

THE BRITISH IN PANAMA DURING WORLD WAR 2

The history of British involvement with Panama is, perhaps fortunately, marked by events that are in the distant past. After all, the modern Panama City is only where it is because the original was destroyed after an attack by British pirate Henry Morgan in 1671 – after already, in the years before, having attacked Portobelo (where silver from South America was brought across the isthmus to be transported to Spain) and captured the formidable Fort Lorenzo on the Caribbean coast.

Panama, including Portobelo also suffered from attacks by Sir Francis Drake, also attracted by the silver (to this day, the largest building in the small town is the *Tesoro*, or treasury). Drake himself died from dysentery while off Portobelo in 1596.

Then there was the ill-starred Darién scheme for a Scottish colony called New Caledonia in the 1690s, in an area that even today is sparsely populated and was then seen as unhealthy, and full of dangerous animals, plants and insects.¹ The scheme turned out a disaster, with the settlement abandoned twice and with 80% of the would-be colonists dying within a year. It might also be seen as a disaster for its investors, with the failure of the Company of Scotland behind it, which had been backed by around 20% of all the money then circulating in the nation. The failure effectively led to the Act of Union with England and Wales in 1701, with the English Treasury, in effect, having to bail Scotland out.

A more recent, and amicable, encounter had seen the British built Panama City's first tramway system in the 1890s, when Panama was still part of Colombia. However, this first system did not last, as the failure of the French to complete the canal depressed the local economy, and the "1,000 Day War" devastated the city between 1899 to 1902.²

¹ It is roughly in the area which is now known as Guna Yala, an autonomous indigenous territory home to the Guna people.

² This was a Colombian civil war, which saw over two years of guerilla warfare, which followed the end of conventional fighting, until an amnesty and political reform ended the war in June 1902. It is thought to have involved up to 130,000 deaths, extensive property damage, and national economic ruin.

While many British merchant vessels and warships would have used the Canal during World War 2, the British had no military presence, and relatively little to do with, the Canal, the Canal Zone and Panama during the war.

Britain did aid the defence of the Canal, providing advice and assistance with radar defences (see below), and in 1941, transfers were made to the US forces of British anti-aircraft and coast defence weapons for the defence of the Canal, including 40mm Bofors guns.³

Of course, the US bases in the Caribbean obtained from Britain as part of a deal in exchange for the supply of 50 old destroyers were also seen as being important in helping protect the Atlantic/Caribbean approaches to the Canal. While the Caribbean would be where a threat to Canal traffic would arise – due to the presence of German U-boats, at a peak in 1942 – the presence of suitable bases in the islands of the Caribbean and the north coast of South America provided greater scope for protective patrols than the Pacific. Among the bases the US got access to under the agreement of September 1940 were those on the Bahamas, Jamaica, St Lucia, Trinidad, Antigua, and in British Guiana.⁴

Armed guards were placed on vessels in transit through the Canal from 1939. This came after a review that year found that protection from potential sabotage attacks was still inadequate, with the Canal authorities at the time considering that the greater risk came from sabotage caused by or from a transiting vessel.⁵ Initially, British (and French) cargo ships that were “known to the Canal” and on a regularly scheduled voyage were exempt from the requirement.⁶

³ *Logistics in World War II: Final Report of the Army Service Forces* - A Report to the Under Secretary of War and the Chief of Staff by the Director of the Service, Supply, and Procurement Division, War Department General Staff (Center of Military History US Army, Washington DC , 1993):
https://history.army.mil/html/books/070/70-29/CMH_Pub_70-29.pdf

⁴ The bases were also important in protecting the vital supplies of oil and bauxite traveling from South America.

⁵ Suggested threats were such a vessel ramming lock gates, sinking itself in the locks or main channel, or dropping explosives, perhaps timed to explode much later, overboard.

⁶ Also exempt were all US flag vessels, and foreign passenger liners on regular runs and carrying more than 25 passengers.

However, the War Department immediately insisted on the regulations being applied without distinction, without regard to the “*nationality, size or character*” of the vessel, although warships “*of foreign powers with whom we are on diplomatically friendly relations*” (such as Britain) remained exempt.⁷

For high-risk (or “X”) vessels carrying a detachment initially consisting of an army officer and 16 men, plus two US Navy personnel (who oversaw the helm and telegraph – engine – controls) was employed. Lower-risk (or “R”) vessels carried only two soldiers. After 1940, the rules and procedures revised, with additional personnel and tighter controls imposed. From 1942, the US Navy took over responsibility for this Transit Guard, using Marines.

