

## THE WHITE HOUSE

WASHINGTON

## MEMORANDUM OF TELEPHONE CONVERSATION

SUBJECT: The President's Telephone Conversation with  
President Carlos Andres Perez of Venezuela (U)

PARTICIPANTS: The President  
Carlos Andres Perez, President of Venezuela  
Interpreter: Rita Boren  
Stenographer: Rachelle Dionne  
Notetaker: David Pacelli, NSC

DATE, TIME: June 23, 1989, 9:15 a.m., - 9:37 a.m.  
AND PLACE: Oval Office - Presidential Office

The President initiated the call.

The President said, "Hello, Mr. President." (U)

President Perez replied, "Hello, I am pleased to hear from you."  
(U)

The President said, "Mr. President, I am calling to continue our fruitful consultations and I am worried, in this call, about the failure of the OAS mission on Panama." The President said there will be some serious consequences if it fails. He added that the other reason for his call, "my unfavorable subject," was his view that the Sandinistas are failing to comply with their commitments to democracy. The President said that President Arias told Vice President Quayle last week that under present conditions, free elections are impossible in Nicaragua. The President said he agreed with that view, but he was interested in President Perez's views. The President referred to a letter that he wrote to Perez regarding Nicaragua which the U.S. Ambassador delivered last Friday, although he suggested it was perhaps too soon for Perez to reply. (S)

President Perez said, yes, he had received the letter and he shared the President's concern regarding Panama. "I am also very confused and concerned regarding Panama and the failure of the OAS Mission," he said. (S)

The President said, "Yes." (U)

President Perez said "I have taken advantage of the presence here in Venezuela of some of the foreign ministers. They are here for the meeting of the Group of 77. I met with them to express my concern regarding the situation in Panama." Perez said that the Foreign Minister of Trinidad and Tobago and Guatemala attended, but Ecuador did not. They, too, are very concerned with the failure of the mission to Panama thus far. (S)

~~SECRET~~

Declassify on: OADR

~~SECRET~~DECLASSIFIED  
PER E.O. 12958,  
AS AMENDED2000-0429-F  
u 8/2/89

The President said, "It worries me, given the fact that I seem to be turning to you all the time as the key leader in the area. The more you can continue your forthright situation of leadership, the better. Overkill from the U.S. can be very counterproductive in a rhetorical sense and I hate to have to impose on friends, but these consultations are with a man for whom I have great respect and want to encourage that your views be expressed to the other leaders." (S)

President Perez said, "I have been working in that direction." (S)

The President replied, "That is great." He added that he knew it was difficult and we appreciated it. Again, he said, the more that can be done, the better. The President went on to say that he appreciated President Perez mentioning the importance of the Brady plan to the meeting of the Group of 77. He said, "I will continue to push on our end to get a deal that is productive for Venezuela." The President expressed his hope for an agreement now with the private commercial banks, saying he thought we are very close. (S)

President Perez replied, "Regarding this issue, I think it is necessary for the U.S. Government to pressure the banks more." Perez said he had spoken to the Mexican Foreign Minister, who was concerned regarding the hard line by the banks against Venezuela. Perez said he also had asked the Mexican Foreign Minister to ask President Salinas to make a statement regarding the departure of Noriega. He believed that the Mexicans would not be able to vote sanctions against Panama at the OAS. (S)

The President said it would be helpful if Salinas does what President Perez has asked him to do. But the purpose of this call, he said, is to say I will continue to turn to you as the real leader on these very important issues. "I do not want to be offensive and I do not want to push too hard but you have a certain standing that makes me feel very comfortable. I want you to tell me on Nicaragua or Panama if you feel there is something we can do." The President said he recognized the history of the area and did not want to overstate things from the U.S. perspective. The President added that it is far better to have leaders such as President Perez taking forceful OAS action to bring Noriega out and guarantee free elections in Nicaragua. It is with that spirit, the President said, that he was making this phone call, and with President Perez's permission will make other phone calls. (S)

The Interpreter said that the interpreter would like to let the President know that the signal has interruptions. (U)

President Perez said, "I agree wholeheartedly." He added that both the Foreign Ministers of Trinidad and Tobago and Guatemala complained that when the OAS mission arrived in Panama there were U.S. helicopter overflights in the Canal Zone. Noriega used this

as an excuse that there could be no serious discussion with this type of intervention. Regarding Nicaragua, President Perez stated his concern with the electoral procedures, but said he was convinced that elections must be held. Perez said he told Daniel Ortega to send Vice President Sergio Ramirez to talk to him to try to put this process back on track and guarantee participation of the opposition in the elections. (S)

[Notetakers comment: The translator said "Noriega" instead of Daniel Ortega, prompting the President to seek clarification.] (S)

The President said, "Did you talk about new elections in Nicaragua?" (S)

President Perez said, "Yes, I was referring to elections in Nicaragua, and I was also saying I wanted Sergio Ramirez to come to Venezuela to discuss our concern regarding the recent decisions made by the Sandinista Government." (S)

The President said, "OK sir. Thank you very much for this. I would welcome your thoughts as to what we might do or might not." The President took note of Perez's comments about the overflights in Panama, saying that they were not threatening and that we are expressing our proper Treaty rights. "If there is an excessive amount of that, I would be glad to have your opinions because we do not want it to look like we are threatening invasion or anything like that. On the other hand, they have interfered with the exercise of our Treaty rights and he [Noriega] must know we are not going to acquiesce in that." (S)

President Perez said, "Very good, Mr. President." President Perez said he understood the situation, but recommended all the prudence possible while these negotiations are going on. In meetings with the Foreign Ministers of Latin America and the Caribbean, he said, it was decided that each country could exercise discrete pressure, while cooperating with the OAS mission. "I will continue consulting with the presidents because we are approaching July 19 without having made much headway." Regarding Nicaragua, he said, he would insist on talking to Ramirez. Perez said he would respond to the President's letter and make his position known after the meeting. (S)

The President said, "That is fine, sir. Thank you very much and good luck." The President closed by saying that he couldn't tell Perez how much he valued these consultations. (S)

President Perez closed by saying, "Thank you very much and I will be talking to you soon." (U)