

THE WHITE HOUSE
WASHINGTON

MEMORANDUM OF CONVERSATION

SUBJECT: The President's Telephone Conversation with President Sanguinetti of Uruguay (U)

PARTICIPANTS: The President
Stephanie Van Reigersberg (State Department, translator)
David Pacelli (NSC, notetaker)

President Sanguinetti

DATE, TIME May 13, 1989, 6:12 p.m. - 6:33 p.m.
AND PLACE: Air Force One at Columbus Air Force Base, Mississippi - Presidential Residence

The President initiated the call from his aircraft which was on the ground at Columbus Air Force Base. (U)

The President began by saying, "Mr. President, how are you?" (U)

President Sanguinetti said it was very good to hear from the President. (U)

The President said that he was calling from his airplane that was on the ground in Mississippi. He said that he wanted to talk about the situation in Panama, if President Sanguinetti had a moment. (Ø)

President Sanguinetti said that it was a great pleasure to hear from the President. He approved of the concern that the President had for the situation in Panama. (Ø)

The President said that he knew from his good friend Ambassador Wilkie that Sanguinetti was also concerned about Panama. He said that he was trying to avoid acting alone, but rather to consult with the other hemispheric leaders. The President said he was interested in the views of President Sanguinetti, saying he wondered if there was anything we should do; anything specifically that we can do now. The President also inquired whether the Uruguayan Foreign Minister would attend the OAS meeting next week, adding that Secretary Baker would attend. (Ø)

President Sanguinetti replied that his Foreign Minister would attend the meeting. He said that his Foreign Minister would first accompany him to Paraguay for the presidential

inauguration, then we would go directly to Washington. Sanguinetti added that he gave much importance to the subject of Panama. (S)

The President said that he remembered, and he was sure President Sanguinetti did too, that in 1979 the OAS was very helpful in removing [Nicaraguan President] Somoza. The OAS took a position against Somoza playing a major role in his departure. The President added, "We didn't like what came after that, as you know." Nevertheless, we would like the OAS to say something important. We would like to see recognition of Endara as victor in the election. The President concluded by asking for Sanguinetti's views on this. (S)

President Sanguinetti said that he agreed that we have to work within the OAS. His commentary on that was as follows: First, we must continue to maintain great pressure on Panama, both politically and through the press as well. Second, we need a mechanism of negotiation at some point. Naturally, he was not thinking of negotiations before an OAS decision or resolution, but perhaps afterwards. Third, as far as the resolution itself, Sanguinetti did not yet have a definitive position. But he agreed that the position against Panama should be as tough as possible. (S)

President Sanguinetti commented that the Venezuelans and Argentines had a position similar to his own, but that that of Brazil and Mexico was somewhat different. He said that he was disposed to work as hard as possible to reach a common agreement between the United States and the Latin American countries. He concluded by saying, "These are the general terms from which we are looking at the situation from here." (S)

The President said that he wanted to make one last point, that he thought it would be useful that Endara be recognized by as many countries as possible. He said, "It seems to me that this could be an important point. But I wonder if you think that is possible?" (S)

President Sanguinetti said that he did not know if it would be possible to come to a position like that, since it is not clear that a consensus can be reached. Uruguay could, and some other countries do agree, but others did not. From a practical standpoint, he said that he did not know if it would solve anything. We would then enter into a situation like that of Delvalle. (S)

The President said he would think about Sanguinetti's views about that. (U)

The President then said he had made a statement to the press earlier today that we would immediately normalize relations with Panama after Endara is recognized as President and if Noriega

left Panama. This would involve normalization of relations, recognition that the Panama Defense Forces could have a useful role in Panamanian society, and lifting the sanctions. This would mean a move to instant normalization. He did not know if this would be helpful or not, but he felt strongly about it. The President said that he wanted President Sanguinetti to know that he had told the press that today. (Ø)

President Sanguinetti said, "I think that was a good and useful statement you made, Mr. President." His feelings about Noriega was much the same. The important thing was to get as large a consensus as possible to make pressure on Noriega effective. For this, he believed we ought to work hard with some countries like Mexico. (Ø)

The President said he couldn't be more in agreement. He said that he didn't know to the degree to which we can try with Mexico; we haven't so far. We know the historical differences that Mexico has. But any place we can be useful, we want to be. Second, we want to be cooperative with the Latin Americans. The President said he was very sensitive to [the perception of] overt intervention by the United States. He was most anxious to stay in touch with President Sanguinetti in this effort, to hear his ideas and to do nothing that would give the toughs and the bad groups in Panama something to rally the people about in the way of anti-United States sentiments. (Ø)

The President said that his very last point was when President Sanguinetti went to Paraguay, if he saw a beautiful girl with the U.S. delegation, he should know that she was his daughter. We are sending her as a symbol of our great interest in democracy in Paraguay. (Ø)

President Sanguinetti said that he would try to talk to her if he saw her. He stated that he agreed with the comments that the President made to the press. What the President said about prudence and cautiousness was a very important point. He thanked the President and said that he would make all efforts to maintain contact with him. (Ø)

The President thanked him, and thanked him for his time in taking the call. Any suggestions that he had, the President said, he would be open to your advice. The President said he appreciated it and had great respect for President Sanguinetti. (Ø)

President Sanguinetti thanked the President for his kindness and his respect. (U)

The President thanked him again, and the conversation was concluded. (U)