

## PANAMA CIVIL AVIATION AN OVERVIEW

The first aeroplane flights took place in Panama in as early as 1912, after the City of Panama had offered \$3,000 for the first person to fly in the country. It was the third person to attempt the feat who won the prize, the first two having given up trying (and the one who was to make the flight did so in a Bleriot monoplane left behind by one of the others).<sup>1</sup>

The first flight across the isthmus followed in 1913, following the line of near-complete Canal.<sup>2</sup> On this flight, the aircraft also carried a cameraman who filmed the journey. However, despite the finished film being shown in theatres across the US, and in a move which would typify the control and security obsession that would dog aviation in and around the Canal Zone for years to come, US officials confiscated all the film they could find, claiming that it revealed too much of Canal and the new fortifications.



Soon after this first trans-isthmus flight, laws were enacted which forbade any flights over the Canal Zone without prior permission.<sup>3</sup> In fact, the US, from the start, issued and enforced very extensive regulations governing the whole Canal Zone and the airspace above it, and these regulations were strictly enforced throughout World War 1.

For the men who made the 1913 flight an immediate outcome was the issue of arrest warrants, on espionage charges, in essence violating the Defense Secrets Act of 1911

<sup>1</sup> <https://www.panamaviejaescuela.com/primer-vuelo-propulsado-en-panama/>

<sup>2</sup> <https://pcmc.domains.uflib.ufl.edu/collections/making-waves-with-the-first-ocean-to-ocean-flight-over-panama/>

<sup>3</sup> <http://mail.pancanalsociety.org/articles/WhenAviationCameToPanama.html>

for disclosing information regarding national defences.<sup>4</sup> They were arrested by federal marshals in the US in July 1914 (obviously a sensitive time, as war was breaking out in Europe).<sup>5</sup>

At a preliminary hearing, it was said that "*Col. Goethals* [then chief engineer in charge of the Isthmian Canal Commission] *not only gave his permission, but he wished us the best of luck, and said he hoped the pictures would turn out well*"; and the photograph in *Sunset* showed no actual fortifications or artillery but only the emplacement for a gun and the preliminary work for a fort. A trial date was set, but no trial took place, it seems because the legislation only appeared to relate to images taking from the ground, and not from the air.<sup>6</sup>



A Presidential Order of 1913 had made it unlawful for any type of aircraft to be operated "*in or across the Canal Zone*" without written authorisation from the "*Chief Executive of the Canal Zone*". In addition, the Defense Secrets Act 1911 required that permissions be granted for any photographs or entry into a restricted military area.<sup>7</sup> The regulation of commercial and private aircraft in or above the Canal Zone remained subject to regulation by the Governor under 1914 Order, until the US Congress passed an Act in

1937.<sup>8</sup>

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<sup>4</sup> The penalty, if convicted, was 10 years' imprisonment should a foreign power be the recipient of the information, or a one-year imprisonment and a fine of \$10,000 if the disclosure was made inside the US.

<sup>5</sup> Arrested alongside the pair was the editor of the magazine, which had publicised the event and included stills from the film made, and the author of the article.

<sup>6</sup> <https://www.smithsonianmag.com/air-space-magazine/aviation-journalists-accused-spies-180973604/>

<sup>7</sup> Ibid.

<sup>8</sup> *The Panama Canal in Time of Peace* by Norman J Padelford (The American Journal of International Law, Vol 34, No 4, October 1940).

<https://www.smithsonianmag.com/air-space-magazine/aviation-journalists-accused-spies-180973604/>

A 1926, US law provided that an aircraft of the armed forces of any foreign nation could not be navigated in the Canal Zone (or, indeed, anywhere in the US), save in accordance with an authorisation granted by the Secretary of State.

In 1928, the Panamanian Government established a committee to undertake a study into the development of aviation in the country.

The following year saw famed pilot Charles Lindbergh arrive in February, landing in both the Republic and the Canal Zone, as part of his “*Good Will Tour*” of 16 Latin American states with the Ryan *Spirit of St Louis*, in which he had flown the Atlantic in 1927.<sup>9</sup> The same year saw the first Panamanian licensed aviator<sup>10</sup> and, in an effort to foster regular commercial aviation service to and from the Canal Zone, a new position was created in 1929 for an advisor to the Governor, and a US Army Air Corps (USAAC) Lieutenant was the first to hold the position.



*The Spirit of St Louis over Lake Gatún<sup>11</sup>*

Lindbergh had acted as consultant to Pan American Airways, laying out air mail routes in Latin America and the Caribbean and, piloted a Sikorsky S.38 amphibian with which Pan American opened its Miami-Panama route.<sup>12</sup>

On 9 March 1929, *Aviation* magazine reported that the US State Department had promulgated a series of regulations concerning access to the airspace of the Canal Zone, including a prohibition on foreign aircraft flying solely within the Zone. Foreign aircraft could fly to and from the Zone, if they had the correct permission, but not

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<sup>9</sup> <https://www.panamaviejaescuela.com/charles-lindbergh-panama/>

<sup>10</sup> Ramón Ricardo Arias, who was welcomed on landing by the President, and entertained at the Presidential Palace.

<sup>11</sup> [https://www.tvn-2.com/contenido-exclusivo/historia-visita-famoso-aviador-dio-charles-lindbergh-campo-lindbergh-panama-aviacion\\_1\\_2076276.html](https://www.tvn-2.com/contenido-exclusivo/historia-visita-famoso-aviador-dio-charles-lindbergh-campo-lindbergh-panama-aviacion_1_2076276.html)

<sup>12</sup> The S.38 was piloted by Charles Lindbergh: <https://postalmuseum.si.edu/exhibition/canal-zone-stamps-airmail-issues/the-panama-canal-25th-anniversary-airmails>

between any two points totally within the Zone. Another part of the new regulations was the requirement that all US-operated aircraft be made immediately available to the military in the event of war.

