Memorandum

TO: The Ambassador

DATE: January 9, 1963

ATTEN: Mr. Wallace Stuart, Chargé d'Affaires

FROM: W. Alan Laflin, Director, US AID/Panama

SUBJECT: Request from Minister of Government and Justice for U.S. to Pay Salaries of 400 - 500 Additional National Guardsmen

This will confirm the verbal report made January 8th to Mr. Stuart, DCM, by Mr. John C. Neely, Chief Public Safety Advisor, of this office.

Minister of Government and Justice, Marco Robles, confidentially informed Mr. Neely on January 3, 1963 that he is very apprehensive about the inability of the Panamanian National Guard to maintain law and order since the Communists in Panama have gone underground. Minister Robles stated that he would feel more comfortable if the size of the National Guard could be increased by 400 - 500 additional men.

Minister Robles further stated that because of the "tight" budget the Government of Panama cannot possibly pay for such an increase of the National Guard and that he would like for the United States Government to pay the salaries of the additional men "as the United States did in Guatemala". Minister Robles recommended that the salary of one Panamanian National Guardsman should be figured at $100 per month (recently raised from $80 per month). He also said that an increase of 400 men in the National Guard would require an expenditure of $40,000 monthly just for salaries. The Minister did not mention who would pay for the uniforms and necessary equipment for the additional men but he did state that he would like the new men to be used in "civic action" type of work similar to the public order companies now stationed at Panama Viejo and Tocumen.

Minister Robles further said that approximately two years ago he was in Washington and that the Attorney General gave a tea in his honor and at that time he was promised assistance to the National Guard by the United States Government. The Minister also reported that he had several discussions with officials in the State Department while he was in Washington and that he has not received the promised assistance to date. Minister Robles concluded the interview by stating that he will be available mid-March 1963 to make a trip to Washington to discuss with the necessary U.S. officials the urgent necessity of his request. Minister Robles was told that his request would be reported through proper channels and that he would be informed of developments.
It is estimated that the addition of 400 men to the present National Guard force of 3,000 men will cost a minimum of approximately $610,000 annually. This amount is broken down as follows and does not include housing for the additional troops:

Salaries ........................................ $480,000
Uniforms (3) and shoes ..................... 50,000
Carbine Rifles (400) or ..................... 20,000
  .38 Caliber Revolvers
Misc. Equip. - Gas Masks, Helmets .......... 30,000
  Ammunition, Batons, Belts, etc.
Jeeps (15) or Pick-Up Type Vehicles ....... 30,000

Estimated Total......................... $610,000

Mr. Stuart requested Mr. Neely to submit the above information in memorandum form so that consideration could be given to having the Country Team study this matter.