MEMORANDUM OF TELEPHONE CONVERSATION

SUBJECT: Telephone Conversation with President Endara of Panama

PARTICIPANTS: The President
              President Guillermo Endara
              Notetakers: David Pacelli/Eric Melby

DATE, TIME AND PLACE: March 14, 1990, 3:30 - 3:35 p.m. EST
              The Oval Office

The President was returning a call from President Endara, who called at 10:30 a.m. on March 14, 1990, when the President was out of the office. (U)

The President: Hello? (U)

President Endara: President Bush. (U)

The President: How are you, sir? (U)

President Endara: I am very well. Good afternoon. It is good to talk to you. (U)

The President: It is good to hear from you. I am sitting here in the office along with the Secretary of State, my Chief of Staff, and Bob Gates. I am sorry I wasn’t here to speak with you when you called this morning, but I am delighted to speak to you now. (U)

President Endara: I was just calling to let you know the feeling of gratitude the government of Panama and the Panamanian people have to your country, and especially to you, for your interest in the welfare of the future of our country. If you care to come to Panama and run in an election, you would win any office you chose. (U)

The President: Be careful, I just might show up. I went to the press yesterday and made a statement about our economic support for Panama. (U)

President Endara: Yes, we are very grateful. It was a good surprise. I know there were some delays when you sent it to the Congress before. We understand that. It is part of the democratic process. But in Panama, we have hard times. (U)
The President: Yes, one of your Vice Presidents told me about how tough things are in Panama. We know you fully understand. We will work closely with the Congress to get this proposal approved. Some aren’t focusing enough on it. We hope we will be able to get some help to you quickly. Your phone call today is useful, because I will be able to tell the Congress that I spoke to you and that you urged speedy action.

President Endara: I also want to tell you we are doing all that is possible to cooperate with the United States on money laundering and drug trafficking. We want to eliminate the problem of money laundering. We had a good meeting with Deputy Assistant Secretary Kozak on this last week. We went over what we are doing and we will have in place something just as soon as we can. We understand that drug trafficking and money laundering is not only your problem, but ours as well. We want to rebuild the economy with clean money, hard-earned taxpayer money from Panamanians, not from drug money.

The President: I know that you want to be helpful and we appreciate that. The more public statements that you can make on that, the easier time we will have up here in getting you well-deserved support.

There is some talk that your Vice President will be up here next week. There are some very important Congressional hearings on Panama going on next week and it would be useful if he were here.

President Endara: I was talking to Billy Ford and he said he was thinking of going next week. Just as soon as I get off the phone with you I will ask if he could go next week.

The President: If he could, it would be good and useful. We will make sure he meets the right people in Congress. But I am not saying it is absolutely essential that he be here, but it would be very helpful. But if you said it would be alright if he came, it would be very good.

President Endara: He is a very likeable fellow. Billy Ford has many friends in Congress. I will try to get in touch with him and I will tell Ambassador Hinton. And I want to thank you for sending Ambassador Hinton to Panama. He has true interest in the Panamanian people. He is an excellent person and is really helping us.

The President: Well, I am glad to hear that. Deane Hinton is one of the best, and that is just the reason that I sent him to Panama. I am very pleased that you are happy with him.
The President: I will work on the problem because I want to get the funds released. Let me close by saying take care of your health. (Ø)

President Endara: I am very well. Thank you. Please, give my special regards to Mrs. Bush. (U)

The President: I will be happy to do so. She is very special. (U)

President Endara: Goodbye. (U)

The President: Goodbye. (U)

-- End of Conversation --