

The Association for Diplomatic Studies and Training
Foreign Affairs Oral History Project

COLONEL RICHARD R. WYROUGH

Interviewed by: Charles Stuart Kennedy
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TABLE OF CONTENTS

Background	
Born and raised in New Jersey	
Graduated from West Point in 1950	
Georgetown University	
West Point; Professor of U.S. Diplomacy	1955-1959
United States Army, Germany	1959-1962
Operations Officer, Battalion Commander	
Aide to Seventh Army commander	
East German refugees to Berlin	
Environment	
Army Command & General Staff College	1962-1963
The Pentagon	1963-1964
Office of International Policy Plans	
Military Assistant to the Army General Council	
Ransom of Cuban exiles captured at Bay of Pigs	
Cyrus Vance	
Cuban Brigade Problem	
The Pentagon, Office of the Army Chief of Staff	1964-1966
Creighton Abrams	
Vietnam	
Industrial College of the Armed Forces	1966-1967
U.S. Army, Vietnam; Forward Base Commander, Bin Hoa	1967-1968
French civilians	
Dalat, Vietnam; Vietnamese National Military Academy	1968-1969

Family Contingency Plan Tet Offensive US supported regional National Military Academies First graduating class, 1969	
Vietnam; Brigade Commander, Task Force South	1969-1970
The Pentagon; International Security Affairs, Latin America Brent Scowcroft Henry Kissinger Mexican military Responsibilities SOUTHCOM	1970-1974
Retirement from US Army	1974
Entered the State Department, Foreign Service Reserve Officer	1974
State Department; Senior Advisor to Ambassador Bunker Advisor for Treaty (Panama Canal) Affairs AID	1974
State Department; Deputy/Director, Panama Affairs Panama Canal Treaty Tack-Kissinger Principles Earlier negotiations US Negotiating Team <u>The Wind and the Lion</u> US-Panama historic relations Importance of Canal to US Ambassador Bunker and US Military State/Defense differences US public interest in treaty Military vs civilian interests Board of Directors, Panama Canal Commission Panama Canal Company Panamanian Ambassadors to US General Omar Torrijos Herrera Sea Level Canal concept Negotiating sticking points Ambassador Linowitz Bunker's negotiating team Conduct of negotiations Robert Anderson	1975-1980

US Presidents' views
Status of Forces Agreement
Panama's negotiating team
Speaking engagements
Treaty implementation legislation
Committees
Treaty implementation
The "land Bridge"
Personnel
Canal's current importance
Japanese canal interest
Panamanian politics
President Delvalle
Noriega crisis
Panamanian elections

INTERVIEW

[Note: This interview was not edited by Colonel Wyrrough]

Q: Today is April 30, 1996. This is an interview with Colonel Richard R. Wyrrough. This is being done on behalf of The Association for Diplomatic Studies and Training, and I'm Charles Stuart Kennedy.

If we can start a bit about when and where you were born, and a little about your family.

WYROUGH: I was born in Trenton, New Jersey in 1927. I have an older sister who presently lives in Balesville, New Jersey. My parents are both dead. My father was associated with the Pennsylvania railroad. I grew up in New Jersey and went to the local schools there, was appointed to West Point just at the end of the Second World War -- entered West Point in July of 1946, graduated in June of 1950.

Q: I graduated in June of 1950. I assume your patron saint is Eisenhower?

WYROUGH: That's true. With our class the Army changed the policy a little bit at the academy. In contrast to earlier classes, they assigned us directly to units on graduation on the theory that we had had enough of school. So quite a number of the class went directly from graduation leave to Pusan in Korea, and as a result we lost quite a few of the class. In fact, if you have an association with Korea, you would be interested, this September a number of my classmates are having a reunion in Seoul. We are to be guests for a week of the Korean Veterans Association. That will launch for me a seven and a half week tour of places in East Asia where I've not been.

I came here first to Washington on graduation in 1950, was assigned to the Third Infantry Regiment as a platoon leader, later as the company commander. While I was here, I enrolled in Georgetown graduate school. I thought of taking an advanced degree in international relations. Coming into the library today, marks the first time I've been in this building; first time in many, many years that I've been on the campus. I served also as a White House aide, being a bachelor at the time.

In early '52 I went to Korea where I served as company commander of a heavy mortar company with the Seventh Infantry Division, and upon returning from Korea in November of that year...in those days it took a long time to be reassigned, to go from unit to unit. I was crossing the Pacific by troop ship headed for Seattle, President-elect Eisenhower was flying to Korea to fulfill his campaign promise to end the war. Well, I got my assignment in the middle of the Pacific. I was assigned as an infantry tactics instructor, at the medical replacement training center in Camp Picket, Virginia, which sounded like a God-forsaken spot. I visited there on leave before actually reporting. It was one street, adjacent to Blackstone, Virginia. One street, next to a dirt covered town. I went to the Pentagon and got my orders changed to Fort Monmouth, New Jersey, the home of the signal corps which was rife with activity. Those were the days in the Army - McCarthy hearings, and the Rosenberg problem.

While I was at Fort Monmouth I was selected to complete my graduate studies in Georgetown, preparatory to going back to West Point to teach in the area of social sciences. So I graduated from Georgetown in 1955, and was married later that year having met my wife here at Georgetown. She was the first woman to graduate from the daytime Foreign Service school. We went to West Point and served there for four years. I was assistant professor of U.S. Diplomatic History.

Q: Tell me a bit about this since diplomatic history is sort of our bag here. As a career Foreign Service officer myself I found, particularly with the older generations, kind of a gap in the military knowledge of what the Foreign Service does of diplomacy. Whereas, at least in my generation in the Foreign Service, almost all of us had time in the military service. The Department had a knowledge of military service. Were you able to get Foreign Service people to talk to your class?

WYROUGH: The professor at head of department when I was there...well, I was selected by a man named Henry [last name unknown], he was perhaps the founder of the department sometime right at the end of the Second World War. He retired the year I arrived, and his successor was a man named George Lincoln who was a protégé, I guess, of George Marshall's. I don't know how many people there were...but from his position at West Point he was, my recollection during the four years that we were there, he was frequently absent for assignments here in Washington working on various commissions. As a cadet, and then later as an instructor, my recollection was that the social science department at West Point sponsored a range of activities and invited some very prominent people, both diplomatic and military, senior positions in the government to speak to the cadets. It was just a little bit like the War College here is able to tap various senior people

in the government. So there was a good flow back and forth, I suppose, of diplomatic and military.

Q: You left West Point when?

WYROUGH: I left West Point in the summer of 1959 having just been promoted to major, and went to Germany where I was an infantry officer assigned to an armor division. My principal assignment there, in the course of a year, was the S-3, or operations officer of a tank battalion, and then later battalion commander. Do you have a military background, before your Foreign Service?

Q: I was in the Air Force as an enlisted man but military history has always been my bag.

WYROUGH: While I was with this tank battalion...in those days in Germany, there was a fierce competition among armor units, tank battalions, for something called the Seventh Army Tank Gunnery Trophy. As an infantry officer, my battalion won it. I used to take great glee in goading over my armor friends. In any event, after a year there, I was assigned as the senior aide to the Seventh Army commander and served in that capacity for a couple of years.

Q: Who was the Seventh Army commander when you were there?

WYROUGH: His name was Garrison Davidson. His wife was a sister of Al Grunther. It was from that perspective that we watched the developments leading up to the construction of the Berlin Wall. During the summer of '61, I was assigned to the job in the summer of '60, actually all through the spring and the summer of '61, we would get these daily briefings by the staff about the influx of East Germans into West Berlin.

Q: As refugees.

WYROUGH: It was a tense moment. So I must say, like so many people having lived through all of that, it was with great surprise that we watched the wall come down.

Q: What was the attitude within the Seventh Army about when the wall went up? In the first place, did it come as a surprise?

WYROUGH: I think as the summer wore on there was a sense that something had to happen. Something had to be done to stop the flow. But it's been so long ago that I'm not one of these people that have great instant recall. But I know that my wife will tell stories now that we had to keep rations in the trunk of our car. We had to periodically go on little exercises, to evacuate if necessary. What kind of a mobilization there was? I just don't remember.

Q: Obviously it was a time of tenseness.

WYROUGH: Oh, it was certainly a time of tenseness, and I was really very fortunate given my vantage point. I was able to accompany the Army commander as he visited the units throughout the Army. We went into Berlin before the wall went up. I was in Berlin after the wall was up, just before I came home. The change was really quite dramatic. We visited units of the Seventh Army that were very close to the East German border, the Czech border. There was a high state of readiness and, I suppose, certainly some uncertainty as to just what was going to happen.

I came home from Germany in the spring of '62, after our youngest son had been born in Germany. By then we had three sons. We came home on the USS Independence. It was an interesting time. I accompanied General Davidson who was then assigned to command the First Army in New York, Governor's Island, and I had been selected before I came home to go to the Army Command Staff College. We were at the Army's Command Staff College during the Cuban missile crisis.

My first visit to Berlin, incidentally, backing up a little bit, was part of a trip to Copenhagen and to the Netherlands. That was in April of '61 during the Bay of Pigs. A year at the Leavenworth Command & General Staff College, then I came to Washington for my first three year assignment in the Pentagon. In the military your assignments are certainly influenced by your networking and previous assignments. So having had the four years at West Point I was assigned to something called the Office of International Policy Plans, or something like that, in the Army Staff Strategic Plans. That was very short lived, because I was assigned as the Military Assistant to the Army General Council in his capacity as special assistant to Cy Vance, who was then the Secretary of the Army, but also the Defense member of an ad hoc group that was overseeing the aftermath of the Bay of Pigs. The ransoming of all the brigade people. When I joined the group, it was Al Haig and myself, and Joe Califano who was the general counsel. We worked for Cy Vance.

The Cuban exiles captured by Castro at the Bay of Pigs had been ransomed and they were scattered in a series of small military posts around the country: Ft. Knox, Ft. Benning, Lackland Air Force Base in San Antonio.

Q: What were they doing there?

WYROUGH: The military was giving them a series of special courses, but shortly after I arrived, they concluded that the troops were getting a bit restless and something had to be done in order to terminate their special status, either by easing them into civilian life, or by absorbing them in the military, but in an ordinary way.

Within weeks of my assignment, which was a month after Kennedy died, Cy Vance was sworn in as the deputy secretary of Defense on January 28, 1964. He decided to take the function of special representative for Cuban affairs up to the Defense level. The other three people on his committee, as I recall, were John Hugh Crimmins from State if you

remember him, and Desmond Fitzgerald from the CIA, and they met almost on a weekly basis.

In any event, when he was named deputy secretary of Defense, because you have to maintain parity among the military services as far as staff for senior civilian positions in the Office of the Secretary of Defense, our group broke up. Al Haig, who was senior to me and had been in the job a few months longer, went with Vance and Califano. I was left to handle the Cuban brigade problem. After six months, I went to the Office of the Army Chief of Staff in the summer of '64.

Q: The Cuban brigade, these were Cubans?

