

THE WHITE HOUSE

WASHINGTON

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June 5, 1970

National Security Decision Memorandum 64

TO: The Secretary of State
The Secretary of Defense
The Secretary of the Army

SUBJECT: Panama Canal

I have reviewed the paper prepared in response to NSSM 86 and agency comments on the issues contained therein, and I have decided the following:

1. We should be prepared to discuss with Panama our fundamental canal relationship and to negotiate new treaty arrangements if Panama asks us to do so and if there are reasonable prospects for achieving a satisfactory new treaty arrangement.
2. I authorize the Secretary of State to coordinate exploratory and preliminary talks with the Panamanian government designed to determine Panama's views in more detail and to reach a judgment as to whether mutually satisfactory new treaty arrangements can be expected. It should be made clear to the Panamanians that these talks are preliminary and exploratory and not themselves negotiations.
3. I authorize the Secretary of State and Ambassador Anderson to coordinate consultations with the US Congress at such time as they deem advisable on the question of our future canal relationship with Panama.
4. Inter-agency recommendations should be submitted to me, based on what is learned as a result of the steps authorized by 2 and 3 above as to a) whether and when to open formal negotiations on new treaties and b) what our specific negotiating objectives should be. These recommendations should be coordinated and submitted to me by the Under Secretaries Committee.
5. If formal negotiations appear desirable, I would prefer, in the absence of overriding reasons to the contrary, that these not begin

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BY bb, NARA, DATE 7/23/2002

until early 1971 to permit receipt and evaluation of the Canal Study Commission report and soundings with the new Congress. These reasons may be used to explain to the Panamanian government why we suggest this time frame.

6. In any new negotiations three points are to be considered non-negotiable: a) effective US control of canal operations; b) effective US control of canal defense; and c) continuation of these controls for an extended period of time preferably open-ended.

7. In the exploratory talks our representatives should be guided by the following with respect to those issues raised by the NSSM-86 paper:

- a) On expanded canal capacity. Indicate in any new negotiations we would expect to negotiate definitive rights (but without obligation) to build a new sea-level canal and/or enlarge the present canal. However, our final position in this regard would be formed after we have evaluated the Canal Study Commission Report.
- b) On control of canal operations. Test first Panamanian receptivity to a continuation of exclusive USG control of canal operations and whether such a control pattern can be made palatable to Panama; if it is clear that Panama will not accept this, then agree to explore a pattern of joint US-Panamanian administration, with US majority control, along the lines of the 1967 draft treaties or some similar arrangement.
- c) On defense. Indicate that in any new negotiations we would seek rights for unilateral defense of the canal and canal areas. Defer for the time being discussion of the hemisphere defense issue in view of the pending Defense Department review of Southern Command status.
- d) On sovereignty and jurisdiction. Test first Panamanian receptivity to the idea of a markedly reduced Zone with continuance of USG control therein, but with negotiation for Panamanian jurisdiction over commercial and non-essential governmental functions (Option A of paper). If pursuing this course is clearly not fruitful, explore joint US-Panamanian jurisdiction along the 1967 draft treaty model (Option B).



- e) On duration. Our objective should be an open-ended arrangement; we should consider specific provision for periodic review.
- f) On economic benefits. Indicate the U. S. is prepared to seek ways to create substantial additional revenue for Panama.

Richard Nixon

cc: Chairman, Joint Chiefs of Staff
Director, Central Intelligence Agency
Ambassador Robert Anderson,
Special Representative for US/Panama Relations



THE WHITE HOUSE
WASHINGTON

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June 24, 1971

National Security Decision Memorandum 115

TO: The Secretary of State
The Secretary of Defense

SUBJECT: Panama Canal Treaty Negotiations

I have reviewed Ambassador Anderson's letter of April 12, 1971, and the report of the NSC Under Secretaries Committee dated June 10, 1971, concerning United States goals and objectives for negotiations with Panama on canal treaty relations. On the basis of that review, I have decided to authorize Ambassador Anderson to undertake formal negotiations with Panama with a view to obtaining agreement on the text of a draft treaty this year. The principles set forth in NSDM 64 will continue to provide the basis for the United States position in the forthcoming negotiations, except insofar as they are modified or expanded by the following specific decisions.

