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Black Labor on a White Canal:
West Indians in Panama, 1904-1980
by
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The Latin American Institute at the University of New Mexico is one of the nation's leading foreign language and area studies. It is one of ten federally designated National Resource Centers for Latin America, and it is unique in terms of the number of degree programs and courses offered. More than 170 faculty specializing in Latin American research and teaching are members of the Faculty Concilium on Latin America, the constituent body of the Latin American Institute.

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As a crossroads for world commerce, Panama has always attracted outsiders. Traders, laborers, and adventurers swarmed to the Isthmus whenever new projects began. Between 1850 and 1950, as many as 200,000 West Indian blacks traveled to Panama, the most voluminous trans-Caribbean movement of people ever. The high tides of migration occurred in 1850-55 (the Panama Railroad), 1880-89 (the unsuccessful French canal), 1904-14 (the U.S. canal), and 1940-42 (the third locks project). West Indians saw Panama as a promised land with abundant jobs for the robust and easy money for the clever. They hoped that the journey to Panama would be the end of the Diaspora.

In black history, the Diaspora—or dispersal of Africans to many parts of the world—continues. The first stage saw tens of millions enslaved and sent from their homeland. In the second stage, their descendants won freedom and became citizens of new countries. Yet another stage came, when poor blacks had to move again due to depressed economies, civil wars, droughts, and overpopulation. Those who migrated to Panama between 1850 and 1950 formed part of this new dispersion, because poor harvests and competition from Cuba, Brazil, and beet sugar had ruined the island economies.
Did black West Indians who went to Panama escape the Diaspora? Some did not, for they pushed on from there to other parts of the Americas in search of better jobs and acceptance by the native populations. Tens of thousands came to the United States. The majority did remain in Panama, however, constituting the single largest immigrant community in the country.

Whether the West Indians who stayed in Panama eluded the Diaspora is a subtler question. They did to the extent that they found social acceptance and blended in with the local population without having to give up their cultural traditions. This process can be termed integration, meaning accommodation in a pluralistic society, allowing members of minority groups to retain their culture or adopt portions of the host culture without stigmatization. In concrete terms, West Indians and their descendants could continue to speak English, visit their families on the islands, worship in Protestant churches, and enjoy British citizenship.

Another way out of the Diaspora was no escape at all. That was assimilation, whereby many West Indians consciously gave up their language, British culture, religion, nationality, and even names to become like the native Panamanians. Brazilian writer Abdias do Nascimento called such a process "cultural genocide." A hypothetical case would be a Barbadian named John White who became naturalized as Juan Blanco, converted from Anglican to Catholic in order to marry Elena Fernández, spoke Spanish at home, sent his children (named Blanco Fernández) to Panamanian schools, and professed as much hatred for the Canal Zone gringos as his Latin neighbors did. For Nascimento and many West Indian descendants in Panama, such a transformation represented psychological destruction for the individual and cultural extinction for the group. Many accepted this sort of assimilation over the Diaspora, but the choice could never have been easy.
The United States played a major role in both the West Indian migrations and in the integration/assimilation processes. The government or private companies (or both) undertook most construction and operation of transport across Panama after 1850 and will continue to do so until the expiration of the Carter-Torrijos Treaty in 1999. American managers preferred to hire West Indians, and recruiters spent dozens of man-years on the islands encouraging emigration. Abundant, submissive, mostly Anglicized, the West Indians formed the core of a labor system based upon third country nationals.

Canal labor relations went through several phases. In the nineteenth century, white American or European managers oversaw racially mixed skilled artisans and supervisors, who in turn drove gangs of black and mestizo laborers. Customarily Americans and Europeans received their pay in gold, while West Indians and Latins were paid in local silver currency. The work force was generally too heterogeneous and transient for any formal split labor system to operate, but gold pay connoted higher status.

In the construction days of the present canal (1904-14), Americans perfected a segregated society whose components were distinguished by the terms Gold Roll and Silver Roll. These euphemisms poorly disguised a system of Jim Crow as thorough as in the U.S. South. C. Vann Woodward has noted that imperialist expansion went hand in hand with rising racism. Once the Gold and Silver system became permanent, it allowed canal administrators to keep the West Indian workers in the position of third country nationals competing with natives. This labor regime became the single greatest obstacle to West Indian integration in Panama, because it juxta-posed the interests of the immigrants and the host society.
Panama too played an important part in the migration and integration/assimilation processes, usually in reaction to U.S. policies. Panamanian authorities first sought to regulate immigration by barring Chinese and Middle Easterners. When thousands of West Indians were laid off after 1914 and settled in Panama's terminal cities, authorities passed a law against entry of English-speaking blacks. This and subsequent measures proved mildly effective in stemming migration, but they led to defensiveness on the part of the West Indians and their children. Panamanian chauvinism during the 1930s and 1940s was the second greatest obstacle to West Indian integration. For a time the West Indians were a people without a homeland, caught in a limbo with only two exits: emigration or assimilation.

After World War II, circumstances in the United States and Panama turned favorable for the canal West Indian community. The civil rights movement gradually broke down the harshest aspects of segregation in the Canal Zone. Panamanians extended full citizenship to those of West Indian descent and promoted interchange between them and the host society. Diplomacy drove the American changes, while politics hastened those in Panama. The U.S. government reformed the canal labor system in order to diminish its colonialist relationship with Panama and to improve relations with Latin America. Treaty talks in the mid-1950s and after 1964 led to dismantlement of the U.S. canal and its third country labor system. Panamanians took steps to eradicate discrimination against the descendants of the West Indians, thereby encouraging integration over assimilation.