WYROUGH: These were Cubans who had participated in the Bay of Pigs who had been captured. There were several hundred, and I had, in effect, an employment office working with the agencies of the preferred states, Texas, Florida, California, New York. We developed a program in which we offered the Cubans employment assistance if they wanted to leave the military and relocate. Or reviewing their records, putting them into appropriate assignments in the military. That worked quite satisfactorily and the program ended in about six months. In my later military assignments I came across a number of these people who had opted to stay in the military. I had not known much about the Cuban business before that, but it was interesting. The number two man, somebody named Ole, I think, had an obvious high degree of respect among his colleagues. Whereas, the number one man, I think his name was Sam Mar, was not well respected. I think Ole may have settled here in Washington eventually.

Q: What was the Army chief of Staff position like?

WROUGH: For the next two years, which coincided with President Johnson's gradual build-up in the Vietnam War, McNamara was the Secretary of Defense. Anyway, we had a half a dozen young officers who were in the Chief of Staff office, and their responsibility was to monitor the actions of the large Army staff, and to move the papers in and out. Creighton Abrams was the vice chief of staff. That was my first close exposure to him. No, it was not. He was probably the finest military officer with whom I came in contact over the years. He had been in Germany in a senior assignment when I was there as the aide to the Army commander.

Looking back on Vietnam, I remember the trauma, and the misgivings, with which the senior Army people viewed the build-up. And I remember hearing one of them focus the dilemma: what do you do when you're in a senior position and your boss is doing something that you don't think is quite right. Do you stick with it in hopes of guiding it? Or do you resign and speak out in protest. A very difficult position.

From the Pentagon in the summer of '66, I was assigned as a student at the Industrial College of the Armed Forces, a year at Ft. McNair. The theory being that having been at West Point as an instructor in political science it would have been a waste to go to the

National War College. Instead, the Industrial College at the time was regarded as the senior management school of the military. That was a good year. Again, as we spoke earlier, exposure to lots of very senior people, both at State and Defense, in the government, in the academia. It was a good year.

From there I went to Vietnam for three and a half years.

Q: Where did you serve in Vietnam?

WYROUGH: I had been promoted to Lt. Colonel early in my Pentagon assignment, and so my first assignment in Vietnam was command of a forward base about 5 or 10 miles from the Cambodian border due north of Saigon, in a province called Bin Hoa. Our headquarters was in the middle of an old French rubber plantation. When I arrived, the French still had their families living in these homes. The first Sunday I was there, as the senior person, I was the guest for lunch at the home of some French administrator, whatever his exact title was I don't remember, but it was a very colonial setting. And within days the VC [Viet Cong] attacked our base, the children and the families were all evacuated, and periodically on weekends the wives would come back, leave the children in Saigon. It was a relatively unreal, or surrealistic kind of situation.

About a month after I arrived I was selected for promotion to Colonel, a full colonel. And about that time General Westmoreland -- one of his pet projects was to expand and upgrade, from our perspective at least, the Vietnamese National Military Academy, remaking it from a two-year technical school modeled after the French style into a four year academic degree year awarding institution modeled after West Point. I was selected to go there. I left my assignment up near the Cambodian border on New Year's Day of 1968, headed for a series of briefings in Saigon. By that time General Abrams was the deputy commander under Westmoreland. In my interview with Westmoreland he said, now, tell me about yourself. You have a good Army wife, I may want you to stay up there longer than...at that time people were in and out in a year's time if they weren't carried out. That came as something of a surprise. Young officers in those days, you don't have much choice.

So, General Abrams that night at dinner said, Well, Dick, you go on up there and if you think it's worthwhile, then bring your wife and the boys to safe haven in Baguio.

Q: In the Philippines.

WYROUGH: I arrived in Dalat, which was the home of the military academy, the summer capital...

Q: A beautiful place.

WYROUGH: ...with a U.S. military police guard at the airfield to keep U.S. people out unless they were there for legitimate business. I arrived there in the middle of January of

'68. I was the senior American, was met by the deputy province advisor, an American Army Lieutenant Colonel, and he took me to where I would live for two years. I said, tell me about your defense plan. In effect, my recollection was, he said, we don't have too much of a defense plan because this is R&R up here for both sides.

Q: That was sort of the story that went around.

WYROUGH: So, I said, well, you present me with a contingency plan because your responsibility is to advise the mayor, the province chief, my responsibility is to see that the American community here is secure. You present me with an up-dated plan. Which he did a week later, and I approved it and about a week after that Dalat was one of the cities hit during Tet. It was an interesting assignment.

Q: Could you talk a little about, as long I've got you on the microphone, a little about what happened in Dalat during Tet.

WYROUGH: Well, my team was in the process of being greatly expanded in size. We had just rented a villa on top of a hill, across the street from the villa occupied by the U.S. Military Police detachment in the city, who were there to guard the airfield as I mentioned. And I had put four of my new officers into this villa. One night the Vietnamese guards, military guards, didn't show up. We must have gotten some sort of intelligence to put us on a little bit of alert. But I ordered the men into my villa in a little better part of town, I guess. And that night that villa, which was empty, as it turned out was the first building hit in the city. It was on a ridge line, and the VC came down the ridge line through the outskirts of the city, attacked that villa, went across the street, attacked the military police villa, which happened to be on the high ground immediately over the market place. The VC held the market place, as I recall, for a couple of days, but we mobilized forces, both Vietnamese and U.S., and drove them out. The cadets at the academy were assigned rear guard, local security missions, freeing up the regular Vietnamese military to join their units in the counter against the VC. A Lt. General, First Field Forces commander, would come in from time to time, set up his headquarters...if you're familiar with Dalat, that grand hotel overlooking the city. And they established something operating directly of First Field Forces Headquarters called Task Force South. It was a combined military operation, U.S. units and working in close coordination with ARVN [Army of the Republic of Vietnam] units of the 23rd division. But over a period of ten days the Vietcong were driven out of the city. There was some loss of life, but very little. And things returned to normal. It came as a great shock to me as one of the military in the country, to learn of the domestic reaction here. But that's another story, I don't want to get into that.

A month later, I took the first of a series of visits to all the U.S. supported military institutions in the region, military academies, naval academies, air force academies, Korean, Philippines, Taiwan, Japan, Thailand, Malaysia. Even went down to Canberra in Australia to visit the Royal Military College to get a feeling for their experiences and their efforts. The first one was to the Philippine Military Academy. I checked out Baguio,

decided that Baguio was not the right place for my family. It was remotely located, it would have been difficult to get to. But decided to bring them to Clark Air Base, they were given a safe haven program such as the Foreign Service had in Bangkok and Taiwan. At that time there were only three-four-five, six at the most, military families of officers with special assignments in Vietnam whose presence was necessary beyond the ordinary twelve months. By the time my wife left in the summer of '70, that program had grown to about sixty families at that particular location, and there were comparable increases, I think, in Bangkok and elsewhere.

We graduated the first four year class in December of 1969. It was an optimistic moment. Ellsworth Bunker, as the ambassador, came up for the ceremony. I met him then. General Abrams had come up a couple of times. I had been selected to command this separate brigade that operated directly out of the First Field Forces, called Task Force South, its headquarters by that time was in a small town on the coast, but north of Saigon, south of Cameron Bay. I had three U.S. battalions under my direct control, and my headquarters was co-located with the headquarters of the assistant division commander of the 23rd ARVN, and he had usually under his control four ARVN battalions. So we had a sizeable force. Our responsibility was what the military calls an economy of force effort. Our area of responsibility was the southern four provinces of First Field Forces. That included Dalat, the two coastal provinces, and the province in which Dalat was located.

I turned over my command, in those days those brigade commands were six months only. I turned over my brigade in June of 1970, having served almost three years in country. Came back to the Pentagon for my second assignment. There I was assigned to Latin American affairs. Except for the six months with Cuban affairs, I had no background but there was a Deputy Assistant Secretary of Defense for Latin American affairs who had remembered me from those days, and although I really didn't want the assignment, I got it.

Q: I'd like to get just a little feel about this. In the Foreign Service Latin American affairs...once you disappear, it's like going into a black hole. Many people really enjoy it, but they are almost a separate thing, and considered by many in the Foreign Service kind of second rate because...

WYROUGH: ...something going on in the Middle East, or in Europe or in Asia...

Q: But Latin America, I mean coups and counter coups, and so what.

WYROUGH: Years later when I retired from the Army and joined the Foreign Service (1974), I was assigned to Inter-American affairs. That was the understanding that I had of how the Foreign Service viewed assignments in Inter-American affairs. Yet, in retrospect, people in that area were more likely to get embassies...and the fact that so many of the political appointees don't want them.

Q: What was the feeling of the military toward this when you went there?

WYROUGH: Brent Scowcroft had been in my office. I arrived in August of 1970, and Brent had left that June for an assignment in the White House as...whatever jobs he eventually had. Brent, incidentally, was one of the group of people who had been at West Point teaching social sciences.

I didn't want the assignment, but not so much because it was Latin America, as much as because it was taking me out of the Army environment at a key time. I don't really recall any particular view as far as never wanting to be assigned to Panama. SOUTHCOM I regarded distinctly as a backwater compared to Seventh Army, or the Asian assignments in Korea and Vietnam. But that's where I ended up. I tried to get out of it but without any success in contrast to my successful effort to be relocated from Camp Picket to Fort Monmouth. Incidentally, I went to the Pentagon and I went through a series of people way back in those days saying I had personal reasons for wanting to be reassigned. Eventually got to the chief of infantry officer assignments. And he said, what's your personal reason? I said, if you must know, I'm a bachelor, I've just come from ten months in Korea, send me back to Korea.

I used to tell that story to my cadets at West Point as evidence that the Army really does have heart. But they had no heart by the time I got to ISA [International Security Affairs], the Office of Inter-American Affairs. My first assignment was, I was responsible for Panama, Central America and Mexico. And in that capacity the first State Department country director for Panama with whom I came in contact with was Brandon Grove. Mike Skol who just returned from a Vietnam tour was a brand new desk officer for Costa Rica. And an AID officer, named Dick Breen, I think, was the country director for Central America, his deputy was a man named Morey Bell. I forget who some of the other people were.

In any event, after about six months in that area, I guess for personal interests, and with the tolerance by the director in office who was an Army Major General, later Lieutenant General, and the Assistant Secretary, who by that time was a man named John Leddy, a career Foreign Service officer, I sort of shifted my responsibilities and got out of the geographic short-term focus and began to deal with region-wide, longer-term planning and policy. In those days Henry Kissinger...

Q: We're talking about 19...

WYROUGH: We're talking about the late 1970 and the first half of '71. Kissinger was still at the NSC, and they were looking at the strength of the military groups that were scattered around. So for the next two and a half years I had essentially no responsibilities with respect to Panama or Central America, or Mexico, but I did have these military policy responsibilities for the region as a whole.

Q: I'd like to ask a question that occurred to me. Obviously Mexico is always a major factor, but I never hear about the Mexican military.

WYROUGH: ...except a couple of months ago when Harry made the mistake that he made.

Q: I can't remember what that was.

WYROUGH: He announced that there were to be joint military exercises with the Mexican navy, and within a matter of hours the Mexicans said, no senior, you have it all wrong. Our policy has always been to defer to their high sense of nationalism, and to work quietly, but almost always behind the scenes. I can't tell you what we had down there, I don't remember, but it may be a small military group.

