

The U.S.-Panama Crisis: Lessons in Effectiveness of Coercive Diplomatic Measures

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Introduction and Background

On December 20, 1989, the United States launched a military intervention targeted at General Manuel Noriega and the Panamanian Defense Forces (PDF). American officials stated that "Operation Just Cause," also referred to as "Liberacion" by the Panamanians, was the last resort in U.S. efforts to remove Noriega and his regime from power. This being the case, some immediate questions arise. Why was it difficult for a superpower country to take on a small Latin American dictatorship? Why did U.S. coercive measures short of intervention fail to oust him? And what lessons did we learn from this engagement?

U.S.-Panama relations date back to the turn of the 20th century when America was involved in Panama's independence because of our strategic interests to build a trans-oceanic canal. During the course of the century, the United States engaged in Panamanian politics and at times resolved Panama's internal political problems through diplomacy and/or the use of limited military force. Until late 1999, America maintained military bases and troops in Panama. Although the United States was willing to negotiate the Panama Canal treaties in 1976 with then-dictator General Omar Torrijos, relations deteriorated when his successor, Noriega, began to restrict democratic principles. Relations turned into a crisis in 1987 when a high-ranking PDF officer broke with Noriega and accused him of human rights abuses, election fraud, and drug trafficking.

American Coercive Measures

During the 1987-1989 crisis, the U.S. government pursued a series of different coercive measures against Noriega and his regime. These included the cut off of American economic and military assistance; the freezing of Panamanian assets in U.S. banks; the implementation of economic sanctions; American emissary missions demanding for Noriega to step down; the announcement of drug indictments by federal grand juries in Florida; failed attempts to pursue possible covert operations; a U.S. military buildup; and execution of psychological operations. Noriega also withstood internal Panamanian pressure including two failed military coups, an ouster attempt by the civilian Panamanian President, and efforts by the Organization of American States to negotiate his voluntarily withdrawal from power. All these efforts fell short of first changing Noriega's behavior and ultimately removing him from power.

Why Coercive Measures Fell Short of the Objective

Four key issues undermined the U.S. strategy against Noriega: (1) American demands changed during the course of the crisis; (2) the timing of the crisis during the 1988 U.S. Presidential election delayed the strategy; (3) American government interagency differences weakened overall policy; and (4) Noriega's determination to stay in power strengthened as the crisis escalated.

First, with the denouncement of the Noriega regime by a high-ranking PDF member in June 1987, the Administration of President Ronald Reagan demanded that Noriega change his behavior by restoring democratic principles. The crisis was considered a Panamanian crisis that warranted a Panamanian solution. When the federal grand juries in Miami and Tampa Bay, Florida, issued federal drug indictments against Noriega in February 1988, the American government then demanded that Noriega voluntarily resign. These indictments proved to be a point of no return, ending any diplomatic flexibility. The indictments came as a surprise not only to the American public and Noriega but also to some U.S. government agencies still pursuing relations with Noriega. This was now a U.S.-Panama crisis. After a failed American attempt to negotiate Noriega's voluntary departure from power in May 1988, it became clear to some U.S. officials that Noriega's removal from power—either voluntarily or involuntarily—was the only solution. This, however, was not the demand of a "united" U.S. government until after Noriega committed election fraud in the May 1989 Presidential election in Panama.

Second, the timing of the political crisis during the 1988 American Presidential election complicated and delayed the execution of the coercive diplomatic strategy. As is often the case every four years, U.S. political focus was more on the Presidential election and less on foreign policy crises. Aware of U.S. domestic politics, Noriega took full advantage of the opportunity to raise the morale of the PDF by harassing American military personnel and civilians in Panama.

Third, significant interagency differences existed within the Reagan Administration, which led to a weakened strategy. Significant obstacles to various attempts and strategies existed because different American agencies had different policies and interests with regards to the Noriega regime. The Department of State and the Congress wanted to cut all ties and communication with the Noriega government and were willing to use force. Other agencies including the Department of Defense, the Drug Enforcement Administration, and the intelligence community took a less aggressive approach. Certain agencies also continued to engage with Noriega during the crisis, sending mixed signals to him from the U.S. government. Because of the interagency differences and a lack of specific leadership, a policy of inaction resulted that could not successfully end the crisis.

Finally, Noriega's determination to stay in power strengthened as the crisis escalated. Noriega had been successful in undermining the

U.S. coercive diplomatic strategy for more than two and a half years by seeking outside help from other countries and by raising charges of Yankee imperialism through propaganda against the United States. For example, banners with a picture of the American Ambassador to Panama dressed as a cowboy shooting Santa Claus became the norm. The drug indictments also complicated the situation by effectively leaving Noriega with no desirable choice other than to stay in power. This fact was illustrated in the failure of the 1988 negotiations led by the State Department that urged him to step down from power in exchange for the dropping of the drug indictments. Congress was on record against the negotiations, and this view was shared by several American Cabinet officials and by Vice President George H.W. Bush. Noriega was aware of the disagreement and concluded that it was safer for him to remain in power than to step down.

Decision to Intervene—The Last Option

U.S. arguments against Noriega changed several times during the 1987-1989 period. First, Noriega was a Latin American dictator who had denied democratic principles in Panama. In February 1988, Noriega was linked directly to the number one enemy of American youth-drugs. By late 1989 Noriega was a threat to Americans in Panama. After the killing of a U.S. soldier in mid-December the decision was made to intervene militarily.

