

**April 23, 1973**

**Memorandum by N.M. Khilani, Historical Division,  
Ministry of External Affairs**

**Citation:**

"Memorandum by N.M. Khilani, Historical Division, Ministry of External Affairs", April 23, 1973, Wilson Center Digital Archive, File No. HI/1012(48)/67. Obtained by Ryan Musto. <https://wilson-center-digital-archive.dvincitest.com/document/133991>

**Summary:**

On Panama's international affairs and the status of the Panama Canal.

**Credits:**

This document was made possible with support from Carnegie Corporation of New York (CCNY)

**Original Language:**

English

**Contents:**

Transcript - English

From: N.M. Khilani, Historical Division

TO: JS (UN)

CONFIDENTIAL

DATE: April 23, 1973

In spite of its constant clamor to recover her sovereignty over the Canal Zone, Panama, unlike Cuba, has not utilized the platform provided by various non-aligned conferences from time to time. At the Belgrade Conference of non-aligned nations, only Bolivia, Brazil and Ecuador were represented as Observers, while Cuba was the only Latin American State which attended the Conference as a full participant. The Belgrade Conference took specific note of the North American military base at Guantanamo, Cuba, but it did not display any awareness of the Panama Canal Zone being occupied by a foreign power. At the Cairo Conference, the number of observers from Latin American increased to 9, but, there was not participation by Panama even as an observer. The Cairo Conference took note of the grievances of the people of Puerto Rico but because of the lack of initiative by Panama to bring her grievances before the non-aligned states, the Cairo conference did not display any concern for the aspirations of the people of Panama. However, the Cairo Conference of the Non-Aligned nations gave considerable thought to the question of military pacts, foreign troops and vessels. Again, the Prep meeting of non-aligned countries at Dar-Es-Salaam did not receive any observer from Panama through there were 8 LA states which sent their observers to the Conference. The same is true of Panama's attitude to the Lusaka Conference of the non-aligned countries.

Though Panama has not participated in the non-aligned conferences, it has, nevertheless, shown interest in the United Nations Conference on Trade and Development which contains almost all non-aligned countries. It signed the Joint Declaration of the developing countries in 1963, and, thereafter, has participated in the UNCTAD.

In recent years, Panama has been showing some inclination to move away from the orbit of American hegemony in Central America and look for diplomatic and political support to the Soviet bloc countries and to the countries of Asia and Africa. The pivot of Panamanian discontent and frustration is the United States policy in the Panama Canal Zone.

The legal status of the Zone is regulated by a bilateral convention of November 18, 1903 (as amended in 1936 and 1955) in which Panama granted to the United States "in perpetuity" the use, occupation and control of the designated area together with "all the rights, power and authority...Which the United States would possess and exercise if it were the sovereign of the territory...to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power or authority." Negotiations for a radical revision of the existing treaty relationship were undertaken shortly after the serious riots which occurred along the Canal Zone boundary in 1964. Three new draft treaties were drawn up and submitted for consideration by the two Governments in 1967, but Panamanian acceptance was delayed for political reasons, and the treaties proved unacceptable to the military Government that seized control in October 1968...

...There is a possibility that the present regime may start making use of the non-aligned forum to lend increased weight and prestige to her bold stand on the Canal issue. Should the Panamanian Government make such a move, then India should encourage her to attend the forthcoming Conference of the Non-Aligned States.