Although the Carter-Torrijos Treaty cancelled some benefits enjoyed by canal employees, it forced West Indian descendants to make a far more auspicious choice than any faced by their forebears: between integration and emigration to the United States. For them the Diaspora has ended.
The Colonialist Labor System of the Canal Zone

The American canal project relied heavily though not exclusively on West Indian labor. The canal labor force came together piecemeal over the ten years of construction. Seven hundred West Indians remained on the payroll of the French company which had sold its rights to the U.S. government. Tens of thousands more came, recruited in the islands at first and then drawn voluntarily by the promise of good wages. They constituted about three-quarters of the total work force. American tradesmen and craftsmen usually signed on at the New York offices of the canal. Recruiters offered top wages, free transportation and lodging, recreation facilities, medical care, and generous vacations. After early scares of epidemics had passed, American workers showed up in large numbers. Spaniards, Italians, and Greeks also contracted for three-year tours with the canal.

John Stevens, chief engineer in the early days, insisted on employing workers from several sources. "My notion is that we should not attempt to prosecute this work without the introduction of at least three separate nationalities... so that none of them will get the idea that they are the only source of supply on the earth." Theodore Roosevelt soon endorsed that approach. Stevens's policy--the third country labor system discussed above--remained in effect throughout most of the history of the canal. It encouraged competition among the various employee groups, while relying primarily on a group of aliens, in this case the West Indians. The latter were disadvantaged in relation to the employer (the U.S. government) and the host society (Panama), whose citizens viewed the aliens as competitors and undesirables.

Canal administrators described the West Indians as poor workers who, with the right training and supervision, could be molded into acceptable
employees. They treated the blacks with the same paternalism that the "kindly planter" gave his former slaves after emancipation. Labor relations so resembled those of the South that people mistakenly thought that most American employees hailed from there. In fact most were Northerners.

The British government looked after the interests of the West Indians by intervening with U.S. or Panamanian authorities. They worked with a succession of West Indian committees and organizations formed to promote the welfare of immigrants. The poverty of the islands, however, prevented either the Foreign or Colonial Office from encouraging mass repatriation. After the heavy construction ended in 1914, an over-abundant labor supply depressed wages in Panama. The British government did all it could to help the unemployed short of sending large numbers home. In this way they allowed the canal's third country labor system to continue.

The racial segregation instituted through the Gold and Silver rolls also reinforced the third country labor system, exaggerating and codifying its most exploitative aspects. The designations gold and silver were attached to pay windows, toilets, commissaries, quarters, clinics, recreation facilities, postal windows, and virtually everything else. Canal managers avoided admission of color segregation in public because its legality was questionable under both the U.S. and Panamanian constitutions, and because the Republican Party still claimed to be defender of black people. Yet the gold-silver system bore a strong resemblance to the codified racism of Afrikanerdom and the Deep South.

Racial segregation created a complex set of privileges used to coopt leaders of the West Indian community and to divide their followers. For example, Zone officials kept a few well-to-do or talented West Indians on the Gold roll and paid them higher wages to show that the barrier was not
This induced moderation in the actions of many non-U.S. citizens, who hoped they might qualify for promotion to the coveted Gold roll. Zone officials also played upon natural divisions and rivalries among non-whites. The few U.S. blacks on the payroll enjoyed an intermediate position between gold and silver and were used to keep the West Indian blacks in line. Some "white Jamaicans," light skinned, educated, and anxious to be accepted by Zonians, served the same purpose.

The greatest schism in the work force, of course, lay between West Indians and Panamanians. The latter were racially heterogeneous, including a few whites, many mestizos, some Amerindians, and the so-called colonial blacks, descended from the days of the Spanish slave trade. Most Latins felt a preference for lightness of skin, a preference that was reinforced by Zone segregation policies. Thus racism exacerbated rivalry between West Indians and Panamanians, even when they realized that the Zone officials exploited them both.

In the 1940s, a time of intense pressure to reform the Canal Zone, the governor could still confidently predict the demise of the silver labor union, composed as it was "of two essentially incompatible elements--Latin Americans and West Indian Negroes--and I believe that if it is allowed to go its way unmolested it will soon begin to lose strength and eventually perhaps fall apart.

If Panamanians had any doubts about white supremacy, they got the message in 1910. The president and first vice president had both died, so Liberal Party leader Carlos Mendoza succeeded to the highest office. A mulatto, Mendoza enjoyed great popularity among the black and mestizo lower classes of the cities. He announced that he would have the Liberal majority in the National Assembly choose him to finish out the 1908-12 term. The
chief of the canal, George Goethals, did not relish the prospect of dealing with a black, however, and Panamanian Conservatives urged him to declare Mendoza ineligible. The U.S. chargé, acting with Goethals's approval, convinced the State Department that Mendoza should be barred from office. He then got Mendoza to desist, in exchange for a promise that he would be minister of finance. The chargé then tried to dictate who would be interim president by threatening military intervention and even annexation. Neither Goethals nor President Taft cared who the Assembly chose, but they feared that the chargé's continued meddling would jeopardize friendly relations in the region. They called him home and the incident passed.

The Panamanian elite recognized that Americans only wanted to deal with whites, so they came to an understanding. Both would cooperate in keeping the nonwhite populations of Panama and the Zone in a subordinate position.

