

THE WHITE HOUSE
WASHINGTON

September 1, 1989

NATIONAL SECURITY DIRECTIVE 21

MEMORANDUM FOR THE VICE PRESIDENT
THE SECRETARY OF STATE
THE SECRETARY OF THE TREASURY
THE SECRETARY OF DEFENSE
THE ATTORNEY GENERAL
THE DIRECTOR OF THE OFFICE OF
MANAGEMENT AND BUDGET
THE DIRECTOR OF CENTRAL INTELLIGENCE
CHIEF OF STAFF TO THE PRESIDENT
ASSISTANT TO THE PRESIDENT FOR
NATIONAL SECURITY AFFAIRS
CHAIRMAN, JOINT CHIEFS OF STAFF

SUBJECT: U.S. Policy Towards Panama Under Noriega after
September 1, 1989 (S)

United States policy towards Panama continues to be to achieve the departure of General Noriega from power and the establishment of a democratic government based on the will of the people as expressed in free elections. It now appears certain that General Noriega does not intend to allow this to take place on September 1, the date which the Panamanian Constitution sets for the installation of a new government. Accordingly, I direct that: (S)

1. The United States Government will withhold recognition of any Panamanian Government controlled by General Noriega or holding power at his sufferance. In announcing this fact, we will state that free elections were held in Panama on May 7, 1989, that the Endara slate clearly won those elections, and that the United States will recognize only a government which is the result of a democratic process. (S)
2. The Secretary of State should ask other governments to withhold recognition of any Noriega controlled government, to withdraw their Ambassadors and military attaches from Panama, and to limit any official contact to the minimum level possible. (S)
3. As long as current conditions prevail, the U.S. Embassy in Panama will be maintained in its present status. (S)

4. The Secretary of Treasury should take the appropriate measures to continue to hold in escrow the Panamanian Government assets escrowed for the Panamanian people under the auspices of the Delvalle Government in the absence of a recognized government to alter our escrow instructions. (S)
5. The Secretary of the Treasury should continue to escrow Treaty payments to Panama until there is a Government we recognize in place there. (S)
6. Present U.S. economic sanctions in force in Panama should henceforth be strictly enforced after advance notice is provided to affected U.S. companies. (S)

Cy Bender