

DR ARNULFO ARIAS MADRID

While Arnulfo Arias Madrid ceased being the President of Panama just before the attack on Pearl Harbor in 1941, his brief administration was controversial, alarmed the US Government, and continued to affect both internal Panamanian politics and relations with the US. These effects only grew postwar, even though his attempts at regaining power were to only see limited success. His legacy still divides opinion the country to this day, with many people regarding him as a hero, despite some of the shadows on his record, and there is a large memorial to him at the edge of Balboa, the former “capital” of the former Canal Zone.



The memorial to Arias Madrid in Balboa

Dr Arnulfo Arias Madrid was a politician, doctor and writer who served on three occasions as President – from 1940 to 1941, 1949-51, and for 11 days in October 1968¹. His brother was also a President, for 13 days in January 1931 following the coup led by his brother, and from 1932 to 1936, but the brothers fell out during the 1930s, leading Arnulfo to run for the office himself.

¹ It has been said that Arnulfo Arias was elected to the Presidency at least three times after 1940 (or perhaps four or even five times if, as many believed, the vote counts of 1964 and 1984 were fraudulent), but he was never allowed to serve a full term: <https://apps.dtic.mil/dtic/tr/fulltext/u2/a210486.pdf>



Arnulfo had led Panama's first successful coup against a duly-elected government in 1931, and so perhaps it was appropriate that he would be deposed during the war by another coup.²

From the 1920s, despite studying medicine in the US, he espoused anti-Americanism and led the nationalist and patriotic Communal Action (*Acción Comunal*) organisation, opposed to US influence in Panama.

In the 1930s, Panama suffered, like most countries of the Western world, from the economic depression. From the first days of the country, Panamanian politics had remained, in effect, a closed shop with competing individuals and families within a club - specifically, the Union Club of Panama City.³ The first exception to this was Arnulfo's brother, Harmodio Arias Madrid (they were unrelated to an aristocratic family also called Arias), who was elected as President in 1932 (after a short period as caretaker President immediately following the coup). Like Arnulfo, Harmodio was a *mestizo*⁴ from a poor family in the provinces. He had attended the London School of Economics and had gained prominence through a book that attacked the Monroe Doctrine⁵.

² *The Legacy of the Three Presidencies of Arnulfo Arias Madrid* by Sandra Blackman (Loma Linda University Electronic Theses, Dissertations & Projects, 1985): <https://scholarsrepository.llu.edu/cgi/viewcontent.cgi>

³ Which continues to exist (albeit relocated) to this day, and remains select, with a substantial membership fee.

Panama. A Country Study, edited by Sandra W. Meditz and Dennis M. Hanratty (Federal Research Division, Library of Congress), 1987: <https://apps.dtic.mil/dtic/tr/fulltext/u2/a210486.pdf>
See also *The Legacy of the Three Presidencies of Arnulfo Arias Madrid* by Sandra Blackman (Loma Linda University Electronic Theses, Dissertations & Projects), 1985: <https://scholarsrepository.llu.edu/etd/535>

⁴ A term that originally referred to a person of combined European and indigenous American descent, regardless of where the person was born. The term was used as an ethnic/racial category for mixed-race castes that evolved during the Spanish Empire.

⁵ *Panama. A Country Study*, edited by Sandra W. Meditz and Dennis M. Hanratty (Federal Research Division, Library of Congress), 1987: <https://apps.dtic.mil/dtic/tr/fulltext/u2/a210486.pdf>
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Nicknamed "*Fufo*", Arnulfo was the youngest son of a large family of peasant parents, he was born in the middle of the War of the Thousand Days on 15 August 1901⁶, in Penonomé, when Panama was still a department of the Republic of Colombia. He was the son of Antonio Arias, a cattle rancher of Costa Rican origin, and Carmen Madrid, the owner of a bakery in Penonomé.⁷

In 1904, the new country of Panama allocated funds for a number of low-income young people to travel abroad to receive education, one of which was Arnulfo's brother Harmodio, who obtained a law degree from Cambridge University in 1911. After this, the family also sent Arnulfo abroad to finish his secondary studies at Hartwick College, New York. He then entered Harvard University and Chicago, ending up a doctor and surgeon.⁸



"*Acción Comunal at the head of movement for national vindication*"⁹

The brothers had entered politics through a movement known as Community Action (*Acción Communal*), which Arnulfo had joined following his return home in 1924. Its following was primarily from the *mestizo* middle class, and it was anti-oligarch and anti-American¹⁰. Harmodio Arias Madrid would become the first Panamanian President to institute relief efforts for the isolated and impoverished countryside, and