Q: Did we ever think about the Mexican military particularly, concerns about it? We're talking about around 1970-'71.

WYROUGH: I don't remember that there was any serious concerns about the Mexican military. I only visited Mexico once in that time, and I remember visiting the embassy, and the city. It was in December of 1970 because it happened that there was snow, and the palm trees in the La Reforma area were covered with snow that night and the following morning. But I have no recollection of any serious concerns arising in the brief time that I was involved with that area. I have a home in Mexico, and I have tried to stay in touch with the people in the embassy -- not so much anymore, but up until maybe about three years ago, when John Negrofonte left. And I had a deputy who served with the number two man in the political section up until about '92. And Bob Pastorino, who was the deputy there, DCM, before he went to be ambassador in Santo Domingo. He was a close friend. Now the Mexican military...I sense they are well paid, and well housed relatively, they're kept happy.

Q: While you were dealing with group management, the various military groups scattered around North America, did you start moving off anywhere with that group? I mean, looking at all of Latin America, what sort of responsibilities did that cover?

WYROUGH: We were concerned about the relationship between the U.S. military presence, the so-called mil-groups, and the larger diplomatic presence on the one hand. And then the relationship between the U.S. military and the host military. We wanted to be sure that we were not speaking with two voices, that the military effort was carefully integrated. That it was not contributing to an overly military influence on the governments in the area. At that time, there were lots of military dictatorships. It was right at the beginning of the time when our military groups were rather substantially reduced. They were reduced down to less than 200, if I remember correctly. Also, I was responsible within the office, for providing the views of the office to the Secretary of Defense with regard to our military presence as reflected by SOUTHCOM [Southern Command]. I remember that we really tried unsuccessfully to have SOUTHCOM disestablished.

Q: SOUTHCOM waxes and wanes but it's really a very important command and I was wondering what would trigger...I mean, you'd have to have something to put in its place in a way.

WYROUGH: Nothing really comes to mind quickly, and my views on that subject have evolved over the years. I would not want to ascribe to myself, or to the office, views that I really don't remember. In any event, the fortunes of the military in general...I'm not talking about Latin America, but the reputation of our military was plummeting in those early years of the '70s because of the anti-Vietnam feelings. I would come in and out of the Pentagon, and you'd never know who it was that you would have to walk by, or what demonstration was going on. I decided that with three young sons rapidly approaching college age, and with no particular financial resources, that I would retire and go into civilian life. So in order to prepare for that at the end of my three years in the Pentagon, I took an assignment on the faculty at the Industrial College of the Armed Forces [ICAF].

I had just been selected to become what they called the Dean of Students in late January of '74 when I got a call from this Foreign Service officer whose name I mentioned, Morey Bell, who explained that he was then the office director for Panama Affairs, and at the same time wore a hat as the deputy to Ellsworth Bunker who had been named the previous summer by President Nixon as our chief negotiator for a new Canal Treaty. He thereupon put Ambassador Bunker on the line, who explained that he had been given this portfolio by President Nixon, and he had spent the last six months reviewing the situation. He continued that he had come to the conclusion that he needed somebody with a military background to assist him in winning over the Pentagon and the Joint Chiefs, and was I interested. Well, given my particular situation, and given my career-long interest in political-military affairs, that seemed like a happy confluence of things, and I accepted, retired from the Army, joined the Foreign Service with a reserve commission, what they then called...they hadn't yet gone to the senior Foreign Service, but I had a FS-2 appointment for five years. And I joined Ambassador Bunker's staff as a senior advisor. I was physically located in the office of Panamanian Affairs and given the title of Special Advisor for Treaty Negotiation Affairs. Brandon Grove had left, I don't know whether Morey succeeded him directly or not but he was the office director. In those days Inter-American Affairs offices were integrated with the AID offices to a much greater degree, I think, than most of the other regional bureaus. The custom was that either the office director was an AID officer, or the deputy. In my case there was an AID officer who was the deputy, Pat Morris, I think.

A year later Morris was reassigned and replaced by Ed Nadeau as the AID deputy. In addition to carrying out my negotiating responsibilities, since the office of Panamanian Affairs doubled also as the staff for the negotiator, I was also given a title of deputy director and continued in that capacity until early 1980. In August of 1977, within days of the public announcement that we had reached agreement with Panama on the terms of a new treaty, Morey Bell was reassigned. There was a man who came in eventually, a man named Jim Haahr, a senior Foreign Service officer. About the time Haahr arrived, Nadeau moved on and I became the sole deputy. He served as the office director from the fall of

1977 until he either was retired or was reassigned in January or February of 1980, whereupon I became the acting director. And through a series of organizational changes remained as the director of Panama Affairs until I retired in September of 1990.

That essentially is my personal career. I'll stop at that point and let you now...

Q: What was the status of Panamanian-American negotiations on the Panama Canal when you came in under the Nixon administration? This is just to say we'll pick this up the next time when we are starting about the actual situation at the beginning of the Panama Canal negotiations.

Today is the 22nd of May, 1996. We may be covering something a little something we did before. Your military career, your position in the military was...

WYROUGH: I was on the staff of the faculty of the Industrial College of the Armed Forces, which is the senior management school for the military located at Fort McNair. I had just been designated as the Dean of Administration when I got a call asking me to join Ellsworth Bunker's team to help negotiate, or try to negotiate a new treaty with Panama to replace the then existing treaty of 1902. So I retired from the Army, accepted a Foreign Service reserve appointment, and actually began work on the first of May of 1974. The state of play of the negotiations at that point were basically...Ambassador Bunker had returned to Washington from Saigon the previous summer, had been named by President Nixon as our chief negotiator for a new Panama treaty. Ambassador Bunker had had some exploratory talks with the Panamanians which led to a visit to Panama in February of 1974, by then Secretary of State Kissinger. And out of that trip came something called the {Panamanian Foreign Minister Juan) Tack-Kissinger Principles which was essentially the conceptual framework for a new treaty that was to guide the negotiators in their efforts to reach a mutually acceptable treaty, or treaties, instead of agreements to replace the then existing treaty which had governed our relationship and our activities with regard to Panama since its inception in 1902.

Q: Was the 1902 treaty...

WYROUGH: The 1902 treaty gave us rights equivalent to sovereign in perpetuity over the narrow strip that split Panama into two called the Canal Zone.

Q: Somewhere it was similar to the one we had on Guantanamo wasn't it?

WYROUGH: Generally yes, but the details escape me.

Q: What was behind this movement to do something about this?

WYROUGH: Way back in January of 1964, President Johnson had been in office just a couple of months, and there were some riots in Panama in opposition to the then treaty, particularly to the two features which the Panamanians found so objectionable, the in

perpetuity, and the rights as if sovereign. Our interests then, as it had been for some time, and as it continues today I suppose, our principal interest was to be able to use the canal. President Johnson sent then Secretary of the Army Vance to Panama to head up a team to look at the situation. He came back and sometime in '64, again the details escape me, the President announced his decision to enter into negotiations with Panama to up-grade, or modernize the then relationship. And thus began in 1964 an extended period of negotiations which went on until the treaties were concluded in 1977.

The first couple of efforts on the U.S. side were headed by Robert Anderson who had been Eisenhower's Secretary of the Treasury. He put together a team drawn from State and Defense, and the Army because it was the Army that had the responsibility for governing the canal zone. And those first negotiations resulted in a series of draft treaties that were leaked prematurely, I think by the Chicago Tribune, sometime in 1967. But the manner in which the treaties were revealed in effect killed them, they were stillborn. The Panamanians rejected them, and for domestic-political reasons I think we professed to be not terribly happy with the product of three years of negotiations.

The election of 1968 brought President Nixon to office. He reappointed Robert Anderson as the chief U.S. negotiator in 1970. By that time there had been a revolution in Panama. Omar Torrijos, a young national guard officer with a couple of cohorts threw out the elected civilian government. And negotiations began a second time in 1970 or very early '71. But they really went nowhere. Both sides sort of went through the motions but without significant progress.

Q: Talking about up to this point, what were some of the sticking points on either side...I'm talking about the actual negotiations, not the public thing, what were the things that, say in the Chicago Tribune...

WYROUGH: The Panama Canal...Let's talk first on the U.S. side. The Panama canal...20th century America grew up with the canal. They had an enormous pride of accomplishment. There was in the mid-'70s a movie about Theodore Roosevelt and there was a diplomatic incident in Morocco...

Q: Oh, yes. The Wind and the Lion.

WYROUGH: The Wind and the Lion was the name of the movie, and in actual history the American consul general in Tangier, I think, was a man named Pedecaris. In the movie Pedecaris became a very attractive female, Candice Bergen, who was kidnapped at some point in the movie by Sean Connery, who played a bigger than life Moroccan sheik, Mulay Achmed Mohammed el-Raisuli the Magnificent. Pedecaris alive, or Raisuli dead, was Roosevelt's theme. At one scene in that movie, the first family had gathered in the White House for a birthday party honoring the President. He got out his saber and prepared to cut the cake, and the camera zeroed in on the cake and it was a map of the western hemisphere with the Panama Canal prominently pictured. The sword went through the canal and the audience cheered widely in support of the president. There was

a lot of old fashioned nationalistic feeling within the United States that limited the flexibility of the U.S. negotiators, that required an educational campaign to convince people that sovereignty, or rights as if sovereign in perpetuity were not really the U.S. national interests, but only use of the canal.

On the Panamanian side, Panama grew up with this foreign presence in its middle. I've come to think of Panama in some ways as an abused child. It had never known anything other than an overwhelming American presence. And it was a natural issue designed to arouse the nationalistic feelings against the Yankees for anybody who wanted to make a few domestic political points. They objected most strenuously to this foreign presence, heavily militarized, going down the middle of the country. And they regarded this presence as denying them their just use of their location which they regarded as their greatest natural resource.

In any event, the riots of 1964 were simply the culmination of a series of incidents over a number of years prior to that time. That made uncertain our continued peaceful use of the canal short of turning it into an armed camp. Therefore, President Nixon, like his predecessor, concluded that it was in our interest to negotiate a new relationship. To modernize the relationship that governed our activities there. The treaty of 1902 was a lopsided treaty. It gave us lots of rights, and gave Panama very little. It was in tune with the times in which it was established, but it became some 60 or 70 years later, quite out of date with international norms of behavior. It was a constant thorn in the side of efforts by the United States to improve our relations with many of the Latin American countries. So those were the principal issues.

And in the meantime, of course, from the moment that the canal opened I think in 1913, to the time in which we're talking about, the negotiating period from '64 through '77, the nature of the canal's contribution changed rather significantly from the U.S. perspective. In its early days it was an important artery economically and also militarily. It remained an important military artery through the first World War, the Second World War, even into the period of the Korean War and the Vietnam War. But by the time of the Vietnam War, the nature of our Navy had changed significantly. Our major ships were no longer battleships, they were the aircraft carriers, and nuclear submarines were a major element of our Navy. None of our aircraft carriers could use the canal, and our nuclear subs, for operational reasons, would not use it. So the military value of the canal dropped significantly during that period. It remained in the early '70s, the Joint Chiefs of Staff regarded it as an important military asset, not what they called a vital asset. Nothing that required, in effect, going to war over. So the public opinion about the canal's value inflated it above its real value. Economically it was an important carrier, particularly of commodities. But as the '70s wore on, it became clear that with the advent of containerization, that more and more alternatives were developing that offered a partial substitute at least for the canal.