On 7 June 1940, the 23,000-ton Italian liner *Conte Biancamano* arrived in Panama. It had been on a Genoa-Naples-Panama-Valparaiso-Panama voyage, but had been ordered to seek a neutral port by the Italian government, in anticipation of the Italian declaration of war on 10 June. Carrying 400 crew, 50 passengers and 2,000 tons of copper, she was detained in the custody of a marshal of the District Court pending the outcome of judicial proceedings which had been instituted by British fuel suppliers, the East Asiatic Petroleum Company over fuel supplied at Suez.

Impounded by the US Neutrality Patrol, she would remain in Panama until subsequently being converted in Philadelphia into a troop transport, accommodating up to 7,000 men, and commissioned into the US Navy in March 1942 as USS *Hermitage* (AP-54).

One of the more unpleasant activities in Panama during the war took place on the small island of San José, where tests on animals and humans were undertaken using mustard and other gases. San José was the second-largest of the Pearl Islands (*Archipiélago de las Perlas*) in the Pacific, south from Panama City.

⁷ <https://www.ibiblio.org/hyperwar/USA/USA-WH-Guard/USA-WH-Guard-12.html>

The project began in January 1944, the Panamanian government having given its go-ahead for "chemical warfare tests"⁸ on this island that was uninhabited and relatively isolated, yet close enough to mainland Panama, some 60 miles (96.5 km) away, to be easily resupplied.⁹ In all, some 31,000 mustard gas and phosgene bombs and other chemical weapons were detonated or dropped on the island as part of a test programme code-named "The San Jose Project".¹⁰

The tests were to examine the use of chemical weapons under tropical conditions, as well as the (frankly racist) theory that non-white troops were somehow more able to cope with being attacked using such weapons (as no black troops were available, Puerto Ricans would be used instead).

Although operated by the US Army, there were also representatives present from the US Navy, Canadian Army, Royal Canadian Air Force, the NRDC¹¹, and the British Army.

In Autumn 1940, even before the US entry into the war, British, Canadian and US scientists had agreed to exchange chemical warfare information, with a Canadian scientist as the liaison point. All three countries worked together to perform numerous experiments and field tests.¹²

⁸ On 20 December 1943, the US Consul proposed to conduct "*certain chemical warfare tests under existing jungle conditions*" for 60-day renewable periods on San José Island. The agreement had to be made with both the Panamanian government and the island's private owners, a Panama City company called Huertematte & Co. A rental fee of \$15,000 a year was agreed. The US also sought the Government's consent to build trails and wharves and to incorporate the agreement into the 1942 base agreement:

<https://core.ac.uk/download/pdf/226122899.pdf>

⁹ *Canada and Chemical Warfare 1939-1945*, a thesis by Christopher R Paige (Submitted to the College of Graduate Studies and Research, University of Saskatchewan), 2009:

<https://core.ac.uk/download/pdf/226122899.pdf>

Colonel Robert McLeod of the CWS, with a geologist from the University of Chicago had searched the coasts of Central America and the Galapagos islands looking for a suitable site in October 1943. Interestingly, he had rejected the use of the penal island of Coiba in Panama as the presence of prisons might have "*complicated our problems*" (my wife's uncle, an officer opposed to General Noriega, escaped from the island in the 1980s, when it was still a feared place – it only closed as a prison in 2004, and is now a nature reserve).

¹⁰ <https://journals.sagepub.com/doi/full/10.2968/058004014>

¹¹ The US National Defense Research Committee, created "*to coordinate, supervise, and conduct scientific research on the problems underlying the development, production, and use of mechanisms and devices of warfare*", which would also involve such things as radar and atomic weapons.

¹² *Canada and Chemical Warfare 1939-1945* a thesis by Christopher Robin Paige (University of Saskatchewan, April 2009): <https://core.ac.uk/download/pdf/226122899.pdf>

For more on the San José Project, see <https://raytodd.blog/2024/06/30/panama-in-world-war-2-mustard-gas-and-chemical-defences/>

After the US gained agreement from the Ecuadorian government for a US base on the Galapagos Islands – seen as being vital as part of the patrol chain protecting the Pacific approaches to the Canal – it was a British tramp steamer that, on 12 December 1941, just five days after the Pearl Harbor attack, brought 36 US Navy men to South Seymour Island to establish a refuelling base for Navy patrol flying-boats, using hand pumps from a motor launch.¹³

There were no direct attacks on Panama or the Canal Zone during the war. The closest that enemy action got was through the activities of U-boats in the Caribbean and, in 1942, a British tanker bringing fuel to Cristobal was then sunk by two U-Boats within 75 miles (120 km) of the port. However, no attack came as close as at Port Limón, along the coast in Costa Rica, shortly after the loss of the tanker, when a U-Boat entered the port itself and sank a merchant ship, the SS *San Pablo*, in the harbour.¹⁴

While the US and Britain enjoyed a close working relationship as allies during the war, in 1945, when Lend Lease ended, British merchant vessels found themselves facing an effective ban on using the Canal. This was because, with Britain effectively broke and with a shortage of dollars, British ships could not pay the tolls required. It was only in March 1946 that British merchant vessels could again use the Canal.

