MEMORANDUM OF CONVERSATION

SUBJECT: Telephone Conversation with Prime Minister Toshiki Kaifu of Japan (U)

PARTICIPANTS: The President
Prime Minister Toshiki Kaifu
Notetaker: David Pacelli
Translator: Makiko Wororoff

DATE, TIME AND PLACE: December 20, 1989, 0935 - 0947 a.m. EST
The Oval Office

The President called Prime Minister Kaifu to talk about the situation in Panama. (U)

The President: Mr. Prime Minister, can you hear me alright? (U)

Prime Minister Kaifu: Good evening, Mr. President. This is Prime Minister Kaifu. (U)

The President: I am glad to talk to you. I am calling about the unfolding events in Panama. (U)

Prime Minister Kaifu: Yes. (U)

The President: We tried very hard through diplomatic efforts and through the OAS and other multilateral diplomatic efforts so that the will of the Panamanian people is fulfilled, or in other words, to have democracy returned to Panama. (U)

Prime Minister Kaifu: Yes. (U)

The President: Last Friday, Noriega declared himself "maximum leader" and he declared a state of war with the United States. The next day, the PDF killed a Marine and wounded another, and they severely beat another serviceman and sexually harassed his wife. It was at that point that I decided that we could no longer accept this threat to American citizens. I decided that we would have to use force to protect American lives. As you know, Noriega is an indicted drug merchant. And we are trying to restore democracy, or help restore democracy, to Panama. (U)

Prime Minister Kaifu: Yes. (U)

Declassify on: OADR
The President: The people who were elected in a free election -- President Endara and his two Vice Presidents, Calderon and Ford -- took the oath of office, before U.S. troops came in, to which they were duly elected. (☞)

Prime Minister Kaifu: Yes. (U)

The President: We recognize the Endara government. We think others will recognize Endara. We have lifted our economic sanctions against Panama and we will return our Ambassador very shortly to Panama. Now, we will go forward, obviously, to recognize a nominee from the new government to administer the Canal, and I think this will mean that the treaty over the Canal and Panama will present no problems, that is, in the year 2000, as you know. (☞).

And so, we feel the fighting is pretty much under control -- not totally, in Panama now. (☞)

Prime Minister Kaifu: Yes. (U)

The President: We don't have Noriega in custody. He has run away. But we are determined to help the Endara government to find him. We don't believe he will be able to return to power in any way. A lot of his PDF allies have laid down their arms. (☞)

I wanted to call you on this. We respect the principle of nonintervention. But with these threats we felt that we just had to take action. We are hoping that Japan will lead in helping Panama. We hope that Japan will also recognize the Endara government. We will be certain to supply you or your Foreign Minister with additional facts as they unfold. (☞)

Prime Minister Kaifu: Yes. Mr. President, thank you for this telephone call at a very difficult time. I have been honored to receive this information from you personally, Mr. President. You have explained the background as to what is happening, especially regarding the threat to American citizens. I fully understand that situation. I hope that the current military situation will come to a close as soon as possible, and that democracy will be restored in Panama as soon as it can. As far as Japan is concerned, we always attach importance to safeguarding the lives of people. With the information you have provided, you can count on Japan to support democracy in Panama. (☞)

The President: That is fine. It is a difficult one. As soon as the military situation is stable, we will take out the additional military forces that were sent down to supplement the Southern Command. (☞)
Prime Minister Kaifu: Yes. (U)

The President: Thank you for receiving this call and I hope all goes well with you. (U)

Prime Minister Kaifu: Thank you. (U)

The President: What time is it over there? (U)

Prime Minister Kaifu: Ten minutes to midnight. (U)

The President: I am very sorry it is so late. (U)

Prime Minister Kaifu: Thank you for calling me at such a busy time for you. (U)

The President: Thank you. Goodbye. (U)

Prime Minister Kaifu: Goodbye [in English]. (U)