Outside the Canal Zone the airspace continued to be controlled by the Panamanian Government which, although it was an independent country, was heavily influenced by US interests.<sup>13</sup> In 1931, the Government introduced regulations for commercial aviation, aviation schools, use of parachutes, and the control of aircraft entering and leaving the country. That year the first internal airmail flight took place, from Panama City to Bocas del Toro, with several stops on the way.<sup>14</sup>

In 1932, the first Panamanian-built aircraft, a Crawford monoplane built (from plans) by a Enrique Malek arrived at Paitilla Field near Panama City from David.<sup>15</sup>

In 1933, the first commercial aviation company began regular services to various towns in the interior of Panama. This airline, *Aerovías Nacionales SA*, would also suffer the first commercial aviation accident in the country, when eight passengers died in a crash in September 1935.

As mentioned, the question of control over aviation in the country, given US sensitivity over the security of the Canal, became a problem. This would be a particular concern during World War 2, given that the country's international airport, Albrook Field, located close to Panama City, was actually a USAAC airfield within the US-controlled Canal Zone.

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<sup>13</sup> Not forgetting that the country's international connections were both within the Canal Zone, whether when using the airfields or by seaplane using the harbours.

<https://www.laahs.com/isthmian-airways>

<sup>14</sup> The aircraft was piloted by a famous Panamanian pilot, Marcos A Gelbert, of which more below.

<sup>15</sup> <https://www.aeronautica.gob.pa/recursos/index.php?c=historia>

David Field, aka San José Field or, during World War 2, David Army Airfield, was located in the far east of Panama, near the city of David, close to the Costa Rican border. Used by the USAAF from 1941 until 1945, with the earthen runway replaced by an asphalt one. It continues in use for civilian flights as Enrique Malek International Airport.

The US maintained that the 1903 treaty which had given it effective sovereignty over the Canal Zone extended to the airspace above the Zone. The Government of Panama opposed this contention, as there was no specific reference to such in the treaty (which, given the state of aviation at the time, was not necessarily a surprise). The US held that if the airspace was to have been excluded from the agreement, then there should have been an express reservation to that effect.

During World War 2, restrictions affecting the Canal Zone were tightened further, with an Executive Order in 1939 which made the whole of its airspace (including the territorial waters extending to three miles, or around 4.8 km, at each end) a military airspace reservation.<sup>16</sup>

All that said, the amount of civil aviation in Panama before the war, if one excluded visiting airlines such as Pan American, with only 29 aircraft on the country's civil register between 1929 and 1945.<sup>17</sup> These included the several belonging to Isthmian Airlines (see below), and a number that were impressed by the US Army following its entry into the war, mostly lightplanes, although at least one of the former Isthmian H.47 monoplane transports was also taken over.

#### **AIRLINE FACILITIES AT ALBROOK FIELD<sup>18</sup>**

The dispute over commercial use at Albrook came to a head in 1942, as the Panamanian Government objected to –

*“the construction of a concrete building, the foundations of which already exist, intended as an airport for Pan American Airways, Inc., an enterprise of a private character which is devoted exclusively to commercial ends, and which has*

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<sup>16</sup> Section 2 of the Executive Order refers.

*Airspace Sovereignty over Certain International Waterways* by David Morgan Hughes (Journal of Air Law and Commerce, Vol 19, Issue 2, 1952): <https://scholar.smu.edu/cgi/viewcontent.cgi>

<sup>17</sup> <https://www.aeronautica.gob.pa/recursos/index.php?c=historia>

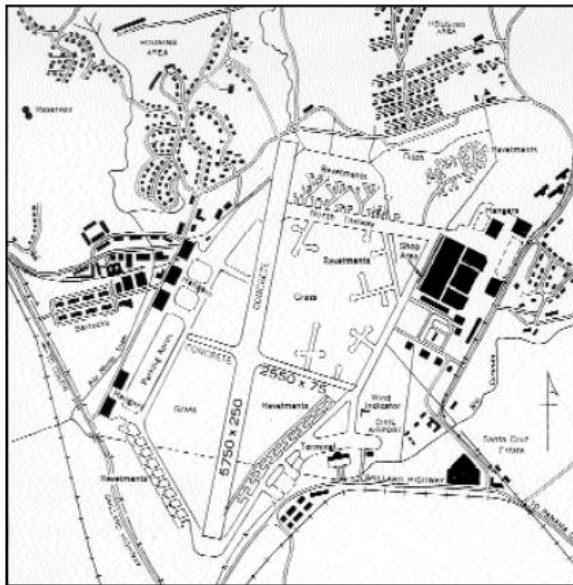
<sup>18</sup> For more on Albrook Field, see <https://raytodd.blog/2024/06/30/panama-in-world-war-2-albrook-field-origins-and-after/>



*nothing to do, directly or indirectly, with the use, operation, or protection of the Panama Canal*".<sup>19</sup>

This, it was argued, was contrary to what was permitted by the 1903 treaty, and –

*"that the only activities which can be carried on within the said Zone are those expressly authorised by existing treaties and which are directly and necessarily connected with the use, maintenance, sanitation, operation, or protection of the Panama Canal"*.



*This otherwise undated wartime map of the layout of Albrook Field shows the multitude of revetments and alert hardstands that were built. (USAF)*

In response to the Panamanian complaints, the US pointed to 12 years of such operations without any prior complaint (albeit from other airfields and places within the Canal Zone), and that such use by airfields in the Canal Zone by commercial aviation companies did not represent an infraction of either the spirit or the terms of any treaty provisions in force between the US and Panama.<sup>20</sup> The

improvements planned for Albrook were said to be essential, and a wartime emergency requirement, with services and facilities being used by the US armed forces *"in the interest of the defense and security of the hemisphere"*, and that anyway Panama was ill-suited for commercial aviation.<sup>21</sup>

The US authorities argued that –

*"the strategic geographical location of the Isthmus of Panama, the progress made in the methods of modern aerial warfare, and the recent expansion of the theater of war have made it increasingly necessary to increase the controls of*

<sup>19</sup> <https://history.state.gov/historicaldocuments/frus1942v06/d575>

<sup>20</sup> <https://history.state.gov/historicaldocuments/frus1942v06/d577>

<sup>21</sup> *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](https://www.jstor.org/stable/175020?read-now=1&seq=1#page_scan_tab_contents)

*the aviation system in order to govern the entry, interior navigation and departure from the Isthmus of military and civil aircraft".*

They also rejected the proposal that any buildings should be for temporary use, saying that an administrative building in Albrook Field would be "*always necessary as a measure of military preparation*".