⁶ The *Guerra de los Mil Días* was a civil war in Colombia 17 October 1899 to 21 November 1902 that saw anything between 60,000 and 130,000 deaths and economic ruin for the country. In fact, much of the war took place in Panama, causing devastation, with conventional combat followed by guerilla warfare, with also involved indigenous tribes fighting back after being attacked.

http://www.bruceruiz.net/PanamaHistory/1000_day_war.htm

⁷ <https://www.panamaviejaescuela.com/arnulfo-arias-madrid/>

⁸ <https://www.panamaviejaescuela.com/arnulfo-arias-madrid/>

⁹ <https://www.panamaviejaescuela.com/primer-golpe-de-estado-panama/>

¹⁰ *Acción Communal* (predecessor to the *Panameñista*) had a nationalist and anti-US platform, with the slogan "*Patriotismo, Acción, Euidad y Disciplina*" ("Patriotism, Action, Equality and Discipline"), and arguing that non-Panamanians were "willing to enrich themselves to the detriment of national citizens and erase the characteristic elements of Panamanian national identity": *Latin America During World War II*, edited by Thomas M. Leonard, John F Bratzel (Bowman & Littlefield Inc), 2007.

he later established the University of Panama, which would become the focal point for political activism and nationalistic zeal and, it has to be said, student unrest of the postwar years.¹¹ Arnulfo became an overnight hero and champion of the masses, having seemingly dealt a blow to what was seen as the oppressive Panamanian oligarchy.¹²



Dr Arias when working as a doctor

In 1927, Arnulfo married Ana Matilde Linares.¹³

In 1931, Arnulfo led the coup that overthrew the government of President Florencio Harmodio Arosemena in the first successful coup in Panamanian history. It was Arnulfo, and an aide named Dr Ramon Mora, who are said to have forced Arosemena to resign.¹⁴ His brother would be elected President in the subsequent election in 1932.¹⁵

As President, Harmodio Arias Madrid came to the conclusion that any major relief of the effects of the world-wide Depression in Panama would involve a larger participation of Panamanians in the benefits afforded by the Canal¹⁶. This led to his

¹¹ <https://apps.dtic.mil/dtic/tr/fulltext/u2/a210486.pdf>

¹² *The Legacy of the Three Presidencies of Arnulfo Arias Madrid* by Sandra Blackman (Loma Linda University Electronic Theses, Dissertations & Projects, 1985):
<https://scholarsrepository.llu.edu/cgi/viewcontent.cgi>

¹³ <https://www.panamaviejaescuela.com/arnulfo-arias-madrid/>

¹⁴ Ibid.

¹⁵ The first successful *golpe de estado* (coup) in Panamanian history, which overthrew the government of President Florencio Harmodio Arosemena.

¹⁶ Amongst the problems faced by Panama, while its businesses could not compete with the commissaries operating in the Canal Zone, and suffered because of the contraband material escaping into the Republic, the large number of jobless former Canal labourers exacerbated the country's

approach to President Roosevelt that would eventually lead to the 1936 Hull-Alfaro Treaty, which would significantly revise the relationship between the US and Panama.¹⁷

After the 1931 coup, Arnulfo's political star continued in the ascent. He held important public positions such as Minister of Public Works, Minister of Health and Minister of Agriculture in the governments of Ricardo J Alfaro and his brother to 1936.

His involvement in the Presidential campaign of Juan Demóstenes Arosemena, who became President in 1936, led to him being appointed Extraordinary Envoy and Minister Plenipotentiary in the countries of Denmark, England, Sweden, Germany and France, and resided in Paris. During his time, he witnessed the fascist ideologies of Italy and Germany and is said to have become interested in these social movements and tried to study them closely.

It is said that it was during this time that he developed his authoritarian political views. He did meet Adolf Hitler and was believed to have reached an understanding concerning Isthmian relationships with both Germany and Italy before returning to Panama.¹⁸ In 1939, he returned to Panama.

The *Partido Nacional Revolucionario* (National Revolutionary Party or PNR)¹⁹, which he had earlier helped to establish, offered him its Presidential candidacy in 1939. In the election, he made his anti-American stance one of the bases of his platform. In addition to perceived commercial exploitation of the country, he and his allies could

unemployment problem. In purely financial terms, the new Treaty saw Panama also benefit from a negotiated increase in the annual rental paid by the US from \$250,000 to \$430,000.

¹⁷ *The Legacy of the Three Presidencies of Arnulfo Arias Madrid* by Sandra Blackman (Loma Linda University Electronic Theses, Dissertations & Projects, 1985):

<https://scholarsrepository.llu.edu/cgi/viewcontent.cgi>

Changes made by the new Treaty included ending Panama's protectorate status and revoking the right of the US to interfere in Panama as of right. The 1936 Treaty would not be ratified by the US Senate until 1939.