The 1920 silver strike dramatically tested these labor controls and proved them sound. The silver force had fallen from 25,000 in 1913 to 17,000 in 1920, and wages had not kept up with the cost of living. The squeeze was especially acute for those West Indians who had families and remained as permanent canal employees. Small strikes broke out in 1916 and 1919, but they quickly dissipated. In 1919, however, representatives of the Detroit-based United Brotherhood of Maintenance of Way Employees and Railroad Shop Laborers began to organize the silver workers, promising hard-hitting leadership. By early 1920 they had signed up about 80 percent and began to demand better pay and fringe benefits. A national rail strike threat in the United States, plus an intransigent attitude on the part of the canal administration, sparked a nearly complete walk-off by 17,000 workers in February 1920.
Despite a successful first week, leaders soon told the men to return to work due to lack of strike funds. The failure left a deep impression on native and West Indian workers. The principal leader, Barbadian William Stoute, had little experience in union affairs and misread signals from Detroit. The brotherhood neither officially sanctioned the strike nor sent help, yet it was expelled from the American Federation of Labor (AFL) for encouraging the canal strikers. This left a 30-year legacy of distrust toward U.S. unions. The government of Panama, at first neutral in the dispute, took action against the strikers after the governor of the canal threatened to send over marines. West Indians long viewed this as a betrayal by the Panamanians. And neither group trusted the leadership of the other in subsequent years. Had the work force consisted wholly of West Indians or Panamanians, the strike might have succeeded. Its failure reinforced the divisions created by the third country labor system.

The strike and congressional criticism of excessive Gold roll benefits prompted the Harding administration to conduct an investigation of canal operations in 1921. The panel, called the Connor Board, concluded that mismanagement riddled the canal organization and that the best solution would be to replace most American employees with West Indians and Panamanians. This solution, called silverization, met with adamant opposition from the U.S.-citizen unions, because it endangered their jobs and the gold-silver division. And without gold supervisors, the silver workers might succeed in unionizing and even dismantling the third country labor system itself. The entire canal administration and the AFL in Washington campaigned against the Connor Board recommendations, which eventually died for lack of enforcement. The silverization threat always remained, however, and the gold unions hardened their resolve to keep the silver workers in their places.
For the next quarter of a century, no unions existed among the silver workers. The subservient Panama Canal West Indian Employees Association (PCWIEA, 1924-1959) achieved modest gains over the years, but it rarely had more than a thousand members and represented mostly its president, Samuel Whyte. Canal files contain much correspondence from the PCWIEA, most of it answered politely but in the negative. Since the PCWIEA admitted only West Indians and their children, Latin employees had to form their own group, the Sociedad Panameña y Latinoamericana de Trabajadores de la Zona del Canal (1921-?), led by Luis A. Víctor in the 1920s and Jorge A. Panay in the 1930s. In 1941 a socialist Latin group, the Sociedad de Panameños al Servicio del Gobierno de los Estados Unidos, developed under the leadership of Víctor Urrutia, a friend of politician Francisco (Pancho) Arias P. This group challenged the canal administration in 1943-45 to comply with a 1936 treaty promise that Panamanians would enjoy job opportunities and pay equal to U.S. citizens. The Sociedad did not, however, attempt to represent descendants of West Indians or, for that matter, even dark-skinned Panamanians. Thus the color line continued to reinforce the third country labor system.

Chauvinism Versus Integration

Even when the West Indians decided to stay in Panama to become permanent canal employees, the divisions continued. They and their children were ostracized by Latin Panamanians, legally, racially, and ethnically. A representative statement was Olmedo Alfaro's El peligro antillano, 2nd ed. (Panama: Imprenta Nacional, 1925), which predicted that black immigration and higher birth rates would swamp Panama with unassimilable hordes. Mis-
cegenation presented a threat, since it corrupted the lighter Spanish American stock.

In 1925 a new danger arose: social upheaval. The Panamanian government and elite regarded the immigrant West Indians as a source of profits. In 1925 they raised taxes and rents by as much as 50 percent. Some labor leaders managed to start a rent strike that degenerated into riots and looting. The U.S. marines finally restored peace, at the cost of several lives and Panama's wounded sovereignty. Few West Indians participated in the events, yet the public believed that they were responsible for the rising cost of living. To some, they were a perfect scapegoat.

A series of laws beginning in 1926 branded as undesirables "Negroes whose native language is not Spanish," i.e. West Indians. In 1928 the legislature amended the constitution to withhold citizenship until the 21st birthday from children of undesirables, even though born in Panama. In 1941 President Arnulfo Arias promulgated a new constitution which denied citizenship to undesirables born after 1928 and barred their naturalization altogether. These measures denationalized about 20,000 Panamanians of West Indian descent and created hardship for the remaining 30,000 members of the community. The legal restrictions were lifted in 1945, but a few remained on the books until 1961.

Public ostracism of the West Indians coincided with these legal measures. Throughout the 1920s and 1930s, pejorative terms such as "chombo" were commonly applied to the West Indians, and between 1931 and 1933 violent demonstrations occurred to protest the presence of jobless undesirables in Panama's cities.

Besides economic competition, racism inspired Panamanian rejection of West Indians and their children. The British minister reported in 1932
that Panamanians "fear the possible advent to power of this new [immigrant] class; they dread the prospect of a black president; and they are resolved that the position shall not be further aggravated by the admission to the country of fresh immigrants of African race." Harmodio Arias, the first president to receive electoral support from the children of West Indians born in Panama, nonetheless called attention in his 1932 inaugural to the dangers of nonwhite immigration. Besides contributing to already high levels of unemployment, it would encourage miscegenation and undermine the racial stock of the country. The latter was already highly miscegenated, except for the small white elite, and many Panamanians regarded more Negroes as a genetic threat. Meanwhile the supervising engineer (and future governor) of the canal avoided mixed Panamanian-West Indian work gangs, due to racial antagonism and language problems. Gradually, legal and social discrimination permeated Panamanian-West Indian relations in the 1930s.