Following the May 1989 Panamanian Presidential election—when the world saw the bloody pictures of Vice Presidential candidate Billy Ford who had been physically beaten by Noriega's thugs—the American government united behind the clear objective to remove Noriega from power. The Reagan Administration had been divided on this matter, resulting in a “try and see” approach, and it had never come to the conclusion that Noriega had to go. Unlike the previous Administration, President George Bush and his Cabinet were interested and fully engaged from the outset in desiring to end the crisis. Mindful that the crisis was escalating, Bush agreed to a graduated “step by step” effort to get rid of Noriega by sending additional U.S. troops to Panama, bringing military families back to America, and executing a series of psychological warfare operations. By the time a new Commander in Chief of the U.S. Southern Command was sent to Panama in late 1989, the Bush Administration already had a clear vision of what it wanted this military general to do—protect American lives and property and defend the Panama Canal. And if this meant removing Noriega from power, then so be it.

The 1989 U.S. military intervention, Operation Just Cause, was successful. President Bush outlined four specific objectives that were all achieved with minimal loss of American and Panamanian lives: protect lives, defend democracy in Panama, apprehend Noriega and bring him to trial on drug-related charges, and ensure the integrity of the Panama Canal treaties. Not only did Noriega have to go, but the PDF as well.

Originally seen as part of the solution to ending the crisis, the U.S. government had encouraged the PDF to remove Noriega from power. However, after the October 1989 failed military coup and later the killing of an American soldier, the PDF was seen as the problem as well. The decision was made that the PDF as an institution had to be destroyed.

Lessons Learned

First, the United States showed for the first time that it is possible to marshal the necessary resources to arrest and apprehend a dictator that acted undemocratically as well as against our interests. However, an initially divided government without a clear objective resulted in a weakened strategy. With a divided Reagan Administration and a united Panamanian government under one man determined to stay in power, it is easy to understand how Noriega was able to face up to a superpower and prolong the crisis. Before May 1989, U.S. pressure was inconsistent and lacked real political will to end the crisis.

Second, coercive threats lacked a sense of urgency or ultimatum and thus failed to compel Noriega. During 1987 and 1988, the Reagan Administration pursued policies on a try and see approach. It is probable that had a series of massive pressures been taken against Noriega during early 1989, when Noriega was at a weak point, they may have worked to convince him to step down. During a six-week period in the spring of 1988, Noriega survived a failed military coup, an ouster attempt by President DelValle, the imposition of American economic sanctions, and the announcement of drug indictments. A sense of urgency followed by an ultimatum at this time may have had a more profound effect. Instead, U.S. strategy lacked a specific, time-limited demand and a threat of punishment for non-compliance.

Third, high expectations of a Panamanian solution were overly optimistic. Certain U.S. officials couldn't understand why Panamanians weren't willing to resort to violence to remove Noriega from power, as had been the case in neighboring countries. The strongest Panamanian line of defense mounted against Noriega's regime was "pito, paila y panuelo" (horn, pots, and handkerchiefs) through the civic crusade movement. Historically, Panama has not been a violent country. During the crisis, many Panamanians, accustomed to external solutions to internal strife, questioned what the Americans were going to do to get rid of Noriega. Panamanian passivity was further illustrated when the United States intervened militarily and the PDF put up at most token resistance.

Fourth, negotiations were not credible and compelling enough to convince Noriega that he had no better alternative than a negotiated settlement. Noriega was convinced that it was safer to stay in power—especially after the announcement of the drug indictments—than to step down and possibly be sent to the United States to be prosecuted for

drug trafficking charges or to be vulnerable to threats from his former drug trafficking partners.

Fifth, the introduction of non-foreign policy actions against Noriega dramatically altered and limited coercive diplomatic efforts. The federal drug indictments proved to be a point of no return in dealing with Noriega. U.S. foreign policy officials questioned how federal attorneys, who normally do not play a role in foreign affairs, were able to follow through with the indictments and not take into consideration the consequences for indicting a head of state. Officials from the State and Defense Departments claimed that they never took seriously the possibility of the indictments until they were actually announced.

Sixth, the strategy for the military intervention lacked a plan to prevent anarchy in the streets. Although the execution of the intervention was successful in meeting the four objectives, there wasn't a plan to preserve law and order.

Seventh, when considering intervention to resolve a crisis brought about by corruption, it is important to analyze the nature of the corruptive influence. Corruption may be primarily the result of the influence of a single charismatic actor or, as was the case in Panama, institutional factors such as the PDF support and encourage corruption and require correction and/or dismantling of whole institutions to bring about resolution.

Finally, the U.S. government underestimated Noriega's understanding of American policy and his belief that the United States would never intervene. Even when Noriega was informed by loyalists and intelligence sources that U.S. Air Force C-141s with paratroopers and other forces were en route to Panama, he was still not convinced that the Americans would intervene militarily. Noriega believed that his past relations with various agencies—providing intelligence information on different Latin American regimes and assisting with U.S. law enforcement in countering drugs—would make it difficult for the American government to turn against him. The deeper and more complex Noriega's conflicts grew, the more he sought to assist the U.S. government with its foreign policy efforts. American tolerance for Noriega was high, and it had always been easier for U.S. officials to look the other way when Noriega was accused of doing something than to reprimand him. Noriega was fully aware of the disagreement among U.S. agencies and was convinced that his importance to selected stakeholders would prevent direct military intervention.