¹⁸ <https://scholarsrepository.llu.edu/etd/535>

Hitler would send him a telegram congratulating him for winning the election in 1940.

¹⁹ It became the *Panameñista* Party in the mid-1940s and still exists today.

point to Article 136 of the Panamanian Constitution, allowing the US the right of intervention in the country, as evidence of the country's second-class status.²⁰



He was elected President by a landslide in 1940, at the age of 39, as the candidate for the PNR and heading a mass movement known as *Panameñismo*.²¹ This stood for nationalism, which in Panama's situation meant opposition to US hegemony²². Arias Madrid aspired to rid the country of non-Hispanics (which meant not only North Americans, but also West Indians²³, Chinese, Hindus, and Jews). To the US, he also seemed susceptible to the influence of Nazi and fascist agents.

²⁰ Article 136 of the 1903 Constitution granted the US the right to intervene in any part of the Republic in the event the public peace was disturbed. Article 136 had often been invoked by the party in power to control the actions of the opposition and was also instrumental in establishing a precedent for a Panamanian military to later intervene in political matters:

<https://scholarsrepository.llu.edu/cgi/viewcontent.cgi>

As mentioned above, the 1936 Treaty allowed for this to be revoked in due course.

²¹ It is said that his ties to the outgoing administration, and the support of the *Policia Nacional* (the head of security in the Canal Zone reported that the *Policia Nacional* were taking an active part and supporting Arias Madrid), helped to assure his victory. The 1930s were a turbulent time in Panama, and there was often inter-party violence, and the Arosemena period of presidency is said to have been marked by plots and conspiracies and accusations against prominent figures. The “winners” in the 1931 coup had also fallen out. On 1 September 1938, President Arosemena told the National Assembly that he was forced to spend on arming the police in order to protect the government from the “revolutionary activities” of the opposition.

<https://www.laestrella.com.pa/panama/nacional/primer-triunfo-arnulfo-electoral-cuestionado-BKLE124612>

²² Among the consequences of his campaigns, banks such as the National City Bank and Chase National Bank found themselves compelled to move their offices to the Canal Zone:

<https://scholarsrepository.llu.edu/etd/535>.

²³ The US refused to deport the West Indians and other non-Hispanics. A distinction was made by the Arias Madrid government between West Indian blacks and what were termed Jamaicanos-Americans.

By this time, the population of Panama City had risen to 100,000, being swollen by immigrants, especially Europeans, fleeing the war. The economy had heated up and many foreigners began to compete commercially with Panamanians, who then felt this to be unfair competition. Arias Madrid promised Panamanians that he was the solution to this problem.²⁴ The Panamanians who elected Arias Madrid did so expecting changes in the distribution of the national wealth.²⁵

This was the second time the Arias brothers had challenged the country's elite and had won. His opponent, Dr Ricardo Alfaro²⁶, had headed a coalition of liberals and socialists and Arias Madrid defeated Alfaro only after a series of disorders said to have been incited by his followers, and which caused Alfaro to be discredited and to withdraw from the race²⁷, with his supporters subsequently boycotting the election.²⁸ The election was subsequently described as the "*crudest and most bitter electoral contest in the history of the Republic*". Indeed, the National Election Board (*Junta Nacional de Elecciones*), which was announced on 1 December 1939 and would oversee the poll, was described by the US Ambassador as being packed with "*ardent Arnulfists*". When President Arosemena died prematurely on 16 December 1939 this triggered five months under the stand-in President Augustus Boyd of heightened turbulence.²⁹

Days before the poll, with rumours of a planned uprising by the opposition, increased security and surveillance of opposition leaders (who would take refuge in Hotel Tivoli in Panama City). Arrests were made, with weapons and bombs seized.³⁰

²⁴ <https://www.panamaviejaescuela.com/arnulfo-arias-madrid/>

²⁵ *The Legacy of the Three Presidencies of Arnulfo Arias Madrid* by Sandra Blackman (Loma Linda University Electronic Theses, Dissertations & Projects, 1985):

<https://scholarsrepository.llu.edu/cgi/viewcontent.cgi>

²⁶ He would return as foreign minister under Arias Madrid's successor in 1941, helped to draft the 1942 bases agreement, and then resigned in 1947 in protest at plans to grant the US what he regarded as excessive control over such sites postwar.

²⁷ He fled and sought sanctuary in the Canal Zone before polling day.

