POL-14 files

COMPIDENTIAL

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Department of State

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Pro-Samudio Media Launch Bitter Anti-U.S. Campaign

- 1. SUNMARY: In the face of an ever-helming defeat at the polls by opposition candidate Arnulfo ARIAS, the media supporting government candidate David SAMUDIO have launched a bitter anti-U.S. campaign, alleging that Arias' victory was engineered and imposed by Washington and that U.S. CIA agents and diplomate pressured National Guard (GN) Commandant VALLARING to use the GN in support of Arias. The campaign has been increasing in intensity, and the May 29 issue of Ia Calle was devoted in large part to horrer pictures of the January 1964 anti-Canal Zone riots with a tanner charging Arias with "Betrayal of the Martyrs of January."
- 2. The pro-Samudio media have in recent days launched sharp attacks on the United States Government for allegedly interfering in the Fanamanian electoral process in favor of opposition candidate Arnulfo Arias. The media, tabloids <u>El Sol</u>, <u>La Calle</u> and <u>El Macional</u> and <u>El Mundo</u>, and the virulent, unlicensed <u>Voice of the People's Alliance</u> (VOPA) radio station, have charged specific U.S. Mission Country Team members with actively supporting Arias' campaign, have alleged that various covert emissaries have been sent by Mashington to pressure CN Commandant Vallarine into supporting Arias' cause, and have generally indulged in an emotional "blame the gringo" campaign. Apparently, this three-pronged campaign is designed to explain away the imminent victory of Arnulfo Arias over David Samuāio. In spite of widespread intimidation, fraud and government pressure on election day, Arias still amassed an overwhelming victory.

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- 3. <u>La Calle gave an inkling of things to come when on April 20, even before the May 12 election, it bannered that the U.S. Consul in David was directing Arias' campaign in Chiriqui Province (PANANA 3184). On May 24 <u>El Mundo reported that Consul REYNOLDS will be transferred to Viet Nam as punishment for having intervened in Panamanian politics in favor of Armulfo Arias.</u></u>
- 4. La Calle on May 17 charged Public Affairs Officer DAVIS of the gringo Embassy" with giving pro-Arias briefings to U.S. correspondents covering the Panamanian elections and with other pro-Arias activity (PANAMA 3406). On May 23 El Sol reported that USAID Director MECELLAS is being transferred to Viet Nam because he intervened in local politics, this time in favor of Republican deputy candidate Edgardo CARLES. This charge was repeated in El Mundo on May 24.
- 5. The latest alleged "transfer" to Viet Nam was that of Political Section Chief KARKASHIAN, reported in <u>El Sol</u> of Nay 25, again for alleged pro-Arias attitudes and actions.
- 6. The pro-Samudio media have also charged that covert emissaries sent from Washington have met with ON Commandant Vallarino to urge a pro-Arias stance (Ia Calle, May 28). This story features the front-page picture of Ambassador ADAIR although he is not mentioned in the text. General Vallarino is pictured with U.S. General ALGER, who recently departed the Canal Zone. General Alger is not identified. El Sol of May 28 reports that a CIA agent is advising Vallarino; the headline reads "Washington Tries to Impose Arnulfo by Force." This time, President JOHNSON's picture is front paged, and El Sol's editorial compares this alleged U.S. intervention in Panama with Theodore ROOSEVELT's "Big Stick" policy.
- 7. Reports by U.S. correspondents, some of whom suffered unfortunate incidents during the May 12 elections (A-560), were sharply criticized by El Mando on May 21. El Mando charged the correspondents with inflating the crisis beyond true proportions and "supporting their country's international objectives by supporting Arnulfo Arias." El Sol's May 22 editorial, entitled "Journalists or U.S. Agents?", was an even stronger attack on the allegedly biased reporting of "U.S. State Department agents who pass themselves off as journalists."
- 8. The latest, and bitterest, stage of this campaign is being carried by the VOPA radio station, reportedly financed by Foreign Minister Fernando SLETA and his brother Carlos, which on May 27 charged Arias with being in league with the "U.S. high command" and ready to surrender the canal under any conditions when he comes to power. VOPA reported

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that the "madman" will completely ruin the country and that the gringos under Arias' Presidency will seize the canal. VOPA also is attacking the U.S. for its support of an alleged interference with the GN on behalf of Arias' candidacy.

9. VOPA on May 28 charged that opposition terrorists with arms supplied by "defense personnel of the U.S. Ambassador's residence" were driving around Fanama City in a U.S. Embassy secretary's car to fire on anyone who opposes Arias' victory. VOPA also asked for a united front against "Yankee" intervention and those planning to sell the fatherland in a "dirty treaty," presumably Armulfo Arias.

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