (former chief SALT negotiator and now in charge of non-proliferation matters), Ambassador Elliot L. Richardson (who represents the U.S. in the UN Law of the Sea Conference), UN Ambassador Andrew Young, and Secretary of the Treasury W. Michael Blumenthal.

Many other Trilateralists formerly held very high government offices, such as Henry Kissinger.

Senate Roll-Call Vote Approving Canal Pact

Following is the 68-to-32 roll-call vote by the Senate on March 16, 1978, approving the first of two Panama Canal treaties:

FOR THE TREATY—68

Democrats—52

Abourezk, S.D.
Anderson, Minn.
Bayh, Ind.
Bentsen, Tex.
Biden, Del.
Bumpers, Ark.
Byrd, W. Va.
Cannon, Nev.
Chiles, Fla.
Church, Idaho
Clark, Iowa
Cranston, Calif.
Culver, Iowa
DeConcini, Ariz.
Durkin, N.H.
Eagleton, Mo.
Glenn, Ohio
Gravel, Alaska

Hart, Colo.
Haskell, Colo.
Hatfield, Mont.
Hathaway, Maine
Hodges, Ark.
Hollings, S.C.
Huddleston, Ky.
Humphrey, Minn.
Inouye, Hawaii
Jackson, Wash.
Kennedy, Mass.
Leahy, Vt.
Long, La.
Magnuson, Wash.
Matsunaga, Hawaii
McGovern, S.D.
McIntyre, N.H.

Metzenbaum, Ohio
Morgan, N.C.
Moynihan, N.Y.
Muskie, Maine
Nelson, Wis.
Nunn, Ga.
Pell, R.I.
Proxmire, Wis.
Ribicoff, Conn.
Riegle, Mich.
Sarbanes, Md.
Sasser, Tenn.
Sparkman, Ala.
Stevenson, Ill.
Stone, Fla.
Talmadge, Ga.
Williams, N.J.

Republicans—16

Baker, Tenn.
Bellmon, Okla.
Brooke, Mass.
Case, N.J.
Chafee, R.I.
Danforth, Mo.

Hatfield, Ore.
Hayakawa, Calif.
Heinz, Pa.
Javits, N.Y.
Mathias, Md.

Packwood, Ore.
Pearson, Kan.
Percy, Ill.
Stafford, Vt.
Weicker, Conn.

AGAINST THE TREATY—32

Democrats—10

Allen, Ala.
Burdick, N.D.
Byrd, Va.
Eastland, Miss.

Ford, Ky.
Johnston, La.
Melcher, Mont.

Randolph, W. Va.
Stennis, Miss.
Zorinsky, Neb.

Republicans—22

Bartlett, Okla.
Curtis, Neb.
Dole, Kan.
Domenici, N.M.
Garn, Utah
Goldwater, Ariz.
Griffin, Mich.
Hansen, Wyo.

Hatch, Utah
Helms, N.C.
Laxalt, Nev.
Lugar, Ind.
McClure, Idaho
Roth, Del.
Schmitt, N.M.

Schweiker, Pa.
Scott, Va.
Stevens, Alaska
Thurmond, S.C.
Tower, Tex.
Wallop, Wyo.
Young, N. Dak.

The influence of the Trilateralists stems not from the Commission itself but from the financial and economic clout of its individual members. The Commission is simply a vehicle for getting them together to orchestrate their activities, to arrange for intellectual backup for their ideas, and to develop proteges to implement their plans in government, foundations, communications, and universities.

According to George Franklin, the Trilateral Commission was born at the 1972 meeting of the Bilderbergers, the exclusive clique of very important U.S. and Western European financiers who met secretly each April or May for 20 years at the invitation of Prince Bernhard of the Netherlands. The Bilderberg group has lost some of its luster since its chairman resigned after the expose that he had taken a secret million-dollar payoff from Lockheed.

Since the Trilateral Commission concerns itself directly with international relations and foreign policy, it is significant that its official spokesman believes that, except for a few "spots" U.S. foreign policy has been "a very great success." It is difficult to see how any informed observer could demote the importance of the Vietnam War to the lowly rank of a "spot." It occupied 10 of the last 25 years, draining our finest young men into a deliberate losing war which could have been won in six months by letting our Navy blockade North Vietnam.

Regretably, Vietnam was the centerpiece of the policies acquiesced in by the apostles of appeasement and the architects of accommodation who have been running our State Department for the last 25 years. Our defeat in Vietnam, Laos and Cambodia was part and parcel of the advance of world Communism and the retreat by the West all over the world.

Italy is teetering on the edge of a Communist takeover. Most major Italian cities have Communist governments, and the Reds have neutralized the government of Rome and terrorized its citizens.

Cuba is a good illustration of the 25 year bankruptcy of our foreign policy. The State Department first assisted Castro into power in the belief that he was not a Communist, then encouraged Cubans to throw him out, then abandoned the brave freedom fighters after their invasion had begun, resulting in their humiliating betrayal at the Bay of Pigs. Now the State Department is closing its eyes to the fact of Soviet pilots flying many Russian war planes from Cuban airports, and is urging a normalization of relations with the Kremlin's puppet.

In Africa the Communists have captured Angola, Mozambique, and Ethiopia.

Our foreign policy of the last 25 years has been indeed a very great success -- for the Communists. The nagging question is, why do the Trilateralists think it has been a success?

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