²⁸ <https://scholarsrepository.llu.edu/etd/535>

²⁹ <https://www.laestrella.com.pa/panama/nacional/primer-triunfo-arnulfo-electoral-cuestionado-BKLE124612>

³⁰ Ibid.

Candidatos	Partido	Votación
Arnulfo Arias Madrid	Partido Nacional Revolucionario	107 750 votos
Ricardo Joaquín Alfaro	Frente Popular	3772 votos

Arias Madrid was expected to instigate changes in the distribution of the national wealth. His party's members were mainly former members of *Acción Comunal*, teachers, shopowners, and government workers, and also of the *mestizo* grouping. They anticipated a redistribution of the ownership of retail businesses, and there was much talk about a new Constitution, which was eventually approved in 1941.³¹

Expressing his nationalist and anti-“foreigner” stance, he was quoted as saying that –

“We fear a black cloud of English speakers occupying our city...our people crave measures to stop racial degeneration—minimally, creating obstacles against the entry of parasitic races”.

He clarified, the “parasitic” races included Chinese, Japanese, Syrians, Turks, Indians, and Blacks. In the Presidency, he would advocate eugenics-bile, introduced an immigration ban, and revoked citizenship for many, particularly Anglo-speaking Blacks. He would confiscate shops and instigate xenophobic violence against immigrant merchants.³²

The racist tendencies of the new administration were illustrated by an additional clause for the new Constitution, calling for the children of those of Chinese and Caribbean black origin whose original language was not Spanish to be denied nationality. This clause was presented to the National Assembly in November 1940, and was approved. These racial minorities were regarded as alien groups within society, and it is said that Arias Madrid discriminated against the so-called “Antillean blacks” because they did not integrate into the mainstream, but remained detached and uninvolved, and regarded themselves as more British than Panamanian and not subject to Panamanian ways and laws. Their refusal to learn Spanish and give up

³¹ *The Legacy of the Three Presidencies of Arnulfo Arias Madrid* by Sandra Blackman (Loma Linda University Electronic Theses, Dissertations & Projects, 1985):

<https://scholarsrepository.llu.edu/cgi/viewcontent.cgi>

³² <https://nacla.org/beyond-transportation-panama-diablo-rojos-rolling-artwork>

English is said to have been something that irritated Panamanians, but it is claimed that the real cause of friction was the fact that they were allowed to integrate through the Canal Zone and did jobs there which many Panamanians were reluctant to perform.³³

During 1941, Arias Madrid introduced a law prohibiting Jewish immigration and depriving anyone of the Jewish faith without at least one Panamanian parent of their citizenship. The inherent anti-Semitism would appear to continue in the Government under the following President De La Guardia. Arias Madrid also promulgated a law to protect the integrity of the Spanish language, which he felt to be a symbol of Panamanian sovereignty *vis a vis* the Americans.³⁴

On the other hand, the new Constitution he oversaw guaranteed freedom of speech, press, assembly, and religion, while recognising the Roman Catholic religion as that of the majority of the population.³⁵

In 1941, an official memorandum sent by the US Ambassador described the situation in Panama under Arias Madrid as follows –

“what has developed in Panama is about as near an approach to Hitlerism as the characteristics of Latin Americans and the peculiar circumstances affecting Panama could be expected to permit”³⁶.

Also in 1941, Life Magazine carried an article in which it was said that, after his election in the previous Autumn, Arias Madrid had adopted a strong nationalist, "*Panama for Panamanians*" policy, and it said that he did not seem disposed to help the US.³⁷

³³ Ibid.

³⁴ Ironically, at the time the country's major newspaper was published in English, with a Spanish language supplement. The President persuaded the family owning the newspaper to reverse this situation.

³⁵ <https://scholarsrepository.llu.edu/etd/535>

<https://www.asamblea.gob.pa/sites/default/files/2018-09/constitucion%201941.pdf> (in Spanish)

³⁶ <https://scholarship.richmond.edu/cgi/viewcontent.cgi>

³⁷ <http://www.czimages.com/CZMemories/Lifemag/lmindex.htm>

On 14 February 1941, the National Assembly passed a Law barring alien from the operation of all retail businesses, with citizenship being a prerequisite, effectively “nationalising” retail trade. At the time, foreigners owned most of the country's retail stores, while the majority of bars and other establishments for the sale of alcohol were owned by US citizens, who were also involved in other branches of the retail trade. The Law also affected foreign restaurant and hotel owners. Chinese, Jews, and East Indians operated many groceries, dry goods and general stores throughout the country – with the Chinese community being hardest hit. The new Law also banned foreigners from operating as commission merchants and fuel distributors.³⁸