A ROYAL NAVY MUTINY

The last armed mutiny in the Royal Navy took place in Balboa. This was aboard HMS *Lothian* while she was in the Canal Zone on 1 September 1944. It resulted in the court martial of

¹³ For more on the base and uses of the Galapagos Islands, see <https://raytodd.blog/2024/06/30/panama-in-world-war-2-galapagos-or-the-rock/>

¹⁴ The U-Boat involved, U-161, was lost with all hands off Bahia, Brazil three months later, after an attack by a US Navy patrol bomber.

three seamen, held on 27 October to 19 December 1944.¹⁵ 17 others were reduced to the ranks, with six more given extra duties and punishment drill. However, sentences were suspended (due to the lack of available jails or alternative ships) as the ship proceeded to the Pacific.

HMS *Lothian* was a former cargo ship of 8,036 GRT and launched in 1938, as the MV *City of Edinburgh*.¹⁶ It was requisitioned by the Ministry of War Transport in 1939 for use during World War 2 as a troop transport. In 1943, she was taken over by the Royal Navy and converted into a Landing Ship Infantry (Headquarters) ship¹⁷ for operations in the Pacific and commissioned as HMS *Lothian* in September 1943.

In August 1944, she sailed from the Clyde to New York, where the crew were denied shore leave, and thence to Panama to transit the Canal. She was said to be unsuitable for her planned use. Her complement had increased from 450 to 750, including several hundred RAF and Royal Corps of Signals specialists. She had had poor ventilation and air conditioning, and even a lack of sufficient water. These factors, together with deteriorating food all were factors making her unsuitable for use in tropical regions.

She reached Balboa on 1 September, and the poor conditions aboard caused an armed mutiny (said to be the first in the Royal Navy since the 19th Century); with a detachment of Royal Marines mustered to put it down.



MV City of Edinburgh

¹⁵ For more on the mutiny see <https://raytodd.blog/2024/06/30/panama-in-world-war-2-a-tale-of-six-vessels-and-more-and-the-last-armed-mutiny-in-the-royal-navy/>

¹⁶ Built by Cammell Laird, Birkenhead for the Ellerman City Line and completed August 1938. It was for operations on the US – Australia – New Zealand route, on which route it was used until 1939.

¹⁷ Aka LSI(H).

THE AMERICAN CEMETERY



There are said by the Commonwealth War Graves Commission to be 15 British graves in the American Cemetery at Corozal from World War 1 and 2, 11 of these being from World War 2 (there is also a burial not from the World Wars).¹⁸

Of the 11 graves from World War 2, four were for Royal Canadian Navy men, four from the Merchant Navy, one from the Royal New Zealand Navy, one Royal Marine, and one member of the Royal Australian Air Force. Of course, some or all of these would be men taken ill aboard a ship making a Canal transit, or were injured or wounded men who died while in the area.

RADAR ASSISTANCE¹⁹

One significant part played in the defence of the Canal Zone by the British was the visit of the British radar expert, Robert Watson-Watt, in March 1942. Accompanying the US Secretary of War, Henry Stimson, together they examined Panama defences and reported the existence of disturbing weaknesses - including that the siting of radar units on high hills

¹⁸ By agreement between the governments of Panama and the US, the American Battle Monuments Commission (ABMC) was granted control, in perpetuity, from 1 October 1979, of the American sector in Corozal Cemetery, known as "Corozal American Military Cemetery": <https://www.cwgc.org/visit-us/find-cemeteries-memorials/cemetery-details/49815/corozal-american-military-cemetery/>

12 of the graves are in Section K, immediately in front of the visitor centre, while the remaining three are in Section C, which is on the hillside behind the visitor centre.

Interestingly, as a Manxie myself, one British grave bore a Manx name, albeit that the man appears to have hailed from Lancashire.

