

THE COTITO MASSACRE IN 1941

In March 2015, a small ceremony was held in the tiny village of Cotito, in the province of Chiriqui, Panama, close to the Costa Rica border. At the event, a small plaque was unveiled by the last survivor of an unpleasant and tragic event that took place in the village on 7 July 1941.



Cotito in the province of Chiriqui

During World War 1, German nationals in the Canal Zone had been arrested and interned in 1917, after the US joined the war, and in Panama Germans of “*suspicious character and behavior*” were also to be detained. The internees were lodged in a US Government-owned hotel on the island of Taboga, a dozen miles out from Panama City. After a year, and immediately after the enactment of an Act of Congress that formally legitimised their detention, they were removed to Ellis Island, New York. It was clear that the need for security of the Canal would result in similar action being taken if a threat was perceived after war broke out again in Europe in 1939.

There were genuine concerns about the presence in Latin America of those of German origin who might be agents of, or might aid, an enemy war effort. Among other agencies, the Foreign Organisation of the German National Socialist Party (the *Auslands* organisation), part of the German foreign ministry from 1937, was responsible for seeing that German nationals and their descendants living abroad loyally supported

the regime's policies.¹ In Central America (except Panama), these efforts were coordinated by the ambassador in Guatemala. Quite apart from any espionage or sabotage, the US authorities were concerned about the effect of Nazi propaganda spread through such means.²

There had been a German intelligence operation in Panama before World War 2, targeting the Canal, and no doubt among the many people of German origin in the country were Nazi sympathisers or supporters, but the community in Coto were unlikely to be among them.³ In Panama, it was claimed that there were 11 agents, under the cover of jobs in the shipping industry or using diplomatic cover. One was the German Consul in Colón, Kurt Lindberg, who sought to recruit Canal workers to obtain first-hand information on Canal infrastructure.⁴

In 1938, Hans Heinrich Schackow, a German employee of the Hapag-North German Lloyd Steamship agency in Panama, was found guilty of unlawfully photographing the coastal defences of the Canal.⁵ Another German, Ernest Robert Edward Kuhrig, was also convicted on espionage charges, together with two others.⁶ In 1940, a Japanese resident was arrested and admitted planning to pass on information about a British ship in Balboa port to a German, said to be a pro-Nazi employee of Boyd Brothers Steamship Agency in Panama City (which was also agent for Japanese shipping lines).⁷

¹ It was estimated in 1939 that there were three million nationals of the Axis countries in Latin America, with a further six million who were of German or Italian descent or origin – the largest numbers were in Brazil and Argentina.

<https://scholarship.richmond.edu/cgi/viewcontent.cgi?referer=https://www.google.com/&httpsredir=1&article=2131&context=masters-theses>

² https://pdf.usaid.gov/pdf_docs/Pcaab967.pdf

³ However, lists prepared by the US authorities and used in November 1941 for a round-up of potentially dangerous aliens included Swiss nationals.

Security and Defense of the Panama Canal 1903-2000 by Charles Morris (Panama Canal Commission)
<https://original-ufdc.uflib.ufl.edu/AA00047733/00001/1>

⁴ *The Game of the Foxes. The Untold Story of German Espionage in the United States and Great Britain During World War II* by Ladlilas Farago (Bantam Books, 1971)

⁵ <https://www.nytimes.com/1938/12/15/archives/german-convicted-as-canal-zone-spy-shackow-guilty-of-unlawfully.html>

⁶ <https://casetext.com/case/schackow-v-government-of-the-canal-zone-2>

⁷ *Security and Defense of the Panama Canal 1903-2000* by Charles Morris, Panama Canal Commission:
<https://original-ufdc.uflib.ufl.edu/AA00047733/00001/6j>



June 1940: Panama to register European and Japanese aliens to prevent espionage

Security measures in the Canal Zone had been stepped up from 1939, and the US Attorney General had been given authority to exclude alien enemies from designated areas in the Continental US, and in other areas of US territory or control, including Hawaii and the Canal Zone.⁸

When war broke out in 1939, the Canal Zone was placed under control of the US Army commanding general, he then being in charge of all civilian and military activities in the Canal Zone, including the Canal. Due to fears of sabotage, security was stepped up considerably, and the troops placed on alert.

In Panama, aside from concerns over a coming war, the new administration under Arnulfo Arias Madrid that assumed power following the 1940 Presidential elections introduced in 1941 a new law requiring all foreigners in the republic to register with the authorities.