Q: Containerization being...could you explain that?

WYROUGH: Well, containerization cargoes, today for example, in the mid-1990's, we have something called the land bridge by which cargoes cross the Pacific from East Asia, are unloaded in Los Angeles or Long Beach, or in Seattle-Tacoma, and they are transported in containers suitable for offloading onto railway cars. The railway cars move these containers piggy-back across the country, and then at selected points on these rail routes the individual containers are offloaded and carried by truck to their final destinations. For a transporter who wants to move something from East Asia to Amsterdam, if it goes by container it can be transported faster, and at less cost today by this so-called land bridge than by moving on the all water route through the Panama Canal. There has been in the last 15 years a dramatic increase in the volume of traffic moving on the land bridge as distinct from volumes moving through the canal. In any event, that's getting a little bit ahead of the story.

The principal U.S. interest which we wanted to protect and serve was our continued and uninterrupted peaceful use of the Panama Canal. In addition, we had a series of military bases there. Bases principally established to protect the canal, to secure the canal, but also to display the flag, I suppose, in that southern region. And over the years some of those bases seemed to have outlived their usefulness. But nevertheless we wanted to maintain a military presence. From the Panama's point of view, we were giving them in 1970 something like two million dollars a year annuity. They had long ago sold the annuity to a New York bank, so they really got very little, but they felt that they should be getting much more than two million dollars. So there were economic issues. There had developed within the Canal Zone...there was some measure of discrimination. There was a practice, not dissimilar I suppose, to the separate but equal doctrine of the United States at the time. There was something called the Gold and Silver. You had one set of water fountains and public toilets for Panamanians, and another for Americans. All of the senior management decisions within the Panama Canal, companies that ran the Panama Canal were American. There were no Panamanians. A vast number of employees were Panamanian, but the managers were American. So the Tack-Kissinger principles announced in February of 1974, after a period of several months negotiating by Ambassador Bunker, these were broadly stated principles, both sides agreed to them. They were designed to provide the framework for this new modern relationship, this new treaty that would replace the old, and that would deal with the problems of perpetuity, military presence, economic benefits, citizen rights, what to do about a new canal. In 1967, one of the treaties that had been negotiated, and that was prematurely publicized, was a treaty to build a sea level canal. Both sides wanted to examine the situation and reach mutually agreed judgment as to what should be done over the longer term as far as best utilizing for the benefit of both countries, and international commerce at that location.

The statement of principles represented a departure from the previous negotiating efforts, particularly of the first set of treaties. Both sides negotiated specific texts almost from the beginning. Ambassador Bunker felt that it was important to agree in broad terms on a comprehensive framework, and then to take those individual principles and to convert them into more finite conceptual agreements. And once we were able to deal satisfactorily

in that manner with each of the issues relating to the seven or eight principles, we could then, and only then, go into the actual negotiating of treaty language. And that is what guided our efforts from 1974 until 1977 when the treaties were concluded.

Q: Before we get to what your role was, you're a professional Army officer, Industrial War College, what were you getting in your own heart, but also from the officers that you knew about the Panama Canal up to this point?

WYROUGH: Well, there are two or three questions there. Let's take my involvement first from Ambassador Bunker's point of view.

Ambassador Bunker, having returned from a number of years in Saigon as our ambassador, and having developed many very close personal relationships with a series of high military officers, having analyzed where we appeared to be as far as this task that President Nixon had given him, concluded that he could not hope to solve his problem, accomplish his task without strong support by the Pentagon. He had to have the backing of the Secretary of Defense, the Joint Chiefs of Staff, if he could hope to succeed in convincing the American public that any treaty that he was personally comfortable with was truly in the interest of the United States. Therefore, he wanted on his team someone with a military background who could help to build bridges. And he picked me. The reason that he picked me principally, I had known his civilian deputy in my three years on Inter-American Affairs in the office of the Secretary of Defense, in what is called ISA, International Security Affairs. And I had met Ambassador Bunker briefly in Vietnam during that part of my tour when I was the senior adviser at the military academy which was a project of some interest to him.

From my point of view, the offer which was quite unexpected occurred at a time when my personal interest had begun to shift from the Army. The offer was to become involved in something that I had known a bit about before. When Secretary Vance was sent to Panama in January of 1964, I had just been appointed to his staff. As I recounted earlier, with my involvement in Cuban affairs. In graduate school my principal professor here at Georgetown was a diplomatic historian, Charles Hansel, who helped to excite me about the Panama Canal, and Theodore Roosevelt's role in that particular episode in our diplomatic history. It occurred to me that Ambassador Bunker was doing absolutely the right thing. He was taking the right approach in trying to modernize our relationship, and it seemed to me personally that it was an effort that was fruitful and beneficial to the country and deserved active involvement and work.

My military colleagues in the Pentagon at the time had a somewhat different view. My decision to retire in order to join in this effort was generally speaking viewed with surprise and suspicion. I was able to maintain contacts, to develop contacts, strengthen relationships, but the difference between the common military view of our interest in Panama, and that held by Ambassador Bunker, and myself, and others at State was quite different.

Q: Were you getting people coming up to you throwing their arm over your shoulder at the officer's club and saying, Dick don't give away the store.

WYROUGH: Oh, I still get friends who jokingly introduce me as the man who helped give away the Panama Canal. And indeed, when the treaties were concluded some three years later, and almost immediately sent to the Senate for its advice and consent, the negotiating team and others embarked on a major educational effort to build support. We never really were successful at the time in persuading a majority of the American public that the treaties were in our interest.

I'll just say, while I'm thinking about it. I always felt, and I still feel, that we really were engaged in three negotiations simultaneously. There was the obvious negotiation between Panama and the United States. There was a negotiation between State and Defense. And there was negotiation with the American public. In some respects the negotiation with Panama was easier than the other two. But I guess that's not uncommon.

Q: As a matter of fact, I've talked to people who have been engaged in dealing with treaty negotiations, status of forces and all, and they say it's difficult with Turkey or Greece, but the real problem is with the Pentagon lawyers. This is from a State perspective. I'm talking about the military. Was this a visceral reaction, it's ours, we got it, and what the hell are we doing giving it up. Or were they saying, we bought it, we paid for it?

WYROUGH: There was some in the early days of my involvement some measure of that, but as time wore on, you got less and less of that among the military. But you got a lot of it by the public at large. I spoke in half of the states in the union in the course of about six months, to Rotary groups, college groups, civic groups, world affairs councils. Only in a small minority of cases did you find groups of citizens who were sympathetic. I would often take a poll at the beginning and at the end, a show of hands. With some measure we succeeded. We wanted to convert as many of the uncertain as possible, and neutralize the rabid opponents. The treaties, of course, were ratified by the narrowest of margins in the Senate. But that's again moving ahead.

Q: Did you find that the Panama Canal Zone people...I'm talking about right at the beginning, had they an effective lobby? Because I'd always heard that they were a breed apart who were a little bit like anti-bellum plantation owners, and they weren't a very sympathetic crew as far as most Americans were concerned.

WYROUGH: I think they were holier than the Pope. They had a colonial mentality. They're like the Northern Ireland, the Ulsterites of today. The Malvinas residents of the Argentine-British war of whenever it was. It was their life that was substantially changed, and they remained opponents from the beginning. They remained opponents from the beginning to the end. It's worthy, I think, to provide this brief background. U.S. affairs in Panama were managed somewhat differently from most places in the world. The Ambassador's authority ceased at the boundaries of the Canal Zone. Within

the Canal Zone the governor was king. His principal tenant was a senior military officer called the CINCSOUTH, the commander of U.S. forces southern command, which had responsibility for all of our military activities throughout South America and Central America. The Caribbean was the responsibility of CINCLANT [Commander in Chief, Atlantic] a naval commander headquartered in Norfolk. But southern command headed by an Army general was resident in the Canal Zone. So you had something called, partly as a result of the disturbances of '64, I think, and simply as a means of coordinating internal government activities in relationships with the host country, with Panama. There was established by President Johnson, as I recall, in the mid-'60s, something called the Panama Review Committee, the PRC, composed of the ambassador, the CINC.

Q: You're talking about Ambassador...

WYROUGH: The United States Ambassador to Panama. Normally, as you know, the ambassador is the head of the country team, and while that was so in Panama, his authority was substantially limited by the existence of the Panama Canal Zone. I can remember, while I was still in the Army, in ISA in 1970 and '71, attending meetings called by the then office director of Panama Affairs to meet with the then U.S. ambassador to Panama, Bob Sayre. I can remember so vividly Bob Sayre expressing great frustration over the limits on his authority posed by the existence of the Canal Zone, and by the role of the governor, and by the role of the CINC. The ambassador was nominally the senior person as far as the allocation of U.S. resources, but in fact you have all of the military, and the largest single U.S. resource in Panama was, of course, the Canal. That was a source of constant irritation, and if my recollection serves me correctly, there had been a history of differences among strong personalities, the CINC, the governor, the ambassador, over a period of years. In my experience the several ambassadors, beginning with Bill Jordan, who was our ambassador in 1974, and the several ambassadors who succeeded him, the relationships within the PRC were highly cordial except perhaps for a brief period at the height of the Noriega crisis in 1989.

You had the ambassador, you had the CINC who was either a three or four star general...

Q: Can I ask you a question about the CINC? Looking at it from both your perspective within the Army, and looking back on it, this is a highly political position this CINC because of the importance of traveling around. What is your impression of the care that was taken in choosing CINC Southern Command? Here they were having to deal with the Latin Americans...it's a highly political job. I have the feeling that at the time of the Noriega crisis that they didn't have a politically sensitive person there.

WYROUGH: As a matter of fact I think it they had a CINC who regarded himself, and who had been probably trained extensively in the politics and in the culture of Latin America...he was married to a Latin American. I don't know what nationality. There were certainly some problems there, but again that's getting way ahead of the story.

Generally I think that the CINC's had perhaps more sensitivity to the Latin American

scene than you might think. As time passed that became a more obvious characteristic. It may be that in the '60s there were a couple who were chosen primarily perhaps for their military background because they had the right seniority. I don't have a lot of knowledge about that but later on the last CINC of the pre-treaty period, General Dennis McAuliffe, retired on the last day that the old treaties remained in effect. He became a civilian and as a civilian, was given the title of Administrator of the Panama Canal Commission. He was extremely sensitive to the political nuances of the situation. He was the sole American administrator from 1979 when the treaties entered into force, until 1988 when, under the terms of the treaty Panama proposed, and our president appointed, a Panamanian national as the number one man of the U.S. agency known as the Panama Canal Commission which succeeded the Panama Canal Company in having the mission of operating the canal.

Q: How about the governors? What was your impression?

