Approved For Release 2006/11/13 : CIA-RDP82-00803R000400030007-5

ORIGINAL ITEM EXACTLY AS FILED BY PANAMA.

Second Escobar Bethancourt Address

PA200223Y Panama City Domestic Service in Spanish 1643 GMT 19 Aug 77 PA

[Second speech by Panamanian negotiator Romulo Escobar Bethancourt to Assembly of Corregimiento Representatives at Justo Arosemena Palace in Panama City on 19 August--live]

[Excerpts] Mr President, General Torrijos, distinguished representatives and general public: We will now report on two very controversial points in the negotiations--one is the neutrality pact between Panama and the United States and the other is the problem of the option to build a new sea-level canal. We feel that the best way to explain this is by pointing out the details of how this negotiation was conducted and what things Panama accepted or rejected, because that will allow you to see the real scope of the neutrality pact.

One of the conditions originally established by the United States before beginning negotiations with Panama called for a neutrality pact and a military pact between the two countries. The military pact had to be concluded before the end of this century so that it could go into effect after 2000. This created a deadlock in the negotiations for some time because Panama opposed the signing of a military pact. And it opposed such a pact because the military pact entailed two things: First, the U.S. military presence in Panama after the expiration of the new treaty. Second, as a great power, the United States is often involved in wars in other parts of the world and we did not want a situation in which, on the basis of a military pact, our country's future generations would be required to fight in U.S. wars under the pretext that they were fighting because the war was being waged to defend the Panama Canal. That was a position Panama maintained until the United States stopped insisting on the military pact, and discussions began only regarding the neutrality pact.

Excerpt

One of the problems that arose had to do with granting preferential transit through the canal to U.S. warships. They said they had two problems: First, they had to please their Pentagon and had to present them in this matter of the treaty. Second, they said that since they are leaving after the expiration of the treaty they should at least have that [preferential treatment] because they had constructed the canal.

We told them that we admitted that they had in effect constructed the canal, but that to put down in the neutrality pact that U.S. warships were entitled to preferential transit in relation to other ships violated the neutrality pact itself, contradicting the very idea of the pact we were negotiating. This was another subject of long debates and thorough analysis. They kept looking into their books, we into ours; they kept quoting their treaty writers, we kept quoting ours, for this is the way in which these debates are conducted.

Excerp

So this is the framework of the neutrality pact. The criticism being made against it--some of which you may have heard or read--by a number of people who like to nitpick is that we are giving the United States the right to intervene in our country after the year 2000. Those people believe that the right to intervene is granted, but nobody grants the big powers the right to intervene. They intervene wherever they damn well please with or without a pact. [applause]

When they landed in Santo Domingo they did not have any military pact with Santo Domingo, nor did they have any right to intervene in Santo Domingo. But just the same they landed there. But there are people here who believe that it is the articles in a code which tell a country whether or not it has the right to intervene.

Approved For Release 2006/11/13 : CIA-RDP82-00803R000400030007-5

Approved For Release 2006/11/13 : CIA-RDP82-00803R000400030007-5

They do not know that is the bayonets and cannons and the atomic bombs which give a country the right to intervene. A country like the United States can land it troops in Panama whenever it pleases after 2000 with or without a neutrality pact. But it cannot land its troops in Russia, even if Russia told them to do so. This is reality. In other words, with the neutrality pact we are not giving the United States the right to intervene. What we are giving them is an assurance that the canal will remain permanently neutral, that we are not going to close the canal to their ships or those of any other country.

Why this neutrality pact? Because they think that maybe in the year 2000 this country will become socialist and will turn into their enemy and they feel it is better to make sure right now that even if our country becomes socialist, it cannot prevent them from using the canal. To be even more frank, they do not need that neutrality pact to tell them whether or not they may intervene. They need it to show to their Congress, in order to be able to tell their Congress: Look, we are turning the canal over to the Panamanians, but we still have the right to watch over them so they behave. That is the truth. It is a question of their internal policy. They are solving an internal problem regarding a Congress that is largely opposed to these negotiations and which even has members who have not been elected of their own free will, turned into members of the U.S. Congress. They are Panamanians who live here and in Miami. [as heard] [applause]

Excerpt

The other problem we discussed was that of the option for the construction of a sea-level canal. In all these years the problem of a sea-level canal was hardly discussed at all at the negotiating table. There were about two talks on this. We discussed this, nothing came out of these discussions and then came the Bogota conference with the presidents. That is where the option problem really reached a crisis. It reached a crisis because a very direct and continuous communication was established among all the presidents meeting there and President Carter through negotiators Bunker and Linowitz as well as with us through Dr Diogenes de la Rosa, who was there at the time, and our Ambassador Gabriel Lewis Galindo.