In the 1930s, Arias Madrid had served as Extraordinary Envoy and Minister Plenipotentiary in the countries of Denmark, England, Sweden, Germany and France. During his time in Europe, he witnessed the fascist ideologies of Italy and Germany and

⁸ *Treatment of Civilian Alien Enemies* by Robert R Wilson (*The American Journal of International Law*, Vol 37, No 1. January 1943).

became very interested in these social movements and tried to study them closely. In 1939, he returned to Panama and stood for President as candidate for the *Partido Nacional Revolucionario* (National Revolutionary Party or PNR). Alongside an anti-US stance, his electoral platform was one as fierce nationalism – “Panama for Panamanians” - and he maintained that non-Hispanics⁹ should be removed from the control of much of the country’s economy. Panamanians who elected him did so expecting changes in the distribution of the national wealth, with PNR members were mainly former members of *Accion Comunal*¹⁰, teachers, shopowners, and government workers.¹¹

During his short term in office Arias Madrid introduced an immigration ban, and revoked citizenship for many Panamanians, particularly Anglo-speaking black people. He would confiscate shops and instigate xenophobic violence against immigrant merchants.¹² There was also an antisemitic tone, with Jews included in the list of “foreigners of races the immigration of which is prohibited”.¹³

On 14 February 1941, the National Assembly passed a Law barring aliens from the operation of all retail businesses, with citizenship a prerequisite. It also affected foreign restaurant and hotel owners, and banned foreigners from operating as commission merchants and fuel distributors.¹⁴ It was one of the laws enacted by the administration that required all foreigners to be registered, and which required the Swiss-German settlers in Cotito to travel to the nearest large town to register.

⁹ By which meant not only those from the US, but also West Indians, Chinese, Hindus, and Jews.

¹⁰ The nationalist group which had led a successful coup in 1931.

¹¹ For more on Arias Madrid, see <https://raytodd.blog/2024/06/30/panama-in-world-war-2-the-wartime-presidents/>

¹² <https://nacla.org/beyond-transportation-panama-diablo-rojos-rolling-artwork>

¹³ *We Answer Only to God: Politics and the Military in Panama 1903-1947* by Thomas L Pearcy (University of New Mexico Press, 1968).

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”.

<https://scholarship.richmond.edu/cgi/viewcontent.cgi?referer=https://www.google.com/&httpsredir=1&article=2131&context=masters-theses>

¹⁴ <https://scholarsrepository.llu.edu/etd/535>

Those of German origin were found not only in the vicinity of the Canal, but also in other parts of the country, far distant from the Zone. For example, in the small town of Bocas, on the Caribbean coast close to the Costa Rican border, in 1934 there were 16 German families, many of them long-established. Germans were (and are) were notably involved in the coffee trade, for example.

Following the Pearl Harbor attack in December 1941, after which Germany declared war on the US¹⁵, German and other Axis nationals, and potential sympathisers of other nationalities (including naturalised Panamanians), in both the Canal Zone and Panama were rounded up.¹⁶ Those detained by the Panamanian authorities were turned over to the US authorities in the Canal Zone for internment at a camp at Balboa (with Italians also interned on the island of Taboga).¹⁷ A committee then decided who should be permanently detained. Some of those detained had previously fled the Nazi regime, and in Panama this included at least one ex-Buchenwald inmate.

By 11 December 1941, Panama had detained 861 enemy aliens into custody, and turned them over to the US Army.¹⁸

BALBOA, Canal Zone, Dec. 8 (AP)

Canal Zone police, with close cooperation from Panamanian authorities, began rounding up Axis nationals today as the United States clamped a tight wartime guard over the vital area. In Cristobal the activities of the police were coordinated with a roundup at Colon where Panama police had taken eleven Germans into custody and were combing the city for more Axis nationals.

New York Times, 8 December 1941

¹⁵ On 11th December, the US reciprocating later the same day. Italy also declared war on the US on the same day, and the US responded in kind.

¹⁶ <https://ncisahistory.org/wp-content/uploads/2019/12/Priority-List-of-Dangerous-Aliens-in-the-Canal-Zone-Nov-27-1941.pdf>