¹⁹ For an incomplete account of the introduction of radar, see <https://raytodd.blog/2024/06/30/panama-in-world-war-2-the-introduction-of-radar/>

contributed to the ground clutter²⁰ affecting readings.²¹ The opinion of the British expert was that the US was fully justified in having concern being shown for its safety from air attack.²²

Watson-Watt's report to the War Department²³ began by saying that the detection system then in place recorded no more than 15% of all flights and the number on which the evidence could be based were much less. On one occasion he observed, when there were 13 aircraft in the air, the operation board in the information room showed only one. On another occasion, he had flown in a twin-engine C-41 transport at various altitudes up to 10,000 feet (3,048 meters), only to discover on landing that the Aircraft Warning Service had failed to plot any part of his flight.

Watson-Watt concluded that, despite the Canal Zone being the region where the Army had expended its best efforts, "*no measures which are economically possible within the next two years*" could provide a ground warning service that would be as much as 80% reliable. Watson-Watt said that the SCR-270 and SCR-271 sets in use should be replaced as soon as possible, and replaced by Canadian-built versions of the British CHL/GCI system.²⁴ First priority, he said, should be for XXVI Interceptor Command (the fighter command which defended the Canal Zone), and the second to sites on the Caribbean approaches, which he considered virtually undefended. However, he conceded that the Army would have to persevere with the existing systems, as the CHL/GCI systems were not yet available.²⁵

²⁰ "Clutter" is the term used for unwanted echoes in radar. They can be caused by a number of things, but reflections from the ground (aka surface clutter) is perhaps the most obvious, and explains why low-level ("below the radar") air attacks became more common later in the war and postwar.

²¹ *Security and Defense of the Panama Canal 1903-2000* by Charles Morris, Panama Canal Commission: <https://original-ufdc.uflib.ufl.edu/AA00047733/00001/6j>

²² <https://www.ibiblio.org/hyperwar/AAF/I/AAF-I-8.html>

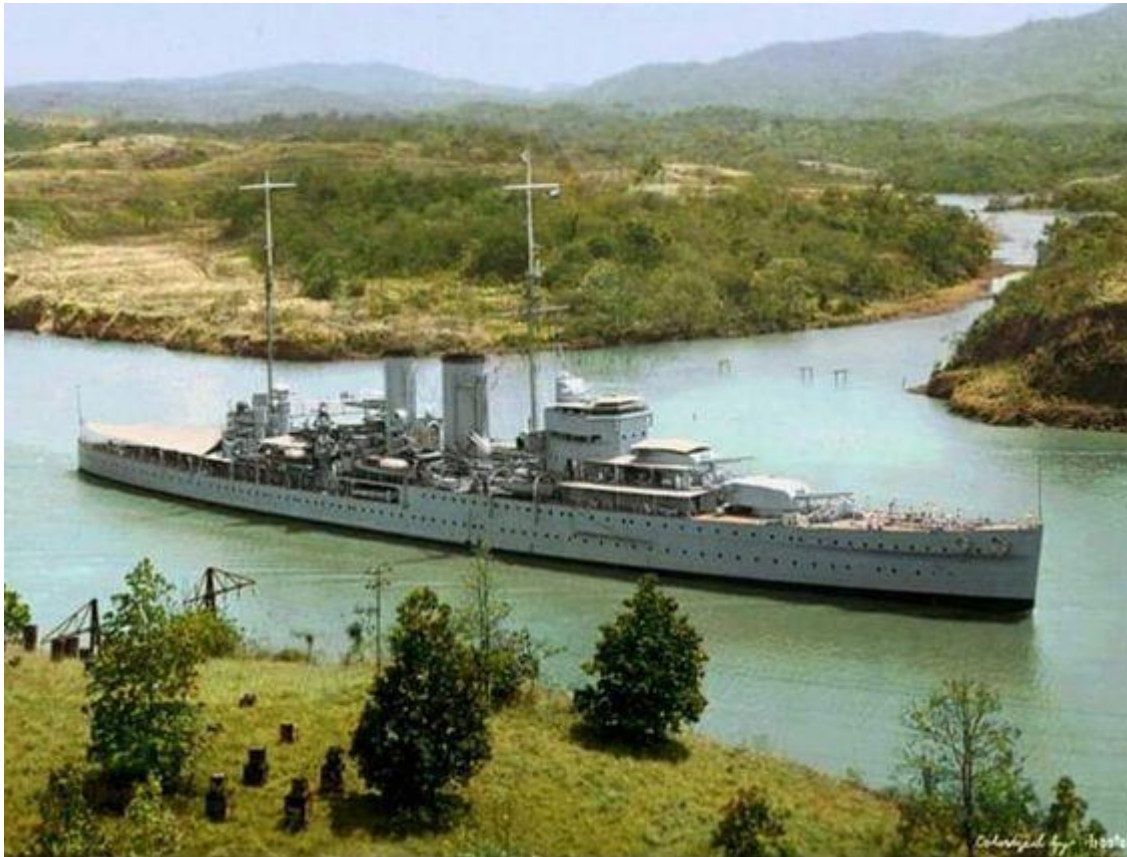
²³ <http://docs.fdrlibrary.marist.edu/PSF/BOX6/t71q08.html>

The original of the 1942 report by Secretary of War Stimson to President Roosevelt (preserved at the Franklin D Roosevelt Presidential Library and Museum), the President's response, dated 16 March 1942.

