

PANAMA – WAR, DISCRIMINATION AND SEGREGATION

For all of its existence the Panama Canal Zone operated as very much a “little America”¹. In fact, this *de facto* colony of the US was, certainly during World War 2, more a “little American south”, given the attitudes to non-white Americans said to be found there. In June 1939, the civilian population of the Canal Zone was 28,978, including 8,979 US citizens and 7,714 employees of the Panama Canal or Panama Railroad. The Canal Zone was also a US Army enclave, the Army being tasked with its defence, and it and the US Navy (which also had a presence) were racially segregated (and would remain so until 1948).²

The Canal Zone authorities also operated the Gold and Silver Roll employment system (of which more below). Those on the Silver Roll were non-Americans (with very few exceptions), while those on the Gold Roll (almost entirely white Americans) received higher pay and better conditions (including better housing and other facilities).³ There was racial segregation in the Canal Zone, which was aided by the Gold and Silver Rolls, which allowed for separate commissaries, waiting rooms and messes – ostensibly on the basis of status rather than race.

¹ It was said in 1939 that community and home life on the Canal Zone did not differ widely from that of the average town or city in the US, and when the (white American) Canal employee left his work he frequently pursued the same pet hobby or avocation which he might follow in a normal community anywhere at home: https://aquadocs.org/bitstream/handle/1834/19156/pages39_66.pdf

One description of the Canal Zone was that it “featured swimming pools, golf courses, parks, social clubs, churches, and schools, and was planned in large part with “garden city” town planning ideals in mind that reflected the spatial order of socially integrated suburbia”.

² In theory, segregation in the US Navy officially ended on 27 February 1946, when Circular Order 48-46 officially desegregated the service: <https://www.usni.org/magazines/naval-history-magazine/2021/february/segregation-navy>

Although President Truman’s Executive Order 9981 in 1948 officially ended segregation in the US forces, in some form it would continue to exist until after the Korean War.

³ From the start, the US decided upon a three-tier workforce –

- Skilled Americans went on what became known as the “Gold Roll”;
- Spaniards and West Indians went on the “Silver Roll”; and
- Other unskilled labour.

What Roosevelt Took: The Economic Impact of the Panama Canal, 1903-37 by Noel Maurer & Carlos Yu (Paper 06-041, Harvard Business School, 2006): <https://www.hbs.edu/ris/Publication%20Files/06-041.pdf>



This is not to say the Republic of Panama was a haven of equality in the years up to and through World War 2. While many of its population, including its President in 1940, were of mixed race themselves, known as *mestizos*⁴, the nationalist government elected in 1940, with its authoritarian tendencies, actively discriminated against many seen as non-Hispanic or non-Panamanian.

One has to appreciate a number of things when considering the various forms of segregation and discrimination which could be found in wartime Panama and Canal Zone.

⁴ At the time of the 1930 census, 53% of the population was found to be mestizo, 17% of European origin, 15% "negro", 9% "Indian" (i.e. indigenous), 5% mulatto and 1% "oriental": *Economic Controls and Commercial Policy in Panama* (United States Tariff Commission, 1946).

Mestizo was a racial classification used to refer to a person of a combined European and Indigenous American ancestry.

Until 1950 the determination of a person's race was not by self-declaration but by the opinion of the pollsters who carried out the census. In 1940, races were recorded as follows: white 26,906; black 38,770; mestizo 103,393; and others 2,980.

One is that the US Army apparently thought that the best kind of officer to deal with people of Latin American race, be they Panamanian or Puerto Rican, was one from the southern states of the US. Another is the tensions that existed between Panamanians and resident and imported non-white labour (of which more below), these tensions not helped by (or, alternatively, echoed in) government policies.

The third factor to bear in mind is that the Panamanian elite (which controlled the government until the 1931 coup, and effectively controlled it once more after President Arias Madrid was deposed in 1941) had always recognised that the US authorities only wanted to deal with whites, and so they had come to an understanding. They would cooperate in keeping the non-white populations of Panama and the Canal Zone in a subordinate position.⁵

US FORCES' SEGREGATION

In general (and despite the success of black fighting units during World War 1, and the exceptional stories of units like the Tuskegee airmen fighter pilots of the USAAF⁶ and "Black Panther" tank unit in Europe during World War 2⁷), when black Americans were drafted⁸ they were relegated to either segregated units (and note that, as we shall see

⁵ This realisation is said to have come after a situation in 1910, when both the President and First Vice-President had both died, so that the "*mulatto*" Liberal Party leader, Carlos Mendoza succeeded to the highest office. The US *chargé d'affaires*, acting with the approval of George W Goethals (then Chief Engineer of the Canal and later Governor), convinced the State Department that Mendoza should be barred from office. He then got Mendoza to stand down, in exchange for a promise that he would be made minister of finance. The *chargé* had also tried to dictate who would be interim president by threatening military intervention and even annexation: *Black Labor on a White Canal: West Indians in Panama 1904-80* by Michael L Conniff (Latin American Institute Research Paper Series No. 11), May 1989.

⁶ The Army did not accept black Americans as pilots pre-war. In fact, at the outbreak of the war the USAAC was wholly off-limits to African-Americans.

⁷ The 761st Tank Battalion, whose members won a Medal of Honor, 11 Silver Stars and around 300 Purple Hearts.

⁸ Two million African Americans were registered for the draft in 1941, and one million served. In 1940, African-Americans made up almost 10% of the total US population (12.6 million people out of a total population of 131 million). In fact, during the war the US Army became the country's largest minority

later, even Puerto Rican army units were segregated, and had white officers) or to support roles, such as cook, quartermaster and grave-digging duties⁹. In fact, it has been said that the military was as segregated as the US Deep South¹⁰, and the war began, both the US Marine Corps and US Army Air Corps were completely off limits to African-Americans.¹¹

Aside from the temporary presence of some black engineer troops during the war (also opposed by the Panamanian Government at the time), African-American GI were only deployed to the Canal Zone in the 1950s.¹² During the war, black women were not part of the volunteer women (known as *patriettes*) organised by USO and who attended dances and otherwise helped with the morale of (white) servicemen far from home. Black women organised entertainment for black servicemen as the Silver City Commissary Girls.¹³

Even the needs of a world war did not change things, although in June 1941 President Roosevelt had signed Executive Order 8802 which banned racial discrimination in the defence industry,¹⁴ despite the armed forces the industries supported remaining segregated. The US Government also established the Committee on Fair Employment Practices (FEPC) to enforce the Executive Order, but the Committee was politically controversial and, therefore, financially insecure. In any case, this temporary committee barely survived the end of World War 2 and was terminated on 30 June 1946¹⁵.

employer. However, African-Americans represented only 1.5% of the Army in June 1940, and roughly the same percentage of the Navy.

⁹ The way in which African-Americans were generally denied service is reflected in the fact that, of the 407,316 Americans killed in World War 2, only 708 were African American: *Research Starters: US Military by the Numbers*, National WWII Museum; *Warfare and Armed Conflicts: A Statistical Reference to Casualty and Other Figures, 1500-2000* by Micheal Clodfelter (University of Michigan: McFarland, 2002).

¹⁰ <https://www.pbs.org/wnet/african-americans-many-rivers-to-cross/history/what-was-black-americas-double-war/>

¹¹ <https://www.af.mil/News/Commentaries/Display/Article/2676311/a-short-history-of-integration-in-the-us-armed-forces/>

¹² *The Panama Canal Zone: a historical revisionist's perspective* by Thomas Sigler (Postcolonial Studies, Vol 16, 2016).

¹³ <https://exhibits.uflib.ufl.edu/AreWeNext/index.html>

¹⁴ It directed that Black Americans be accepted into job-training programs in defence plants, forbade discrimination by defence contractors, and established the FEPC: <https://catalog.archives.gov/id/300005>

¹⁵ <https://journals.sagepub.com/doi/full/10.1177/0569434519827700>

A large number of African-Americans served in the US armed forces during the war and this is said to have revealed inherent contradictions in US policies. While the men fought abroad to secure for others the “Four Freedoms” (of speech, of worship, from want and from fear), the US armed forces remained segregated, and the African-Americans were denied their rights – whether in the forces or in civilian life. Postwar, veterans returned to a segregated society in the southern states where they lacked freedoms that white citizens enjoyed. In addition, reduced cotton production and increased war production had led many to migrate from the south to industrial cities in the north – leading to competition with white fellow citizens for jobs and housing resulting in race riots.¹⁶

While the Army had by far the greatest presence in Panama, there would also be a sizeable, and growing US Navy contingent during the war. The Navy was as segregated as the Army, perhaps even more so.