*A view of  
Albrook Field  
in 1945*

Another point of contention, but one that would be resolved to an extent, concerned passengers arriving at Albrook Field. Not only did they have to present their passport to Panamanian immigration inspectors, but they also had to go through a lot of red tape with US officials. In some cases, if suspicions were aroused, representatives of US Navy or US Army intelligence would examine luggage and/or passengers. Passengers also had to comply with the quarantine rules of the Canal Zone. Panamanians arriving from within the country were thus subjected to checks and interrogations by US officials, which was said to be a violation of Article 40 of the Panamanian Constitution, which stipulated that any citizen could freely transit within the country.<sup>22</sup> After constant demands from the Panamanian Government, these latter measures were relaxed by order of the Governor of the Canal Zone.

## **ISTHMIAN AIRWAYS**

Subsequently forced out of operation by Pan American, this local airline offered flights across the isthmus in the 1930s.<sup>23</sup> It eventually used six single-engine Hamilton H.45

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<sup>22</sup> Already problematical, given that the Canal divided the country in two.

<sup>23</sup> For a fuller history of the airline, see <https://www.laahs.com/isthmian-airways>

and H.47 Metalplane floatplanes for the airline service linking the Atlantic to the Pacific between the harbours of Cristóbal in Colón and Balboa, cheekily describing the 30-minute flight to be the “fastest transcontinental service in North America”.<sup>24</sup>



Founded by an US engineer, Ralph Ernest Sexton<sup>25</sup>, the first flight (from Balboa to Colón) took place on 5 May 1929, after a lengthy wait for approval. As we have seen, the US authorities jealously guarded access to the Canal Zone airspace, and several different US Government Departments – State, War, Navy, Commerce, and Treasury – all had a hand in the decision-making process, and had an opinion. Finally, on 24 April 1929, Sexton was informed by the State Department that permission had been granted to operate an airline within the Canal Zone. He also received permission for flights from the Canal Zone to points in the Republic.<sup>26</sup>



*2 Hamilton Metalplanes of Isthmian Airlines at Pier 18, Balboa*

However, Pan American had been the first to offer a trans-isthmus service, starting on 1 May 1929 with a six-passenger, single-engine Fairchild Model 71 landplane. It offered three flights per day each way, and operated from the military airfields of France Field and Albrook Field.<sup>27</sup>

<sup>24</sup> It also had two smaller floatplanes, a Travel Air E-4000 biplane and Beech 17 Staggerwing cabin biplane, including for use by its own flying school.

<sup>25</sup> Sexton had taught himself to fly using a Travel Air floatplane.

<sup>26</sup> <https://www.laahs.com/isthmian-airways>

<sup>27</sup> Ibid.



Isthmian's service began with a single H.47, flying from the waters of the Folks River, at Cristobal on the Caribbean side, and landing in the inner harbour at Balboa, on the Pacific side, arriving and departing from Pier 18. The fare was \$10 single, or \$14 return (the fare dropped to \$3 in 1932-33 during the Great Depression), and light cargo could also be carried.

The airline also provided tourist flights to Taboga Island, some 12 miles (19.3 km) from Panama City, and the more distant Las Perlas archipelago, as well as Portobello on the Caribbean coast (where Spanish silver-laden galleons had unloaded their treasure from South America, and that Sir Francis Drake had raided).

The airline described its services as "*an experience not to be forgotten*". It carried thousands of passengers as its fleet grew. One option offered was for passengers on ships passing through the Canal to depart their ship as it entered a lock, fly to the other end of the Canal and spend the day there.<sup>28</sup> The airline also established a flying school,<sup>29</sup> with a three-seat Travel Air E-4000 biplane on floats, which was used to train pilots intended for the larger aircraft.

The April 1930 edition of the *Bulletin of the Pan American Union* noted that –

*"The shortest air line in Latin America, and possibly in the world, is that of the Isthmian Airways (Inc.). Passengers and goods are carried 47 miles from ocean to ocean over the Panama Canal several times a day."*<sup>30</sup>

In a stunt in May 1930, a man called Bruce Fox jumped into the Pacific, then boarded an Isthmian Airways seaplane, crossed the country and then jumped into the Atlantic – thereby managing to swim in two different oceans in a half-hour.

In 1936, Ripley's *Believe It Or Not* claimed that the airline's chief pilot had made 5,504 non-stop flights from coast to coast.

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<sup>28</sup> <https://www.laahs.com/isthmian-airways>

<sup>29</sup> Known as the Isthmian Airways School or the Sexton School.

<sup>30</sup> <https://www.laahs.com/isthmian-airways>

There had been plans in 1929 for services farther afield, with even mention of flights to Colombia and beyond. However, Pan American was successful in forcing the upstart airline out of business, claiming that the concept had been that of their employee, the legendary Charles A Lindbergh, which Isthmian had stolen.<sup>31</sup> The Canal Zone Government cancelled the airlines' contract in 1936, and Sexton sued.<sup>32</sup>

The Canal Zone was seen as a part of a profitable air mail market, with money to be made, including from government subsidies. So, as it attempted in other markets, Pan American felt it important to keep rivals out of the area.<sup>33</sup>

Isthmian Airways was succeeded in 1936 by a Pan American subsidiary, Panama Airways, initially using the larger Ford Trimotor for services between Albrook Field at the Pacific end of the Canal and France Field at the Atlantic end (both, of course, primarily USAAC airfields), but would subsequently close the operation on 30 April 1941.<sup>34</sup>

## **PAN AMERICAN AIRWAYS COMES TO DOMINATE**

Pan American arrived in Panama in February 1929, with its first flight carrying international airmail in Central America and US, with Charles Lindbergh at the controls of the Sikorsky S-38 amphibian involved, and thereby opening the Pan American Airways Miami-Panama route.<sup>35</sup>

As already mentioned, air mail, and the associated government subsidies, were a valuable source of income for prewar airlines, and Pan American was always keen on keeping potential, or actual, rivals out of the markets it targeted.

