National Security Decision Memorandum 131

TO: The Secretary of State
    The Secretary of Defense

SUBJECT: Panama Canal Treaty Negotiations

September 13, 1971

I have reviewed Ambassador Anderson's letter of August 20, 1971, as well as the views of the Departments of State and Defense concerning modification of Ambassador Anderson's negotiating instructions on duration of a new treaty as set forth in NSDM 115. On the basis of that review, I have made the following decisions:

-- Ambassador Anderson is authorized at the time he feels most appropriate to inform Panama that the U.S., while strongly preferring an open-ended treaty, is willing to consider the possibility of a termination formula, provided that the duration negotiated is a long one and that other provisions of the treaty package are satisfactory to the U.S. If such a formula appears unobtainable, he is authorized to fall back to consideration of a treaty providing for a fixed date of termination. In either case, the U.S. negotiating objective should be a duration of at least fifty years, with provision for an additional 30-50 years if Canal capacity is expanded.

-- In addition, he should seek to obtain, as part of any new treaty providing a formula or specific date for termination, a joint U.S.-Panamanian guarantee that upon termination of the treaty, the Canal would be open to all world shipping without discrimination at reasonable tolls and that Panama would take no action that would hamper the efficient operation of the waterway.
Congressional consultations should be continued to test support for a treaty along the lines outlined above.

cc:  The Chairman, NSC Under Secretaries Committee
     The Secretary of the Army
     The Chairman, Joint Chiefs of Staff
     The Director of Central Intelligence
     Special Representative for Interoceanic Canal Negotiations