From the Civil War through to World War 1 there had been large numbers of black sailors – though they received lower pay and could not rise above the rank of petty officer. But then African American enlistments were banned altogether from 1919 through 1932, and the only black sailors who would be left in the Navy were the ones who joined before the 1919 ban, and who were allowed to stay on until retirement. From 1932, African Americans were once again allowed to serve on board Navy ships, but only as stewards and mess attendants. In June 1940, the Navy had 4,007 black personnel, which represented 2.3% of the 170,000 total, though numbers would increase during the war¹⁷. The Navy did not allow women of colour to serve until 25 January 1945.

¹⁶ Ibid.

¹⁷ A destroyer-escort, the USS *Mason* (DE-529) was the only US Navy vessel during World War 2 to have an all-black crew who were not cooks or waiters. It defended Atlantic convoys: <https://www.usni.org/magazines/naval-history-magazine/2021/february/segregation-navy>

THE PANAMANIAN WHO DEFIED THE US COAST GUARD COLOUR BAR

However, one Panamanian, classified by the US services as a “negro” is said to have defeated the US Coast Guard’s colour bar. Clarence Lorenzo Samuels was born and raised in Panama, but enlisted in the US Coast Guard at the age of 20, when the USCG cutter *Earp* visited the Canal Zone in 1920. He rose quickly through the enlisted ranks, having been a Seaman Second Class when he enlisted, and by the end of the 1920s had become a naturalised US citizen.



In July 1928, he took over command of the 67-foot (20.4 metres) harbour patrol cutter *Tybee* (AB-15)¹⁸, home-ported in Savannah, Georgia.

In 1929, he was promoted again, this time to Chief Quartermaster, then the highest enlisted rank in the service. During the 1930s he served ashore, but in 1933, due to the Federal Government’s Economy Act, and cost-cutting in the wake of the Depression, his rank was downgraded to Boatswain’s Mate First Class.

However, by the end of the decade he had been promoted once more, to become a Chief Photographer’s Mate – though, in reality, he served primarily as the personal driver for Coast Guard Commandant Russell Waesche rather than as a photographer.

During World War 2 he saw further promotion, one of the first two blacks to become a Chief Warrant Officer, and then a wartime commission to Lieutenant Junior Grade, and served as damage control officer on the first fully desegregated US federal vessel, the USS

¹⁸ <https://www.history.navy.mil/research/histories/ship-histories/danfs/t/tybee.html>

Sea Cloud (WPG-284), a four-mast brigantine clipper originally built in Germany in 1931 and taken up by the USCG in 1942.¹⁹



Model of the Sea Cloud as she appeared in 1942²⁰

He returned to Panama, with command of Light Vessel 115 (LV-115)²¹, which served as an armed examination ship and net tender in the Canal Zone, used to inspect vessels seeking to enter harbours and maintain torpedo nets. He was also promoted to a full Lieutenant, as the first black officer to command a US ship in wartime as well as the first black to command a US ship in a war zone.



LV-115 in 1949, while in use on the Frying Pan Shoals, North Carolina, where it was sued to 1964²²

After time "home" in Panama, he transferred to Key West and another armed light vessel used as an examination vessel, and

¹⁹ <https://www.history.uscg.mil/Browse-by-Topic/Assets/Water/All/Article/2997288/uss-sea-cloud-wpg-284-ix-99-1942/>

<https://bob.plord.net/Ships/Period3/UnitedStates/CoastGuard/SeaCloud.html>

²⁰ <https://bob.plord.net/Ships/Period3/UnitedStates/CoastGuard/SeaCloud.html>

²¹ LV-115 was commissioned as an examination vessel at Cristóbal 1942-44.

²² <https://www.lighthousefriends.com/light.asp?ID=759>

then a buoy tender based in Miami, where work included convoy escort.

In the postwar demobilisation he was returned to the rank of a Chief Boatswain Mate, with a last command being a buoy tender in the Philippines, before retiring in 1947 and moving to California.

It would be 1962 before the first black officer commanded a US Navy ship, nearly 35 years after Samuels did so as an enlisted man.²³

“JIM CROW” IN PANAMA

Until after World War 2, the US authorities applied a “Jim Crow” discrimination system in the Canal Zone, similar to that operating in the southern states of the US, with white Americans rated higher than non-whites. The Gold and Silver Roll mechanism, not abolished until 1955, made applying such discrimination easier. In fact, the schools in the Zone were only fully desegregated in the 1970s and the US Civil Rights Act enforced²⁴, some 20 years after schools had been desegregated in the Continental US.²⁵ Official Panama Canal reports during the war, such as those issued by its Health Department, referred to non-Americans in the Canal Zone on the Silver Roll as “aliens” or “colored aliens”.²⁶

The US brought its prejudices and discrimination with them to Panama when it replaced the French in the original Canal project, and these extended to all aspects of life in the

²³ <https://www.mycg.uscg.mil/News/Article/3141028/the-long-blue-line-clarence-samuelsthe-us-militarys-afro-latino-color-barrier-b/>

²⁴ As one black woman born in the Canal Zone after World War 2 said, "I was born in the same hospital as John McCain, but he walked out an American and I walked out a Panamanian"; and she did not come into contact with white Zonians until the schools were desegregated in the 1970s. Instead, she was raised separately, in a culture that drew from her Panamanian and Caribbean roots:

<https://www.bbc.com/news/magazine-28594016>

²⁵ <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC1497783/>

²⁶ *Report of the Health Department of the Panama Canal for the calendar year 1941* (The Panama Canal press, 1942).

Canal Zone. The Canal Zone Government maintained segregated schools, but was obliged to provide education to high school level for all the children of Canal Zone residents.²⁷ Non-residents could also receive tuition, but paid fees, and this could include both Americans and Panamanians, and would effectively discriminate against those (most likely Panamanians) who were obliged to live outside the Zone (the Canal Zone Government has never housed more than half of its employees in the Zone), and likely could not afford the fees.

An example of US interference in the internal matters of Panama, and of how ingrained racial discrimination was at the time, was the ousting of the country's first Afro-Panamanian President. Carlos Antonio Mendoza was a lawyer, journalist, soldier, and legislator, and a minister in the Provisional Government 1903-04.²⁸ In 1910, after the death of President José Domingo de Obaldía, with the First Designate having already died, he assumed the Presidency as Second Designate. His administration lasted only seven months, being marked by political tensions. Nevertheless, when he showed interest in running for a presidential term of his own, this led to clashes with conservative sectors and figures close to the US (his relations with the US Government not helped by his past resistance to US intervention in Panama).²⁹ It was said that the man in charge of construction of the Canal, and a future Governor, George Goethals, would not deal with him. Political manoeuvring led to the National Assembly electing Pablo Arosemena as First Designate to complete the rest of the presidential term.³⁰

Successive Canal Zone Governments turned down requests made by the Catholic Church and Catholic organisations between 1937 and 1948 to be allowed to establish mixed-race

²⁷ Although in 1952, a law change dating from 1 July 1951 saw around 100 Panamanian students, children and civilian employees have their status changed, and thus denied the free tuition.

²⁸ <https://www.laestrella.com.pa/panama/publicando-historia/quien-fue-carlos-a-mendoza-el-presidente-afropanameno-que-marco-la-historia-de-panama-DN22851772>

²⁹ He had opposed Article 136 of the Constitution which allowed the US to intervene in Panama to "maintain public order".

³⁰ <https://www.laestrella.com.pa/panama/publicando-historia/quien-fue-carlos-a-mendoza-el-presidente-afropanameno-que-marco-la-historia-de-panama-DN22851772>

Catholic parochial schools. In 1949, the Father Superior for the Canal Zone threatened to resign if the church was not allowed to educate “their” children according to the church’s educational philosophy, as ordained by the US Constitution. As a result, in 1950, the Church was able to open a school, limited to 300 pupils, but which had a number of black attendees.³¹

Thus, during World War 2, the Canal Zone was segregated, with everything from shops to latrines designated as “Gold” (for Americans) and “Silver” (for West Indian and Caribbean - and Panamanian - workers)³². The terms Gold and Silver originated from the period of construction of the original Panama Railroad in the middle of the 19th Century, when Americans were paid higher wages in gold and West Indians received lower salaries in silver (there is more on Gold and Silver Rolls system later). White workers, including labourers, received the better clinical care in the Canal Zone and their homes were of a higher standard, even benefiting from mosquito screens³³. As we have seen, the US Army and Navy were, of course, already segregated, and even the Puerto Rican units later deployed to the Canal Zone were largely treated in the same manner as black units of the Army, with white officers.

Of course, the majority of (white) Zonians would have relatively limited contact with the Panamanian population. Zonians lived in racially-segregated communities, separate from even the Zone’s inhabitants of Panamanian or West Indian origin³⁴

³¹ In March 1954, the US Government announced that all schools operated on Army posts and installations would operate on a “completely integrated basis” (however, the Canal Zone authorities merely redesignated schools as “native” or “Latin American”, with a Spanish language curriculum, and continued effective segregation. However, this switch to Spanish caused many West Indian teachers who could not speak Spanish to lose their positions): <https://archives.nypl.org/scm/20916>

³² These terms were replaced by “US rate” and “local rate” in the 1950s.