²⁴ Chain Home Low/Ground Controlled Interception.

²⁵ The Canadian sets were designated SCR-588, initially without height-finding. The CHL/GCI combination was the SCR-588B. However, production began slowly, and operational versions would remain few until the end of the war.

The Commanding General of the Sixth Air Force (the USAAF command in the region) argued that Watson-Watt had been too critical. He said many of the undetected flights were training ones, with aircraft flying over mountainous terrain, where the efficiency of long-wave radars was very low. He claimed that comparing plots to known flights over the sea approaches showed 59% efficiency – compared to only 15% over land approaches.²⁶



HMS Exeter transiting the Canal prior to the Battle of the River Plate, where she played a key part (and suffered serious damage) in the destruction of the German “pocket battleship” Graf Spee in December 1939

²⁶ *United States Army in World War II.: The technical services* by George Raynor Thompson, Dixie R Harris, Pauline M Oates and Dulany Terrett (US Army, Office of Military History, Department of the Army, 1957)



HMS Hood in the locks, probably in the 1920s



The battleship HMS Howe transiting the Canal in 1944

THE 1846, 1850 and 1901 TREATIES WITH BRITAIN

After the US signed a treaty in 1846 guaranteeing the neutrality of the isthmus²⁷, President James Polk urged other powers to join in the guarantee, and in 1850 the international

²⁷ The *Bidlack Treaty* – or the *Tratado de Paz, Amistad, Navegación y Comercio* (Treaty of Peace, Friendship, Commerce and Navigation) - saw the US and New Granada (as Colombia and Panama, the latter still then a province of the former, was then known) granted the US special transit rights, as well as military powers to suppress social conflicts and independence struggles. Following this, the US intervened in the isthmus several times and further strengthened its interests in the region with the trans-isthmus railroad, which opened in 1855.

character of a Central American canal was acknowledged by a treaty with Britain, whereby both undertook not to monopolise inter-oceanic transit in the area.²⁸ In 1885, President Grover Cleveland voiced the internationalist approach when he spoke of an isthmian canal as *“a trust for mankind, to be removed from the chance of domination by any single power”*.

In 1881, the US tried to persuade Britain to abrogate the relevant clauses of the 1850 treaty. When Britain refused, the initiative fell through. However, at the turn of the 20th Century, Britain was finally prepared to give way and a satisfactory treaty was eventually approved in 1901²⁹ - after a first attempt had been drastically re-shaped by a number of amendments demanded by the US Senate, which refused to ratify the 1900 original.³⁰ This new treaty tacitly allowed the US the right to fortify the canal and to deny passage through it to enemy vessels in wartime; but also prevented the possibility of other states subscribing to the treaty.

In backing the Panamanian revolt that enabled the US to gain the necessary control needed in Panama in 1902-03, President Theodore Roosevelt condoned the secession of Panama from Colombia, even though under the treaty of 1846 the US had an obligation to maintain Colombia's sovereignty over the isthmus.³¹



*Light cruiser HMS Despatch (D30) underway off the Canal Zone on 31 October 1939 (Official US Navy photo)
This vessel would transit the Canal in December 1939 carrying prisoners from the captured German freighter Dusseldorf.*

²⁸ The Clayton-Bulwer Treaty of 1850 provided that the two countries should jointly control and protect any canal built across the isthmus and presupposed a neutralised Central America, and provided that neither country would occupy, fortify or colonise the region (despite the British already occupying British Honduras, which is now Belize, and other small areas). The Hay-Pauncefote Treaty of 1901 was needed to supersede the 1850 treaty, so that the US could proceed with its canal project.

<https://www.britannica.com/event/Clayton-Bulwer-Treaty>

²⁹ The Hay-Pauncefote Treaty

³⁰ It considered that the 1900 version restricted US rights over the planned canal.

³¹ *'Pro mundi beneficio'? The Panama Canal as an international issue, 1943-48* by John Major (Review of International Studies, 1983).