WYROUGH: I started to say that, in contrast to the CINC, the governors did not have as strong a record, I would say, of sensitivity to Panamanian feelings. They had the difficult task, I suppose, of representing the Zonians, and of not appearing to be hostile to their interest. I mean to the extent they were perceived by the Zonians as hostile to their interest. Their job was considerably more difficult. So often the governor would serve as a mouthpiece for Zonian concerns. It's interesting that the governor, and he was always called The Governor, had two hats. He was the president of the Panama Canal Company charged by U.S. law with operating the canal, and then he was also the governor charged with governing the Canal Zone territory of the United States.

In visits to the offices, I guess, of the last governor during the negotiating years, I remember one incident where clearly he saw himself first, as the governor, second, as the president of the Canal Company.

To answer your question, I would give CINC by and large pretty good grades, the governors, some were good, others had to strike a balance in their own minds in discharging their responsibilities which sometimes were in conflict.

Q: And also of this triumvirate, the ambassadors weren't always of the top. Sometimes they were just sort of political patronage types too, weren't they? One ambassador during a critical time who just up and left. He never bothered to resign, he just left.

WYROUGH: I don't remember that. But Panama, our representation there in my experience, had a mix both of political and career appointees. I think, especially as my time wore on at State, my natural bias was in favor of the career appointee. I have to say, based upon my 16 years there, that there were some things that political appointees could do much better than career. Given the peculiar nature of Panama in the domestic-political scene, that was extremely important.

Q: A political appointee can often reach out, both one, to the president, or to those in

power, if they really have political connections. Some really are just money, but other ones have real power of their own which they can bring in.

WYROUGH: As you know, the State Department Foreign Service assignment policies are such that it's unusual, I believe, for someone to spend as much time with one country as I did with Panama. From '74 until '90. So I got to know rather well all the U.S. ambassadors, and all the Panamanian ambassadors here, so it was an interesting time, as well as the CINCs and the governors.

Q: We're sort of setting the stage for this thing. What was your impression of the Panamanian representation here in Washington? Both on the ground, and also maybe any delegations they sent.

WYROUGH: The ambassadors got distinctly mixed grades in terms of ability and influence. That could be a subject if you want to go into it at a later time, I could evaluate the different ones. They generally tried to put topnotch people here. They did not always succeed. The man who is presently Panama's Foreign Minister was their ambassador in the climatic months of the negotiation in the first months of Carter's administration, from January of '77 until August or September. As soon as the treaties were concluded, he returned to Panama. He was a businessman, a political appointee, a confidant of General Torrijos, a leading oppositionist to the Noriega government, was very active from Washington in leading efforts against that. Indeed, now that the party of Noriega is back in power, here he is the Foreign Minister. A pragmatist, a wheeler-dealer, a capable person. Others have different characteristics. Usually the ambassadors here were close to the president or the senior persons in the Panamanian government, as you would expect. The United States is the big brother, the big enchilada.

Q: What was the estimation. What were you getting from the team Bunker had, and from Bunker. Torrijos was the person who was going to call the shots, and where did they figure he was coming from? Or who were some of the players?

WYROUGH: Clearly General Omar Torrijos Herrera was the strong man in Panama. Nothing happened without his okay. He was not a front man. He was *the* strong man, he was the person in control. He had a group around him, a mixed group, civilians and generally leftists, I suppose, some more than others who kept the extreme left in line. Torrijos' chief negotiator, and Bunker's counterpart, was a man named Romulo Escobar Bethancourt, a man who died here a year or so ago. At the time he was the rector of the University of Panama, and a prominent leftist intellectual within Panama. He was the senior person. There were...I haven't thought about the composition of their team in some time. There was another international lawyer, relatively conservative who later became Panama's ambassador. There was Panama's senior diplomat, a man who is presently Panama's ambassador in London, Aquilino Boyd. He had been Foreign Minister a couple of times, had an extended period as his country's ambassador to the United Nations. Nicolas Ardito Barletta, who later became vice president of the World Bank for Latin America, at the time was Torrijos' Minister of Planning, who later was elected president

of Panama in the spring of 1984, who was sworn in in October of '84, and then ousted by Noriega in September of '85. The ambassador from Panama to the United States then was a young 20-something Torrijos in order to deal with the Oligarchy people, which traditionally had held the political power as well as the economic power in the country, recruited some young Oligarchs to his cause. He was basically a populist. One of those young Oligarchies was the ambassador here at the time, Nicholas Gonzales [last name unknown]. It was a balanced team. There was a black lawyer, who years later and who today, who was not in the government, but who is an elder statesman of the government, and who during the years of the Noriega crisis, I regarded as one of the most sensible Panamanians to whom I could always go if there were problems.

Panama's president today was one of these young Oligarchs, who sort of floated around the negotiating scene. The negotiations as I first encountered them, were conducted in a rather informal way. The manners of the negotiation that Bunker chose with the concurrence of his Panamanian counterpart reflected the political sensitivities domestically on both sides of the issue. At a negotiating session would be Ambassador Bunker and his deputy, and a lawyer, and Bunker would have a staff assistant. They were the ones that came down in March or April of 1974 before I joined the team in order to reach agreement with Panama over the major issues that needed to be addressed under each of the Tack-Kissinger principles. Tack having been Kissinger's counterpart, Foreign Minister of Panama.

My first visit to Panama as a member of the negotiating team was in August of 1974. At the time Ambassador Bunker was receiving guidance from the White House, go slow in '74, but expedite in '75. We're talking about elections, and of course in '74 we're talking about the weakened position of the president because of Watergate. I came down to Panama with President Nixon in office, and I listened to his resignation speech on the balcony of the Lieutenant Governor overlooking the canal with the foghorns in the background, came home with President Ford having been sworn in.

Q: Did you have any feeling on your team that the Panamanians were watching our political scene, and figuring out how to play it, and maybe taking advantage of what they considered might be a weakening situation. Or did they see this weakening of Nixon as perhaps being harder to get some things...when you're in a weak position, you sound tough on something like that.

WYROUGH: I don't think I really have any hard idea about that. That was just as I was beginning. The Panamanians clearly were probing all of us trying to ascertain what was the best possible deal, as any negotiating group would attempt to do. After many years of negotiating there comes a time where both sides want something, and recognize that to delay further is to lose the opportunity. I think I happened along at a time when both sides were disposed to agree, and both sides recognized that the moment, if lost, would fail to yield an agreement any time soon thereafter.

Jumping ahead from the summer of '74 to the election of 1976, which brought President

Carter to power, the first whatever it was called then, NSDM-1 [National Security Decision Memorandum] concerned Panama. He was able to wrap up the Panama negotiations in that period from January of '77 to August of '77, because he accepted all that had gone before in the process initiated by Ambassador Bunker. And he, President Carter, named Sol Linowitz as co-negotiator with Bunker. But Linowitz never was ratified in his appointment by the Senate. He took a six month job. The Panamanians realized that if they were going to have something, it had to be done in that period of time.

Q: When you came on board, as this is oral history, was there a good historical or documentary record of how the negotiations had gone on. Sometimes you start these things and it's a new team and they almost start from the beginning. Did you have a feeling of historic sense what points had been worked out? I'm talking about both your team and the Panamanian team.

WYROUGH: On the U.S. team I should say that there had been a retired colonel at State whose position really I took. He was a member of the Anderson team, and before joining the Anderson team he had been involved on the staff here in Washington of the Secretary of the Army in his capacity of overseeing the activities of the governor. And this man had also been the executive secretary of a presidential commission established by President Johnson in 1964 to study with Panama where to build a sea level canal. Johnson essentially decided there was going to be a sea level canal, the only question was how much is it going to cost, and where were we going to build it. Well, this man whose place I took, had held that job. There were extensive records of those various activities available. This particular man though his personal contacts, I guess, and his personal philosophy were somewhat out of synch with the thoughts of Ambassador Bunker and Ambassador Bunker's deputy, so he chose after many years to return to private life. And his departure created this opening which they filled by bringing me in.

Q: I don't want to push this, but out of synch, was there a real philosophical problem about what we're going to do. Could you explain?.

WYROUGH: He was a personal friend. He is now dead. I think it's a case of someone being used to one way of doing things, and not quite adjusting to the new way. And sometimes, I certainly have experienced it, and I think you probably have, where there's a hold over sometimes they're somebody else's appointee. And that works not always fairly to their disadvantage.

Q: Basically you were starting from the platform that already had been built by previous negotiations.

WYROUGH: Ambassador Bunker felt that it was a mistake, and it proved to be the undoing of the earlier efforts to try to be too specific in some issues while there were major conceptual differences outstanding in anything. And there was always the problem of confidentiality, premature leaks. He tried to identify these areas of common agreement,

and then selectively to expand those areas of agreement built around individual principles until we had a complete package. The principles had been enunciated when I arrived, but it was the process of identifying the issues, and then examining those issues and reaching conceptual agreement on ways of addressing the issues. That process dominated the negotiations from the spring of 1974 until President Carter was elected in November of 1976. By that time we had conceptual agreement on maybe half of the principles that had been identified by Kissinger and his Panamanian counterpart.

What was still outstanding was the whole problem of perpetuity, and duration. How long is this treaty going to run? How are we going to provide for, if the Panamanians don't like perpetuity, how are we going to guarantee protection of U.S. interests for the indefinite future? And then what about the U.S. military presence? What's the nature of the entity that's going to operate the Panama Canal? And what is the economic area? We had discussed a lot of those things but hadn't really agreed on those tough issues, particularly the problem of security and duration. Sol Linowitz came in and took to himself primarily the issue of perpetuity, I guess. He solved it by having two treaties, not one treaty, but defining the near term in which the United States would first operate the canal and then cease to operate it and turn it over to Panama lock, stock and barrel. But concurrently have what came to be called the Neutrality Treaty, under which we would have rights to protect the canal unilaterally, if ever we decided unilaterally, that its security was threatened.

Q: Linowitz didn't get in until '77.

WYROUGH: That's right. Linowitz joined the effort in January of '77. He had a six month assignment because his six months expired, maybe it was 180 days, the end of January until early August. Linowitz is an international lawyer, very dynamic person, very sure of his own thoughts, effective speaker, a good partner for Ambassador Bunker, who by that time was 83 years old. He had high credibility, high prestige, lots of integrity, and was very well respected by the Panamanians. But they recognized that Linowitz had more of something than Bunker had, which was political contact with the president.

Q: How did your role during this negotiation period work? You said you were there more or less to keep the Pentagon on board. How did this work out?

WYROUGH: My official position, I suppose, was as senior advisor to the ambassador. After a year I also became the deputy director of the Office of Panamanian Affairs replacing this AID officer. As I said earlier, some of my military colleagues were skeptical. I retired as a colonel. Unlike some of my military colleagues, when I took off my uniform, I became a member of the Foreign Service. I was a member of State so my effectiveness had limits.

Sometime, I think it was in the late summer of '75, George Brown, who by that time was an Air Force general, was the chairman of the Joint Chiefs. He had been the senior Air Force officer in Vietnam when Bunker was ambassador. Bunker had close personal ties

with most of the then members of the Joint Chiefs of Staff. Zumwalt, chief of naval operations was the senior Navy person in Vietnam, Brown, I forget who the Marine was, but I'm sure Ambassador Bunker had had an association with him, and I forget when General Abrams came back from Vietnam, but Ambassador Bunker and he were extremely close. Anyway, General Brown was invited to Panama, he went down to visit the CINC or something, and he came back having decided that he wanted his own person as a member of Ambassador Bunker's team. He named a retired Army Lieutenant General, a three star general, who was appointed as the co-deputy. So Bunker had from the fall of '75 until the end a team in which he was the negotiator, he had a civilian deputy, he had a military deputy, and I was the military advisor. My job, I would say, evolved to the point where I became the executive secretary of the delegation, as well as an advisor. But the Office of Panamanian Affairs served as the negotiating staff. Position papers were prepared by our staff, and I worked very closely with the deputy negotiator who also was the director of Panama affairs.