³³ <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC1497783/>

³⁴ *Decentering America* by Jessica CE Gienow-Hecht (Berghahn Books, 2007).

However, there were two prominent social clubs in Panama whose membership was divided among the US residents of the Isthmus and Panamanians. They were the Union Club of Panama City, and the Strangers Club in Colón. These were also popular meeting places for (the “better sort” of) Panamanians and Americans and to provide for social contacts between them:

https://aquadocs.org/bitstream/handle/1834/19156/pages39_66.pdf

One example of the friction that US policies could bring about affected the Army Transportation Division and the fleet of small vessels it maintained during the war. Only where separate living quarters could be arranged aboard the vessel could a “native” crew be employed under white personnel. It was also usually considered desirable, even with an all-white crew, that the vessel complement be either entirely military or entirely civilian, since otherwise the disparity in pay made the average soldier disgruntled if he worked alongside civilians.

In 1942, Signal Corp troops sent to Panama included, for the first time since World War 1, black troops, with the first unit being activated there being the 275th Signal Construction Company. This was not something welcomed by the Panamanian Government (which had its own discriminatory policies, of which more later) and, in any event, the unit returned to the US after completing its task in Panama^{35, 36}

Edward R Clark, Consular Officer in Panama City 1946-1949, and Deputy Chief of Mission Panama City 1960-1963, has said in an interview –

“Like any place. You had the good and bad. There was such a clash of cultures there between the Americans in the Canal Zone and the Panamanians. The standard of living was so different; the values were so different. It was just normal that there would be resentment. They had two different scales of pay...the gold standard and the silver standard. Also, racially there were problems. Many Americans were from the South which made the problem of race more difficult.

³⁵ The Signal Corps encountered similar, or worse, problems with its black troops elsewhere – Australia did not want them, they were unacceptable in China, and even in Africa their presence is said to have caused discontent amongst the local inhabitants. Of course, there were problems even in the US itself, such as around Camp Crowder in Missouri, where so-called negro construction units trained: *The Signal Corps: The Test (December 1941 to July 1943)* By George Raynor Thompson, Dixie R Harris, Pauline M Oates & Dulany Terrett (Center of Military History, US Army, Washington DC), 2003.

³⁶ *The Signal Corps: The Test (December 1941 to July 1943)* By George Raynor Thompson, Dixie R Harris, Pauline M Oates & Dulany Terrett (Center of Military History, US Army, Washington DC), 2003.

Quite frankly there were many people in the Canal Zone that I came to know very well and liked. But as a group they wanted their privileges and would fight for it...”
and

“You had the colonial attitude in the Canal Zone. The [US] Embassy was always trying to cope with that situation vis-a-vis the Panamanian government. The government would make their complaints through us. We would then have to see what we could do with the Canal Zone authorities to smooth things over. So, I think on the contrary the Embassy's job was to try to keep irritations to a minimum. At that time, of course, we had a major problem with the bases that we had constructed all through the Republic of Panama during the war. We were renegotiating that agreement and it went on for a long time. It came to a head in 1948. The Panamanian National Assembly rejected the agreement. We were asking to retain a number of bases. Secretary of State Marshall had warned them that if this did happen we would withdraw, which they didn't believe. But it was a very, very heated debate and a very critical time in our relationship. Within 48 hours we got everybody out of Panama...not the Canal Zone” .³⁷

THE GOLD ROLL AND SILVER ROLL

This was a segregated system of pay dating from 1904 (though, as we have seen, having its origins in the previous century, during building of the trans-isthmus railway), introduced by the Canal authorities during US construction period; and something that continued long after the Canal was completed and operating, only being phased out in the 1950s. Gold Roll workers were white, primarily American, more highly paid, and originally paid in US gold coin. The Silver Roll workers had originally been mainly from the Caribbean islands, but also from Spain, Italy, and other European countries, and were paid

³⁷ <https://www.adst.org/Readers/Panama.pdf> (Association for Diplomatic Studies & Training)

much less and in Panamanian silver coin.³⁸ It has been described as an imported version of “Jim Crow”.

An estimated 12.5% of the total Panamanian pre-World War 2 workforce was employed in the Canal Zone. In 1939, there were 3,511 “Gold Roll” (US rate) workers in the Zone, and 11,246 “Silver Roll” (Local rate) workers, but by 1942 these numbers would grow to 8,550 and 28,686 respectively. The police force was also divided - on 1 May 1944, for example, it had 54 officers of rank, 213 Gold Roll and 48 Silver Roll.³⁹

In 1908, President Taft signed an Executive Order to apply a “nationality test”, a restriction on all hiring in the Canal Zone. This led to pressure to stop hiring any non-whites as (and hence Gold Roll) engineers on the railway. By 1909, the once plentiful skilled Jamaican workers and US African Americans who had been acting as engineers of any kind, yard masters, hostlers⁴⁰, boat pilots, machinists, carpenters, wiremen, division engineers and even postal clerks, were barred from such positions in the future. Thus, the foundation for the Silver and Gold Roll system was established⁴¹.

Even if non-white, non-US persons, few as they might have been, were allowed on the Gold Roll they nevertheless received lower pay and were denied certain benefits, such as the sick and home leave.⁴²

³⁸ Nearly 20,000 of the 45,000 contract workers employed 1904-14 came from Barbados, with another 3,000 from elsewhere in the British Caribbean; the next largest contingent came from Spain (8,298), with just 357 from Panama.

³⁹ <https://www.czbrats.com/Articles/czp.htm>

⁴⁰ A man, a groom or stableman, who is employed in a stable to take care of horses.

⁴¹ <https://thesilverpeopleheritage.wordpress.com/2008/05/01/the-silver-and-gold-roll-on-the-panama-canal-zone/>

⁴² *Panama Canal Townsites* (Panama Canal Museum, 2011)
<https://ufdc.ufl.edu/AA00032191/00002/pdf>

In some cases, separate, but unequal, facilities were built for both groups, and separate waiting lines were established for shopping. Every aspect of life for the employees was defined by their status.⁴³

Hospital wards were separated by race, and the children of "gold" and "silver" employees went to different schools. During the construction period, temporary towns provided crude, common barracks and mess facilities for workers, as well as a few family quarters. As a result, most "silver" married workers had to rely upon renting tenements in Colón or Panama City, or simply putting together shelters with scavenged materials. "Gold" towns possessed housing specifically designed to be comfortable and equipped to withstand the tropical conditions. These towns were also equipped with clubhouses, bandstands, hotels, ballparks, YMCA, and churches.⁴⁴

While the Gold and Silver Roll mechanism ostensibly referred to how (and how much) Canal Zone employees were paid, in reality it was a means of applying and enforcing discrimination. The designations Gold and Silver were attached to pay windows, toilets, commissaries, quarters, clinics, recreation facilities, postal windows, and virtually everything else, although managers avoiding admitting any that there was, in fact, any segregation based on skin colour, as this would have been open to challenge (at least in theory) under both the US and Panamanian Constitutions. However, the Gold and Silver system bore a strong resemblance to codified racism and Canal Zone officials are said to have even kept a few well-to-do or talented West Indians on the Gold Roll and paid them higher wages to show that the barrier could, in theory at least, be crossed.⁴⁵

Housing was provided for all persons employed by the US Government (with floor space based on the person's ranking in the hierarchy – again establishing a sort of caste system, and private ownership of land within the Canal Zone was prohibited.⁴⁶ The

⁴³ <https://tile.loc.gov/storage-services/master/pnp/habshaer/cz/cz0000/cz0013/data/cz0013data.pdf>

⁴⁴ Ibid.

⁴⁵ *Black Labor on a White Canal: West Indians in Panama 1904-80* by Michael L Conniff (Latin American Institute Research Paper Series No. 11), May 1989.

⁴⁶ <https://ufdc.ufl.edu/AA00022175/00001/pageturner#page/25>

accommodation for Silver Roll workers and American blacks was to be found in not just segregated districts, but in separate towns, such as Rainbow City and Red Tank.

Furthermore, the Silver Roll quarters were smaller, more crowded and in less good repair.⁴⁷ Both bachelor “barracks” and married quarters were provided, with separate mess halls, bath houses etc for Silver Roll employees.⁴⁸

Gold Roll workers enjoyed excellent and well-equipped schools for their children, better nutrition, better health care, almost free entertainment and recreational facilities and a generally better quality of life. Other benefits (which had become important during the recruitment process) were sick leave and “home” leave – paid return passage back to their home US state while their job was kept open for them in the Zone.⁴⁹

Many of the commissaries in the Canal Zone were run by the Panama Canal Commission (PCC) - others were run by the Army - which even designated its stores “Gold” or “Silver”; though larger stores would have separate facilities under the same roof⁵⁰. While the military-run commissaries did not adopt the Gold and Silver Roll system, African-American servicemen would still encounter it if using a PCC store. According to the agency that now runs military commissaries, it is unclear as to when the military ceased to make distinctions for African-Americans in uniform shopping in military-run commissaries.⁵¹

Even in death there was discrimination, witnessed by the two adjacent cemeteries at Corozal – one for “Gold Roll” and white US citizens, and the other, larger one for “Silver Roll”. Corozal American Cemetery is managed by American Battle Monuments

⁴⁷ Ibid.