A BRITISH PRIZE AND THE GERMAN PASSENGER WHO WAS NOT ILL

World War 2 was just over two months old when, on 25 December 1939, the German merchant ship *Dusseldorf* arrived at Balboa with a British prize crew aboard.³² It had been captured 20 miles (32 km) off the Chilean coast, near the port of Caldera,³³ and sought transit for the Canal *en route* to a British port, and was this was allowed (albeit with an armed guard aboard – said to be to prevent the Germans aboard from leaving the ship).

It was cleared out from Cristobal the next day, despite a complaint lodged against the transit and clearance by the German Consul in Colón. Previous maritime law practice, as well as the Proclamation Concerning Neutrality in the Canal Zone³⁴, allowed that prizes (i.e. captured vessels) captured on the high seas could be forwarded, with members of the crew as prisoners. Hence there was no reason why the Canal authorities should refuse transit.³⁵



*Still of the Dusseldorf from a Pathe newsreel*³⁶

³² See newsreel at <https://www.britishpathe.com/asset/166986/>

³³ Prompting a complaint to the US Ambassador in Chile by its foreign ministry that this represented a violation of the security zone imposed around the Americas.

³⁴ As well as the terms of the 1901 Hay–Pauncefote Treaty with Britain.

The 1939 Proclamation closely resembled that issued at the outbreak of World War 1 in 1914. It did not ban ships from belligerent countries using the Canal, but imposed restrictions on their warships and auxiliaries, such as for access to fuel and repairs.

A "limited emergency" had been declared by the US on 8 September 1939, intended to safeguard neutrality and strengthen US defence. An "unlimited emergency" would be declared on 27 May 1941.

<http://bdigital.binal.ac.pa/rdd/historicoview.php?ID=178321>

³⁵ It was argued that the Canal was the normal route for a ship to cross from the Pacific to the Atlantic, and could not be compared to a violation of neutral territorial waters, such as was said to have happened with the German vessel *Altmark*, when in Norwegian waters (and whose route "bore no relation to normal navigation"). The Royal Navy had claimed the right to sail uninspected through neutral waters since the 1870s. (*The Gathering Storm: The Naval War in Northern Europe September 1939 - April 1940* by Geirr H Haarr (Seaforth Publishing, 2013)

³⁶ <https://www.britishpathe.com/asset/166986/>

Another issue arose when the *Dusseldorf* reached Balboa, the former agent for the Hamburg-Amerika Line in Panama, Hans von Appen, was aboard, and was taken off to be hospitalised, having been certified by the ship's doctor as being critically ill. He refused to go to a Canal Zone hospital, and so was taken into the Republic (where he held a permanent residence permit). Examined, and found not to be "ill", he was returned to the Canal Zone and held at an immigration station pending further action.³⁷ Eventually he was turned over to the British Vice-Consul at Cristobal and, reportedly, armed Canadian sailors from the HMCS *Assiniboine*³⁸, and taken to Bermuda to rejoin the *Dusseldorf*.³⁹

The British cruiser HMS *Despatch*, which had captured the German vessel, also made a transit of the Canal in December 1939, having aboard prisoners from the *Dusseldorf*.



A still from a Pathe newsreel shows the White Ensign above the German flag, denoting a prize crew being aboard

BRITISH SKULLDUGGERY

Prior to the US entering World War 2, a Canadian entrepreneur called William Stephenson, working on behalf of the British Secret Intelligence Services (SIS), established an office in the Rockefeller Centre in Manhattan (with the discreet compliance of President Roosevelt and J Edgar Hoover of the FBI, although the latter was not happy). The "British Security Coordination" was an agency of nationwide news manipulation and black propaganda across

³⁷ <https://www.nytimes.com/1939/12/27/archives/canal-zone-sifts-prisoners-status-german-whose-appendicitis-delayed.html>

³⁸ The former HMS *Kempenfelt*, she had only been transferred to the Royal Canadian Navy in 1939. Before transferring to the North Atlantic she was later involved in the capture of a German blockade runner, the MV *Hannover*, in the Mona Passage between Hispaniola and Puerto Rico on 8-9 March 1940, together with the light cruiser HMS *Dunedin*. After that she sailed to Halifax, Nova Scotia for refit, arriving on 31 March.