The President even replaced the national motto *Pro-Mundi Beneficio*, found on the national emblem, and replaced it with *Honor, Justicia y Libertad*. The new theme was intended to reject the concept of Panama as a simply a place of transit and commerce, this being regarded as a stigma that had plagued the nation since colonial times.³⁹

In July 1941, a New Zealander who edited the English section of the *Panama American* newspaper was deported following his attacks on “*totalitarian tendencies*” in the Government, a charge constantly made against Arias Madrid, at home and abroad.⁴⁰

Arias Madrid also attempted, in December 1940, to create a police state by revamping the *Policia Nacional*⁴¹, and tried to strengthen his private militia.⁴² Ironically, the *Policia Nacional* would play a key role in deposing him (and as the National Guard would do so again in 1968).⁴³ He also made an enemy of a man who was to become

³⁸ <https://scholarsrepository.llu.edu/etd/535>

³⁹ *The Legacy of the Three Presidencies of Arnulfo Arias Madrid* by Sandra Blackman (Loma Linda University Electronic Theses, Dissertations & Projects, 1985):
<https://scholarsrepository.llu.edu/cgi/viewcontent.cgi>

⁴⁰ *A History of the United States Caribbean Defense Command (1941-1947)* by Cesar A. Vasquez (Florida International University, FIU Electronic Theses and Dissertations No. 2458, 2016):
<https://digitalcommons.fiu.edu/etd/2458>

⁴¹ The National Police had been built up under Arias, who it was thought had hoped to use it as a political tool. He furnished new uniforms and had bought it submachine guns.

⁴² *The Legacy of the Three Presidencies of Arnulfo Arias Madrid* by Sandra Blackman (Loma Linda University Electronic Theses, Dissertations & Projects, 1985):
<https://scholarsrepository.llu.edu/cgi/viewcontent.cgi?article=1539&context=etd>

⁴³ In 1947, in more political unrest, including among students, at least partly resulting from agitation by Arias Madrid, the National Police became prominent, and that year is said to mark the emergence of

the postwar Panamanian strongman and dictator/President, José Antonio Remón Cantera, a senior officer in the *Policia Nacional*.⁴⁴

As the war in Europe progressed, Arias Madrid maintained the neutrality of Panama, and refused to break off diplomatic relations with the Axis countries. In 1940-41, he sought to delay the additional US bases that the US Army sought in the Republic until the US pledged extensive economic assistance to Panama.⁴⁵

The President's policies and attitudes had alarmed the US, which was concerned over the security of the Canal, and the US Government concluded that Arnulfo Arias Madrid would have to go. In May 1941, the Office of Naval Intelligence (ONI) concluded that –

“the present conditions are considered dangerous to the security of the canal and it is believed that they should be corrected as soon as possible. A local revolution to throw out the crooked pro-Axis officialdom would be preferable to intervention by US forces”.⁴⁶

The US were by no means the only ones in Panama who were keen to be rid of Arias Madrid. Even his brother, Harmodio, urged the US Embassy to move against him and US officials made no attempt to conceal their relief when the *Policia Nacional* took advantage of Arias Madrid's temporary absence from the country⁴⁷ to depose him in October 1941.⁴⁸

what was to become (in the 1950s) the National Guard as political arbiter in Panama for much of the postwar years: <https://scholarsrepository.llu.edu/etd/535>

⁴⁴ Remón Cantera was only a relatively junior officer in the National Police. He had been ousted from the force in 1935 by Arnulfo's brother, and in December 1940 he was sent abroad by Arnulfo, ostensibly for additional military training – though, in reality, this simply meant exile.

⁴⁵ [Journal of Interamerican Studies and World Affairs Vol.12 No. 3 \(July 1970\)](#).

For more on the US bases outside the Canal Zone, and the attempt to obtain them, see:

<https://raytodd.blog/2024/06/30/panama-and-world-war-2-operating-outside-the-zone-the-1942-agreement-and-the-1947-row/>

⁴⁶ *We Answer Only to God: Politics and the Military in Panama 1903-1947* by Thomas L Pearcy (University of New Mexico Press, 1968).