⁴⁸ *Panama Canal Townsites* (Panama Canal Museum, 2011)

<https://ufdc.ufl.edu/AA00032191/00002/pdf>

⁴⁹ Some black employees and other non-American members on the Gold Roll were entitled to the “privileges”, they were, nevertheless placed on a lower pay scale and denied certain benefits, particularly, the sick and home leave: <https://thesilverpeopleheritage.wordpress.com/2008/05/01/the-silver-and-gold-roll-on-the-panama-canal-zone/>

⁵⁰ Ibid.

⁵¹ *The Illustrated History of American Military Commissaries, Vol. 1 – The Defense Commissary Agency and its Predecessors, 1775-1988* (Defense Commissary Agency, 2008).

Commission,⁵² and the Cemetery and Memorial comprises the 17 acres (6.9 hectares) that was once the “Gold Roll” section of the cemetery traditionally reserved for white US citizens. Buried at the Cemetery are US servicemen who served during the Mexican – American War, the American Civil War, World War 1, World War 2 and other major conflicts. It is in the city of Corozal, about three miles (4.8 km) from Panama City.⁵³ Adjacent is the former “Silver Roll” employees’ cemetery which, as said, is much larger.

In 1936, during negotiations over the new treaty signed that year⁵⁴, President Roosevelt had said he would do away with the discriminatory Gold and Silver Roll practices in the Canal Zone but nothing had happened (and would not until the mid-1950s).⁵⁵

Pre-war, and in the name of public health and disease prevention, “sanitation zones” were created to exclude Panamanians and contain West Indians in areas designated for their accommodation.

A petty example of the *de facto* discrimination is provided by Kobbe Beach, a favourite place for bathers from the US forces and civil employees of the Canal Zone. Here the regulations of the US authorities prohibited access to people classified as part of the Silver Roll meaning, in effect, non-American.⁵⁶

In another example, at the main railway stations at Colón, Gatún, Balboa and at the main Pacific Terminal Station on the Plaza 5 de Mayo in Panama City there were separate sections for Gold Roll and Silver Roll passengers.⁵⁷

⁵² <http://www.interment.net/data/panama/panama/corozal-american-cemetery/records-h-j.htm>

⁵³ http://www.interment.net/data/panama/panama/corozal-americancemetery/Corozal_Brochure_Mar2018.pdf

⁵⁴ It did not receive ratification by the US Senate until 1939.

⁵⁵ *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

⁵⁶ <https://www.elistmopty.com/2020/04/la-playa-de-kobbe-o-kobbe-beach-club-un.html>

⁵⁷ <https://www.elistmopty.com/2021/07/estacion-de-ferrocarril-de-la-comunidad.html>

A 1939 report for the Office of Education at the US Department of the Interior on public education in the Canal Zone included the following points -⁵⁸

- *“The Canal Zone is unique among American communities in a number of ways. Approximately half its population of 38,873 is made up of white persons who are citizens of the United States; while the other half (approximately) discussed in another section, are colored, non-citizens, chiefly men and women from the island of Jamaica, close by, of the British West' Indies”;*
- *“The schools of the Canal Zone are supported by direct appropriation made by the Congress of the United States for the purposes indicated. School facilities are free to children of residents of the Canal Zone and employees of the Panama Canal, the United States Army, Navy, and Marine Corps personnel and other "gold", that is, white personnel (United States Government employees) resident on the Isthmus. Separate schools are maintained for white and colored children”;*
- *“Approximately half the population of the Canal Zone and slightly more than half the children enrolled in the schools are coloured. The adult colored population is made up almost wholly of laborers employed in the work of repair and maintenance of the Canal”;*
- *“Approximately half of the colored employees of the Panama Canal are housed in the Canal Zone; the others live in the Republic of Panama. A separate section in each zone community is set aside for colored employees. They live in homes provided by the Government as do white employees and can purchase food and*

⁵⁸ *Public Education in the Panama Canal Zone. Bulletin, 1939, No. 8* by Katherine M Cook (Office of Education, United States Department of the Interior): <https://files.eric.ed.gov/fulltext/ED542489.pdf>
Note that, until the Canal Zone Government took over responsibility for the schools system in 1906 schools were not segregated based on colour or race.

clothing through the commissaries at moderate prices. The Government furnishes also free public-school facilities for the colored residents through the elementary and junior high school levels".

When US officials began to recruit workers for the abortive Third Locks Project in 1940, the Panamanian Ambassador to the US, Jorge Boyd, appealed to President Roosevelt to insist on more acceptable employment practices and advocated for Panamanians' right to occupy Gold positions, reminding Roosevelt of the "principle of equality" between Panamanians and Americans, which had been said to underpin the 1936 Treaty. While previous US administrations had justified actions in Latin America with an implicit claim of white superiority, during the Roosevelt Administration's "Good Neighbor" era US officials preferred a message of Pan-American fraternity, one that could generate hemispheric unity as the rest of the world descended into war. However, the Ambassador's entreaties notably did not extend to the black West Indians, whom he still considered inferior.

Given labour shortages in Panama, US officials had looked to the British West Indies, and the Panamanian Government had protested (as one might expect, given their domestic policies related below). The Ambassador said that, from his perspective, forgoing black labour would be the ultimate *Good Neighbor* gesture to Panama, and that "A better and more practical evidence of real cooperation to the welfare of our nation could not be offered by the United States".⁵⁹

It has to be said that the position of Panamanian officials changed later in the war, and they began to denounce the existence of blatant discrimination. At the 1944 meeting of the International Labour Organization (ILO) in Philadelphia, for example, the Panamanian Government condemned the "principles of frank racial discrimination" underpinning the

⁵⁹ American Historical Review (April 2020)

Gold and Silver Roll system and that the US would treat an important ally in such a manner.⁶⁰

Tensions had been seen to rise in the Canal Zone during the 1930s and then, in Summer 1940, police officers had to be stationed during mealtimes in a Silver mess hall in Gatún, where fights ensued when “Latin” Panamanians insisted that they be given their meals before West Indians. The tensions reached a peak in the following Summer, when riots broke out at labour camps across the Canal Zone and continued into 1942, with some incidents lasting days, and involving as many as 3,000 workers at a time fighting with knives, rocks, bottles, and sticks. The intervention of Canal Zone Police to quell the disturbances only caused further anger among the “Latin” workers, who resented being under the authority of the black officers who policed the Silver labour force.⁶¹

While Panamanians “were racially heterogeneous, including some whites, many mestizos (like President Arias Madrid), some Amerindians, and the so-called “colonial blacks”, descended from the days of the Spanish slave trade, there was a still preference for lightness of skin. This preference was reinforced by Canal Zone segregation policies and thus racism exacerbated rivalry between West Indians and Panamanians, even when they realised that the Canal Zone officials exploited them both”.⁶²

To prevent fights occurring between Latin American and West Indian workers, officials began to further segregate housing and mess halls, in order to separate the two groups as far as possible.

⁶⁰ Ibid. The stance, of course, opened Panama to accusations of hypocrisy. This hypocrisy was partly offset by the suspension of its own discriminatory 1941 Constitution having been suspended.

⁶¹ It was only after the 1964 riots that Panamanians were hired by the Canal Zone Police. *Deep Cut: Science, Power and the Unbuilt Inter-oceanic Canal* by Christine Keiner (University of Georgia Press, 2020).

⁶² *Black Labor on a White Canal: West Indians in Panama 1904-80* by Michael L Conniff (Latin American Institute Research Paper Series No. 11), May 1989.

Non-US workers found any path to Gold Roll status blocked, often by white US workers organised primarily through a trade union, the Metal Trades Council (MTC) of the American Federation of Labor (AFL), an organisation with notoriously conservative racial politics. The MTC had worked actively over the years to keep non-white and foreign workers off of the Gold Roll, and to prevent Silver workers' bodies⁶³ from affiliating with the AFL. In fact, the AFL lobbied the US Congress to seek an amendment to the funding Bill for the Third Locks Project of 1939-42 that would reserve most Gold positions on the project for US citizens.⁶⁴

The US Fair Employment Practices Commission (FEPC) received complaints about segregation from the NAACP⁶⁵ in 1942, but the Governor of the Canal Zone stonewalled. To avoid unnecessary publicity that might result from public hearings, a small commission was appointed to quietly investigate.