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<sup>31</sup> <https://www.flyelevair.com/the-legacy-of-seaplanes-in-panama-isthmian-airways/>

<sup>32</sup> [https://www.tvn-2.com/variedad/Aerolinea-Isthmian-Airways-Panama-ayer\\_0\\_5012498722.html](https://www.tvn-2.com/variedad/Aerolinea-Isthmian-Airways-Panama-ayer_0_5012498722.html)

<sup>33</sup> <https://www.laahs.com/isthmian-airways>

<sup>34</sup> Ibid.

<sup>35</sup> [https://hermes.aero/wp-content/uploads/2018/10/100-YoCA\\_E-BOOK.pdf](https://hermes.aero/wp-content/uploads/2018/10/100-YoCA_E-BOOK.pdf)

In 1930, Pan American began to provide passenger service between the Canal Zone, the US, and various points in Mexico, Central America, and the east coast of South America.



*The Pan American terminal at France Field c.1932*

As noted above, Pan American was the first airline to offer a trans-isthmus service, using a small landplane on 1 May 1929, beating the local rival by four days. It eventually saw that rival excluded from

the route in 1936, and established a subsidiary called Panama Airways which took over the business, offering flights between Albrook Field and France Field. Pan American carried out maintenance on the aircraft, and Panama Airways was one of the smallest elements of the Pan American Airways System.<sup>36</sup>

Panama Airways began services in December 1936, sometimes using the more modern Douglas DC.2 airliner on the route (or even, it is said, the even better DC.3). In 1938, the cruising season between January and March saw 43 cruise ships and 16,000 passengers passing through Cristobal, with 3,000 taking flights with the airline. In 1939, there were 65 cruise ships scheduled to call. However, as war threatened, Pan American would close down the Panama Airways operation on 30 April 1941.<sup>37</sup>

Pan American's joint venture, Pan America-Grace Airways Inc (Panagra) would also begin service to a number of cities along South America's west coast. See below for more about this operation.

Until 1936, all commercial landplane airmail, passenger, and cargo services into the Canal Zone used France Field, a USAAC airfield which served as Pan American's primary

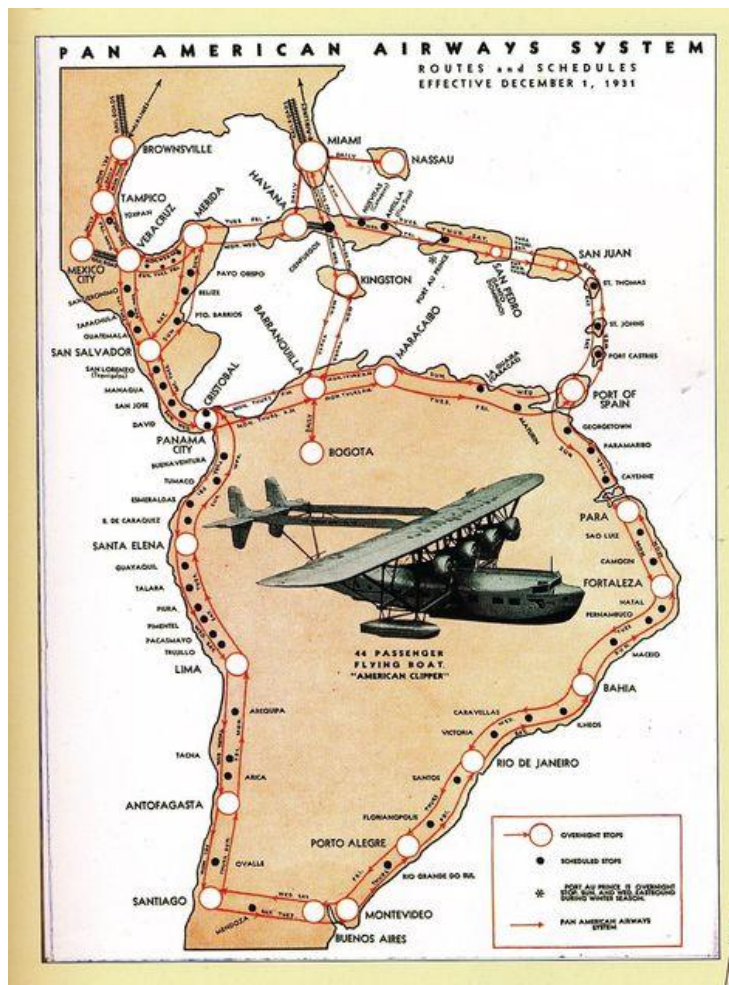
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<sup>36</sup> The shortest was apparently the 31-mile (49.9 km) route in California between Wilmington and Catalina Island.

<sup>37</sup> <https://www.laahs.com/isthmian-airways>

base in the region.<sup>38</sup> In 1936, commercial services moved to the recently opened Albrook Field, at the other end of the Canal, and where a more serviceable runway was available.<sup>39</sup>

The USAAC had been unhappy with the presence at France Field of the Pan American Airways hub, which had been imposed on it by Washington. After lengthy negotiations, the USAAC and Pan Am agreed to move the facilities from France Field to Albrook Field, which would remain the main international terminus until after the war.<sup>40</sup>



At the time of the move, just two other airlines were to operate from Albrook Field - TACA, operating up through Central America (and about which see more below), and UMCA (Uraba, Medellin and Central Airways Inc), which was in fact another wholly-owned Pan American subsidiary formed specifically to penetrate the neighbouring Colombian market. It operated services between Balboa and Medellin in Colombia.

<sup>38</sup> For more on France Field, see <https://raytodd.blog/2024/06/30/panama-in-world-war-2-france-field-from-swamp-to-freeport/>

<sup>39</sup> <https://weaponsandwarfare.com/2019/11/18/panama-canal-zone-defences-ii/>

<sup>40</sup> A licence was issued on 13 February 1943, for the airline the use of hangar space at "Old" France Field, as well as permission to erect an additional small terminal building, pending completion of new facilities at Albrook Field.

In the decade before the war, and by 1939, Pan American was operating flying-boat “clippers” throughout Latin America from more than 200 airports. Then, in September 1939, it announced plans to extend landplane services, modern Douglas DC.3 and Boeing SA.307 Stratoliner monoplanes, in Latin America. In 1940, the first such service began, from Miami to the Canal Zone, using the Stratoliner.<sup>41</sup>

For much more on Pan American, and its various activities during World War 2, see the separate article I plan.



