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THE WHITE HOUSE  
WASHINGTON

July 29, 1977

Dear General Torrijos

I know you must be as pleased as I am that the negotiations between our countries on a new Panama Canal treaty have made so much progress over past months, and are now nearing completion. This historic treaty will serve as an example to the world of how nations can work together for the benefit of all.

You will be able to take great satisfaction in knowing that this historic advance was achieved through your personal leadership.

Two most important issues remain to be resolved as we search together for the fair and just treaty to which I am dedicated. They are lands and waters, and economic arrangements. The United States has made a number of major concessions in the lands and waters area during the past several months. For my country to make any significant further adjustments would handicap us unacceptably in operating and defending the Canal.

We are giving great thought to the question of economic arrangements, and are taking into account your goals and aspirations. The proposals on annual payments to Panama which our negotiators will soon present to your representatives will be the product of intensive analysis and an effort to be just and fair. The Departments of State and Treasury will soon have responses to your request for economic help. These, too, will be the result of very careful and thoughtful analysis.

DECLASSIFIED

NSC memo 4/30/84 re NLC-84-3  
BY MJE NARS, DATE 5/7/84

It may be that these proposals will be less than you had expected or wished, but I hope that you will understand that they represent the most that we could undertake to do, based on our consultations with the Congress. In my best judgment, the proposals will be generous, fair, and appropriate.

Once a treaty has been negotiated, we will be looking forward to working as closely as possible with you on improvement of Panama's economic health and development. There will be many chances to cooperate effectively as we operate, maintain, and protect the Canal together. We fully intend to seize those opportunities.

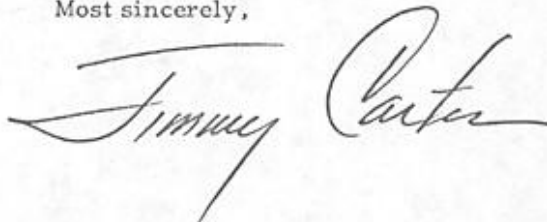
I am confident that you understand the problems I face and the difficulties that lie ahead of me. Please be assured that I, too, am fully sensitive to the problems and difficulties that confront you.

I believe that, with understanding and patience, we can quickly achieve the goal that has eluded past governments and leaders in both our countries. I welcome the opening of a new era in our relations: one in which our people will cooperate fully in civilian endeavors and in military affairs.

I look forward with great anticipation to the day when you and I will sign a great historic document that will make our countries and our peoples real partners in the adventurous years ahead.

With warm personal regards.

Most sincerely,

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned to the right of the typed name "Jimmy Carter".

His Excellency  
General Omar Torrijos Herrera  
Chief of Government of the  
Republic of Panama  
Panama City