The Bill authorising funding for the proposed third set of locks contained a proviso inserted in Congress *"that all new personnel in such construction work occupying skilled, technical, clerical, administrative, and supervisory positions shall be citizens of the United States"*. President Roosevelt said at the time that the new construction was vital for both US and hemisphere security, but that he would *"request the Congress at its next session to amend the present law so as to bring it into conformity with the commitments entered into with Panama"*.⁶⁶

It would not be until 1946 that Silver Roll workers in the Canal Zone were organised in a single union across racial and nationality lines for the first time, as Local 713 of the United

⁶³ There had been trade union for Silver Roll workers since a failed strike in 1921.

⁶⁴ American Historical Review (April 2020). In fact, the AFL lobbied the US Congress to attach an amendment to the funding Bill for the Third Locks Project that would have reserved most Gold positions on the project for US citizens.

⁶⁵ The National Association for the Advancement of Colored People, then and now the leading US civil rights organisation representing African-Americans.

⁶⁶ <https://history.state.gov/historicaldocuments/frus1939v05/d692>

Public Workers of America (UPWA), which was affiliated to the Congress of Industrial Organizations (CIO), and had a leadership which consisted of prominent West Indian Panamanians.⁶⁷

In August 1949, in the US, the Committee to End the Jim Crow “Silver-Gold” System in the Canal Zone complained that, while Congress had passed legislation giving white Canal Zone employees improved retirement provisions, three Bills dealing with “local rate” (i.e. the former Silver Roll) workers were being “bottled up” in a House Committee.

The three Bills it said were being delayed –

- Sought a doubling of the minimum hourly rate from 26 cents to 50 cents per hour;
- Provided for bonus payments to surviving “local rate” employees who had participated in the original construction of the Canal; and
- Provided for a decent retirement system for “local rate” employees, who at the time received a maximum of just \$25 a month.

The Committee also complained that the Civil Functions Bill, would deprive some 2,000 skilled, semi-skilled and supervisory “West Indian Negroes” of employment, and that it appeared to have no other purpose but to discriminate.

Finally, it complained that Canal Zone and Panamanian authorities appeared to be determined to prevent “local rate” employees from having effective trade union representation, and were doing their best to block representatives – saying that a regional director had had his visa terminated by Panama and had been ordered out of the country.⁶⁸

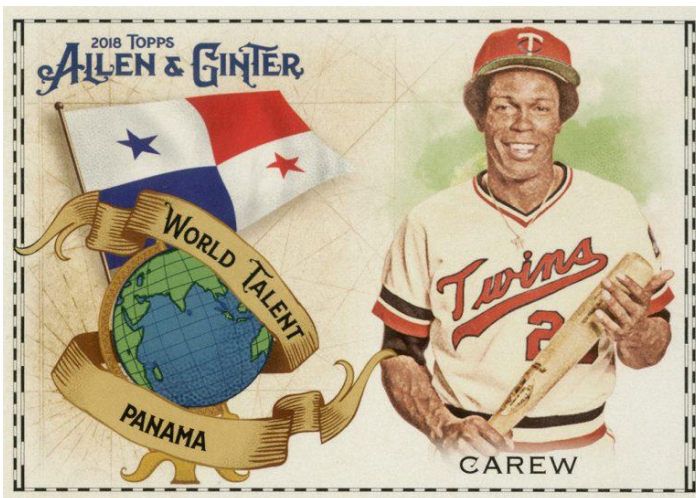
⁶⁷ American Historical Review (April 2020).

⁶⁸ <https://credo.library.umass.edu/view/pageturn/mums312-b124-i057/#page/1/mode/1up>



Gold school in Gamboa in 1944

Rod Carew was a Zonian, born in the Canal Zone in 1945, who went on to become a professional Major League Baseball player and Hall of Famer in the US.⁶⁹ He was actually born on the trans-isthmus railway, his mother taking the train to hospital. However, as the Carews were people of colour they had to adhere to the segregation rules that still had force in the Canal Zone, and so Mrs Carew was travelling in the rear of the train.



⁶⁹ <https://exhibits.domains.uflib.ufl.edu/trackchanges/>
<https://www.laestrella.com.pa/deportes/rod-carew-el-picasso-del-bate-ND19387857>

NOT JUST AMERICAN DISCRIMINATION

Rightly or wrongly, the US occupiers of the Canal Zone would have been expected to import their racial attitudes. However, it has to be borne in mind that, at least until after World War 2, discrimination was also routine in Panama itself. Until postwar, Panamanian society had constantly questioned the right of the Chinese and West Indian community to be regarded as proper Panamanians (or Panamanian at all).

As explained above, those in control in Panama had always understood that the Americans did not want to deal with black people in positions of power. This appreciation was to be allied to the prejudices of these influential persons, and many ordinary Panamanians, to create an environment where hostility and discrimination against those seen as non-Panamanian could grow.

In 1904, just a year after new country had been created, a law declared the Chinese and West Indian races to be prohibited for immigration purposes, a status that was reinforced by successive laws and culminated with the 1941 Constitution denying citizenship.⁷⁰

Panamanian law had given citizenship to any person born on Panamanian soil, and so during the 1930s the first generation of West Indians born in Panama became Panamanian citizens. However, attempts were made to contest their citizenship rights and a 1928 constitutional amendment denied citizenship until they reached adulthood. This left a large number of Panamanian children of West Indian origin without nationality. A series of laws beginning in 1926 also branded as undesirables, "Negroes whose native language is not Spanish".⁷¹ The nationalist policies of the late 1920s and the 1930s would culminate with President Arnulfo Arias Madrid's 1941 Constitution.⁷²

⁷⁰ See the 1941 Constitution (in Spanish) at <https://www.asamblea.gob.pa/sites/default/files/2018-09/constitucion%201941.pdf>

⁷¹ *Black Labor on a White Canal: West Indians in Panama 1904-80* by Michael L Conniff (Latin American Institute Research Paper Series No. 11), May 1989.

⁷² For more on him and other wartime Presidents, see <https://wordpress.com/post/raytodd.blog/41597>

In Panama at the time, an understanding of ethnical diversity was limited to the *mestizo*; neither blacks nor Chinese were considered typical Panamanians. In heightened tensions fuelled by the Depression of the 1930s nationalists denounced the large presence of foreigners in the country, targeting in particular the Chinese and the West Indians, who were considered incompatible with the Panamanian culture.

By 1917, unemployed West Indians residing in Panama became a regularly discussed contentious issue between the Panamanian Government and US diplomatic and Canal Commission officials. The US acknowledged that it had recruited and imported more than 30,000 West Indians during the canal construction period and that a great number of them ended up without jobs following the completion of the Canal.⁷³

By the late 1920s, Panamanians had been said to be feeling deep resentment, and the impact of a Great Depression⁷⁴ only served to exacerbate tensions because Panamanians found themselves competing for unskilled jobs on the “Silver Roll” with those of West Indian origin, whose forebears had been imported by the Americans from British Caribbean possessions to supply the manual labour for the construction of the Canal, with skilled, or “Gold Roll”, employment generally being reserved for Americans. One result was that Panamanians came to condemn all foreigners — whether they were American technicians or West Indian labourers — as usurpers who seized the profits of the Canal for themselves, while Panamanians suffered economic deprivation. Following the 1931 coup, when a popular nationalist movement overthrew the long-established ruling elite⁷⁵, the resentment became even more apparent, and was used by politicians for their own ends.

⁷³ *Panamanian Politics and Panama's Relationship with the United States Leading up To the Hull-Alfaro Treaty* by Sheila Hamilton (University of Victoria, 2014).

⁷⁴ The worldwide economic downturn began in 1929 and lasted in some places until about 1939.

⁷⁵ Until the 1930s it is said that politics in Panama had become a competition among individuals and families within a gentleman's club - specifically, the Union Club of Panama City. The upper class was a small, close-knit group that had developed strong ties of association and kinship over the years, and prominent family names recurred frequently: such as Arias (not the family of Arnulfo Arias Madrid or his brother, who both became President following the 1931 coup), Arosemena, Aleman, Chiari and de la Guardia (it was a member

Most, or even many, of the West Indians were British subjects, but British officials did little to help them. The attitude of the British Ambassador to Panama and Costa Rica from 1923 might be illustrative. He had earlier written a book about a 19th century revolt in Sierra Leone where he clearly expressed racist views, and it is said that there was no evidence that he changed his opinions. During the 1932 Rent Strike he issued an appeal *“to all British subjects to support the public authorities loyally during the present crisis”*.⁷⁶

A comment on the unrest and anti-Americanism of the 1930s was to be found in *The Atlantic* in August 1939, where an article commented that *“‘patriotism’ is being cultivated by so-called Liberal as well as Fascist influences in the Republic. Black Shirt and Nazi as well as Communist-front organizations hold meetings in Panama as freely as in the United States, with the Fascist groups at present rather in the ascendant”*.⁷⁷

The popular antagonism was not helped by the fact that, despite Americans’ own racial discrimination against their own African-Americans, West Indians were preferred to Panamanians for positions in the Canal Zone. In 1932, of the 17,407 workers on the Silver Roll, there were 10,115 West Indians and just 4,474 Panamanians. The Governor of the Canal Zone was even quoted as saying that *“we have very few Panamanians of the lower classes who measure up to the average West Indian”*.⁷⁸

of the latter family that replaced the deposed Arias Madrid in 1941). The 1931 coup gave the country’s middle class control of the Presidency, until the US-backed deposing of Arias Madrid in 1941 saw the urban elite regain control: https://www.marines.mil/Portals/1/Publications/Panama%20Study_2.pdf

⁷⁶ The French Ambassador issued a similar statement. The statement from the British Ambassador was reproduced in a leaflet distributed by the Panamanian Government.