³⁹ *Neutrality, Belligerency, and the Panama Canal* by Norman J Padelford (The American Journal of International Law, Vol. 35, No. 1, January 1941)

the US, but one of its most successful operations is said to have originated in South America.⁴⁰



The aim was to suggest that Hitler's ambitions extended across the Atlantic, and threatened the Canal. In October 1941, a map was supposedly stolen from a German courier's bag in Buenos Aires and made its way into the hands of the US Government (just how this happened is apparently disputed). This showed South America divided into five new states, or *gaus*, each with their own Gauleiter. One of which, *Neuspanien*, included Panama and the Canal. The map also detailed Lufthansa routes from Europe to and across South America, extending into Panama and Mexico.⁴¹ Roosevelt was to cite the map in a powerful pro-war, anti-Nazi speech on 27 October, saying that "*This map makes clear the Nazi design, not only against South America but against the United States as well*".⁴²

⁴⁰ <https://intrepid-society.org/bsc/>

⁴¹ <https://karlradi14.substack.com/p/analysing-franklin-delano-roosevelts>

⁴² <https://www.theguardian.com/uk/2006/aug/19/military.secondworldwar>



SS Empress, a British ship, in the Canal in 1936

THE BOMBER MEANT FOR BRITAIN INSTEAD PROTECTED THE CANAL APPROACHES

While the air defence of the Canal relied only on the USAAF (with assistance from the US Navy, and from Brazilian pilots for a while, after completing their training), it is said that General Andrews based the new Caribbean Air Force on the RAF model in the Battle of Britain. General Andrews also sought to emulate the Luftwaffe's tactics in Norway in May 1940, and established the Army's first air-mobile strike force, combining infantry with air transport to respond instantly with a substantial force to any attack.

However, an important element in the long-range patrols mounted from Panama and other Latin American bases to maintain a watch of the Caribbean and Pacific approaches to the Canal was an aircraft originally ordered by, and intended for the RAF.

The LB-30 used in Panama was a variant of the Consolidated B-24 Liberator heavy bomber, which had the greatest production run of any wartime US combat aircraft. The B-24 was also famed for its long range, which helped close the "gap" in the mid-Atlantic, and so help defeat the U-boat threat.

As with many other US types, the British had ordered examples of the B-24 for its own use, and this was the LB-30. It was the first fully combat-ready version of the design and was produced to a British specification. Like all B-24 models it had a very long-range capability.

In US use, it had its 0.303-inch machine guns replaced by 0.5-inch ones, the British-built dorsal turret was replaced by an US one, and the powered tail turret was replaced by a manually-operated twin machine gun position.

75 of the 140 LB-30 produced were retained by the USAAC following the Pearl Harbor attack – although 24 of these would be released to the RAF in 1942-43. During their service with the USAAF (as the USAAC became in June 1941), the LB-30 continued to bear RAF serial numbers.⁴³

One problem with the LB-30 was that its engines, commercial versions of the Pratt & Whitney R1830 Twin Wasp were not interchangeable with those used on USAAF B-24. Hence, each LB-30 had to fly back to the San Antonio Air Depot in Texas from time to time, to have its engines removed, overhauled and reinstalled. Another problem was with the Curtiss Electric propellers, another unique feature of the LB-30. These did not perform well in service and had a tendency to "run away" on take-off.

Between 3 February and 13 March 1942, the LB-30 for use in Panama were flown to Fairfield Air Depot at Patterson Field, Ohio where ASV radar sets, British-designed and Canadian-built, were installed. This would be invaluable in their use against U-boats. Other modifications included installation of a Martin-built gun turret in the mid-upper fuselage (where provision had been made at the factory to install a UK-built Boulton Paul turret after the aircraft had been delivered to England), and single, magazine-fed 0.50 calibre machine guns in the nose, in each waist position, and in the lower entry hatch, or "tunnel", position. Additional ¼-inch armour plate was added at the tail gun position, and a variety of other changes were made to "Americanise" the aircraft.

When modifications were completed, the aircraft left for Albrook Field in the Canal Zone, and then were routed to their duty stations. Five of those flown to Albrook were crewed by Ferrying Command crews, and the remainder by the men who would fly them on

⁴³ *American Aviation Historical Society Journal*, Spring 1970.

operations. All were on station by 26 April 1942, with their parent unit being the 6th Bombardment Group.⁴⁴

Used for two years in patrols from the Canal Zone, no LB-30 was lost during the patrols. A total of 13 LB-30 were based in the Canal Zone until, in May 1944, the surviving seven examples were flown back to the Consolidated facility at Nashville, Tennessee, where they were completely overhauled and converted to the C-87 transport configuration (except one which, although converted to carry cargo, was not given the new designation). All seven were subsequently assigned to duty with Consairways, the Pacific contract transport service operated by Consolidated for the Air Transport Command.⁴⁵



*LB-30 "Jungle Queen" of 397th
Bomb Squadron in the Canal Zone*



*LB-30 "Princess Sheila" of 397th
Bomb Squadron.*

⁴⁴ *American Aviation Historical Society Journal*, Spring 1970.