⁴⁷ He was said to have left to visit his oculist in Havana (though his mistress, Cuban artist, Anita de la Vega also was there). He also failed to inform the National Assembly, as his new 1941 Constitution required – when asked his wife said he was deep sea fishing, and his secretary said he was visiting the San Blas indigenous people reservation: <https://scholarsrepository.llu.edu/etd/535>

⁴⁸ <https://apps.dtic.mil/dtic/tr/fulltext/u2/a210486.pdf>

In fact, many groups that had supported him changed their positions, including the *Policia Nacional*. He had reinstated a senior officer called Remón Cantera in November 1940⁴⁹, but sent him to a military school in the US for training, in what was seen as a form of semi-exile.⁵⁰ However, many others in the force also resented the President's interference and dissension grew. In June 1941, a US State Department memo said that "*it is very probably that a large part of the police force would revolt against the present government if promised American backing*".⁵¹

In an attempt to counter opposition that was present in the *Policia Nacional*, Arias Madrid created a secret police, the *Policia Secreta Nacional*, in June 1941.⁵² Its charter made it independent of the *Policia Nacional*, and answerable only to the President and the Minister of Government (the future President, Ricardo Adolfo de la Guardia). This only added to distrust and resentment found in the *Policia Nacional*.⁵³

In fact, it was the US Army chief of intelligence in the Canal Zone, Captain Paul McIntyre, who advised the Minister of Government and Justice, Ricardo de la Guardia, that Arias Madrid had left the country.⁵⁴

On 7 October 1941, Arias Madrid departed on a Pan American flight to Cuba, and his opponents invoked Article III of the Constitution to depose him.⁵⁵

⁴⁹ He had been dismissed in 1936.

⁵⁰ Remón Cantera would, as chief of the *Policia Nacional*, first prevent Arias Madrid from regaining the Presidency postwar, then arrange to have him installed, only to have him removed once more in 1951.

⁵¹ *We Answer Only to God: Politics and the Military in Panama 1903-1947* by Thomas L Pearcy (University of New Mexico Press, 1968).

⁵² Law No.72 on 18 June 1941.

The *Policia Secreta Nacional* continued as a separate force after Arias Madrid was deposed. In 1943, the then President commented that "*...its personnel have been carefully selected to face the difficulties caused by the war*": *Panamá durante la Segunda Guerra Mundial (1941-1945)*:

<http://bdigital.binal.ac.pa/rdd/historicolist.php>

⁵³ *We Answer Only to God: Politics and the Military in Panama 1903-1947* by Thomas L Pearcy (University of New Mexico Press, 1968).

⁵⁴ *The Legacy of the Three Presidencies of Arnulfo Arias Madrid* by Sandra Blackman (Loma Linda University Electronic Theses, Dissertations & Projects, 1985):

<https://scholarsrepository.llu.edu/cgi/viewcontent.cgi>

⁵⁵ *We Answer Only to God: Politics and the Military in Panama 1903-1947* by Thomas L Pearcy (University of New Mexico Press, 1968).

Remón Cantera and his fellow *Polciia* Nacional officers then saw that the pro-American businessman Ernesto Jaen Guardia, then the Second Vice-President, was sworn in as the new President (this appointment was swiftly approved by the US), while the man who should have taken over, First Vice-President Jose Pezet, whose views too closely resembled those of Arias Madrid, was jailed. However, Ernesto Jaen Guardia's time in office lasted only a few hours (seemingly accepting it as a legal formality), and it would be Ricardo de la Guardia that would eventually permanently replace Arias Madrid when he resigned.⁵⁶

In retrospect, during his short administration, Arias Madrid had seen the conservative Constitution of 1904 repealed and a new one approved, the Social Security Fund created⁵⁷, the laws of the family patrimony established, Balboa paper money (briefly) issued⁵⁸, the female identity card was introduced, and women were granted the right to vote.⁵⁹ He also up a cattleman's' bank (*Banco Agropecurio*) and the Bank for Urbanisation and Rehabilitation.⁶⁰

POSTWAR

Arias Madrid was to return to Panama for a short stay before going into exile in Mexico and Central America. Then he remained outside the country until 13 October 1945, when he returned and held a political rally in the Plaza de Santa Ana in Panama City, denounced the imperialist aspirations of the US and swore vengeance against those crucial to his earlier fall from power.⁶¹

⁵⁶ Ibid.

⁵⁷ This continues to this day, and has become a cornerstone of the Panamanian community, responsible for social security and the national health system in the country.

⁵⁸ One of Arias Madrid's initiatives, he wanted and had established a central bank, but it and the banknotes lasted only a matter of days. For more, see <https://raytodd.blog/2024/06/30/panama-in-world-war-2-paper-money-comes-and-goes-and-trams-just-go-while-traffic-moves-to-the-right/>

⁵⁹ <https://www.panamaviejaescuela.com/arnulfo-arias-madrid/>

⁶⁰ *We Answer Only to God: Politics and the Military in Panama 1903-1947* by Thomas L Pearcy (University of New Mexico Press, 1968).

⁶¹ Ibid.