*DC.3A of Pan American in Panama c. 1941 (photo: Pan American Museum)*

## **PANAGRA**

In 1929, Pan American Airways Inc and the WR Grace and Company shipping line announced the formation of Pan American Grace Airways Inc (Panagra) to further Pan American’s expansion in South America.

In January 1929, the US Postmaster General had requested applications for a contract for Foreign Air Mail Route No. 9, which would extend from the Canal Zone down the West Coast of South America to Santiago, Chile, with an option for the Postmaster General to licence extension services from Santiago across to Buenos Aires, and beyond to Montevideo in Uruguay. It was for this contract that Panagra was formed.

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<sup>41</sup> <https://www.afhra.af.mil/Portals/16/documents/Studies/51-100/AFD-090601-032.pdf>





Having obtained the contract (despite not being the lowest bid), operations began in July 1929. In October of that year Panagra inaugurated a successful commercial flight across the Andes using a Ford Trimotor.

WR Grace and Company had controlled the west coast of South America through their steamship routes and was not about to let some outsider into this lucrative territory, hence the deal with Pan American.<sup>42</sup>



*Panagra Sikorsky S.38 amphibian at Colón airport in the early 1930s*

Panama was the northern limit established for Panagra's service, and a non-compete clause in the agreement between Pan American, WR Grace, and Panagra made Panama the northern end of its route system.<sup>43</sup> Panagra was never allowed to extend its route system north of this, and was thus prevented from competing with Pan American throughout Central America and the Caribbean, or to US gateway cities.<sup>44</sup>

<sup>42</sup> <https://www.robertnovell.com/panagra-part-one-of-seven-april-8-2017-2/>

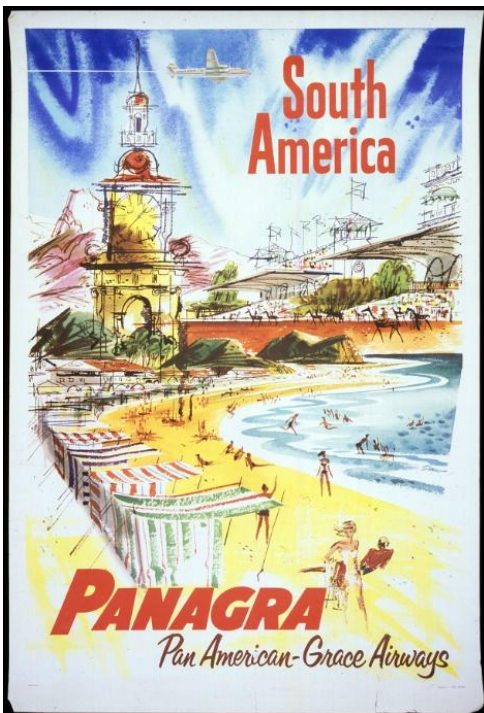
<sup>43</sup> <https://www.robertnovell.com/panagra-the-airline-pan-am-created-to-dominate-latin-and-south-america-may-20-2016/>

<sup>44</sup> *American Aviation Historical Society Journal* (Spring 2009).

On 1 August 1937, a Sikorsky S.43 twin-engine amphibian belonging to Panagra was returning from Guayaquil in Ecuador, via Tumaco and Cali in Colombia, a 1,043 mile (1,678 km) flight. It was due to arrive at Cristobal at around 1910, night flights by the airline having just been allowed (as now, it gets dark between 1800 and 1900 in Panama). As it approached its destination, the weather worsened, with thunder and rain (this being in the midst of the region's rainy season), and at around 1930 it crashed into the Caribbean. The next morning US Navy search aircraft found floating wreckage, but no trace of any survivors or bodies, with all three crew and 11 passengers lost.<sup>45</sup>



*A Panagra S.43 of the type lost in 1937*



In 1938, when the Civil Aeronautics Act came into force in the US, it was recommended that both Pan American and Panagra apply for an airline licence under the Act, with Pan American contending that the airlines' services were complimentary, rather than in competition. For example, a large proportion of Pan American's traffic carried from the Canal Zone to the US originated with Panagra from along the West Coast of South America to the Canal Zone, and Panagra carried on Pan American's southbound passengers from the Canal Zone.

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<sup>45</sup> Just two other Panagra aircraft was lost in operations, a DC.3 which crashed in Peru in 1943, in an accident in which all but one of its 15 passengers were killed. In 1945, another DC.3 crashed in Peru, with no fatalities on this occasion.

In August 1942, Panagra started its first scheduled commercial all-express cargo service by an international carrier certified by the Civil Aeronautics Board (CAB) in the US. Services were commenced on its route from Balboa to Lima in Peru and, in just two and a half months it had transported nearly 80,000 lb (36.3 tonnes) of cargo by means of this new service.<sup>46</sup> It had converted a couple of its DC.3 airliners into freighters, and used these for what was the first all-cargo route of any US airline.<sup>47</sup>



Panagra was also involved with Pan American in displacing German and Italian commercial aviation involvement in South America.<sup>48</sup>

During the war, Panagra operations were divided into sections or runs. The northern one was between Lima and Balboa. The southern section was from Lima south to Santiago, Chile; then across the Andes and Pampas to Buenos Aires. Another section operated from Lima, which was the hub or headquarters of the airline, through Bolivia into Brazil.<sup>49</sup>

Panagra was to eventually merge with Braniff in 1967 to form what was then the largest US airline serving South America. Panagra had been Braniff's chief competitor along the South American West Coast after Braniff began serving the region in June 1948.<sup>50</sup>

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<sup>46</sup> <https://www.panam.org/pan-am-stories/429-background-notes-on-pan-am-cargo>

<sup>47</sup> Ibid. The New York Times of January 1943, said the destination was Buenos Aires: <https://www.nytimes.com/1943/01/03/archives/panagra-lines-opened-cargo-run-to-peru-and-daily-service-to-buenos.html>

<sup>48</sup> See the separate article on Pan American for more detail.