After World War II the pattern of rejection shifted. Social impediments to West Indian integration replaced legal ones. By this time members of the West Indian community enjoyed better economic standing, and some had risen to respectable jobs in the canal and in Panama. Yet subtle rules segregated them. Some residential districts reserved for elite Panamanians and white foreigners were off-limits to the West Indians and their descendants. Many restaurants and taverns refused to serve them. Certain businesses and the government itself hired almost no persons of West Indian descent. Newspaper employment ads indicated this by the phrase, "persons of good appearance only." Discrimination was both racial and ethnic. These new chauvinist manifestations were in part learned from Americans in the Zone and in part derived from the legal restrictions of the previous thirty years. Such prejudices were neither as deep rooted nor insti-
tutionalized as those of the Canal Zone, yet they have been difficult to eradicate.

Panamanian rejection of the West Indians and their descendants produced a slow and flawed integration. The West Indian immigrants felt insecure in Panama. They banded together in self-defense, reducing interaction with the natives. The immigrants taught their children to avoid contact with Panamanians, for whom many used the derogatory term "Paños." West Indians of means preferred to send their children to private English schools or even to Jamaica for their education. The hostility of Panamanians also caused the West Indians and their children to take refuge in Canal Zone life and employment. Yet their identification with the United States gave the Panamanians more evidence of their unwillingness to acculturate. Chauvinism and cultural defensiveness thus bred on one another.

West Indian defensiveness took many forms, some separatist, some constructive. Chapters of the Universal Negro Improvement Association, founded by black nationalist Marcus Garvey, raised money for black businesses and eventual relocation to Africa. Some persisted into the 1950s. Many unemployed persons returned to the islands or moved elsewhere in search of work. A long series of West Indian defense committees dating from 1919 attempted to unify the numerous associations and to get British diplomatic protection. And some leaders argued that birth in the Canal Zone should carry U.S. citizenship, especially after Congress in 1932 conferred citizenship on inhabitants of the nearby Virgin Islands. For the most part these strategies failed.

Perhaps the most constructive defense mechanism of the West Indian community was getting control over their children's education. The private schools that had existed since early days were not especially good and were
beyond the reach of most working class families. Panamanian schools did not take in many children of West Indians, because of overcrowding and language problems. That left the Canal Zone colored schools. By gaining partial control of curriculum and teacher training, a few leaders in the 1930s and 1940s managed to shape the next generation of Panamanians of West Indian descent.

Some of the earliest Canal Zone schools had mixed student bodies, composed of West Indian blacks, Panamanians, and a few whites. But in 1906 the canal took over the schools, which were then segregated into white and nonwhite. Light Panamanian children from good families enrolled in the white schools. From then on whites received superior education, while nonwhites got second-class training. Less-qualified Jamaican teachers hired for the colored schools were paid less; their buildings were dilapidated and overcrowded; and they worked with textbooks discarded from the white schools. Administrators made no pretense of maintaining separate but equal facilities: white students achieved at U.S. levels, while blacks performed worse than Panamanians or blacks in the United States.

A 1930 Columbia University report on the Canal Zone schools put some pressure on authorities to raise standards for the blacks. "No adequate consideration has ever been given to the problem of meeting the needs of the Negro in the Canal Zone school. Beyond question, this problem, fraught as it is with social, political, and economic considerations, must be faced boldly and intelligently. Upon its solution depends the general welfare of thousands of Negroes in the Canal Zone, and, perhaps, of the Zone itself."

In response to such criticism, authorities revamped the upper grades to stress vocational education, on the grounds that the students would be future laborers on the canal.
A few West Indian youths had gone to the United States for college degrees and returned to assume leadership roles in the community. One of them, Alfred Osborne, had a major influence in the field of elementary education. A naturalized U.S. citizen when he returned, Osborne trained a new cadre of colored school teachers, in the La Boca normal school class of 1935-38. He imbued them with Dewey's New School philosophy and a sense of their mission in training the next generation. This approach held that children should be the center of the educational process. Their interests and future roles in society should determine curricula. Children must participate actively in learning, rather than be the passive recipients of information. Osborne became an apostle of the New School movement in Panama.

Osborne consciously cut ties with West Indian education and culture and set out to Americanize the schools. He and others devised a curriculum paper that can be seen as a benchmark for the integration process as a whole. The New School bias made their recommendations emphasize adaptation to the local environment. "Any guidance by the school that will help [students] become better and more efficient employees will be a splendid contribution... The group's greatest contribution...is to exemplify that spirit of service..." He and his aides also favored incorporating "Into Panamanian nationality a good nucleus of potential citizens." "The opportunity to acquaint the children in our schools with the language, the home life, the traditions, the colorful religious observances, and the history of the Panamanian people should be largely seized upon in developing a civic intelligence and in enlarging the horizon of sympathetic understanding between this group and the group of native Panamanians of Latin origin."

Osborne, who had majored in Spanish literature, gave special importance to language, both correct English and Spanish, for promotion of the
children's welfare. Languages were essential tools for integration. This mid-1930s assessment of the mission of the black schools revealed a strong attachment to the Canal Zone (which operated the schools and sustained the community) but also an emerging ideal of combining in the school curriculum the best of American, West Indian, and Latin American cultures.