Arias Madrid at the time of his second inauguration in 1949

Despite having being ousted in 1941, he ran, seemingly unsuccessfully, for President in the May 1948 election as a coalition candidate (having founded another party, the Authentic Revolutionary Party, or *Partido Revolucionario Auténtico*, on 28 November 1947), only for the National Assembly to declare in 1949 that he had actually won.

He regained the Presidency and with the aid of José Antonio “Chichi” Remón Cantera, the man he had reinstated in 1940, and who was now chief of the National Police⁶² (he would also be a future President, succeeding the overthrown Arias Madrid in 1952).⁶³ In the initial count it had appeared that Arias Madrid had narrowly won, but the other candidate’s supporters attacked the election board and Remón Cantera had taken charge. The police chief made enough of Arias Madrid’s votes “disappear” for Domingo Diaz Arosemena declared the winner. However, the new President soon had to stand down for health reasons, dying soon after. Hence, the First Vice-President was sworn in as President in August 1949, but was then forced out by Remón Cantera, who saw to it that his cousin (then second Vice-President) took the office.

Then the man forced out by Remón Cantera reversed his decision to resign and led a march on the National Assembly, which was dispersed with tear gas and gunfire. Eventually, Remón Cantera decided to install Arias Madrid after all, even though by now the Supreme Court had declared the man he had caused to resign as the lawful

⁶² And “power behind the throne” from 1947. He turned the National Police into the National Guard in 1953.

⁶³ Somewhat ironic, as it was the *Policia Nacional* that had deposed Arias Madrid in 1941.

President. However, the relationship could be seen as merely a “marriage of convenience” for both.⁶⁴

When Arias Madrid took up the office his opponents fled, with former Presidents La Guardia and Jimenez seeking sanctuary in the Canal Zone, before the *Policia Nacional* could close in.⁶⁵

Once ensconced in the Presidency, Arias Madrid saw to it that the new 1946 Constitution was suspended and, amid protests and general chaos in the country, he reinstated his 1941 Constitution, contending that this would help resolve the crisis. However, there were calls to reverse this decision, and the head of the National Police, Colonel Remón Cantera was called on to intercede.⁶⁶



On 7 May 1951, Arias Madrid repealed the 1946 Constitution in favour of the 1941 one, leading to protests, and he was overthrown on the 10 May

⁶⁴ <https://history.state.gov/historicaldocuments/frus1951v02/d838>

⁶⁵ *US-Panamanian Relations Since 1941* by Lester D Langley (Journal of Interamerican Studies and World Affairs, Vol. 12, No. 3, July 1970), Cambridge University Press: https://www.jstor.org/stable/175020?read-now=1&seq=1#page_scan_tab_contents

⁶⁶ https://www.panamaviejaescuela.com/arnulfo-arias-madrid/?fbclid=IwAR1HlM4gtcCdRVHSws9TuqL-PoUn2dBDe7r1oS1Xtp6zMmk_D9Z7pt5qKLA

The “new” Arias Madrid was noticeably less anti-American than previously, pledged to defend the Canal and later even backed US policies over the Korean War.⁶⁷ However, he returned once more to the grievances he had raised before the war. These included calling for a study for a bridge or tunnel to traverse the Canal at Balboa⁶⁸, completion of a 1940 study into the contraband trade with the Canal Zone, and for the US to fulfil its 1942 commitment to pay a third of the maintenance costs of highways used during the war by the US Army. Even his eventual forced removal in 1951 by Remón Cantera⁶⁹ did not stop the grievances continuing.⁷⁰

Despite having become President once more with what was seen as widespread support, there remained persistent and united opposition - with various plans to overthrow him being uncovered. Rampant corruption dogged the country, and it seemed that Arias Madrid was attempting to destroy both the National Assembly and Supreme Court – both of which he sought to dissolve, with the former voting to impeach him in May 1951. The opposition alleged he was returning to the authoritarian tendencies of his previous term in office. By this time, he had also fallen out once more with Remón Cantera, having unsuccessfully attempted to persuade the police chief to support him against the opposition – who instead sided with his opponents.⁷¹ Soon protesters and armed dissidents had surrounded the Presidential Palace, resulting in violent clashes.

The subsequent coup that removed Arias Madrid on 10 May 1951 was much more violent than that of 1941, with at least 16 people having been reportedly killed. It had followed a broadcast he made on 8 May, when announced his intention to suspend

⁶⁷ His new administration was recognised and backed by President Truman's.

⁶⁸ Remón Cantera was to later negotiate this, with such a bridge being included in a 1955 Treaty, and what became the Bridge of the Americas finally opened in 1962.

⁶⁹ He resigned after a street battle between his supporters and opponents left three dead and 40 injured. Unfortunately, for him, the *Policia Nacional* sided with his opponents and on 11 May, he and wife found themselves in the jail (in his case, back in the same jail he had briefly been incarcerated in 1941).