- Recommendations B-3 through 7 contained in the June 10, 1971 report of the NSC Under Secretaries Committee are approved.
- With respect to Recommendation B-1 of the NSC Under Secretaries Committee report, concerning the duration of the treaty, I have decided that the United States negotiating objective should continue to be control of canal operations and defense for an open-ended period. Provision for review of this arrangement at some specific future date may be included in the U.S. position. Should Ambassador Anderson conclude, in the course of negotiations, that achievement of our major negotiating objective will require agreement to a fixed-term treaty, I will be prepared to consider promptly a revision of this objective.
- With respect to Recommendation B-2 of the NSC Under Secretaries report, concerning jurisdiction over the Canal Zone, I have decided that the initial United States negotiating objective should be to permit U.S. jurisdiction to be phased out within a minimum of twenty years while protecting non-negotiable rights for U.S. control and

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BY hh

NARA DATE 7/23/2002

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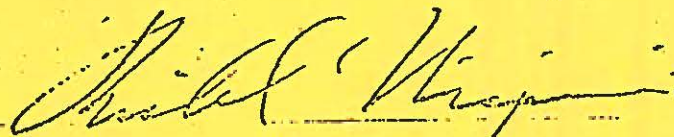


defense of the canal for the duration of the treaty. However, Ambassador Anderson is authorized to negotiate a shorter time period for the phase-out of jurisdiction if, after initial negotiations, he deems such action necessary to achieve our non-negotiable objectives. Such a fall-back position should be the maximum that can be successfully negotiated with the Government of Panama consistent with an orderly transfer of jurisdiction to Panama, effective U.S. control and defense of the canal after such jurisdiction is phased out, and Congressional acceptance.

-- Congressional consultations should be initiated as soon as possible to test support for a treaty along the lines outlined above.

The NSC Under Secretaries Committee should submit to me by July 15, 1971, recommendations and/or options for U.S. policy toward Panama in the event treaty negotiations reach an impasse or must be broken off.

Ambassador Anderson intends to remain in close consultation with the Secretaries of State and Defense during the period of negotiations and I have asked him to keep me closely and periodically informed as to the status of negotiations and Congressional consultations.



cc: The Chairman, NSC Under Secretaries Committee
The Secretary of the Army
The Chairman, Joint Chiefs of Staff
The Director of Central Intelligence
Special Representative for Inter-oceanic Canal
Negotiations

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September 13, 1971

National Security Decision Memorandum 131

TO: The Secretary of State
The Secretary of Defense

SUBJECT: Panama Canal Treaty Negotiations

I have reviewed Ambassador Anderson's letter of August 20, 1971, as well as the views of the Departments of State and Defense concerning modification of Ambassador Anderson's negotiating instructions on duration of a new treaty as set forth in NSDM 115. On the basis of that review, I have made the following decisions:

-- Ambassador Anderson is authorized at the time he feels most appropriate to inform Panama that the U.S., while strongly preferring an open-ended treaty, is willing to consider the possibility of a termination formula, provided that the duration negotiated is a long one and that other provisions of the treaty package are satisfactory to the U.S. If such a formula appears unobtainable, he is authorized to fall back to consideration of a treaty providing for a fixed date of termination. In either case, the U.S. negotiating objective should be a duration of at least fifty years, with provision for an additional 30-50 years if Canal capacity is expanded.

-- In addition, he should seek to obtain, as part of any new treaty providing a formula or specific date for termination, a joint U.S. - Panamanian guarantee that upon termination of the treaty, the Canal would be open to all world shipping without discrimination at reasonable tolls and that Panama would take no action that would hamper the efficient operation of the waterway.

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Congressional consultations should be continued to test support for a treaty along the lines outlined above.

A large, stylized handwritten signature in dark ink, possibly reading "R. F. Kennedy", is written across the upper right portion of the page.

cc: The Chairman, NSC Under Secretaries Committee
The Secretary of the Army
The Chairman, Joint Chiefs of Staff
The Director of Central Intelligence
Special Representative for Interoceanic Canal
Negotiations

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