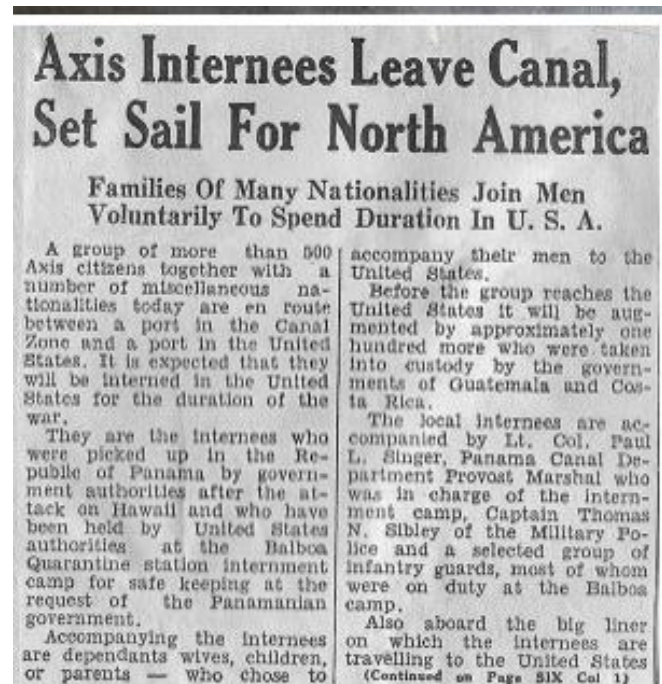
¹⁷ Originally in tents, which was fine during the dry season in Panama, but more permanent structures would be required from early- to mid-1942, as the rains began.

¹⁸ The figure of 861 represents the maximum number of internees kept in the internment camp at Balboa at any one time during the war. A permanent detention camp was then opened on the site of the former Camp Empire on 30 November 1942. About 10 miles inland from Balboa, this was capable of holding 500 internees.

Security and Defense of the Panama Canal, 1903-2000 by Charles Morris (Panama Canal Commission).

In 1942, German males not cleared for release (or continued detention in Panama) would be deported to camps in the US. Although originally only males were deported, from November 1942, a new recommendation was issued that whole families should be deported. This followed situations, such as in Panama, where wives and children left behind found themselves impoverished and a source of anti-American propaganda and resentment.¹⁹

In 1942, a dispute arose when the Panamanian Government objected to the US military releasing some of the internees that had been detained up by the Panama authorities and delivered for internment by the US Army. It has been claimed that the practice of releasing the internees angered the Panamanian authorities, who wanted the enemy aliens removed from the country.²⁰ It seems that the concern was that, so long as they remained in Panama there was still the chance they could be released, but should they be swiftly removed the Panamanian government could move to take possession of their unattended shops and farms.²¹



¹⁹ *Jewish Internees in the American South 1942-1945* by Harvey Strum (American Jewish Archives Journal), 1990: http://americanjewisharchives.org/publications/journal/PDF/1990_42_01_00_strum.pdf

²⁰ Eventually to Seagoville and "Camp Crystal" in Texas: <https://www.unive.it/media/allegato/dep/n9-2008/Saggi/Friedman-saggio.pdf>

The Crystal City internment camp in Texas has been described as a relief to those internees who had been held in camps in Latin America before being shipped north. Latin American camps and jails, including the US Army-administered Camp Empire at Balboa in the Panama Canal Zone, were said to be far grimmer.

²¹ <https://scholarship.richmond.edu/cgi/viewcontent.cgi?referer=https://www.google.com/&httpsredir=1&article=2131&context=masters-theses>

In the province of Chiriqui, far from the Canal Zone, in a highland area, there was a small community of Swiss-Germans. They were followers of a cult led by a Father Divine, a charismatic African American in the US who said he was God, and the group effectively opted out of Panamanian society, refusing to cooperate with Panamanian authorities.



Father Divine

The movement founded by Father Divine in the Depression of the 1930s was called the Peace Mission, described by many as a cult, it continues to exist to this day. Having formerly been a follower of an independent religious group in the US south, in 1933 he established the first of his so-called “Heavens”, the residential hotels where his teachings were practiced and where his followers could obtain food, shelter, and job opportunities, as well as spiritual and physical healing. Members are taught not to discriminate by race, religion, or skin colour, and lived communally as brothers and sisters. His “Heavens”, while predominantly with African-American membership, nevertheless opened across North America and even in Europe.²²

The 23 settlers in Cotito were among the many Europeans who emigrated to Latin America between the wars, to a place not dogged by the shortages at home, and seeing the opportunity to obtain land and prosper. In Panama, such immigrants could be granted land in the interior, such as highlands in Chiriqui, to implement more modern agricultural and livestock techniques.²³ The first German families arrived in Cotito in 1928, joined by the first Swiss in January 1939, were given 500 hectares of land to work. Their leader, Karl Lehner, was a follower of Father divine’s International Peace Mission movement.