We established something called the negotiators think tank that mirrored a little bit the structure of the Panama Review Committee. People from the military, people from the Army, the Canal Company, people from State, lawyers from both sides. We would hash out issues and prepare issue papers.

Q: Why don't we stop at this point and I'd like to put on the end where we are. When we come back we'll talk about the end of the treaty negotiation. We'll talk about what were some of the sticking points just before the end, any problems within our own delegation, and with the Panamanians, any particular things. And then we will talk about the fight to get it ratified, plus slightly back, but the role of Henry Kissinger after he set down his general principles. Did he come into this or not? And then also was the Cuban factor at all something that came up as we went through this.

Today is the 8th of August 1996. You want to do Kissinger, Cuba, sticking points?

WYROUGH: Yes, let's dispose of some of the issues that can be disposed of rather quickly. I don't recall that Kissinger played any direct personal role after he went to Panama in February of '74, the principal result of which was the so-called Joint Statement of Principles which provided guidance for the treaty negotiations through to their completion in '77. He certainly had an interest in the course of the negotiations for as long as he remained in the government, and Ambassador Bunker always had direct access and generally, my recollection is, he could get from the Secretary what he wanted or needed at a particular moment. But having set the stage for a reinvigorated negotiation, I think Secretary Kissinger turned to other matters. At the time he was also quite involved in the mid-East negotiations. Ambassador Bunker, besides being the chief negotiator for the Panama business, was involved with Kissinger in the mid-East. And, in fact, later in '74 it seems to me, Ambassador Bunker celebrated his 80th birthday as a member of Kissinger's delegation during Kissinger's Tel Aviv-Cairo shuttle, or a series of shuttles back and forth.

Cuba was always a factor. We knew that Noriega, as the head of Torrijos's intelligence effort, was a major intermediary, or liaison with Cuba, but my recollection is that Cuba throughout the negotiations never really played any direct role. In the final weeks of the negotiations in '77, after Sol Linowitz joined the negotiating effort as a co-negotiator with Ellsworth Bunker under Carter, there was a major effort to bring the major Latin American country governments aboard -- I guess we paid attention. But nothing really stands out in my memory of Cuban involvement.

The negotiations were concluded in '77 under President Carter within six months of Carter taking office.

Q: Was it sort of generally agreed when Carter came in to continue the course of not to mess around. This is such a domestic issue I was wondering whether he let us get in...

WYROUGH: We were able to conclude the negotiations because President Carter bought everything that had gone before. I forget exactly how much we went into this in earlier sessions, but the negotiations had been begun by Johnson back in '64 with the support of the then living Presidents Hoover, Eisenhower, Truman, and they were continued by Nixon, and then by Ford. They were able to be concluded by Carter because he took everything that had gone before, and he added at that point a vital impulse, perhaps, in the person of Sol Linowitz.

The inaugural day, the first NSDM, this is in January of 1977, the first National Security Decision Memorandum, the acronym for that administration, NSDM-1 concerned Panama, and it said go forward expeditiously, conclude a treaty if a treaty can be concluded, as quickly as possible. In the period following the election, and before the inaugural, there was a major internal effort to permit that NSDM-1 to come into being. The shape of the negotiating team, the major adjustment was that Ambassador Sol Linowitz who had been U.S. ambassador to the OAS, and who was a major Democratic party figure, and with a fairly long-standing interest in Latin America, prominent international lawyer, was brought aboard as a co-negotiator with Ambassador Bunker. Ambassador Bunker by that time was approaching his 84th birthday, 83rd birthday I guess. Although he was a political appointee, had been a political appointee to numerous presidents, he was not a career person but in fact he probably had spent longer time at the State Department, and indeed as an ambassador, than almost any other then living ambassador dealing with difficult matters. And he brought to his job as chief negotiator from the time he was appointed by President Nixon in 1973, his great measure of integrity, fair mindedness, evenhandedness. He always said that he had to get the confidence of the Panamanians. Earlier, I think, I did talk about his understanding early on of the absolute necessity to have U.S. military support and I think I also talked about the trilateral nature of this negotiation, negotiation with Panama obviously. A negotiation between State and the military in a sense, and perhaps the most difficult negotiation of the three, the negotiation in a sense with the American public, and particularly after '77 the negotiation between the executive and the Congress, particularly the Senate, in order to gain the Senate's approval.

Ambassador Bunker brought great credentials to each of those efforts. But by January 20th of 1977, the immediate crisis concerned the negotiation with Panama, and particularly the then remaining issues of perpetuity, that translated into duration -- how long was the treaty going to run for -- given the opposing views by Panama and the United States. Panama wanting to recover its sovereignty, self respect. And the American need for a measure of security stretching beyond whatever period the treaty was to end. We were not prepared to substitute no security for perpetuity. The issue of duration and the issue especially of longer term security were the two major issues, I guess. Then we had to decide who or what was going to operate the canal. Ambassador Linowitz had a lot of political opposition. He declined to have his name submitted for Senate confirmation. Instead he came aboard for six months. In effect, he was a temporary government employee. That, however, created the impulse to fish or cut bait. To conclude the treaties expeditiously.

And he took to himself the whole problem of duration and security. And out of his efforts primarily, emerged the final shape of the treaty package. Whereas until then we had been thinking, I think, primarily about one treaty. We split it into two parts and we developed what came to be the Panama Canal Treaty, which it was agreed, would expire on December 31, 1999, now just slightly more than three years away. And a companion treaty, a treaty covering the permanent neutrality of the canal which gave to both parties the right, as subsequently elaborated and indeed expanded on during the Senate debate on the treaty, the unilateral right of the two parties to take whatever actions they deemed individually appropriate, should they in their individual judgments conclude that the neutrality of the canal, that is to say its security, were threatened.

Those issues preoccupied the attention of the negotiating teams during the months of February, March, April, May, early June. By early June those issues had been pretty well resolved. What was also being addressed concurrently was a so-called, form of the agency. Would it be a U.S. government agency? Would it be an international agency? Would it be a bilateral agency? Would it be public? Would it be private? The United States essentially having agreed with Panama on the limited duration of the treaty governing the operation of the canal, namely, that we would turn the canal over to Panama at the end of this century, the end of 1999, predominated, and Panama agreed, that in the period from '77 until '99 that there would be established a United States government agency with corporate form called the Panama Canal Commission that would have a full-time administrator whose nationality would be U.S. until 1989, but thereafter whose nationality would be Panamanian. Both individuals designated by the U.S. president for confirmation by the U.S. Senate. But in the case of the Panamanian administrator, he would be proposed by the government of Panama. The performance of the administrator would be watched over by a bi-national board of directors which would have a permanent, for the duration of the treaty, U.S. majority and a Panamanian minority. And so by such compromises and blends we were able to put together a treaty package. We assembled in Panama for a final major negotiating session in early August of '77. It seems to me we made our announcement that we had reached agreement on a

treaty, that we would sign in early September of '77, either on the 7th or 8th of August 1977.

Q: When you say you came up with this formula for the commission and how to do it. How was this arrived at?

WYROUGH: The manner of the negotiation underwent a significant change in those final six months. I don't think I talked particularly in earlier sessions about the way the negotiations were conducted from the time that I came aboard. I came aboard first as a military advisor to Ambassador Bunker. By the end of the first year certainly, I had in effect become the -- using a military term -- chief of staff of the negotiating team, working under the chief negotiator, Ambassador Bunker, and his civilian deputy, a man named Maury Bell, who was the director of Panama Affairs. I was the deputy director. At the last session I also spoke about after a year or so of my joining, the Defense Department insisting that they bring in their own military deputy negotiator, a man named General Welborn Dolvin, who is now dead unfortunately. He would have been a good person for you to have gotten.

In those early years, starting in '74, the negotiations typically were conducted in a very informal manner. Most often in the early times they were conducted on the island of Contadora, a small island in the Bay of Panama out 15-20 minutes by air from Panama City, a part of the Pearl Island chain. It was an island that was in the process of being developed as a resort for wealthy members of Panamanian society. When we would land there sometimes at night we would be guided in by flashlight. It was a gravel strip. We lived in trailers, another time we used a small house. I can still remember one of the first times that I went there. The outside of the house right along the living room there was a small space between a walkway and the wall, they had put in plastic flowers. The gardener each morning would water the plastic flowers.

In any event, the sessions were very informal. Small in number, the chief negotiator, the deputy negotiator, a lawyer from each side, just a half a dozen and we would have a relatively formal session across a table such as we're sitting at here. And then other conversations would take place informally over lunch, or over cocktails, or in the evening. But we did this in order to be able to talk in privacy, and be able to talk reasonably frankly away from the focus of the media. And again given the nature of the negotiations that the domestic influences on both sides were so strong.

Q: Would you ever sit together with some of your Panamanian colleagues and say, we've got a mutual problem because the people we represent, the public, won't buy this or that. And say, what if we try this? I'm talking about the equivalent of a bull session. Sitting around and say, do you think this might work?

WYROUGH: We would, but in very small groupings. We would have the more or less formal sessions which were, in comparison to later years, relatively informal. Their chief negotiator was the former rector of their university, a man named Rob [Panamanian

name], prominent, leftist, lawyer now deceased. But he would talk on at great length about Panama being so small, and so poor, and the United States so large and powerful, and therefore we had the flexibility to change. We had to understand that really they just couldn't...we had to put up with all this. He would say that for the formal negotiating session and then privately he would be much open. So there was a constant searching for ways of dealing with really a common problem, but in ways that would solve the individual problems of the two sides. Ambassador Bunker, to risk repeating myself but to do it quickly...Ambassador Bunker's predecessor was Robert Anderson, Eisenhower's Secretary of the Treasury, named by Johnson and then continued by Nixon. His effort, as I understand it, was to work on individual issues, and to translate whatever agreements we could reach into actual treaty language, and building a treaty that way. Ambassador Bunker refused to allow any treaty language to be negotiated, but instead we took the statement of principles, identified issues, and then began to tackle those issues searching for common agreement deferring the obvious sticking points until later, but gradually expanding these areas of agreement into a common framework. It was only after we got fairly close that we began to turn to actual treaty language.

Q: When Sol Linowitz came in, did you catch a breath of the political world? I'm not talking about maneuvering, but saying, that's fine but I know the Senate, and I have to worry about Senator X, or something like this. Did he bring more of a touch of the world where much of the battle is going to have to be fought, than before or not?

