



Intelligence Information Cable

● PRIORITY
IN - 300986
PAGE 1 OF 7PAGES

WARNING NOTICE
SENSITIVE INTELLIGENCE SOURCES AND METHODS INVOLVED

[Redacted]

(b)(3)

Classified by Recoded Reporting Officer, exempt from General Declassification Schedule of E.O. 11652 Exemption Category 38 (1), (2) Impossible to Determine Date of Automatic Declassification.

FURTHER DISSEMINATION AND USE OF THIS INFORMATION SUBJECT TO CONTROLS STATED AT BEGINNING AND END OF REPORT.

THIS IS AN INFORMATION REPORT, NOT FINALLY EVALUATED INTELLIGENCE

~~SECRET~~

THIS DOCUMENT IS NOT TO BE REPRODUCED

CITE [Redacted]

(b)(3)

DIST 2 JUNE 1977

REPORT CLASS ~~S E C R E T~~/WARNING NOTICE - SENSITIVE INTELLIGENCE SOURCES AND METHODS INVOLVED--NOT RELEASABLE TO FOREIGN NATIONALS--NOT RELEASABLE TO CONTRACTORS OR CONTRACTOR/CONSULTANTS--DISSEMINATION AND EXTRACTION OF INFORMATION CONTROLLED BY ORIGINATOR.

COUNTRY PANAMA

DOI [Redacted]

THIS DOCUMENT WILL BE SHOWN ONLY TO CIA REQUESTERS. COPIES MAY BE MADE TO ALLIANCE EXCEPT WHERE NOTED OTHERWISE.

(b)(1)
(b)(3)

SUBJECT BACKGROUND ON THE DECISION OF GENERAL OMAR TORRIJOS HERRERA TO RECALL PANAMANIAN CANAL TREATY NEGOTIATORS FROM WASHINGTON FOR CONSULTATIONS

ACQ [Redacted]

(b)(1)
(b)(3)
(b)(1)
(b)(3)

SOURCE: [Redacted]

[Redacted]

(b)(3)

SUMMARY: GENERAL OMAR TORRIJOS HERRERA DECIDED TO RECALL HIS CANAL TREATY NEGOTIATING TEAM FROM WASHINGTON FOR FURTHER CONSULTATIONS AFTER SOME PANAMANIAN GOVERNMENT OFFICIALS OBJECTED TO CERTAIN ASPECTS OF THE PRELIMINARY AGREEMENTS REACHED DURING THE CURRENT TALKS. TORRIJOS HAS DECIDED

~~SECRET~~

Classification

IN 300986

[Redacted box]

(b)(3)

WARNING NOTICE
- SENSITIVE INTELLIGENCE SOURCES AND METHODS INVOLVED

PAGE 2 OF 7 PAGES

SECRET

FURTHER DISSEMINATION AND USE OF THIS INFORMATION SUBJECT TO
CONTROLS STATED AT BEGINNING AND END OF REPORT.

(class/ncatlon)

THIS DOCUMENT IS NOT TO BE REPRODUCED

NOT TO COMMENT ON THE STATUS OF THE NEGOTIATIONS DURING A SPEECH HE IS SCHEDULED TO MAKE IN PANAMA ON 3 JUNE. INSTEAD, THE PANAMANIAN FOREIGN MINISTER WILL GIVE A BRIEF SUMMARY OF THE NEGOTIATIONS, EXPRESSING SATISFACTION WITH OVERALL PROGRESS OF THE CURRENT ROUND OF TALKS. END SUMMARY.