<sup>49</sup> <https://www.robertnovell.com/panagra-part-five-of-seven-april-12-2017/>

<sup>50</sup> In the late 1950s, the shipping line had begun a transition and lose interest in the airline. <https://www.braniffinternational.com/pan-american-grace-airways-inc>



*The offices of Pan American Grace Airlines in Panama City in 1945*

## **BRANIFF AND THE “BANANA RUN”**

Braniff Airways Inc (which became Braniff International Airways from 1948) was an airline which operated until 1982,<sup>51</sup> and was a competitor with Pan American on Latin American routes.<sup>52</sup> After the original airline was acquired by the Aviation Corporation (AVCO), the two brothers formed a new Braniff Airways in Oklahoma in 1930. It moved its company operations and maintenance facilities to Love Field, Dallas in 1934.<sup>53</sup> In 1942, it also moved its administrative headquarters to Dallas, to become the quintessential Texas airline.<sup>54</sup>



*Braniff DC.3 NC23665 at Dallas Love Field in 1943<sup>55</sup>*

At the start of World War 2, it surrendered over half its fleet to the USAAC and it also trained military pilots, radio operators,

<sup>51</sup> Originally as the Oklahoma City-Tulsa Airline with a five-seat Stinson Detrioter. This becoming Braniff Air Lines, and would be sold to AVCO in 1930, when the founders established the new airline which survived until 1982.

<sup>52</sup> And remembered by me as having all-orange colour schemes in the 1970s, including on the Boeing 747 Jumbo Jet, which was modelled by Airfix.

<sup>53</sup> <https://www.tshaonline.org/handbook/entries/braniff-airways>

<sup>54</sup> Ibid.

<sup>55</sup> Braniff began operations with its new DC.3 (first ordered in August 1939) in February 1940 between Dallas and Amarillo, Texas. By Summer 1940, Braniff used only DC.3 and its smaller DC.2 cousin, with the more powerful DC.3A version (including upgraded DC.3) later.

and mechanics.<sup>56</sup> As well as seeing its air services used in support of the war effort, Braniff used its facilities at Dallas Love Field for the training of pilots and mechanics.<sup>57</sup> It flew to the Canal Zone for the USAAC Air Transport Command and continued to expand.

It was given a contract to operate a military cargo flight between Brownsville, Texas, and the Canal Zone. The route was nicknamed as the “*Banana Run*” because pilots made agreements with the banana producers in Panama to take their bananas to the US to sell. Because of the war, producers could not fly their produce out of the country, but the airline devised at least a small way to assist the growers.

The official name for aircraft involved in the *Banana Run* was the Contract Air Cargo Division of the Air Service Command. Due to the German U-boat threat which menaced the Gulf of Mexico in 1942-43, this was sometimes the only way to resupply the Caribbean and Central American bases. When the flights ceased on 8 January 1944, Braniff had flown 4,840,517 air miles (7,790,056 km), carried 6,494,181 lb (2,945,710 kg) of cargo, 16,890 passengers and made over 2,300 flights without loss of life or cargo.<sup>58</sup>

The US Civil Aeronautics Board (CAB) granted approval for Braniff to serve South America in 1942, operating from Texas to Mexico, Cuba, Panama and South America, adding Miami as its “gateway” airport to South America in 1944. It also acquired other airlines, as well as owning and operating *Aerovias Braniff* in Mexico 1943-46.

Following the war, on 19 May 1946, the CAB awarded Braniff approval to operate routes to the Caribbean, Mexico and Central and South America, competing with Panagra. CAB awarded Braniff a 7,719-mile (12,418 km) route from Dallas to Houston

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<sup>56</sup> So many aircraft were commandeered for military service that Braniff at one time only had 147 seats available for passenger service - about half the payload of a modern Boeing 777: (*Journal of the American Aviation Historical Society*, Fall 2001).

<sup>57</sup> *Journal of the American Aviation Historical Society* (Fall 2001).

<sup>58</sup> Ibid.



to Havana, Balboa, Guayaquil, Lima, La Paz, Asuncion, and finally Buenos Aires; later adding Miami.<sup>59</sup>

Flights to South America via Cuba and Panama began in 1948 with a routing of Chicago – Kansas City – Dallas – Houston – Havana – Balboa – Guayaquil – Lima, extended to La Paz and Rio de Janeiro in 1949.<sup>60</sup>



As already mentioned, Panagra and Braniff merged in 1967 to form what was then the largest US airline serving South America.

*This notice was published in several newspapers in the last days of January 1967  
(Pablo Luciano Potenze collection)*

## TACA

*Transportes Aéreos Centroamericanos* (TACA or *TACA de Honduras*)<sup>61</sup> grew out of charter operations begun in 1931 in Honduras by a New Zealander, Lowell Yerex,<sup>62</sup> to carry passengers and cargo, and it began operations with a sole single-engine Stinson monoplane.<sup>63</sup> Operations were confined to Honduras until around 1934, when it

<sup>59</sup> Flights to some of these destinations were delayed until 4 June 1948, following the building of an extensive infrastructure in some areas of the continent. Flights to Lima and La Paz did not commence until February 1949 and a month later the route system was extended to Rio de Janeiro. In March 1950, a service from La Paz to Asuncion began, and two months later Casa Rosada at Buenos Aires began receiving a Braniff flight that had originated in Houston via Panama City and Lima: *Journal of the American Aviation Historical Society* (Fall 2001).

<sup>60</sup> In 1952, Braniff International merged with Mid-Continent Airlines, thus adding 32 routes to the 29 US domestic and nine international routes the company operated at the time.

<sup>61</sup> Central American Transport Company.

<sup>62</sup> Yerex had fought in the Honduran revolution

<sup>63</sup> [https://www.cia.gov/readingroom/docs/DOC\\_0000258833.pdf](https://www.cia.gov/readingroom/docs/DOC_0000258833.pdf)

began expanding in Central and South America, starting with El Salvador, and then with subsidiary operations being established in several countries.<sup>64</sup>

Until 1939, *TACA de Honduras* remained the principal company of the TACA System, when TACA Airways SA was formed in Panama as a non-operating holding company for the group – being renamed Inter-American Airways SA in 1943. However, Yerex had left the company in 1945, selling the company to Waterman Airlines, a subsidiary of Waterman Steamship Corporation that was based in New Orleans. Also in 1945, the airline moved its headquarters to El Salvador.