⁷⁰ *US-Panamanian Relations Since 1941* by Lester D Langley (Journal of Interamerican Studies and World Affairs, Vol. 12, No. 3, July 1970), Cambridge University Press: <https://www.jstor.org/stable/175020>

⁷¹ <https://history.state.gov/historicaldocuments/frus1951v02/d838>

the 1946 Constitution and restore the more authoritarian 1941 one. This was followed by widespread demonstrations and a general strike, in addition to the impeachment vote.⁷²

The National Assembly then tried him, and his political rights were suspended for life (they were restored by President Chiari in 1960).⁷³



Arias Madrid leaving the Presidency in 1951

He tried a further unsuccessful comeback in 1964 (alleging fraud and irregularities when he lost), but then won the 1968 elections as leader of a five-party coalition, in another violent and controversial election⁷⁴. This time, after attempting to gain control of the National Assembly and the Supreme Court, as well as trying to restructure command of the National Guard, he was ousted once more, fleeing to the Canal Zone after only 11 days, and thence travelling to the US.⁷⁵ This coup sparked the military dictatorship that would see Omar Torrijos coming to power, and would last until the US deposed his successor, Manuel Noriega in 1989.⁷⁶

He returned home in 1978 and tried again to become President in 1984, at the age of 83. However, when exit polls showed that he had a substantial lead, the government

⁷² <https://www.systemicpeace.org/inscr/CSPCoupsCodebook2015.pdf>

⁷³ <https://www.panamaviejaescuela.com/arnulfo-arias-madrid/>

⁷⁴ Ibid.

⁷⁵ <https://www.panamaviejaescuela.com/golpe-estado-11-octubre-1968/>

⁷⁶ <https://time.com/archive/6638525/panama-three-outs-for-arias/>
<https://www.cia.gov/readingroom/docs/CIA-RDP79-00927A006200060006-4.pdf>

under Noriega halted the count and declared that their candidate had won and, once more, Arias Madrid fled the country. He died in Miami in 1988.⁷⁷

ALLEGED KILLING OF JEWS UNDER ARIAS MADRID

During the war, US diplomatic reports reported that President Arias Madrid, “*had built at least one concentration camp*” to isolate Jewish refugees. These papers are said to be in the US National Archive, and they added to the rumours of the death of a number of Jews of Swiss origin during the short-lived Presidency of Arias Madrid in 1940-41. Such allegations were rejected by both the Panamanian Government and supporters of the ex-President and, in fact, the deaths linked to the rumours were of a number of Swiss-German, and non-Jewish, members of an obscure religious following, killed by (probably drunken) police who went to round them up in order to force them to register as foreign aliens under one of Arias Madrid’s new laws.⁷⁸

However, in 1941 he had introduced a law prohibiting Jewish immigration, and depriving anyone of the Jewish faith without at least one Panamanian parent of their citizenship. New laws also imposed limits on various ethnic groups from obtaining citizenship, and barred those of Chinese, Jewish and Arab origin of owning businesses, shops and property.⁷⁹

In mid-1941, it was alleged that a special squad of police, said to be Guatemalans, undertook an operation during which shots were fired and, according to press reports, 12 people died. However, other reports put the death toll at 50. Despite this tale being taken up and broadcast by CNN, it only arose in 1984, when Arias Madrid was once more standing for President. The ruling Noriega dictatorship wanted to blacken his reputation. In fact, what had happened was that the small religious community of attacked by a squad of *Policia Nacional* in Chiriqui. There was no evidence of Arias

⁷⁷ https://www.biografiasyvidas.com/biografia/a/arias_arnulfo.htm

⁷⁸ For more on the so-called “Cotito Massacre”, see <https://raytodd.blog/2025/08/08/panama-in-world-war-2-the-cotito-massacre-in-1941/>

⁷⁹ It has been said that such property would then become the property of supporters of Arias Madrid.

Madrid having ordered the attack, and he would have had little involvement in the subsequent cover-up, being deposed just three months later.⁸⁰

In 1984, Arias Madrid (then seeking election once more) said that the police captain said to be involved had been, “*acting on his own initiative, [and] had killed several members of a religious community*”.⁸¹

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10 August 2025

⁸⁰ <https://www.prensa.com/vivir/cotito-un-documental-historico/>

See also <https://raytodd.blog/2025/08/08/panama-in-world-war-2-the-cotito-massacre-in-1941/>

⁸¹ <https://www.elistmopty.com/2018/06/el-genocidio-de-judios-en-panama.html>