²² <https://www.britannica.com/biography/Father-Divine>

²³ <https://www.prensa.com/vivir/cotito-un-documental-historico/>

The settlers in Cotito were told that they had to make their way to David, the capital of the province, which in those days involved a three-day journey on horse, train and truck. This was to enable them to be registered in accordance with the new law. However, the leader of the settlers, Karl Lehner, refused, explaining the group did not recognise any government or authority except that of their religion. So, on 6 July 1941, a group of *Policia Nacional* under the command of a Captain Antonio Huff arrived. There were around 30 police officers, some with machine guns.



The police set out to detain the settlers on 7 July, and around 6.30 am shooting began, lasting about 15 minutes, leaving 10 people dead. 10 others were wounded, of whom two would later die (said to have bled to death during the long journey to David). Only one of the police officers was injured – and it is believed that this was the result of an accidental, self-inflicted wound.



24

When a neighbour arrived and began complaining about the actions of the police he was tied to a tree, and left there for several days, which resulted in an injury to a hand that remained disabled for the rest of his life.

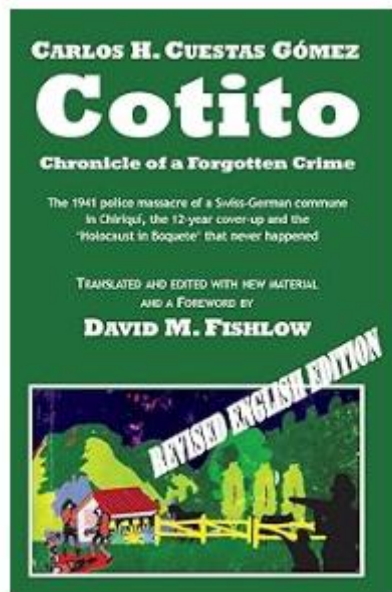


One local prosecutor, Abel Gómez Araúz, did attempt to bring the police involved to justice, but without success, and after 12 years of various investigations the matter seemed to be forgotten. Meanwhile, the incident was covered up – while rumours circulated that the settlers had had secret radios, were armed and had built an airfield, and were generally a threat. When told of the incident Arias Madrid is said to have praised the action of the police, presumably believing falsehoods about the victims.

A later book by an author said to have been paid to blacken the name of the then-President Arias Madrid claimed that Arias Madrid had ordered a massacre of Jewish settlers in Boquete, another town in Chiriqui. This allegation was conflated with the hidden story from Cotito – one of the rumours circulating about the settlers was that they had been “runaway” Jews.. This book is said to have even fooled CNN.²⁵ All this occurred some 42 years after the July 1941 incident, when the Noreiga dictatorship in Panama sought to exploit the tragedy as a weapon against Arias Madrid, who was again running for President.²⁶

²⁵ <https://yourpanama.com/cotito-massacre-remembered>

²⁶ In any case, Arias Madrid (who admittedly did have authoritarian tendencies and had imposed racist and nationalist policies) was deposed by the *Policia Nacional* in a bloodless coup in October 1941



An investigation of the incident was carried out by US Army Corps of Intelligence Police (CIP)²⁷ serving with the Caribbean Defense Command, the theatre command for Panama, the Canal Zone and surrounding area. The CIP was responsible for security, being mainly involved in investigating civilian contractors employed on military projects in Panama and the Canal Zone. However, it also undertook more general security-related matters, such as monitoring foreigners, keeping an eye on labour agitation, and general counter-intelligence activity.

Panama had agreed to round up and detain any suspicious Germans, and the US authorities were understandably nervous about potential risks to the Canal – then seen as a vital element in US national security. They had been urging the Panamanian Government to find any potential saboteurs who might be present in the republic.

The CIP found that, while the police had claimed that the settlers had fired first (when the sole wounded officer was hit), the settlers only possessed two shotguns, neither of which had been fired. The CIP concluded that the wounded officer had either been hit by a fellow officer or had accidentally discharged his own weapon.

²⁷ In 1944, the CIP was renamed the Counter Intelligence Corps.



