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CONFIDENTIAL

Panama

MEMORANDUM OF CONVERSATION

DATE: September 6, 1977

TIME: 11:10 a.m.

PLACE: Cabinet Room White House

SUBJECT: President Carter/General Omar Torrijos Bilateral

PARTICIPANTS:

PANAMA

General Omar Torrijos
Head of Government
Foreign Minister GonzalezRevilla
Minister of Economic
Planning Barletta
Ambassador Lewis
Lt. Col. Manuel Noriega
Lt. Col. Bellido
Rodrigo Gonzalez

U.S.

President Carter
Vice President Mondale
Secretary Vance
Dr. Zbigniew Brzezinski
Assistant Secretary Todman
Ambassador Jorden
Robert Pastor, NSC

The President welcomed General Torrijos and the members of his delegation. He said it was gratifying to know of the cooperation that all Panamanian officials had demonstrated this year in support of the new treaty. He said he wanted to offer his personal thanks to General Torrijos particularly for his actions.

Noting the presence of many Latin American leaders, the President hailed this as "a great demonstration" of their interest and support. He said their appearance was a great personal tribute to General Torrijos as a result of his contacts with them and his encouragement of their support over the past year. The President said he thought their presence would be a great help to us in underlining the importance

of the issue to Latin America as we take this matter to the American people. He said he hoped that TV coverage of the signing ceremony would be carried live to Panama, and asked if that would be the case.

General Torrijos said it would be.

The President said he thought that the ceremony would be a great help to him in getting the Senate to ratify the treaty. It would also help demonstrate to the people of Panama the great interest of the Hemisphere in the treaty. He asked when the plebiscite would be held in Panama.

General Torrijos noted that there would be a huge manifestation of support from the people when he returned to Panama. He said he planned to hold the plebiscite on October 23 — a Sunday. He said he wanted to have the plebiscite when the students were in school and during the rainy season — in other words, the most difficult conditions for a smooth vote. If the Panamanian people voted for the treaties in these conditions, it would be another significant example of their support. He said he had been advised to hold the plebiscite when the students (potential opponents) were on vacation and after the rains had stopped. He rejected this advice.

President Carter asked what he thought the chances of success were.

Torrijos said he was going to travel throughout his country -- by helicopter, by horse, on foot -- to make the case to his people. His basic argument, he said, would be that it was not perfect but that the new arrangement was vastly better than what they now had. He estimated that some 900,000 of his people would vote -- of a 1.7 million population. Many young people of 18 would be voting for the first time in their lives. He said it was important to get the largest possible turnout.

President Carter asked what we in the United States could do to convince the Panamanians that the treaty was good for them, for us, and for all the people of the world.

Torrijos replied that "what we are doing now is very important." (By this, he meant the White House meeting,

the Washington signing of the treaties, and the gathering of Latin American leaders.) Torrijos said it would be helpful if he could carry back to Panama with him a letter from the President so he could deliver the message in person to his people. He noted that both the United States and Panama were "selling the same product" but were doing so in two different markets. The President laughed and agreed that both countries had difficulties. He said the two would have to use two different advertising campaigns with their respective markets.

The President said he thought we had a good chance to secure ratification. Support of the Senate was essential, but he said good progress was being made. He noted that the signing ceremony on Wednesday would be very important and that all the Senators had been invited to attend. He told Torrijos that last year some 40 Senators had signed a resolution opposing the treaty. He said a recent check indicated that only about 4 were now adamantly opposed.

The President noted there was great interest in the Hemisphere in the new treaty arrangements and in the mutually beneficial terms thereof. He said everyone wanted a peaceful solution. He thought there was a good chance to win ratification. He told Torrijos that the public statements the Panamanian leader would make during these days would be most important here.

President Carter said he wanted to say in close touch with General Torrijos as we move forward — either directly or through their Ambassadors. He said he did not want to say anything that would make things more difficult for Torrijos in Panama. It was important, he said, to maintain a close coordination. He said there was one additional factor — the great public awareness here of the constructive statements the General had made. He said it should be clear that neither side had been negotiating under pressure or the threat of violence. The key element was that the treaty was good for both sides. He said the press had covered the story very well and that had been important.

The other benefit the President could see was that the treaty opened the way to an era of close cooperation and friendship between Panama and the United States. He said it was helpful to us here for people to understand that — and possibly in Panama, too. He said he hoped the treaty would be only the first step in a process of cooperation and friendship in the years to come.

Torrijos said he wanted to be absolutely frank. He said he never thought we would get to a final treaty. Always in the past, he said, we had talked around it -- we never got down to the real issues. He said Panamanians could never understand such things as having United States police arresting their young people. Now, he said, President Carter had come up with a new philosophy and attitude. He realized that "some people" did not like it. But he said it was "an act of valor" on the part of the President. He said he had not, before his present visit, understood the depth of the problem here. Now he understood.

He said he was confident that the treaty would open a new relationship with Latin America. In the past, it had been Latin America's impression that the United States was the "rich brother." You sleep with us but you live in Europe, he said. He said it was not difficult for the United States to improve its relations with Latin America. He said he didn't believe it meant spending more money than at present; what was needed was a new philosophy and to pay more attention to them and their problems.

Torrijos said he was optimistic about the treaty being strongly ratified by the people of Panama. He said that "perpetuity" now had a final date. Each of the things that have been hateful now has a "birth date" (he meant termination date).

The Panamanian leader said he had profound admiration for the President's honesty and political valor. He said no one else would have had the courage that President Carter had shown. He said it was almost like jumping from an airplane without a parachute to take on this battle.