*Single-engine Bellanca and Ford Trimotor of TACA Airlines, c. 1935<sup>65</sup>*

During the war, with difficulties encountered or expected in maritime and land communications, the Panamanian Government decided to enter into

a contract with the TACA to undertake the carriage of passengers and mail, as an alternative to, and complement services offered by Pan American.

Pan American had objected to an application by TACA to extend its services into the Canal Zone in 1940. In October, a US airline called American Export Airlines (AEA), had agreed to purchase TACA, planning to use it to connect with its Continental US routes and extend operations throughout the Caribbean. This, of course, was counter to the US policy of supporting Pan American in the region, and the airline opposed the TACA-AEA application at the Civil Aeronautics Board (CAB) in the US. However, the bid was supported by the Commanding General of the Panama Canal Department (the Army command), the owner of TACA being regarded as strongly pro-US and with most of its employees being from the US.<sup>66</sup>

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<sup>64</sup> <https://historico.elsalvador.com/historico/607710/fotos-asi-era-en-sus-inicios-taca-la-historica-aerolinea-piloteada-por-roberto-kriete.html>

<sup>65</sup> [http://www.smithsonianeducation.org/scitech/impacto/graphic/aviation/graphic\\_companies3.html](http://www.smithsonianeducation.org/scitech/impacto/graphic/aviation/graphic_companies3.html)

<sup>66</sup> <https://history.army.mil/books/wwii/framework/ch10.htm>

It helped that TACA also had control of a network of 115 landing fields throughout five Central American states, many of them equipped with radio facilities, and it was felt by the US Army that the airline could render invaluable assistance in a surveillance role, and in assisting its air operations in the region.

While the State Department and War Department both supported TACA's application, as soon as it could be "Americanised" (i.e. taken over by AEA), Pan American continued with its opposition. Whilst CAB eventually rejected the planned takeover by AEA in December 1941, it did approve access to the Canal Zone by TACA. The airline was to continue services to the Canal Zone, and cooperate with the US Army, throughout the war.<sup>67</sup>

Until 1980, it was owned by the US company and had its corporate headquarters in New Orleans due to the civil war raging in El Salvador. In 2009, it was announced that TACA Airlines would merge its assets in a strategic alliance with Colombian airline AVIANCA, and this merger was completed by 2013, with it continuing to operate as *Avianca El Salvador*.

## POSTWAR

In September 1943, the Assistant Secretary of State had expressed his belief that aviation would have a greater influence on US foreign interests, arguing that aviation's effect on future US defence and commerce would be comparable to the effect that sea power had had in the past. He also argued that treaties and agreements should provide that no foreign-owned or operated line other than a US airline should be permitted to operate in the Caribbean and South America.<sup>68</sup>

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<sup>67</sup> <https://history.army.mil/books/wwii/framework/ch10.htm>

<sup>68</sup> *Circling the Earth: United States Plans for a Postwar Overseas Military Base System, 1942–1948* by Elliott V Converse III (Air University Press, Maxwell AFB, Alabama) August 2008: [https://media.defense.gov/2017/Mar/31/2001725262/-1/-1/0/B\\_0097\\_CONVERSE\\_CIRCLING\\_EARTH.PDF](https://media.defense.gov/2017/Mar/31/2001725262/-1/-1/0/B_0097_CONVERSE_CIRCLING_EARTH.PDF)

In 1945, new President Harry S Truman told his Secretary of Commerce that, along with reparations, the future of international aviation was “*the most important postwar international problem*”. From the beginning of the postwar planning process, civil and military planners hoped to integrate military and civil airfields into a vast network, assuring both physical and economic security for the US.<sup>69</sup>

In 1944, together with 51 other countries, Panama signed the Convention on International Civil Aviation and an agreement on the Transit of International Air Services. Also in 1944, *Compañía Panameña de Aviación SA*, better known as COPA, was formed, then 40% owned by Pan American. It survives to this day, as Panama’s flag carrier, with an extensive route network in the Americas and Caribbean.<sup>70</sup>



On 1 June 1946, a new international airport, Tocumen,<sup>71</sup> was partially completed, with an aircraft of the new national airline, COPA, making the first landing (followed by a DC.4 of Peruvian International Airways). Tocumen thus became the country’s main international hub, displacing Albrook Field, which continued to be a US Army Air Force

(and shortly after, a US Air Force base). In 1971, work began on a new Tocumen Airport, which opened in 1978, the original terminal being used for cargo operations.<sup>72</sup>

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<sup>69</sup> *Circling the Earth: United States Plans for a Postwar Overseas Military Base System, 1942–1948* by Elliott V Converse III (Air University Press, Maxwell AFB, Alabama) August 2008: [https://media.defense.gov/2017/Mar/31/2001725262/-1/-1/0/B\\_0097\\_CONVERSE\\_CIRCLING\\_EARTH.PDF](https://media.defense.gov/2017/Mar/31/2001725262/-1/-1/0/B_0097_CONVERSE_CIRCLING_EARTH.PDF)

<sup>70</sup> <https://www.panamaviejaescuela.com/historia-de-copa-airlines/>

<sup>71</sup> <https://www.tocumenpanama.aero/>

<sup>72</sup> Between 1981 and 1989, Tocumen was renamed the Omar Torrijos International Airport, in honour of the armed forces leader of Panama, who died in a n air crash in 1981.