⁷⁷ <https://www.theatlantic.com/magazine/archive/1939/08/watch-out-for-panama/654172/>

⁷⁸ *Race and Ethnicity in the formation of Panamanian National Identity: Panamanian Discrimination Against Chinese and West Indians in the Thirties* by Marixa Lasso De Paulis (Revista Panameña de Política - N° 4, July-December 2007): https://www.cidempanama.org/files/2011/04/4-06-Race-Ethnicity_Marixa_Lasso.pdf

For all these reasons, the West Indian origin community in Panama was not fully integrated. It was only after World War 2 that Panama extended full citizenship to those of West Indian descent and promoted interchange between them and the host society.⁷⁹

As the nationalists sought to assert their power, in 1935, Law No. 70, although subsequently ruled as unconstitutional by the Supreme Court, sought to impose restrictions on non-Panamanian involvement in domestic trade, and appeared aimed principally at Chinese, Japanese, East Indian, Syrian, Levantine (Lebanese), French, Italian and Spanish merchants. Despite being quashed it caused many businesses to be closed.

During negotiations over what would become the 1936 Treaty with the US, an important factor in obtaining a greater share of Canal benefits was the question of employment in the Canal Zone. As we have seen, Panamanians usually occupied the same status as “Silver Roll” West Indians who were paid what were termed “tropical” wages.⁸⁰ What was sought was equality of treatment with Americans in technical positions (and preference for Panamanians over West Indians in unskilled jobs). However, the Panama Canal Company looked at the matter as solely an administrative one and argued, with some justification, that Panama really wanted most favoured nation treatment in Zone employment. In response to this it was said that Panama’s special relationship to the US (it remained a protectorate of the US at the time) implied special considerations being involved. Throughout the negotiations the US refused to make any treaty obligation on this front, contending that a formal commitment would bind the hands of Canal officials. But in 1939, when the European crisis prompted increased expenditure on defence, President Roosevelt would stipulate special consideration for Panamanians in the authorisations for new construction (although this seems to have little real effect).

⁷⁹ *Black Labor on a White Canal: West Indians in Panama 1904-80* by Michael L Conniff (Latin American Institute Research Paper Series No. 11), May 1989.

⁸⁰ In the 1930s Panama’s labour force was said to be made up of a disproportionate number of foreign immigrants, some 60,000 – of whom 40,000 sent almost all of their income to their respective countries.

Aware of the racial tensions in Panama and the problems it was causing (and the potential risk to operations and security of the Canal),⁸¹ the US Congress approved funds in 1934 for the repatriation of “unemployed West Indians and their families” who had undertaken at least three years’ service.⁸² However, take up was poor, and by 1939 only around 1,300 persons had been repatriated (including 638 family members), with just \$51,766 of the original \$150,00 allocated having been used. It seemed that, despite difficulties in Panama, most preferred to remain there.⁸³ By 1932, the so-called criollos, Panamanian-born descendants of West Indian workers, made up around 20% of the population of Colón and 15% in Panama City.⁸⁴

On the other hand, in November 1932, despite restrictions that Panama had been imposing, a construction company obtained permission from to import a few hundred “American Negroes” for driving steel on a new project. This widely publicised incident was seen as another example of the Canal authorities giving priority to meeting US companies’ requests rather than to Panamanian concerns about the unemployment crisis gripping the Republic (not to mention its racial tensions). In 1934, Canal officials refused a request by Standard Fruit to bring in a small number of black “banana collectors” – although it is worth noting that the banana industry was suffering a downturn at the time, and had been affected by disease.⁸⁵

⁸¹ The Roberts report in 1931 (commissioned by President Arosemena to review the country’s economy) estimated that out of 60,000 inhabitants in the terminal cities (Panama City and Colón), 40,000 were foreigners who sent almost all their money back to their countries of origin. President Alfaro, the interim President following a coup in 1931, sought to blame the housing situation affecting Panamanians on West Indians.

⁸² With free transportation, plus \$25 cash for single men, or \$50 for men with families (and an potential supplement of \$10 for each child who was a minor) – up to a maximum \$100 per employee. The US had offered an earlier repatriation programme during World War 1. More left after a failed strike in 1920, preferring to go to Cuba. In the summer of 1934 there more than 10,000 West Indians living in the Canal Zone, but the Canal only employed about 4,000 of them.

⁸³ Annual Report of the Governor of the Panama Canal for the fiscal year ended 30 June 1939.

⁸⁴ *Panamanian Politics and Panama’s Relationship with the United States Leading up To the Hull-Alfaro Treaty* by Sheila Hamilton (University of Victoria, 2014).

⁸⁵ Ibid.

During the Depression era, with jobs at a premium, when vacancies were available, it was often easier to rehire someone, usually of West Indian origin, who already had experience working on the Canal than hiring a Panamanian who had no such experience. The fact that they spoke English, facilitating communication with Gold Roll managers, was another obvious benefit.⁸⁶

It was under the short-lived Presidency of Arnulfo Arias Madrid that action against what were seen as non-Panamanians reached its peak⁸⁷. The new 1941 Constitution barred entry into Panama of “persons of the Negro race whose original language is not Spanish; persons of the yellow race; and the original inhabitants of India, Asia Minor, and northern Africa”. It denied citizenship to such “undesirables” born after 1928 and barred their naturalisation altogether. These measures took rights away from about 20,000 Panamanians of West Indian descent (among others)⁸⁸, and created hardship for the remaining 30,000 members of that community. The legal restrictions were generally lifted in 1945, but even then a few remained in place until 1961.⁸⁹

The new Constitution was followed by a 1941 Law⁹⁰ which introduced a four-tier business licensing system (first class, second class, general and professional) aimed at squeezing out non-Panamanians and/or undesirables⁹¹. Large numbers of Chinese, Japanese and others were forced to liquidate their business, and many to leave the country.⁹² Later

⁸⁶ Ibid.

⁸⁷ Though Arias Madrid himself was deposed in 1941, the successor administration continued many of the policies.

⁸⁸ All Panamanians born after May 1904 to Chinese, Turkish, Syrian or Antillean fathers and mothers, whether born in any part of the Republic, were to be stripped of their nationality. Many of these had had full citizenship since 1925. Around 51,000 people born in Panama would lose their citizenship:

<https://publicandohistoria.com/2018/04/01/un-grave-problema-etnico/>

⁸⁹ Ironically, in the late 1940s Arias Madrid courted the black vote, directing instead resentment against Zonians. Such was his success, by 1968 about half of the West Indian origin community was voting for him.

⁹⁰ Law No 24 of 1941.

⁹¹ The Law also affected British nationals, as Panama renounced its most-favoured-nation treaty with the UK insofar as it applied to domestic trade. British subjects were given until 24 March 1942 to liquidate their holdings. The enforcement of the Law was later relaxed somewhat, and did not appear to be applied generally to US citizens.

⁹² Where this was possible. As we shall see, the Japanese in particular found it near impossible to leave.

amendments increased the restrictions, so that, for example, 75% of a business's employees must be Panamanian, and 75% of the total payroll, must go to Panamanians⁹³. Residence requirements for the licences were also made more onerous⁹⁴, and eventually residence in the Canal Zone was no longer qualification in itself (unless one had been a resident for at least 15 years).⁹⁵

To give one an idea of the numbers, a US publication of April 1942, in providing a description of the Republic of Panama, pointedly said of its population that "only about 75,000 are white; 75,000 are Jamaican negroes; 5,000 orientals; and 50,000 are Indians" (by "Indians" one presumes it meant indigenous peoples).⁹⁶

A socialist group, the *Sociedad de Panamenos al Servicio del Gobierno de los Estados Unidos* challenged the Canal administration in 1943-45 to comply with a 1936 promise that Panamanians would enjoy job opportunities and pay equal to US citizens. However, it did not attempt to represent descendants of West Indians or, for that matter, even dark-skinned Panamanians.

At the beginning of 1944, in three circulars issued by the Engineering Division of the Panama Canal, clear discriminatory measures were established against Panamanian workers on the Canal and in the railway Company. These included such matters as the payment of overtime, salary rates, annual leave and sick leave. The Panamanian Government maintained that this violated both the "democratic principles that inspired relations between the peoples of America, as well as that stated in the exchange of notes of March 2, 1936"⁹⁷. Until mid-1944, the US Government was evasive, and a memorandum from the US Embassy stated that "a complete study of the problem is now

⁹³ Executive Decree No 38, August 1941.