The 1941 Constitution and stingy budgets during the war discouraged teachers from stressing Spanish and Panamanian culture, so little progress was made toward integration in the 1940s. Then two rude shocks in 1954 and 1955 forced the issue: conversion of the schools to a Spanish curriculum and the 1955 Eisenhower-Remón Treaty. Both were made without consulting the West Indian community and both proved detrimental to its interests. Yet in the long run (and despite the motives of U.S. and Panamanian authorities), these mid-1950s changes forced those of West Indian descent to make long-deferred choices about their identity.

The conversion of the schools proved one of the most controversial West Indian experiences in the Zone. Canal authorities had anxiously watched early desegregation decisions by the White House and the Supreme Court and realized that they might face similar orders. The Zone had already acquired an unsavory reputation for Jim Crow practices, and the National Association for the Advancement of Colored People (NAACP) pressed Eisenhower to end the segregated schools. In early 1954, Zone authorities decided to make the colored schools into "Latin American ones," justifying it as necessary to familiarize the students with their language, history, government, and customs. They went through the files and compiled a list of requests and suggestions urging such changes. To admit they had previously done nothing to promote integration was embarrassing but not as unacceptable as racial integration.
The callousness and rapidity of the conversion, done with little planning or teacher training, still angers those who lived through it. Osborne terms it ruthless and believes it led to the retirement and early death of the superintendent. Audley Webster says it created "a bastard educational system," neither American nor Panamanian. Perhaps most important, the conversion ended once and for all the idea that the canal administration was benevolent and could be trusted to act in the best interests of the community. From then on, teachers and supervisors took control (and occasionally violated policy) to create a bilingual, cosmopolitan school system which in many ways achieved the ideals enunciated in the 1930s curriculum study.

The 1955 Treaty, a major turning point in U.S.-Panamanian relations, provided an even larger shock and forced integration on the West Indian community. The treaty ended commissary privileges for the 80 percent of noncitizen employees residing outside the Zone. Even before that, the administration had decided to curtail housing and community services for noncitizens. This policy, known as depopulation, gradually reduced the noncitizen residents from 6,100 in 1950 to 1,500 in 1972. By the latter date only 13 percent of noncitizen employees had Zone housing and commissary benefits. To make things worse, Panama gained the right to tax the income of its citizens employed by the canal. The only offsetting benefits for descendants of the West Indians were promises of a contributory retirement system, improved employment opportunities, and equal pay under a single wage system.

The net effect of the 1955 Treaty was to drive descendants of the West Indians out of the Zone and to curtail their income and fringe benefits. Many decided not to accept the new terms and emigrated to the United States under the liberal rules of the period. Those who stayed suffered a decline in their living standard, lost faith in their unions, and became alienated from
U.S. canal administrators. But at least their children, now admitted into Panamanian schools, learned good Spanish and local customs.

Decline of the Third Country Labor System

Pressures from a variety of sources after 1943 had forced Zone officials to begin dismantling the colonialist labor system. Liberal Panamanians captured the government in 1945 and embraced the descendants of West Indians as full citizens requiring protection against the discriminatory practices of the Zone. A new generation of leaders emerged in the West Indian community as well, one cognizant of their Panamanian nationality and willing to use more forceful means to achieve decent treatment in the Zone and genuine integration in Panama. Finally, many agencies of the U.S. government urged reform in order to improve relations with Latin America as a whole. By the late 1940s, discriminatory and inequitable socioeconomic policies of the Canal Zone were a decided embarrassment.

Pancho Arias and his Renovador Party broke boldly with the past in 1945 by forcing the revocation of anti-West Indian laws and by organizing the community for elections in 1946. An old-fashioned liberal, Arias believed in equality of opportunity and welcomed those of West Indian descent (now called criollos) into the Panamanian family. One observer suggested that Arias possessed an over-developed father complex, which might also be termed a populist instinct. Most criollos accepted the invitation to participate in elections, and they naturally supported the Renovador Party. Pancho Arias's untimely death in 1946 kept him from winning the presidency, but his party continued to enjoy the support of the criollos until it split in 1960.
Even Arnulfo Arias M. (no relation to Pancho), who had acted viciously toward them in 1941, courted criollo voters in 1947-48 by assuring them that he had changed his ways and now recognized the contributions West Indians had made to the progress of the nation. The real culprits, he averred, were the Zonians, who kept those of West Indian descent isolated and ignorant of their Panamanian national heritage. Paradoxical as it seems, growing numbers of criollos believed in Arnulfo, and by 1968 about half voted for their former nemesis.

Although the criollo vote helped decide presidential elections between 1948 and 1968, the West Indian community made only modest political gains. Typically party bosses recruited criollo leaders but did not honor post-election commitments. True, several dozen criollos won elective or appointive posts in that period, but they were usually passed over for important positions.

George Westerman, for example, who enjoyed tremendous prestige in the 1950s and supported the Renovador ticket (by then part of the broader Coalición), made little headway in politics. In 1953 President Remón presented him with the nation's highest medal, that of Vasco Núñez de Balboa, and three years later Westerman went to the UN as Panama's ambassador. At the same time he became broker for criollo political appointments and personal adviser to President de la Guardia. He was ripe for a ministerial position (housing would have been appropriate), but instead he stepped back into private life in 1960, disappointed at how little he and his people had achieved. In elections that year some 31,000 criollos voted in Panama province alone, and perhaps that many more in Colon province. They cast almost a quarter of the total votes. Yet only one criollo made it to the National Assembly, due to divisions, broken promises, and gerrymandering.
By then Westerman had become publisher of the leading West Indian weekly, the *Panama Tribune*; he was rumored to be a candidate for secretary general of the UN; yet at home he was out in the cold politically, and so were his people.