⁴⁵ *American Aviation Historical Society Journal*, Spring 1970.

DISCRIMINATION AGAINST BRITISH BUSINESSES IN PANAMA

The government of nationalist President Arnulfo Arias Madrid⁴⁶ introduced in 1941 a law⁴⁷ which employed a four-tier licensing system (first class, second class, general and professional). This was part of a program implemented by the new government aimed at squeezing out non-Panamanians and/or undesirables. Within a year or so, nearly 90% of retail establishments with a capital of less than \$500, and more than 75% of larger businesses, were being operated by Panamanians, and large numbers of Chinese, Japanese and others were forced to liquidate their business, and many to leave the country.⁴⁸

The 1941 Law also affected British nationals, as Panama renounced its most-favoured-nation treaty with the UK insofar as they applied to domestic trade. British subjects were given until 24 March 1942 to liquidate their holdings. The enforcement of the Law was later relaxed somewhat⁴⁹ (and did not appear to be applied generally to US citizens).

Later amendments sought to toughen the restrictions further, so that, for example, 75% of a business's employees must be Panamanian, and 75% of the total payroll, must go to Panamanians⁵⁰. Residence requirements for the licences were made more rigid⁵¹, and eventually residence in the Canal Zone no longer qualified (unless one had been resident there for at least 15 years).⁵²

⁴⁶ Elected in 1940, he would be deposed in a bloodless coup in late 1941. For more on Arias Madrid, his short-lived administration, and other wartime Presidents, see <https://raytodd.blog/2024/06/30/panama-in-world-war-2-the-wartime-presidents/>

⁴⁷ Law No 24 of 1941.

⁴⁸ Where this was possible. The Japanese, in particular, found it near impossible to leave.

⁴⁹ Although later amendments sought to toughen the restrictions further, so that, for example, 75% of a business's employees must be Panamanian, and 75% of the total payroll, must go to Panamanians⁴⁹. Residence requirements for the licences were made more rigid⁴⁹, and eventually residence in the Canal Zone no longer qualified (unless one had been resident there for at least 15 years).

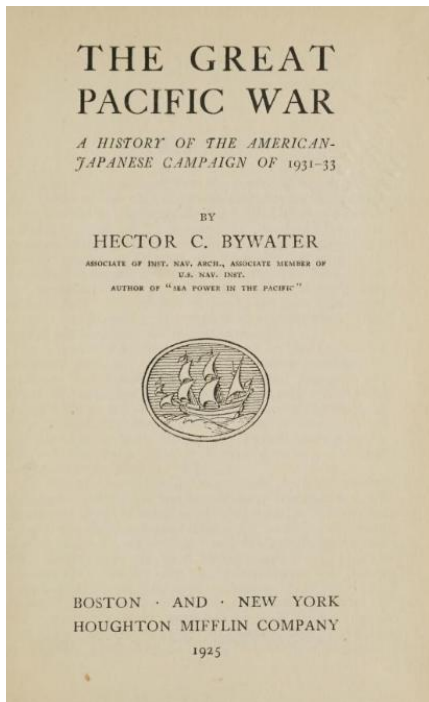
Economic Controls and Commercial Policy in Panama (United States Tariff Commission, 1946).

⁵⁰ Executive Decree No 38, August 1941.

⁵¹ Executive Decree No 48, January 1945.

⁵² *Economic Controls and Commercial Policy in Panama* (United States Tariff Commission, 1946).

THE 1925 BOOK FORECASTING JAPANESE SABOTAGE OF THE CANAL



In 1925, a British author, Hector Charles Bywater, published a book about a future war in the 1930s between the US and Japan. Bywater had been the naval correspondent of the Daily Telegraph.

The *Great Pacific War* begins with attacks on Korea, Formosa and Manchuria, and Japan then stages a surprise attack on the Canal, exploding a freighter full of explosives and effectively blocking the waterway.

Predicting the use of an armed guard aboard ships in transit during times of threat, the novel had the Japanese freighter transiting *en route* from Hamburg to Kobe, supposedly with a cargo of locomotives and railway machinery. It was blown up whilst in the Culebra Cut (then called the Gaillard Cut), causing a massive landslide that blocked the Canal (the Canal was well known to be vulnerable to such landslides, and was the cause of its closure for several months in 1915). The excavated passage through the blockage was said to take at least four months.

Bywater died in 1940, before the war he forecast became real – though with the surprise attack on the US Fleet at Hawaii, rather than the Canal.⁵³

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Panama City

Republic of Panama

22 May 2025

⁵³ https://archive.org/details/greatpacificwarh00bywa_0/page/30/mode/2up