⁹⁴ Executive Decree No 48, January 1945.

⁹⁵ *Economic Controls and Commercial Policy in Panama* (United States Tariff Commission, 1946).

⁹⁶ https://tradocfcoeccafcoepfwprod.blob.core.usgovcloudapi.net/fires-bulletin-archive/1942/APR_1942/APR_1942_FULL_EDITION.pdf

⁹⁷ Referring to notes exchanged at the time of the signing of the 1936 Treaty.

being made” and that the measures would be “suspended” at the first opportunity “as soon as the facts have been gathered”. As it was, President Roosevelt’s aforementioned declaration of 1939, which approved equal opportunity and treatment in jobs in the administration of the Canal and the railway for US and Panamanian citizens, was also not put into practice.

In October 1944, a joint commission announced a new measure to be adopted for the civilian employees of the Canal. Both US and Panamanian workers who basic salary, not counting overtime, was more than 48 cents an hour, \$1,000 a month and \$12,000 a year, would have the right to annual leave. However, such an agreement would only be in force during the wartime period. Employees earning above the threshold could accumulate up to 90 vacation days. As for the other points of contention, that is overtime, salary rates and sickness benefits, no agreement was reached. Much later, in the postwar, the problem of such discrimination in the Canal Zone would be one of the issues covered by the 1955 Treaty.

Interestingly, during the war. There had been a failed attempt to gain permission for Panamanians of West Indian descent who wanted to serve in the US military to do so in exchange for immediate citizen rights.⁹⁸

Unsurprisingly, the numbers of Afro-Caribbean people seeking to leave Panama for the US increased in the 1940s (despite the continuing discrimination they might face there), and continued into the early 1950s. According to US immigration statistics, from mid-1946 to mid-1949, more than 10,000 non-US citizens departed from Panama (including the Canal Zone) for the US.⁹⁹ After all, the new 1946 Constitution had removed explicit racial

⁹⁸ <https://archives.nypl.org/scm/20916>

⁹⁹ *Panama in Black: Afro-Caribbean World Making in the Twentieth Century* by Kaysha Corinealdi (Duke University Press, 2022).

exclusions to citizenship, but still required all individuals with foreign-born parents to petition for their citizenship.¹⁰⁰

Until the Canal Zone Government took over responsibility for the schools system in the 1970s, they remained segregated, although light-skinned Panamanians from “good” families could enrol in white schools. In the 1950s, faced by pressure from the US, where President Eisenhower was attempting to desegregate public schools, the Canal Zone authorities (as mentioned earlier) simply redesignated the schools for “colored” children (the so-called “colored schools”) into “Latin American” schools, justifying maintenance of the segregation and claiming that it was necessary to familiarise their students with “their” language, history, government and customs^{101, 102}

Pressures from a variety of sources from 1943 began to force the Canal Zone authorities to begin dismantling the “colonialist” labour system. Liberal Panamanians took power in 1945, and they accepted the descendants of West Indians as full citizens requiring protection against the discriminatory practices of the Canal Zone, and a new generation of leaders also emerged in the West Indian community. In addition, many agencies of the US government urged reform in order to improve relations with Latin America as a whole - by the late 1940s, discriminatory and inequitable socioeconomic policies in the Canal Zone having become a decided embarrassment to the US Government.¹⁰³

¹⁰⁰ Ibid.

¹⁰¹ Already by 1953, the annual report of the Canal Zone authorities divided the public schools in the Zone to those for US children and “Latin American” ones; and it referred to “Latin American schools” having formerly been called “colored schools”: *Report of the Panama Canal Company and the Canal Zone Government (1953)*

¹⁰² For example, in 1952 a Spanish-language curriculum was introduced in place of one based on English. This was said in official reports to be due to public demand from within the Republic. It was said that “The conversion plan is based on the sound educational principle that the school should be primarily concerned with preparing the child for the environment in which he will spend his adult life”.

¹⁰³ In 1949, there were 8,000 “US rate” and 25,000 “local rate” employees serving in the Canal, with the Panama Railroad, and the US Army, Navy and USAF in the Canal Zone: *Race Relations in the Canal Zone* by John Biesanz (*Phylon 1940-1956*, Vol. 11, No.1, 1st Qtr, 1950, pp. 23-30).

However. Some discriminatory measures continued postwar, even in the Republic. For example, the Panamanian Immigration Law of 1948 imposed restrictions on African-Americans and other “prohibited peoples”, including English-speaking blacks, and it specified that tourists of certain nationalities could only visit Panama for 30 days, and had to pay a deposit of \$500 to guarantee return to their country of origin. This was in contrast to white visitors who only had to pay a deposit of \$150, and could stay in the country for longer too.¹⁰⁴

The Annual Report of the Governor in 1947¹⁰⁵ explained that Gold employees received prevailing rates of pay comparable to wages they could receive in the US in their respective trades, plus a 25% bonus for working abroad. However, the wages of Silver employees bore no direct relationship to the wages of corresponding classes of workers in the US. For the most part for natives of the region their wage scales were established at a level that would ensure a standard of living comparing favourably with that prevailing for “native” workers in Panama and throughout the Caribbean area. In 1947, the average wage for a Silver Roll employee was \$950, whereas the average Gold Roll wage was \$3,800. For a long time, the ratio of Gold to Silver pay had been two to one, but by 1947 it had reached four to one.¹⁰⁶

Developments in Panama and the Canal Zone were affected in the years following World War 2 by attacks that began to be made in or by US bodies on racial and national discrimination. These deliberations involved the armed services (finally desegregated by Presidential order in 1948), the Departments of Commerce, Interior and State, the National Housing Agency, US Congress, the Civil Service, the General Accounting Office (GAO), the White House, and the Supreme Court.

¹⁰⁴ <https://archives.nypl.org/scm/20916>

¹⁰⁵ *Annual Report of the Governor of the Panama Canal Zone* (US printing Office, 1947, p.73).

¹⁰⁶ *Race Relations in the Canal Zone* by John Biesanz (*Phylon* 1940-1956, Vol. 11, No.1, 1st Qtr, 1950, pp. 23-30.

Studies also concluded that Canal operations wasted money on unnecessary luxuries and fringe benefits, while mismanaging labour relations in such a way as to embarrass the US. These studies usually made the distinction between race segregation - which should be ended - and the Gold and Silver Rolls dual wage system, which it was said should be reformed to guarantee equal pay for the same work (a change which President Eisenhower implemented in 1955).

However, even as late as 1950, the US Government owned and operated all institutions in the Canal Zone – schools, post offices, stores, recreational facilities, hotels, hospitals, and even residential housing. All of these, except the post offices (which had dropped restrictions in 1946) were segregated, whether ostensibly on the basis of pay scale, or openly on the basis of colour – and facilities for the Silver Roll remained markedly inferior. Openly racial labels were still being applied to schools (though, as we have seen, this was to subtly change in the 1950s), seemingly to bar black parents from sending their children to certain schools.¹⁰⁷

I have written elsewhere on the internment policies of Panama, and the treatment of internees (including those of Japanese origin deported from Peru) which both reflected the attitudes of the Government to foreigner and those seen as non-Panamanian, and effectively sanctioned discrimination (as well as the sequestration of property and assets).¹⁰⁸

PANAMA AND THE PUERTO RICANS

One interesting sidelight on the attitude of the Panamanian Government during the war was its reluctance to accept, without at least prior screening, US troops coming from

¹⁰⁷ Ibid.

¹⁰⁸ <https://wordpress.com/post/raytodd.blog/41998>

Puerto Rico¹⁰⁹. Puerto Rican troops had, in fact, already served in Panama during an earlier war. In May 1917, the Porto Rico Regiment had been sent to Panama for the defence of the Canal Zone¹¹⁰. However, the question of the use of Puerto Rican troops displayed racial sensitivities in Panama – with Panamanians looking down on what they saw as their inferiors. Nevertheless, by the end of 1943, a great portion of the coast artillery in the Canal Zone was made up of Puerto Rican troops who served with distinction.

When the US War Department proposed to send the 65th Infantry Regiment (a segregated Hispanic unit made up primarily of Puerto Ricans) to Panama as a replacement for Continental US troops that were to be withdrawn for service in the Pacific, the Panamanian Government insisted on a careful screening of the unit - despite the fact that it was a Regular Army regiment and was to be stationed solely within the Canal Zone¹¹¹. It was deployed to the Canal Zone in 1943, and other units followed.

THE CHINESE AND DISCRIMINATION

In the late 1980s, the traditional Chinese Panamanian community - mainly descendants of the Chinese immigrants of the first half of the 20th Century – was said to have been horrified at the arrival of new Chinese immigrants provoking the revival of the anti-Chinese arguments used by the 1941 government of Arnulfo Arias Madrid, with racist anti-Chinese articles in popular newspapers.