But they made a proposal to us on that option and that is why the issue reached a crisis. They proposed that Panama grant them an option to build a sea-level canal without setting any date. Second, they wanted Panama to promise that no other country would construct a sea-level canal. We rejected that proposal in Bogota. We read it to the presidents. That was the proposal brought the previous evening by several of our negotiators and we read it to them. The negotiations between the two countries was practically broken in Bogota. So much so that I remember that at one point General Torrijos told the presidents: Well, we called this conference several days ago for a celebration of a new treaty and it turns out that we have come for the wake. The struggle between the two countries began in Bogota. And I say the two countries because the rest of the presidents got us involved as if they had been Panamanians. We must really be very grateful to the presidents that met with the general in Bogota. Regarding this problem they acted just like any of us; they even wanted to walk out mad. The Mexican president wanted to get on his plane and leave; he was very furious. They all became Panamanians regarding the option problem.

When the United States finally realized that there was no way in which an agreement could be reached regarding this option in the terms they were proposing and that the issue had reached an impasse, they asked for a recess. During that recess we continued our discussions with the presidents meeting in Bogota.

At this point versions differ

Approved For Release 2006/11/13 : CIA-RDP82-00803R000400030007-5

Approved For Release 2006/11/13 : CIA-RDP82-00803R000400030007-5

The Panamanian delegation then prepared a draft which all presidents liked. They said it was correct and fair. We then called the United States, they examined it for a while and finally accepted it. I think that it would be a good idea to read the text of this draft to you so that you will see how the option problem came out. I reads:

Article 3. Possibility of building a third set of locks or a sea-level canal.

First, the Republic of Panama and the United States of America acknowledge that a sea-level canal can be important for future international navigation. As a result of this, after approving the treaty of the existing canal and for the duration of this treaty, both countries promise to study jointly the viability of such a canal. In the event that the need for such a canal is viewed favorably, they will negotiate its construction in the terms agreed on by both countries. This is how the option issue came out. [applause]

As you can see, it is not even a option to build a sea-level canal. It is an option to promise to study the viability of it. That is the true option. The true commitment is to sit down with the United States to study whether or not it is viable to build a sea-level canal. If the two countries feel it is viable, then they will sit down to negotiate the terms agreed on by the two countries.

This is the panorama we have before us. This is the famous neutrality that is being criticized in these negotiations. The real problem, or rather the two real problems that those who oppose these negotiations will have to face, will be to prove to us that the 1903 treaty, the Buneau-Varilla Treaty, is better than this one. That will be their first problem--to prove that the perpetuity clause we now have and the present Canal Zone is better than this. That is something they will have to prove to us and our people. They will have to prove that the $2 million we now get is economically better for all the coming years than what has been presented by our planning and economic policy minister. That is something they will have to prove.

We do not mind being criticized by those who say they do not want the treaty because, as Ahumada said, they do not like General Torrijos because he is a dictator and they do not want the treaty to be signed under a dictator. That is nonsense. At the bottom of this problem, those who oppose this treaty will have to prove to us that perpetuity, the Canal Zone's existence, the existence of a foreign jurisdiction here and the anarchic existence of military bases, is better than what we are proposing. And those who do not attack us on that side, but on the contrary, say that we are not revolutionary enough, will have to prove it to us by getting their knapsacks and their grenades and entering the zone to get the gringos out of there. That is how they will have to prove it to us. Not with little speeches or documents.

Speech by General Torrijos

PA191858Y Panama City Domestic Service in Spanish 1728 GMT 19 Aug 77 PA

[Speech by Panamanian Chief of Government Gen Omar Torrijos Herrera to Assembly of Corregimiento Representatives at Justo Arosemena Palace in Panama City--live]

[Text] Esteemed fellow members of the government, honorable representatives: You have heard a compact account of what has been 70 years of struggle for the Panamanian people.

Approved For Release 2006/11/13 : CIA-RDP82-00803R000400030007-5