The President said he felt the treaty was the right, fair and decent thing to do. He said the American people are fair and decent. He said he thought the treaty would be ratified. He promised to expand any effort to bring this hope to reality. He felt certain it would eventually prove to be a popular accomplishment for him and his Administration. He said the climate would improve as the American people came to understand the terms of the treaty and to realize the unfairness of the past. He said a reasonable settlement was in the character of

the American people. He said he had great admiration for General Torrijos for acting so patiently.

He said the treaty opened the way to a new era of mutual respect, equality and friendship between our peoples. He said he believed that Torrijos' leadership would be an example to other leaders to meet and discuss their differences in a spirit of cooperation using the examples of the Canal Treaty. He referred specifically to Chile, Peru, Bolivia, Ecuador, El Salvador and Honduras, Guatemala and Belize.

He said that Latin American leaders owe to Torrijos and the people of Panama a debt of gratitude. The signing offers all the leaders a unique opportunity. He said he would appreciate Torrijos' views on how best to use the present gathering of leaders to best advantage. He noted that he had emphasized the importance of the human rights issue.

Torrijos said he had spoken to several of the Latin American He said they have come with the attitude of people leaders. who knew that nothing was wrong (in their own policies). The fact that the President had adopted a policy of human rights had eased the problem for many. He noted that some of them had instructed their organs of investigation to change their methods. He noted that he had had a good talk the previous night with General George Brown. felt the General would have considerable influence with Latin American leaders, particularly the military leaders. He noted the problems of El Salvador and Honduras and of Peru, Chile and Bolivia. He said that in many countries the arms race was being confused with the countries' real (The clear implication was that Latin American governments should be spending less for weapons, more for their people.) He said that Honduras and El Salvador would get into some kind of agreement, indicating the United States should play a role.

Going back to the arms race, he said many countries were arming themselves against the Communists "in the name of the United States" -- in other words, claiming they were serving our overall strategic interests. The result was that these countries were carrying on violence in the name of the United States. He said our contacts with the above-mentioned countries on these problems should be strictly private. He suggested that the President -- after these first contacts and laying down the United States position -- should call the Latin American leaders together and ask them how things were going and if they

were making progress on the matters discussed. In the case of El Salvador and Honduras, Torrijos said it was the poorest people who suffered but that none of the oligarchy suffered at all. The poor go into the Army, he said, but the rich do not.

The President asked if that meant that if he were to talk to some Latin American leaders about peace and less arms they would not be offended.

Torrijos said quickly that they would certainly not be offended. In fact "they are almost wishing you to do that."

The President said he would be meeting with most or all of the heads of state. He would take up such matters as Bolivia's access to the sea, a solution to the Honduras-El Salvador war, Ecuador's access to the Amazon, the arms race. He asked whether El Salvador and Honduras had relations and was told they do not.

Torrijos said there were many factors at work. He noted that the Inter-American highway passing through El Salvador could not be used by Honduras and this created a serious economic problem.

The President said he would do the best he could. He told Torrijos he like his advice at this meeting and would like it to continue. He said the Panamanian leader understood Latin American problems and differences better than he did. He said he thought this would be a week of celebration. He hoped his visitors enjoyed their stay in Washington.

Torrijos said that once the new treaty went into effect it would be important that the high elements of both governments dealing with the Canal matters should be the best. He urged the President to send people who had the kind of mentality that recognized this as the beginning of a period of change. Right now, he said, there were two different attitudes existing in the Canal Zone -- some were okay, but others felt they should maintain the status quo. He said there were people "who would like to stop history with their hands."

President Carter said he would be sure that this treaty -once it is in effect -- will be carried out fairly and in
an orderly way. He noted that he had received the support
of the AFL-CIO's George Meany -- because the treaty protects the rights of Canal Zone workers. He said he did

not believe we would have a problem. The other problem (aside from the workers) might be in the military area. But he noted that Torrijos had good relations with General Brown and the Joint Chiefs of Staff. He said the JCS were prepared to work with him, especially in the changing over of defense requirements to the National Guard. He said the basis had been laid for an orderly and peaceful transfer.

The President told Torrijos that if the latter detected any problems as time went on he hoped the General would let him know so that he could take appropriate action. He said that on the day the treaty became effective he would be sure, in his statements, that it was not a reluctant transfer of authority but an enthusiastic one. He said he thought that would help induce an appropriate attitude on the part of Americans in the Zone.

Torrijos said he would do the same. He noted, for example, that he had been talking with the President of the Canal Zone Pilots. He said there was agreement on the need to set up a school for training Panamanian pilots and that would be done. But he thought that some individuals might try to stop the operation of the Canal.

The President said he thought the public attitude on his part and that of Torrijos was most important. He said he felt that if American citizens involved knew that he wanted to cooperate, they would want to do so, too. We have to establish a system of cooperation and coordination, he said, to avoid problems. We must work to see that little problems do not become big ones. We can do many things while we are in office so that our successors will have fewer problems.

Torrijos said that was a very good idea.

President Carter said he looked forward to the ratification of the treaty and its implementation. It will be good for you and good for us. He hoped there would be a chance for their personal friendship to develop in the time ahead. He said he would celebrate the achievement you (Torrijos) have been instrumental in bringing into effect.

The President then said he had a couple of books he wanted to give to the General -- a copy of Why Not the Best and a volume of photos from outer space (including a picture

of Panama). He commented that his book was "not very good" but that it had sold well -- after he was elected.

Torrijos thanked the President warmly.

Vice President Mondale then said he had a gift -- an autographed baseball bat from Rod Carew of the Minnesota Twins (and a Panamanian). He suggested that by giving away a bat he was indicating that we no longer have to carry "a big stick."

The meeting ended on this cordial note. The President accompanied General Torrijos to his waiting car, where they shook hands and said goodbye.