1. THE DECISION BY GENERAL OMAR TORRIJOS HERRERA, CHIEF OF GOVERNMENT, TO RECALL THE PANAMANIAN NEGOTIATING TEAM FROM WASHINGTON CAME AS A RESULT OF A DIVERGENCE OF OPINION BY PANAMANIAN GOVERNMENT OFFICIALS ON CERTAIN ASPECTS OF PRELIMINARY AGREEMENTS REACHED IN WASHINGTON DURING THE CURRENT ROUND OF TALKS. [Redacted] COMMENT: THERE IS NO INDICATION AT PRESENT THAT TORRIJOS IS DISPLEASED WITH OVERALL PROGRESS OF THE NEGOTIATIONS. SENIOR FOREIGN MINISTRY OFFICIALS CHARACTERIZE THE RECESS AS A "PAUSE" RATHER THAN A "BREAK OFF" OF THE TALKS.)

(b)(1)
(b)(3)

2. EVENTS WHICH LED TORRIJOS TO RECALL THE PANAMANIAN NEGOTIATORS WERE TWO MEETINGS HELD IN PANAMA CITY ON 28 AND 30 MAY, DURING WHICH TREATY NEGOTIATORS CARLOS LOPEZ GUEVARA AND DIOGENES DE LA ROSA PRESENTED TO HIGH GOVERNMENT OFFICIALS DOCUMENTS CONTAINING AD REFERENDUM AGREEMENTS REACHED ON THE TREATY ISSUES OF "NEUTRALITY," THE CANAL ENTITY, AND ENTITY

SECRET

IN 300986

(b)(3)

WARNING NOTICE
SENSITIVE INTELLIGENCE SOURCES AND METHODS INVOLVED

PAGE 3 OF 7 PAGES

SECRET

FURTHER DISSEMINATION AND USE OF THIS INFORMATION SUBJECT TO
CONTROLS STATED AT BEGINNING AND END OF REPORT.

(classification)

THIS DOCUMENT IS NOT TO BE REPRODUCED

EMPLOYEES. PRESENT AT THE MEETINGS WERE VICE PRESIDENT GERARDO GONZALEZ VERNAZA; NICOLAS GONZALEZ - REVILLA; FOREIGN MINISTER; ADOLFO AHUMADA CORCHO, MINISTER OF LABOR AND SOCIAL WELFARE; ABRAHAM SAIED, MINISTER OF HEALTH; RUBEN DARIO HERRERA, MEMBER OF THE NATIONAL LEGISLATIVE COMMISSION; ELIGIO SALAS DOMINGUEZ, RECTOR OF THE UNIVERSITY OF PANAMA; AND TREATY NEGOTIATORS JAIME AFIAS CALDERON, DE LA ROSA AND LOPEZ.

3. REGARDING THE "NEUTRALITY" AGREEMENT, A MAJORITY OF THOSE PRESENT TOOK ISSUE WITH THE CLAUSE THAT GRANTED U.S. VESSELS PREFERENTIAL RIGHTS OF TRANSIT THROUGH THE CANAL, AND THE GROUP DECIDED TO RECOMMEND TO TORRIJOS THAT HE INSTRUCT THE PANAMANIAN NEGOTIATORS IN WASHINGTON TO INSIST THAT THIS CLAUSE BE STRICKEN FROM THE PROTOCOL SINCE IT WAS A DIRECT CONTRADICTION OF THE CONCEPT OF CANAL NEUTRALITY AND FREE RIGHTS OF TRANSIT. WITH RESPECT TO OTHER CLAUSES IN THE NEUTRALITY AGREEMENT, THERE WAS GENERAL -- ALTHOUGH NOT COMPLETE -- ACCORD REGARDING THEIR ACCEPTABILITY.

4. THE GROUP DISCUSSED THE POSSIBILITY OF MODIFYING THE DOCUMENT DRAFTED IN WASHINGTON ON THE STRUCTURE OF THE CANAL

S E C R E T

IN 300986

WARNING NOTICE
SENSITIVE INTELLIGENCE SOURCES AND METHODS INVOLVED

PAGE 4 OF 7 PAGES

SECRET

FURTHER DISSEMINATION AND USE OF THIS INFORMATION SUBJECT TO
CONTROLS STATED AT BEGINNING AND END OF REPORT.