A local newspaper on 11 July 1941 reporting the the survivors wanted to return to the settlement

The role of the CIP was to discover if there had been any evidence of subversive activity carried out by the settlers, it found none. It also determined that there was no evidence to suggest they were trying to hide their nationality or loyalties within by refusing to register with the Panamanian authorities. Consequently, the CIP closed the case.²⁸

In 2015, a new book, also translated into English, told the story.²⁹ In the early 2020s, a documentary was made about the incident, which included an account by the last living survivor, then a young boy but who could still recall the day.³⁰ Some 200 metres from the plaque unveiled in 2015, and down a rough gravel road is the unmarked mass grave of the settlers.³¹



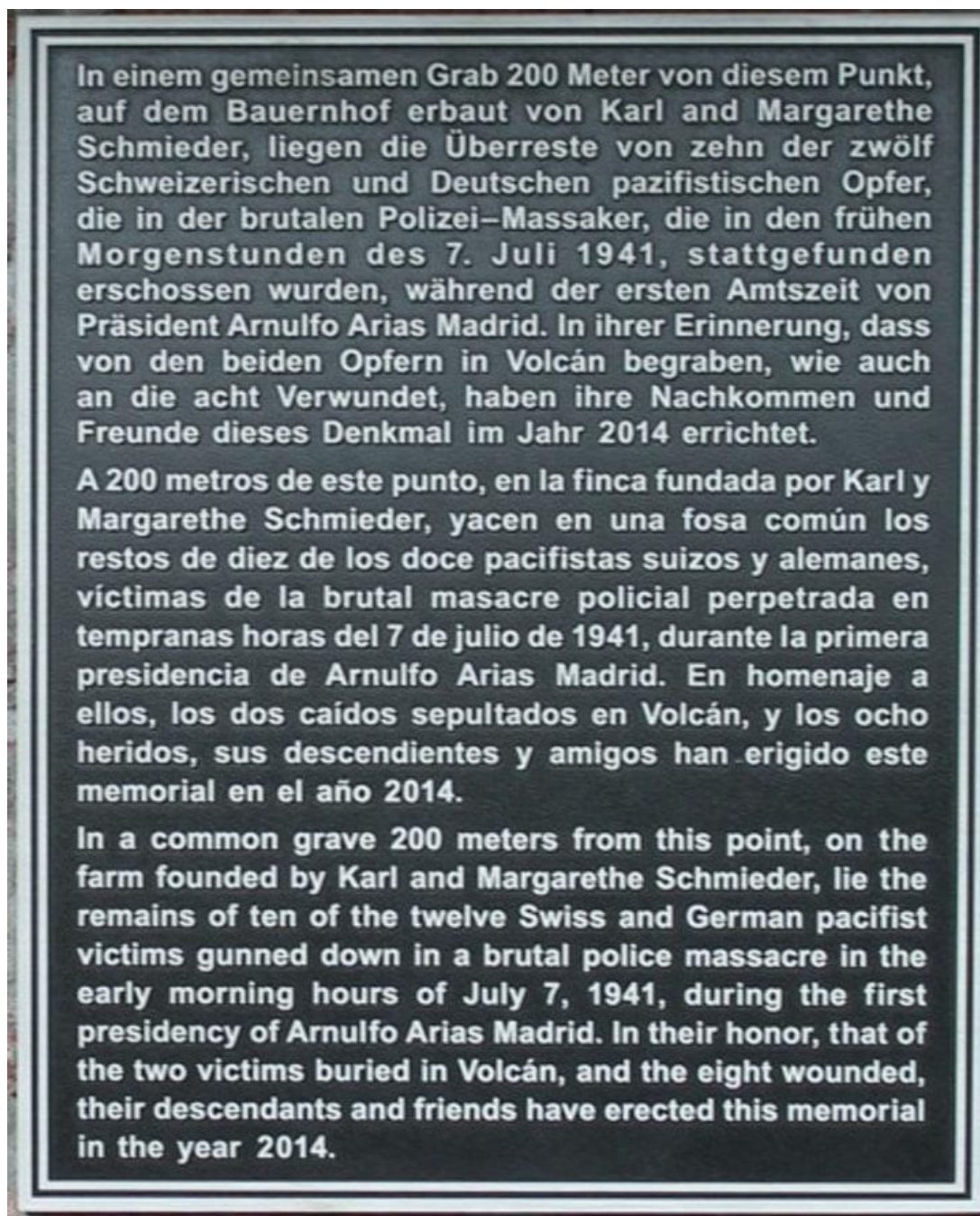
The mass grave of the settlers

²⁸ <https://www.dvidshub.net/news/424464/cip-investigates-cotito-massacre>

²⁹ *Cotito: Chronicle of a Forgotten Crime* by Carlos Cuestas Gomez (Altozano Press, 2015).

³⁰ <https://www.youtube.com/watch?v=a5xTeJfx6g>

³¹ <https://yourpanama.com/cotito-massacre-remembered>



32

The plaque unveiled in Cotito in 2015

Ray Todd

Panama City

Republic of Panama

8 August 2025

³² <https://yourpanama.com/cotito-massacre-remembered>