A Department of Civil Aviation was established in 1948 under the Ministry of Finance and Treasury, but was disposed of on budgetary grounds, with its responsibilities transferred to the Inspector General of Aviation under the Ministry of Government and Justice. However, the Department was re-established in that Ministry in 1949 by Decree, with a National Civil Aeronautics Board also created by the same Decree to “study and resolve civil and commercial aviation problems”.<sup>73</sup>



In 1949, the National Assembly ratified a new Aviation Agreement with the US. This had proven controversial, but did provide for the transfer of commercial traffic from Albrook Field to Tocumen. However, the agreement required a joint US/Panamanian commission to oversee the management of the new international airport, this management including such things as the handling of baggage, air traffic control, customs procedures, treatment of mail etc. A problem was that this commission was to be dominated by its US members, and they would have the final say on any matter. As in the past, questions of sovereignty and nationalist resentment sparked protests, and a violent confrontation between the *Policia Nacional* and protestors.<sup>74</sup> The police were to declare a three-month state of siege, and in continued violence two people died and many more were injured.<sup>75</sup>

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<sup>73</sup> <https://www.govinfo.gov/content/pkg/GOVPUB-S-dae74a31ce03269f4dc99454c183598c/pdf/GOVPUB-S-dae74a31ce03269f4dc99454c183598c.pdf>

<sup>74</sup> This was not long after large-scale protests over an attempt to continue a number of US wartime bases outside the Canal Zone. For more on this, see <https://raytodd.blog/2024/06/30/panama-and-world-war-2-operating-outside-the-zone-the-1942-agreement-and-the-1947-row/>

<sup>75</sup> *We Answer Only to God: Politics and the Military in Panama 1903-1947* by Thomas L Pearcy (University of New Mexico Press, 1968).



In 1951, the first Panamanian international cargo airline, AVISPA, with a single wartime Curtiss C-46 transport aircraft, to fly shrimp from Panama to Miami.<sup>76</sup>

The former USAAF airfield at Paitilla,<sup>77</sup> on the edge of Panama City, became the city's airport, later being named the Marcos A Gelabert Airport in 1952 (named for famed Panamanian aviator, see below, who had been killed in 1951). Originally constructed in 1929, and used by the USAAF during the war, it would remain in use until January 1999, when civilian and domestic airline operations would transfer to the former Albrook Air Force Base, where the take-off of a small Islander light transport the next day marked the completion of the change.<sup>78</sup>



*Paitilla in the 1960s*

Following the treaties signed in 1977 providing for the handover of the Canal to Panama and the gradual withdrawal of US forces, in 1979 a transition plan began to be applied whereby Panama was to assume full control of air traffic control and other services, finally resolving the longstanding questions of sovereignty over the airspace in the Canal Zone and Panama as a whole.

## **MARCOS A GELBERT**

No article about aviation in Panama could be complete without mention of Marcos Antonio Gelabert Damián. Born in 1908, he showed an interest in aviation from an

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<sup>76</sup> <https://www.aeronautica.gob.pa/recursos/index.php?c=historia>

<sup>77</sup> The former Paitilla Point Army Airfield (which it was from 1944) had first been opened in 1931 (and a 126 acre, 51-hectare, military reservation from 1920, as a sub-post of Fort Grant) and overlooked Panama Bay on the Pacific. In 1948, the State Department determined that it was no longer required as a military "reservation", either for defence or for peaceful purposes connected to the Canal.

<sup>78</sup> <https://www.aeronautica.gob.pa/recursos/index.php?c=historia>

early age, later attending the Columbia Aviation School in Havana, before returning to Panama as a qualified pilot and a Second Lieutenant in the *Policia Nacional*.

In 1931, following that year's successful coup, the new Minister of Government and Justice ordered three aircraft to form a Panamanian air force. Gelabert, by now a Captain, was one of its pilots. In due course, he bought the aircraft, with an intent to establish an air mail service to David, the central provinces and Bocas del Toro. In 1933, with Enrique Malek,<sup>79</sup> Gelabert formed a commercial aviation company, *Aerovías Nacionales SA*, though this company would eventually fail.



On his return from the US with a new aircraft he was involved in an accident in Mexico which saw a poor blind and deaf man killed. As a result, Gelabert spent some time in prison there, before returning to the US to purchase another aircraft, with which the planned Panama-David-Panama service began.

In 1935, he ended his partnership with Malek, and formed another company with a single-engine, seven-passenger Hamilton H.47 monoplane. He later acquired a larger Fokker, and offered passenger, cargo and airmail services, the company soon being renamed *Transportes Aéreos Gelabert*.

He had opposed the entry of Pan American into the Panamanian market, and transnational corporations' involvement in Latin American aviation.

He would suffer another crash in 1938, in a single-engine Bellanca taking off from Paitilla, this resulting in one fatality.

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<sup>79</sup> The airport at David is named after him.

World War 2 obviously disrupted commercial aviation in Panama, with no civil aircraft being allowed to fly over the Canal Zone, and several of his company's aircraft were impressed for use by the USAAF.<sup>80</sup> Gelabert and his family relocated to Costa Rica, where he worked as a pilot for a banana producer company there, and founded the Costa Rican Air Transport Company with a local aviation mechanic.

The Gelabert family returned to Panama in 1944, and he founded *Actividades Aéreas SA*, for the transport of passengers and the training of pilots.

In January 1944, *Compañía Chiricana de Aviación SA* was founded, with Gelabert as one of the shareholders. Based in David, it used a single-engine Fairchild 24 and twin-engine Avro Anson on internal flights.

In mid-1946, he was appointed Technical Inspector of Aviation in the Department of Police, Aviation and National Defense of the Ministry of Government and Justice. Then, on 1 November 1947, he was appointed Administrative Director of the new Tocumen Airport. In 1948, he was appointed Director of Civil Aeronautics, a position he resigned so he could become General Manager of Tocumen Airport.<sup>81</sup>



He would die in a crash in May 1952 at the age of 44. The airport at Paitilla was named in his memory the following year. Its eventual replacement, at Albrook, would similarly be named after him.

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<sup>80</sup> At the time Gelabert and his company had registered - a Hamilton H.47 Metalplane (registration R-12), a Sikorsky S.38B flying-boat (RX-10), a Lockheed 5 Vega 5C (RX-14), a Stinson A trimotors (RX-17), a Vultee V.1A (RX-19), a Luscombe 8A Silvaire light cabin monoplane (RX-25). Of these, the Silvaire, the H.47 and the Stinson A would be impressed by the USAAF.

<sup>81</sup> <https://panama-tour.site123.me/an%C3%A9cdotas-de-panam%C3%A1/marcos-antonio-gelabert-dami%C3%A1n>

Ray Todd

Panama City

Republic of Panama

7 October 2025