(classification)

THIS DOCUMENT IS NOT TO BE REPRODUCED

ENTITY. SEVERAL OFFICIALS, INCLUDING VICE PRESIDENT GONZALEZ AND FOREIGN MINISTER GONZALEZ-REVILLA, RECOMMENDED THAT PANAMANIAN REPRESENTATION ON THE ENTITY EXECUTIVE BOARD SHOULD BE VOLUNTARY AND NOT OBLIGATORY. THOSE FAVORING THIS APPROACH POINTED OUT THAT IF PANAMA AT SOME FUTURE DATE WERE IN DISAGREEMENT WITH A POSITION TAKEN BY THE U.S. MAJORITY CONTROLLING THE ENTITY, PANAMA COULD VOLUNTARILY WITHDRAW FROM THE EXECUTIVE BODY AS A MEANS OF PROTESTING SUCH A DECISION. AHUMADA POINTED OUT THAT ANY SUCH WITHDRAWAL, REGARDLESS OF THE CIRCUMSTANCES, WOULD ENABLE THE U.S. TO CHARGE THAT PANAMA WAS NOT COMPLYING WITH THE TERMS OF THE NEW TREATY--A TREATY NEGOTIATED AND RATIFIED IN GOOD FAITH BY BOTH COUNTRIES. AS WITH THE NEUTRALITY RECOMMENDATIONS, THE GROUP DECIDED TO FORWARD ITS VIEWS TO GENERAL TORRIJOS FOR HIS CONSIDERATION.

5. ON THE ISSUE INVOLVING ENTITY EMPLOYEES, THE CONSENSUS OF THE GROUP WAS THAT PANAMA SHOULD INSIST ON AN EXPANSION OF THE FIVE-YEAR ROTATION PLAN WHICH WOULD APPLY TO U.S. EMPLOYEES CONTRACTED BY THE ENTITY AFTER THE NEW TREATY GOES INTO EFFECT. PANAMA WOULD OFFER TO HAVE ALL U.S. GOVERNMENT ENTITY EMPLOYEES COVERED BY THE STATUS OF FORCES AGREEMENT. THIS OFFER WOULD BE

SECRET

(b)(3)

IN 300986

SECRET

(classification)

WARNING NOTICE
SENSITIVE INTELLIGENCE SOURCES AND METHODS INVOLVED

PAGE 5 OF 7 PAGES

FURTHER DISSEMINATION AND USE OF THIS INFORMATION SUBJECT TO
CONTROLS STATED AT BEGINNING AND END OF REPORT.

THIS DOCUMENT IS NOT TO BE REPRODUCED

(b)(3)

IN EXCHANGE FOR INCLUSION OF ALL U.S. ENTITY EMPLOYEES IN THE
ROTATION PLAN AS OF THE EFFECTIVE DATE OF THE NEW TREATY.

6. FOLLOWING THE 28 MAY MEETING, GONZALEZ-REVILLA CONVEYED
TO TORRIJOS THE GROUP'S REQUEST TO CONSULT WITH HIM. TORRIJOS AT
FIRST CONCURRED, AND SCHEDULED A MEETING FOR 30 MAY. HOWEVER,
HE LATER CHANGED HIS MIND AND INSTRUCTED THE GROUP TO MEET AGAIN
WITHOUT HIM AND TO RELAY THE RESULTS TO HIM AND TO THE PANAMANIAN
NEGOTIATORS IN WASHINGTON.