WYROUGH: I said earlier that President Johnson, when he began the negotiations, got the support of his predecessors, and that Nixon continued the negotiations. And they moved forward, and President Carter when he came aboard accepted what they had done, and then concluded with the difficult issues. Whether or not President Carter's decisions with regard to duration and neutrality would have received the acceptance of all those people who had been involved before...whether he was able to conclude agreements not just by accepting what had gone before, but by altering the U.S. position, I'm not able to say. We wanted to use the canal. That was sort of the bedrock of our rationale. We didn't care whether we owned the canal, or whether we did it in perpetuity, we wanted to use the canal. And our use of the canal had evolved considerably over the years to the point where in the '70s our naval ships were not using it, aircraft carriers were too big, nuclear submarines not surfacing. So the canal's importance had dwindled, still very important, but no longer vital. That kind of debate, I guess, that's important in military terms. I don't remember that there was any significantly changed emphasis after Ambassador Linowitz came aboard. Ambassador Bunker always maintained close contacts on the Hill, as they both did once Ambassador Linowitz came aboard.

Q: How did it go when all of a sudden you started to put treaty language in?

WYROUGH: In addition to all those key issues, there was one issue we generally called, the lands and waters. That is, who keeps what, and under what conditions. Not only was there the canal treaty which will expire in '99, and the neutrality treaty which goes on in perpetuity so to speak, but there were a whole host of side agreements. The most

important probably being the SOFA, status of forces agreement. That, of course, like other SOFAs around the world establishes the conditions and the rules for our military continuing to be in Panama. That figured prominently later in the crisis with Noriega. But an attachment, or an appendix, a major part of that agreement was a map of the then Canal Zone which under the terms of the treaty disappeared, and was replaced by a series of military facilities, and a series of Panama Canal Commission controlled facilities. In one respect, we gave away our rights as if we were the sovereign, but at the same time, with the other hand, we got, either through a SOFA or through a companion agreement, consensus governing the Canal Commission's control of its facilities. The same fundamental rights but dressed in language that was more acceptable to an age concerned with nationalism.

One of the major items of unfinished business at the beginning of August of 1977 was the identification of the lines and boundaries for the various previously solely U.S. controlled facilities, be they military or Canal Commission. Again, I don't remember all the details of those final hectic days, but we sort of patched an agreement together, and the chief negotiators, Bunker and Linowitz and Escobar announced at a joint press conference that the two sides had reached agreement and that there was going to be a signing. And we returned either that same day or the next day to the United States. The President at the White House had sent down an airplane for us. The date for the signing of the treaties was eventually placed, I think, September 6th or 7th, in Washington at the Organization of American States before all the presidents assembled there.

But we quickly learned that there was a lot of unfinished business and in those three weeks, or three and a half weeks, we really had to take the maps and completely go over them block by block, street by street, facility by facility. We had to put together an agreement outlining the disposition of military facilities. The key part of the agreement was that the U.S. military forces would leave at the end of the treaty period, December 31, 1999, unless otherwise agreed. There is a strong popular sentiment in Panama today for a continued U.S. military presence in Panama. There's a very vocal politically important group which is opposing the withdrawal we negotiated. As we speak in the summer of '96 and in the midst of a time when our military is significantly drawing down in size, and when our military plans are in five year increments, our military planners are already beyond the point where they are expecting to keep any military in Panama. Not that if there were to be a political agreement, they could not make adjustment. But that all had to be worked out in the period after agreement was announced.

Up until the spring of '77 we had no draft treaty language. We had two young lawyers who were very involved in the negotiating efforts, a man named Michael Kozak who just left last week to be our number one person in Havana; and a young Harvard educated woman lawyer named Geraldine [last name unknown]. They began work on a draft treaty and it happened that Gerry was expecting. Her instructions were, don't have this baby until you've concluded the draft treaty. She finished the draft treaty about 5:00 o'clock on a Sunday afternoon, delivered her baby girl less than 12 hours later. But that was in keeping with Ambassador Bunker's approach to concentrate on conceptual agreement,

and then gradually to expand that agreement and only when we thought we were reasonably close should we go to the treaty negotiations.

In contrast to the informal sessions primarily held on Contadora Island, '74, '75, '76, a period that began with President Nixon and followed through under President Ford. The pace of the negotiations was very much influenced by the political debate back in the United States. When I first came aboard, Ambassador Bunker, having been with both President Nixon and later President Ford, and working with Secretary Kissinger, a theme in '74 was, go slow in '74, expedite in '75, '74 Congressional elections. We worked pretty hard in '75. There was a lot of hostility in the country to the negotiations back in those days. Eventually in '77 it was front page news for quite a period of time. Typically New Yorker had a cartoon, two men standing at a bar, a 19th hole man saying, I had gone for so many years without thinking about the Panama Canal, and now suddenly I find I cannot live without it. Time magazine had a cover, Uncle Sam sitting in the middle of the canal waist deep, and the question, how did he get out of it?

The shape of the negotiations '74, very informal, very small, mostly Contadora. '75 and '76 it somewhat expanded in size, but still rather informal, principally held at Contadora, but occasionally in Washington, Airlie House. But then by '77, six months to go, the clock is ticking, let's do it or get on to other things. The first major negotiation was held on Contadora. It was pretty much of a disaster. Large negotiating team on the Panamanian side, we were subjected to a bit of Khrushchev-style shoe thumping, by one of their lawyers whose cousin just left from here a couple of weeks ago, having served successfully as Panama's ambassador to the United States, now Panama's foreign minister. A very prominent lawyer in his own right.

Sol Linowitz, I think, said, I won't go back to Contadora, this is not the way to finish the negotiations. There were some internal stresses developing within the American team, generated, I guess, because of Linowitz's emergence as a dominant player. And the negotiating team shifted primarily to Washington. There was a major negotiating session which occurred in March, was held at the Panamanian embassy, everything recorded. Nothing had been up until that point. It dealt primarily with the neutrality issue that I've talked about, duration, a relatively short duration. But then in early May we began a negotiating round which went all week long, or two and a half-three weeks, and the Panamanians adjourned to go to Panama City for instructions. That was conducted in the Secretary's or the Deputy Secretary's conference room on the 7th floor just a few steps from the Deputy Secretary's office with everything taped, and we have in the State Department the transcripts of those negotiating sessions. I think the negotiations were limited to six-seven people on a side, Ambassador Bunker, Linowitz, Tom Dolvin, a military deputy, Morey Bell the State deputy, myself, and probably at least one lawyer. We essentially broke the back of the unresolved major issues at that point, and we agreed to have one final session in Panama at the Holiday Inn in Panama City, and that was when the agreement was announced. We came back to Washington, we had joint teams then working on the treaties, and all the side agreements, and we put them together. I had to go back to Panama for maybe two or three weeks to deal with some of these lands and

waters issues, that is what the treaty said about military structure.

Q: You had Tom Dolvin, I would imagine lands and waters would...

WYROUGH: That was an issue of major interest to him, a primary interest.

Q: Was it what I would imagine that you might say the State and civilian side was not as interested in some of the lands and waters, and the Pentagon being much more interested, and was this a point of heavy discussion?

WYROUGH: I guess that on the State side there was periodic frustration at the excessive focus on some of the details. Tom Dolvin, a credit to him and I think a credit to Ellsworth Bunker, and his collective bosses, namely the Joint Chiefs of State, Tom would periodically...you're familiar I suppose in a general sense with how the Joint Chiefs conduct their business. Tom would go into what they called the tank, and meet personally with the chiefs for a report on the course of the negotiations. And during '77 he did that with some regularity. I don't remember the language of the NSDM-1, but I don't think it came as a surprise. I don't recall that it was a surprise to Defense. I would assume that they were engaged before January 20 in its drafting.

Q: Did you see a solid progression of all the work you'd done to the final treaty? Or were there, you might say, surprise provisions or anything else, things that had to be worked out at the very last.

WYROUGH: In 1967 one of the then three treaties dealt with a sea level canal treaty. By 1977, even as early as '74 when I first came aboard, the whole idea of the practicality of a sea level canal had been largely removed. We dealt with that question by a short article in the treaty, and that article was negotiated. One Saturday morning we assembled in Ambassador Bunker's office on the 7th floor. Ambassador Linowitz had a small office adjacent to his, and there were some overseas calls primarily with Linowitz on the line, talking, I think, to Torrijos who was at that point visiting in Bogota, and with President Carter or somebody in the White House with President Carter's ear. They wrote that article of the treaty in the course of those telephone conversations that day. But it wasn't important.

As I say, aside from the question of whether some of President Carter's predecessors would have judged the terms of the duration, and the security provisions, to be too generous, instead of negotiations perpetually pursued. By and large, I'm not aware that there were major differences institutionally as we worked through the process. Not to say there were not differences, but no great surprises. The Joint Chiefs, George Brown and the chairman of the Joint Chiefs having served as the head of the U.S. Air Force in Vietnam when Bunker was ambassador, and Abrams who was in the Army Chiefs of Staff who had served with Bunker, and Zumwalt. If Bunker said we needed a treaty, he had their support. That was key.

Q: So you didn't have the usual thing of the military, to use diplomatic terms, pissing all over things after a treaty had been done.

WYROUGH: We did not have the problems that we did develop with the military in 1988 during the Noriega crisis, when the then chairman, Admiral Crowe, didn't like the policy being pursued by State, and as I recall, with the endorsement of President Reagan, and you'd read about it in the New York Times. There was a lot of unpleasantness and that whole matter didn't get resolved until President Bush came into office and the military and the State Department mutually worked out their differences diplomatically.

Q: The treaty was signed then in September of...

WYROUGH: The treaty was signed in early September of 1977 at a large formal ceremony. President Carter, General Torrijos, and most of the Latin American presidents. There was a Contadora group by that time, Mexico, Venezuela and Columbia. Those presidents were present. Later in September the draft treaties were submitted to the Senate for its advice and consent, and there followed a period of six months in which we tried very hard to win the support of the Senate, and we engaged in an extensive public affairs effort to blunt popular opposition to the treaty package. I, for example, spoke in half of the states in the union. I spoke in 26 different states over that period of time, giving speeches, meeting with different groups. Ambassador Bunker would speak in different places, Linowitz...there was a citizens group established under typically the way those things work. Senator Gale McGee of Wyoming was involved, and we sort of branched out; and citizens groups coming into the White House, Panama would always be a part of their standard fare.

I found that typically Rotary groups, college groups, differed in extent of opposition. The local civic groups by and large were against it because their generation grew up with the canal, and we really felt, it's ours by God. We built it, we paid for it, why should we give it away. That was a popular theme. Eventually President Reagan, then Governor Reagan, was a major opponent. Once the treaties were concluded, as I recall, he didn't join in the opposition. He was very much an opponent in the primary period when he was challenging President Ford. He made it a bigger issue than it had been. But once the treaties were concluded, he backed away, and the major opponents within the Senate were Senators Strom Thurman and Senator Jesse Helms, and a group of very hostile opposition within the House.

Fortunately, the House wasn't key to the ratification of the treaty. The House had to be assuaged the following year when we had to get implementing legislation. But in late '77, early '78, the focus was on the Senate. The focus was trying to win popular support. We never succeeded with the American public at large in getting a preponderant of support. I'm not sure what the present administration would do, although they would probably say they did it in case of an accident. But we were successful by the narrowest of margins in the Senate. The Senate voted its support for ratification of the treaties in April of '78 by a one vote margin. That was after an extensive debate. Panama ratified the treaties for its

part in October of '77. There were various amendments designed to clarify the terms of the neutrality treaty, and the rights of the United States under the neutrality treaty to send military forces back in if we judged that necessary.

