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NSC BRIEFING

17 February 1960

PANAMA

- I. New anti-US violence may erupt soon due to disillusionment over failure to obtain US agreement on flying Panamanian flag in Canal Zone.
 - A. Flag issue and other complaints regarding US policies in Canal Zone expected to receive increasing attention in election campaign now under way. *for 1960*
 - B. Student, labor, and civic groups discussing another sovereignty march *under general* for various dates between late February and early May.
 - C. 1 March possible date of demonstration, since it coincides with Constitution Day and peak day of annual pre-Lenten Carnival celebrations.
 - D. Due to intense buildup of anti-US feeling, new demonstrations would probably receive much broader public support than last November's outbursts.
 - E. Minister of Government Valdes said National Guard would not intervene in new demonstration unless Panamanian property damaged.

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