7. AFTER THE 30 MAY MEETING, THE RECOMMENDATIONS OF THE
GROUP CONCERNING THE THREE ISSUES DISCUSSED (NEUTRALITY, THE
ENTITY, AND ENTITY EMPLOYEES) WERE RELAYED TO ROMULO
E S C O B A R BETHANCOURT, CHIEF NEGOTIATOR; ARISTIDES
R O Y O, MINISTER OF EDUCATION; AND EDWIN F A B R E G A,
TREATY NEGOTIATOR, ALL OF WHOM WERE STILL IN WASHINGTON. ESCOBAR
AND THE OTHER NEGOTIATORS IN WASHINGTON INFORMED THE GROUP
IN PANAMA THAT ALL THEIR RECOMMENDATIONS HAD BEEN CONSIDERED
AT ONE TIME OR ANOTHER IN THE COURSE OF THE CURRENT ROUND OF
TREATY TALKS. ESCOBAR POINTED OUT THAT A COMMUNICATIONS GAP
EXISTED BETWEEN THE PANAMANIAN REPRESENTATIVES IN THE U.S. AND
PANAMA DUE TO THEIR PHYSICAL SEPARATION.

SECRET

IN 300986

[Redacted box]

(b)(3)

WARNING NOTICE
SENSITIVE INTELLIGENCE SOURCES AND METHODS INVOLVED

PAGE 6 OF 7 PAGES

SECRET

FURTHER DISSEMINATION AND USE OF THIS INFORMATION SUBJECT TO
CONTROLS STATED AT BEGINNING AND END OF REPORT.

(classification)

THIS DOCUMENT IS NOT TO BE REPRODUCED

8. CONSEQUENTLY, ON 31 MAY, TORRIJOS ORDERED GONZALEZ-REVILLA TO INSTRUCT THE NEGOTIATORS IN WASHINGTON TO RETURN TO PANAMA FOR CONSULTATIONS.

9. ON 30 MAY GONZALEZ-REVILLA SAID THAT TORRIJOS' CURRENT PLAN WAS NOT TO MAKE A PUBLIC STATEMENT ON THE STATUS OF TREATY NEGOTIATIONS DURING HIS SCHEDULED SPEECH IN DAVID, CHIRIGUI PROVINCE, ON 3 JUNE. INSTEAD, GONZALEZ-REVILLA WILL MAKE A BRIEF STATEMENT ABOUT THE NEGOTIATIONS WITHOUT GOING INTO DETAILS. GONZALEZ-REVILLA WILL COMMENT THAT THE NEGOTIATIONS ARE PROGRESSING WELL AND THAT PANAMA IS PLEASED WITH THE PROGRESS

S E C R E T

IN 300986

[Redacted]

(b)(3)

WARNING NOTICE
SENSITIVE INTELLIGENCE SOURCES AND METHODS INVOLVED

PAGE 7 OF 7 PAGES

SECRET

FURTHER DISSEMINATION AND USE OF THIS INFORMATION SUBJECT TO
CONTROLS STATED AT BEGINNING AND END OF REPORT.

(classification)

THIS DOCUMENT IS NOT TO BE REPRODUCED

TO DATE. [Redacted] COMMENT: OF COURSE, IT IS POSSIBLE THAT
TORRIJOS WILL CHANGE HIS MIND PRIOR TO HIS SPEECH. HE MIGHT
ALSO CONCEIVABLY DECIDE TO INVITE THE TREATY NEGOTIATING TEAM TO
ACCOMPANY HIM TO DAVID; HOWEVER, HE HAS NOT SUGGESTED THIS
POSSIBILITY AS YET.)

(b)(1)
(b)(3)

10

[Redacted]

REPORT CLASS SECRET/WARNING NOTICE-SENSITIVE INTELLIGENCE SOURCES
AND METHODS INVOLVED--NOT RELEASABLE TO FOREIGN NATIONALS--NOT
RELEASABLE TO CONTRACTORS OR CONTRACTOR/CONSULTANTS--DISSEMINATION
AND EXTRACTION OF INFORMATION CONTROLLED BY ORIGINATOR.
CLASSIFIED BY RECORDED REPORTING OFFICER. XGDS-2

(b)(1)
(b)(3)

[Redacted]

(b)(3)

SECRET