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OCI #1579/68

CENTRAL INTELLIGENCE AGENCY
Directorate of Intelligence
12 October 1968

INTELLIGENCE MEMORANDUM

Panama Situation Report
(As of 6:00 PM EDT)

1. At last word this afternoon, the National Guard remained in complete control of the country with no violence having been reported. The military coup leaders are rapidly consolidating their successful takeover. They have been seeking broad political support. Top leaders of the pro-Arias political parties have been hanging back, while opposition parties and some lesser known politicians appear ready to step into the breach.
2. The composition of the military junta appears firm. Colonel Pinilla is the president and Colonel Urrutia and Major Martinez are military members of the body. New commanders of the National Guard have also been named.
3. The lack of pro-Arias activity thus far suggests that the majority of his followers are awaiting his call before committing themselves. Pro-Arias party leaders appear disorganized and stunned. Separation of President Arias and most of his cabinet in the Canal

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EO 12958 6.1(c)>25Yrs

[redacted]

Zone from the rest of their followers in Panama has made it difficult for them to do anything effective. They have no access to radio or news media, [redacted]

[redacted] Without Arias' strong personal leadership and call to arms through mass media, it seems unlikely that strong action against the coup can be developed. Some acts of terrorism are to be expected, particularly from the small Communist cadre trained to exploit such situations. If, as it now appears, the Guard can control the streets and enlist a certain amount of political support to run the government, it is hard to see what Arias can do to get back to power.

EO 12958 3.4(b)(1)>25Yrs (C)

4. This morning, coup leaders requested representatives of most political parties to send delegates to National Guard headquarters to assemble a provisional cabinet. By 3:00 PM EDT a largely civilian cabinet had been formed. Changes in the cabinet's composition are still possible, however. [redacted] the

junta will govern until an agreement can be reached regarding future elections. In the meantime, the National Assembly has been dissolved and certain constitutional guarantees have been suspended.

EO 12958 3.4(b)(1)>25Yrs (C)

5. As of 2:00 PM EDT, the National Guard had arrested about 35 political leaders, including several deputies of Arias' party. Nothing has been broadcast in Colon about the coup, but news of its occurrence has spread. The provincial governor and some municipal officials have been arrested. Crowds in this pro-Arias city appear to be anticipating trouble, but no organized groups have been formed yet. Canal Zone police do not expect any serious trouble unless Arias is able to call

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on the people to revolt.

6. At about noon some 40 Communist students had gathered at the University of Panama. They had made no decision about taking action on their own, but were prepared to join in if the masses should go into the streets. By early afternoon there were about 100 students gathered at the university where they prepared a statement condemning military coups in general.

EO 12958 6.1(c)>25Yrs

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