The rise of criollo politics did help both Latin and West Indian employees in the Canal Zone for a time. Panamanian leaders, having purged racist legislation from the books, took aim at discriminatory practices in the Zone. They pointed to the differential pay and benefits of the Gold and Silver rolls, contrary to the promise of equality in the 1936 Treaty. They alleged that racism was the principal reason for the unequal treatment. Accusations of discrimination raised in such international bodies as the UN, the ILO, and the OAS, put the United States on the defensive. From 1943 until the 1977 treaty, use of this Panamanian strategy slowly won better treatment for nationals employed in the Canal Zone.

In 1946 Zone officials allowed the CIO-affiliated United Public Workers of America (UPWA) to organize silver employees into Local 713, and in a short time they represented a majority of the noncitizen workers. Taking their cue from UPWA officers in Washington, Local 713 leaders tried to bridge the gap between Spanish and English, between Latin and West Indian members. Their newspaper, *Accion*, was printed in both languages, and they consciously put Spanish-surnamed individuals on the board of directors. They also established informal links with the Panamanian ministry of labor and with union leaders, so that their activities would be mutually supportive. The peak of such collaboration occurred in 1954, when Ed Gaskin (head of Local 900, heir to Local 713) appeared in a mass meeting with President Remón to pledge solidarity with Panama in treaty talks.

Canal Zone authorities became vindictive, however, when unions col-
laborated with Panama in denouncing discrimination. When such criticism be-
came too strident, they struck back with chilling effect. For example, long-
time West Indian leader Cespedes Burke was fired in 1948 for union activities,
as were former Local 713 officers in 1953. Throughout most of 1949 the
Panama Canal and the State Department denied passports to UPWA representa-
tives, isolating the union at a time when a major struggle was occurring
in U.S. labor circles. When UPWA was expelled from the CIO in early 1950
for alleged communist ties, Local 713 collapsed and was replaced by Local
900, affiliated with a rival CIO international. Finally, Gaskin's flirta-
tion with Remón in 1953-54 so angered Zone officials that they took retaliatory
measures and eventually denied him leave-of-absence for union work.

37 Local 900 almost succumbed in 1956.

The Zone labor alliance with Panama cooled in the mid-1950s, due
not only to action by canal officials but to Panamanian diplomatic victories.
Gaskin and the others realized that in the long run Panama sought to win a
larger share in the operations and profits of the canal, and that the attack
on discrimination was only one element of that campaign. The 1955 Treaty
gave ample proof that Panama's gain could be their loss. This realization
has conditioned Zone unions' relations with Panama ever since, making labor
grimly protective of hard-earned benefits that Panama would like to scale
down. Union leaders know that salaries and fringes will drop when Panama
38 takes over the canal.

Finally, pressure to end the third country labor system of the Canal
Zone came from other branches of the U.S. government. The State Department
continuously fought to improve the bad image which colonialism and racism
caused in Latin America and urged Zone officials to apply Franklin Roosevelt's
Executive Order 8802 on employing minorities in defense industries and to
comply with the 1936 promise of equal opportunities for Panamanians. Nicaraguan newspaperman Guillermo Chamorro and Mexican labor boss Vicente Lombardo Toledano urged Roosevelt to end racism and discrimination in 1943 and 1944, and Vice President Wallace, Eleanor Roosevelt, and Frances Perkins were all approached during 1944 regarding injustices in the Zone. Roosevelt called Governor Mehaffey to Washington to discuss the matter. The president was not as concerned about the problem as Mehaffey feared, but the meeting revealed that other agencies had begun to take a reforming interest in the Canal Zone. Clearly an Allied victory in 1945 would bring more pressure to democratize and humanize the canal.

In the years following the war, interdepartmental meetings studded the Canal Zone calendar, and several intensive investigations by outside agencies yielded scathing attacks on racial and national discrimination. In all, these deliberations involved the armed services, Commerce, Interior, State, the National Housing Agency, Congress, Civil Service, the General Accounting Office (GAO), the White House, and the Supreme Court. As for outside investigations, those of General Frank McSherry, George Vietheer, and the Bureau of the Budget proved to be blockbusters. These studies concluded that canal operations wasted money on unnecessary luxuries and fringe benefits, while mismanaging labor relations in such a way as to embarrass the United States. They usually made the distinction between race segregation—which should be ended—and the dual wage system, which should be reformed to guarantee equal pay for the same work. The GAO in particular objected to the fringe benefits given to U.S. citizens which made the Zone "Southern Comfort" for the privileged and awakened feelings of resentment in all the rest. Undersecretary of Army Karl Bendetsen enforced the austerity measures in the early 1950s with exceptional zeal.
Racial segregation diminished gradually throughout the postwar era, again as a result of reforms imposed from the outside. The hated gold-silver system ended in 1948, but separate facilities for Americans and Panamanians continued for decades afterward. U.S. blacks enrolled in the formerly-white schools after the 1954 conversion, yet school segregation was still 95 percent effective. By the 1960s housing segregation was less obvious because so many Panamanians had been moved out of the Zone.

Yet when black U.S. Congressmen began to visit the Zone in the 1970s, it looked like the South in the 1920s. The army itself took measures to end Canal Zone racism, a quarter century after the historic decision to desegregate the armed services. A visiting Equal Employment Opportunity officer in 1973 described the racial situation as quite bad, with four layers of privilege: Zone whites, light-skinned Panamanians, West Indian descendants, and American blacks. He thought "it was high time someone brought Zonians into the twentieth century."

