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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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 nonnegotiable 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.

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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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