¹⁰⁹ One has to remember that the Arias Madrid administration had been particularly nationalistic and had adopted racist and antisemitic overtones and policies – most of which continued to be adopted by the successor administration.

¹¹⁰ <https://www.defense.gov/Explore/News/Article/Article/974518/puerto-ricans-represented-throughout-us-military-history/>

US Citizenship had been imposed upon Puerto Ricans as a result of the 1917 Jones-Shafroth Act (the Puerto Rican House of Delegates had rejected US citizenship) and were expected to serve in the military: https://military-history.fandom.com/wiki/Puerto_Ricans_in_World_War_II

¹¹¹ In fact, the performance of the Regiment led the War Department to decide upon a general replacement of Continental US troops not only in Panama, but in the bases on British islands in the Caribbean as well, at least to the extent permitted by the availability of trained Puerto Rican units: <https://history.army.mil/books/wwii/Guard-US/ch16.htm>

As we have seen, until after World War 2, Panamanian society had constantly questioned the right of the Chinese and West Indian community to be regarded as Panamanian.

The main accusation against the Chinese before World War 2 concerned their controlling of the retail commerce, and indeed by the 1930s they and Panamanians had near equal shares of the sector at around 38% each, with Americans and the Spanish coming next. During the economic crisis of the 1930s, a strong campaign for the nationalising of commerce was launched which culminated in Law No.70 of 1934 to effectively nationalise the sector¹¹², and in Law No.9 of 1935 that demanded that 75% of the employees must be Panamanians. Although overturned by the Supreme Court, they would be effectively resurrected by the Arias Madrid government of 1940-41 under his new 1941 Constitution. Even if the laws were directed against foreigners in general; newspapers tended to treat the issue in a racist fashion, portraying the campaign as a conflict between “undesirable races” and Panamanians, and which it is said can be interpreted as between Chinese and Panamanian.¹¹³

POSTSCRIPT – THE CHEMICAL WARFARE TESTS AND RACIAL ATTITUDES

Something that graphically reflects the racial attitudes prevailing at the time was the intentions of, and the practices employed, in the chemical warfare testing on the island of San José during World War 2.

¹¹² This Law provided that every immigrant community was allowed to have a quota of merchants in proportion to the number of members of each immigrant community. The merchants above the quota were required to pay a special tax. The goal of this law was said to be to increase Panamanians participation in commerce. The Spanish Chamber of Commerce started a campaign for the exclusion of the cities of Panama and Colón from the effects of the law. It was successful and in 1935 the Government suspended the effect of the Law for the cities of Panama, Colón, and Bocas del Toro. As a result, the Law would only be enforced in the interior and, because the interior retail trade was controlled by the Chinese, the Law would now particularly affect them. The Chinese fought back and, in December, 1935, a year after its promulgation, Law 70 was declared unconstitutional by the Supreme Court.

¹¹³ *Race and Ethnicity in the formation of Panamanian National Identity: Panamanian Discrimination Against Chinese and West Indians in the Thirties* by Marixa Lasso De Paulis (Revista Panameña de Política - N° 4, July-December 2007): https://www.cidempanama.org/files/2011/04/4-06-Race-Ethnicity_Marixa_Lasso.pdf



114

The testing is something I had commented on elsewhere¹¹⁵, but it is worth reminding readers that one of the aims of the tests was racist in nature, with the US Chemical Warfare Service¹¹⁶ wishing to compare the physical responses of Puerto Ricans and Caucasian Americans to mustard gas¹¹⁷ – it being thought that there was a possibility that some racial groups were less sensitive to mustard gas. African-American troops were also tested by the US Army elsewhere, as well as Japanese-American ones.¹¹⁸

Military officials believed the skin of non-whites might be tougher than that of Caucasians and thus better able to resist the effects of mustard. If that were proven, then non-white troops would be used during gas attacks. Because African-Americans were not allowed in front-line combat units at the time, it was decided to conduct tests on Hispanics.¹¹⁹

MORE ON THE RACIST LAWS OF THE 1920s AND 1930s

¹¹⁴ <https://www.thepanamablog.com/panama-asks-us-to-clean-up-chemical-weapons-left-on-san-jose-island/>

¹¹⁵ <https://wordpress.com/post/raytodd.blog/40643>

¹¹⁶ The Chemical Warfare Service was redesignated the Chemical Corps on 2 August 1946. It had been established as a branch of the permanent military establishment in 1920.

¹¹⁷ Mustard gas damages DNA within seconds of making contact. It causes painful skin blisters and burns, and it can lead to serious, and sometimes life-threatening illnesses including leukaemia, skin cancer, emphysema and asthma.

¹¹⁸ Although the Army's General Staff required a signed statement from the National Museum in Washington that the tests on San José would not harm the rare animal, plant or reptile life on the island: *United States Army in World War II: The technical services – The Chemical Warfare Service: Organizing for War* by Leo P Brogby and George J S Fisher (Historical Division, Department of the Army, 1947).

¹¹⁹ *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>

The Panamanian Government passed racist immigration legislation in 1926, in an attempt to ban further West Indians immigration to Panama. This then led to a series of similar legislative attempts to exclude “Hindus”, Turks, Syrians, Chinese, and Japanese as well as West Indians from entering Panama. This trend reflected the growing nationalist movement in Panama,¹²⁰ fighting to end US interference, and stop large numbers of foreign workers from taking jobs which Panamanians felt they should hold – with a growing resentment of the presence of all foreigners during the interwar years, with the dire economic situation the country endured. In 1926, the Republic passed Law 13, which excluded all black people who did not speak Spanish from immigrating to the Republic.

In addition to barring new immigration to limit competition for employment, the National Assembly passed Law 6, which came into effect in 1927. This required all businesses to employ Panamanian nationals as a minimum of 75% of their workforce but the government lacked the resources to enforce the new law, and could not control what occurred within the Canal Zone (for example, the United Fruit Company continued to recruit and employ West Indians to work on its plantations).

The National Assembly also attempted to marginalise West Indians born in Panama by redefining citizenship qualifications. West Indians born in the Canal Zone were deemed ineligible for Panamanian citizenship, a ruling that was to affect all those born from that point forward. The US had already passed similar legislation that ensured that people born in the Canal Zone to non-US parents were ineligible for US citizenship. Taken together, these two laws created an entire generation of immigrants born in the Canal Zone with no citizenship whatsoever.

In response to matters in Panama, the US began limiting the number of immigrants that the US was allowing entry to Panama City, Colon and the Canal Zone, and it issued press

¹²⁰ For more on that subject, see <https://raytodd.blog/2026/08/04/panama-and-the-rise-of-nationalism/>

releases detailing the policy changes, and implemented monthly quotas on new arrivals by limiting the number of US immigration visas.¹²¹

For five years following the initial 1926 racial exclusion legislation, the National Liberal governments gradually allowed more exceptions. This changed in 1931 when “Hindus” were barred from immigrating to Panama unless they had sufficient means to establish themselves¹²² – so that no working-class East Indians immigrating to Panama after 1931 and that those who did arrive set up businesses (which would then be closed during the Arias Madrid administration from 1940). They would face hostility as Indian merchants were perceived as benefitting from opportunities that should have been for Panamanians. The new nationalist government also chose to stop issuing re-entry permits to immigrants from excluded racial groups meaning that if immigrants decided to leave Panama, even for a short while, they would not be allowed to return. Then, the end of 1931, all immigrants were barred if they could not prove their financial stability and deposit \$500 cash.

A 1928 law redefined citizenship to require more than birth in the Republic.¹²³ As a result of the changes, any immigrant wanting to remain in Panama could not obtain citizenship and could not return to their native country even for a visit without being barred from returning to Panama.¹²⁴

In the 1932 elections, West Indians who were naturalised Panamanians prior to the new legislation had to fight to be eligible to vote and were faced with a registration fee – a significant fact, given that there were approximately 10,000 West Indians eligible to vote. Nevertheless, it seemed clear that, prejudice notwithstanding, future political candidates

¹²¹ *Panamanian Politics and Panama's Relationship with the United States Leading up To the Hull-Alfaro Treaty* by Sheila Hamilton (University of Victoria, 2014).

¹²² A coup in 1931 had seen a more nationalist administration take over, setting the standards for attitudes and laws for the next decade.

¹²³ However, in the 1930s, it was determined that the children of Panamanian citizens who were born outside the Republic were indeed Panamanian and thus eligible to vote.

¹²⁴ *Panamanian Politics and Panama's Relationship with the United States Leading up To the Hull-Alfaro Treaty* by Sheila Hamilton (University of Victoria, 2014).

would have to win the support of the West Indian voters in order to have a realistic chance of winning an election – hence having to appeal to both (some) immigrants and anti-immigrants.¹²⁵

Ray Todd

Panama City

Republic of Panama

17 November 2022 (updated 6 August 2026)

¹²⁵ Ibid.