The year 1974 saw a concerted campaign against race discrimination in the Zone, especially important because the United States resumed treaty negotiations with Panama. Racism and inequality put the United States on the defensive in any talks. Black army officer Minton Francis and industrial relations specialist Peter Pestillo investigated labor practices and recommended elimination of segregation. Meanwhile, Congressman Robert Leggett, chairman of the House Subcommittee on the Panama Canal, conducted hearings in which descendants of the West Indians complained of injustices and mistreatment. Leggett also requested a special GAO study of differential salaries and benefits for citizens and noncitizens. These intrusions by outsiders shook the Canal Zone to its foundations and caused many old-timers to retire rather than see the Zonian way of life destroyed.
The denouement came quickly. In November 1975, Governor Parfitt announced three decisions which in the eyes of the old-timers spelled the end of Zone life as they had known it. Parfitt promised to merge the educational systems of U.S. citizen and noncitizen children, giving the latter the option of attending U.S. or Panamanian schools. Second, he decided to reduce the number of positions designated "security," or tenable only by U.S. citizens. Finally, he announced that housing would be assigned entirely on the basis of grade and seniority, thereby eliminating racial and national criteria. White American Zonians raised considerable protest over these reforms, even to the point of jeopardizing negotiations with Panama. But in the end they failed, because most government observers believed they were necessary for the achievement of treaties with Panama. Black Congressman Ralph Metcalfe, new chairman of the Panama Canal subcommittee, pushed hard to assure that the decisions were carried out over the next few years. Discrimination had gone from being an embarrassment to being an obstacle to American foreign policy.

The Treaty of 1977 and its implementation under the Panama Canal Act of 1979 are too recent for full appraisal by historians, but some analysts have already discussed their impact on the West Indian community. The descendants of the original West Indian immigrants divided over the effects, with Zone residents openly opposed and most others indifferent or in favor, for political reasons. Unquestionably, the 1,500 or so noncitizen employees in the Zone lost a number of benefits, and most were in the mood to go to the United States under special immigration provisions of the Act. But few of those who already lived in Panama suffered ill effects. Indeed, the treaty negotiations had induced canal officials to effect improvements that many employees never expected to see. While most West Indian descen-
dants accepted the treaty in principle, all were apprehensive about enactment and urged the unions to safeguard their benefits. They knew that the important decisions will come in the 1990s, when Panama assumes a larger role in management and will attempt to equalize salaries and benefits inside and outside the Zone.

From most appearances, the West Indian community has made the final decision to remain in Panama. Fewer emigrated than expected, and many went not with rancor but simply to establish residency in the United States. The irony is that some who had left in the 1960s returned to take jobs with Panama's new Panama Canal Authority. The Panamanians of West Indian descent have finally escaped the Diaspora.

By way of conclusion, it is worth recalling that the United States built the canal at the high tide of its imperialism and racism, but that institutions at home evolved more quickly than those abroad. West Indian immigrants who worked on the canal were victims of triple jeopardy: as third country nationals, as blacks in a white supremacist system, and as outcasts in Panama. By the end of World War II such treatment was anachronistic in Western society, yet decades passed before the immigrants and their descendants became full citizens of Panama and enjoyed normal employee rights in the canal. Panamanian chauvinism declined quickly, due in part to criollo politics in the 1940s and 1950s. The generation of West Indian descendants that came of age in 1945 led the community with much skill. Zone management, though, proved the hardest to reform, and vestiges of third country labor exploitation and segregation persisted until the 1970s. Only when faced with radical changes under a new treaty and near-unanimous pressure from other agencies did the Zonians relinquish the advantages they had enjoyed for 75 years.
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3. Among the most thoughtful pieces on West Indian integration in Panama is the typescript by George Westerman, "For a More Unified Panamanian Nation," written in the 1970s. The many memoirs, theses, and books by Panamanians of West Indian descent are an indication of integration without suppression of immigrant background. Noteworthy among these are Westerman's Los inmigrantes antillanos en Panama (Panama: Impresora de la Nación, 1980) and Charles Barton's ms., "Towards the Development of Panama: the Afro-Panamanian Contributions." In addition several recent congresses have featured the Afro-West Indian contribution to Panama, as did the October-December 1976 issue of the Revista Nacional de Cultura.

4. A vast literature covers the construction of the Panama Canal, and many books deal peripherally with the question of West Indian labor. No attempt is made here to mention such publications. The Newton thesis cited above may be supplemented with Lancelot S. Lewis, The West Indian in Panama: Black

5. John Stevens to Shonts (Chair, Isthmian Canal Commission), 4 May 1906, Panama Canal Commission file (hereafter PCC) 2-E-1; Claude Mallet, British minister to Panama, to Foreign Office (FO), 4 January 1907, F0371/300/3367, Public Record Office, London. The PCC collection, record group 85, is found in two locations: pre-1961 records are in the National Archives, Washington National Records Center, Suitland, Maryland. Later materials are in the Diablo Records Center, Panama Canal Area. For a sociological analysis of this labor system, see Raymond A. Davis, "West Indian Workers on the Panama Canal: A Split Labor Market Interpretation" (Ph.D. diss., Stanford 1981).


9. Goethals papers, Library of Congress Manuscript Collection (LCMC), 1910 passim especially Goethals to Secretary of War, 13 September 1910; Department of State correspondence, record group 59, National Archives, files 847 and 819.00 for 1910; and Mallet to FO, June-September 1910, F0371/944, passim.


12. PCC 2-P-70, especially for the 1930s. The PCWIEA annual report is available in the PCC library and in the Library of Congress.

13. The Sociedad and other Latin groups are covered in PCC 2-P-68. See especially McIntire, chief of civil intelligence, to Gov. Edgerton, 5 March 1942.


15. PCC 79-F-5 and 80-F-9 deal with these laws. The British minister's comments are in F0371/12015 and F0371/12785, which cover the years 1926-28. Most of the legislation is listed in Sadith E. Paz, "The Status of the West Indian Immigrants in Panama from 1850-1941" (MA thesis, University of Massachusetts, Amherst, 1977).

16. A good summary is Liga Cívica Nacional, "Solicitud de reforma de las disposiciones constitucionales vigentes sobre nacionalidad . . .," Westerman papers, "Misc." F0371/26090 contains the British minister's reports on the 1941 constitution. See also Irving to F0, 4 December 1944, F0371/38672/AN4700.

18. Crosby to F0, 24 February 1932, F0371/15847/A205 and 28 November 1932, F0371/15849/A8537; Mehaffey to Lombard, 18 May 1933, PCC 2-E-12.


20. Westerman column, Panama American, 4 May 1940; Allen Glenn Morton, "The Private Schools of the British West Indians in Panama" (Ph.D. diss., George Peabody College, 1966); Sidney Young editorial, Panama Tribune, 14 May 1938.


25. On 12 January 1954, Secretary of Defense Charles Wilson ordered desegregation of schools on military installations. When canal authorities announced that the ruling did not apply to them, Westerman approached Thurgood Marshall of the NAACP, who promised to "turn the place upside down" by urging Eisenhower to enforce the order in the Zone. Apprised of these actions, Lt. Governor Paxton wrote to civil affairs chief Donovan, "Despite the dreary fiscal outlook, we must go through with this change. . . . If you have any doubts on the alternative read the front page article in the Feb. 21st 1954 *Panama Tribune*. It may be later than you think." In other words they chose conversion to block desegregation. Westerman interview, 3 February 1981; Paxton-Donovan memo, 23 February 1954 and enclosed article, "Conversion, Latin American Schools-1," Audley Webster papers. Cf. Westerman column, *Panama Tribune*, 7 February 1954.

27. Robert Jeffrey, "Latin American Community Study," annex k, table 1 and p. 17, enclosure 19 July 1979, PCC 0/BLD 6. This valuable study, begun in 1972 by the administrative assistant to the governor, is also available in box 1237, accession no. 80-A-42, Diablo Records Center.


29. A fine overview of postwar Panama is provided by John Biesanz and Mavis Biesanz, The People of Panama (New York: Columbia University Press, 1955). An influential account of canal problems at the time was Westerman's Study of Socio-economic Conflicts on the Panama Canal Zone (Panama: Liga Cívica Nacional, 1948).


31. Criollo politics in the period 1946-60 are best followed in the West Indian weekly, Panama Tribune. The completest set is on microfilm in the Library of Congress.

32. Panama Tribune, 18 January 1948, paid ad by Arnulfo's party; Broadside in English, 12 June 1947, PCC C/80-H-10; intelligence agent Lapeira to
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37. Westerman column, *Panama Tribune*, 24 January 1954. The PCC files are: Local 713, 2-P-71; Local 900, 2-P-72; and general union policy, 2-P-11. In the latter file, see especially the U.S. embassy labor report of 29 October 1949 and British attaché Tennyson's report of 15 November 1949. State Department Decimal File 1945-49 includes a report by chargé Carlos Hall, in 711.1928/7-2049; cf. file 811F.5043. Canal actions against Local 900 were creation of rival civic councils in 1953; encouragement of a new union, Local 907, in 1954; and accelerated depopulation of noncitizen employees.

38. Interviews, René Lioeanjle, secretary general of the National Maritime Union in Panama, 1 May and 5 August 1981; William Sinclair, international representative for Local 900, 27 July 1981; Luis Anderson, president of


40. Gillermo Chamorro to Roosevelt, 19 July 1943, PCC C/28-B-233; Lombardo Toledano to Roosevelt, 10 February 1944, Roosevelt to Mehaffey, 16 May 1944, PCC 2-P-68; Mehaffey to Stayer, 10 July 1944, Mehaffey papers, LCMC; John Major, "FDR and Panama," ms. article.

41. General Frank J. McSherry, "Report to the Governor of the Panama Canal . . ." 1 June 1947, enclosure to PCC 2-E-11; George C. Vietheer, "Labor Conditions in the Canal Zone," 31 October 1949, enclosure, PCC C/2-D-4/PC. The Bureau of the Budget first looked into the Canal Zone in 1947 (Mehaffey to Rossbottom, 11 February 1947, PCC 65-J-3/M) and then scrutinized operations continuously through the mid-1950s. Their audit of 1952 was rigorous.


43. Minton Francis to William Brehm, "Report to the Assistant Secretary of Defense," 15 April 1974, PCC 0/PUB 6; Pestillo report, July 1974, PCC PER 4; Hearings Before the Subcommittee on the Panama Canal . . .and Problems of the Latin American Communities in the Canal Zone (Washington: GPO, 1975); The GAO report is U.S. Comptroller General, Report to the Subcommittee on
the Panama Canal (Washington: GPO, 1975); CF. also "Governor Parfitt's Opening Statement to the Panama Canal Subcommittee at Oversight Hearings on GAO's Report. . .16 June 1975," PCC PUB 2-1.

44. For example, see Kenneth Hannah, president of American Federation of Teachers Local 29 to Albert Shanker, president of AFT/NY, 3 November 1975, PCC SCH 1; U.S. Civic Councils to Parfitt, 10 November 1976, PCC PUB 1-2-1; Parfitt to Ralph Metcalfe, 6 August 1976, "Latin American-U.S. Merger II," Webster papers.