There was one issue I have not said anything about that did figure very prominently in the spring '77 talks, and that dealt with how much money Panama got. Under the then treaty the annuity that Panama was supposed to get had risen in value, I think, to 2.3 or 2.7 million dollars, some really rather small amount. Panama had long ago sold that to some bank so that every year when it came due for us to pay it, we never sent it to Panama, we sent it to some New York bank which had loaned the payment to Panama earlier. Panama started the negotiations with some outrageous amount of money that they wanted. But we eventually settled on a package the details of which dim in my memory today. But at the time of the treaty ratification debate in the Senate we felt that we were most vulnerable to attack on economic terms. But interestingly, in what is essentially a political debate, the opponents never picked up on the economics. I guess because economic issues are so hard to grasp, to understand, and to get emotional about.

Then after the victory in the Senate in the spring of '78, attention shifted to steps necessary to implement the treaties which were scheduled to go into effect on October 1, 1979. We then worked with congressional committees, both in the Senate and the House, to fashion draft implementing legislation. The Carter administration submitted that implementing legislation to the House Merchant Marine and Fisheries Committee, controlled then I think by a West Point classmate of mine, Jack Murphy, who subsequently had to resign during a scandal. The House wrote its own legislative package. It was one of those dead on arrival situations that have come into vogue in recent years. But we worked out those details for over the period of a year and a half.

Q: You were full-time Panama. Is that right?

WYROUGH: During this period I was full-time Panama. I came in as an O-2 and was promoted to O-1 [Foreign Service officer class 1], by the spring of '79. Speaking out of a personal note, my five year appointment was due to expire, and President Carter's SES, senior executive service, came into being so I shifted from being an FS-1 into the Senior Executive Service. At that point I had no expectation of staying on for as long as I did, but there was no expectation that I was going to go abroad, so SES seemed to be a more appropriate area. I was at that point the deputy. In August of '77, after the negotiations had been concluded, the civilian deputy, the office director for Panama, Morey Bell, left. There were differences between him and Sol Linowitz.

By that time Linowitz's six months were up, and while he continued to testify before the Senate, and worked sort of informally, his days in the government were over. He went back to his private law practice. David Popper was named as Ambassador Bunker's deputy. His focus turned to getting the treaties ratified, and then to the implementing legislation. I forget just when it was that Ambassador Bunker retired, probably the following spring right after the treaties were ratified and signed. There was a big signing

ceremony in Panama. President Carter went down to sign the treaties, Ambassador Bunker, Ambassador Linowitz, a group of people were there. Then Ambassador Bunker, as I recall, left, and Ambassador Popper took on the title of special assistant to the Secretary of State for Panama Treaty Affairs. This was in the summer of '78...exactly when he got that, I'm not sure. But in any event, he worked directly for the Secretary until probably the beginning of 1980, I would guess. I was named as his deputy, and at the same time I was the acting director of Panama affairs until the spring of 1978 when a career Foreign Service officer, a man named Jim Haahr, I don't know where he had been, but he was named the director of Panama affairs, and he stayed from 1978 until he retired in the spring of 1980 at which point I then was in charge of Panama affairs until I retired in 1990.

There were some organizational shifts during that time. For a short time around 1982 Panama was folded into the Office of Central America Affairs, and then it was separated again by late 1982. In any event, by 1984 we were back under the Office of Central American Affairs, but popped back out again as the Office of Panamanian Affairs in mid-1984 during which I was office director. I had the unusual position, or opportunity to be involved with one country's affairs for 16 years, and the last ten years I was in charge of Panama affairs.

Q: Let's talk about Panamanian affairs. The treaty is signed, implementation is signed, to finish off this particular line of questioning, how in the next probably year or two, did the implementation go? Then we'll talk about Panama in a different context.

WYROUGH: Treaty implementation was really the name of the game from the moment the treaties were ratified through the drafting and passage of implementing legislation, and for the first several years after the treaties entered into force. We had to put into place the machinery called for by the treaties and the agreements. The Canal Zone ceased to exist on September 30th of 1979. In its place we had this new structure, the legal instrument was the SOFA [Status of Forces Agreement], and the corresponding agreement that provided for the facilities needed by the Panama Canal Commission. We had to appoint an American administrator, a Panamanian deputy. The two governments had to name their members of the board of directors of the Panama Canal Commission. Those nine members...their appointment had to be consented to by the Senate. There were a couple of other committees that were called for by the treaties, the senior of which was something called a Consultative Committee. The concept behind the Consultative Committee was that it was to be a high level diplomatic body that was to be concerned with the treaty implementation in general. Whereas the Panama Canal Commission's board of directors was to be concerned with the operation of the canal. In fact, the Department of Defense, and the Department of the Army, and the Panama Canal Commission were very jealous of the role of the board of directors of the Panama Canal Commission. The Consultative Committee, which came into being, had members named by both parties. It never realized its potential primarily because of Defense opposition, you might even call it jealousy, to sharing its influence with the Consultative Committee. And there was a lack of any high level political effort within the United States and the

State Department particularly to assert the latent role that it had in the Consultative Committee.

Interestingly, the senior Panamanian member of the first Consultative Committee is today Panama's president. David Popper was the senior U.S. member of the first Consultative Committee. Tom Dolvin was a member. Then we brought in some Defense designated member. There was considerable bureaucratic maneuvering by Defense to derail the Consultative Committee, or to cause it to be stillborn, and they were largely successful, leaving the field to the board of directors. One of the big fights in the passage of implementing legislation was who would be the U.S. members. It was eventually decided that, of course, the Secretary of the Army was designated the executive agent of the Secretary of Defense for the operation of the Panama canal, continuing a tradition that had existed from its beginning. So the law said the Secretary of the Army, or his designee. And then the law said a labor representative, a ports representative, and an engineer or somebody with an engineer's background, I think. Then it was sort of silent about who the fifth member was going to be, but there was a footnote in the implementing legislation that somehow suggested it probably was going to be somebody from the State Department. That for many years proved to be a source of dispute within the administration. But there was a State member of the board, David Popper initially, I think. Then when he left, a principal deputy assistant secretary for Inter-American affairs whose name happened to be John Bushnell and who had a good economic background came to the Consultative Committee. He was very good. Again, in my role, I was a backbencher and would always attend all these board meetings, but was not a member of the board.

In fact, since the treaties entered into force, indeed since the negotiations began in 1964, we never had a problem. We never had a problem due to political unrest as was so typically the case for the 10 or 15 years prior. So in that regard the treaties have worked remarkably well. The treaties called for a joint commission on the environment. Back in the '70s environmental issues were becoming important, and the Sierra Club and similar groups, became interested.

So the joint commission on the environment was the third major committee with members who required presidential appointment and Senatorial advice and consent. Of the three committees the dominant one was the board of directors for the Panama Canal Commission, and because you had a State member on the board, we effected good coordination I would say within the executive branch, particularly between State and Defense. At my level, I worked very closely with the Secretary of the Panama Canal Commission who would put together the agenda and who was the principal assistant to the chairman of the board.

In Panama for many years, certainly going back to the time of President Johnson, you had a U.S. group called the Panama Review Committee consisting of three members: the Ambassador; the governor of the Canal Zone, president of the Canal Commission as the second person; and then the senior military person, the commander of the U.S. forces,

Southern Command. They worked very closely in Panama coordinating the range of issues of concern to the United States government there. They would submit recommendations. And there was, in effect, a group in Washington of comparable membership that existed from the time when I joined State in '77. One of the first things that Ambassador Bunker did was to establish what we termed a negotiators think tank. I chaired a group that included the secretary of the Panama Canal Company. It was the predecessor to the Canal Commission. Somebody from SOUTHCOM, and then other people from agencies depending upon the issues. But we would sit down and we would take the principles enunciated by the Tack-Kissinger agreement of February of '74, and then the issues that emerged, and we would write position papers. But we didn't have to submit them for inter-agency clearance. That process would come after the ambassador decided that yes the product was worthy of formal coordination. So we were able to escape the bureaucratic inertia that sometimes fixes itself around existing positions. That kind of process continued in different forms all through my experience. It proved to be effective.

Q: The next time when we pick this up, we'll deal with essentially the decade that you were dealing with Panamanian affairs. We'll talk more about the politics of Panama, and the personalities, and the issues because you were in charge of Panamanian affairs up to 1990.

WYROUGH: I'd like to talk just a little bit about the dynamics of the board of directors of the Panama Canal Commission. I'd like to describe a little bit the Panamanian members. I'd like to talk a little bit about the interplay between the U.S. administrator and the Panamanian deputy administrator. Some of the things that were happening in the field of transportation that were affecting our views of the relative importance of the canal, most particularly the so-called land bridge which during the '80s had explosive growth while canal traffic was relatively stable. And then the period of the political situation in Panama, the U.S.-Panama relationship culminating particularly in the crisis that began in '87, and resulted in the U.S. military action that ousted Noriega at Christmas of 1989.

Q: Today is the 12th of September 1996. We've finished with the canal treaty approval. You continued with Panamanian affairs until 1990?

WYROUGH: Until September of 1990 which was six years ago.

Q: You heard some of the things we wanted to talk about, so I'll turn it over to you and then ask some questions as we go.

WYROUGH: We want to look at implementation of the treaty beginning in October of 1979, up through the period in which I remained active, that is through September of '90. And then briefly take a look at the political situation, the broader bilateral relationship between U.S. and Panama in the '80s. The first years of the decade were dominated by mutual efforts to implement the treaty, and beginning really in 1984 and accelerating in '87 until we had the military action in December of '89 which led to the removal of

Noriega and the establishment of a democratically elected civilian government free of the military domination of the country which had existed from the late '60s.

The activities of the Board of Directors of the Panama Canal Commission. The Panama Canal Commission was, of course, a U.S. government agency established by the treaties to oversee the operation of the canal through the life of the treaty, that is, through December 31, 1999. The Board of Directors was a bi-national body established to oversee the operation of a U.S. government agency. It consisted at the establishment, and today and up until the end of the treaty, of a nine member board, a permanent five member U.S. majority and a four member Panamanian minority. All nine members appointed by the U.S. President with the advice and consent of the Senate. In the case of the four Panamanians, the nominations were to be on the recommendation of the government of Panama. By law, the chairman was to be the Secretary of the Army, or his designee. Another member was obligated to represent labor, a third to represent port activities, and another to represent the maritime industry in general. The identity of the fifth U.S. member was not specifically spelled out in the implementing legislation, but the intent of the congress was mentioned in the legislative history and it was clear to the State Department that the identity of the fifth member was to be a diplomat, a representative of State.

The Panamanian Canal Commission didn't fully buy on to that on the outset and it required some effort by the White House in working by the Congress, but that was the situation, that was the agreement. It was reached and it continued throughout the decade of the '80s.

Q: What was the problem with the military to a State Department representative?

WYROUGH: I think it rested with the long history of essential autonomy of the Army in the operation in the canal. They didn't really want their hands tied anymore than custom mandated. We felt that the operation of the canal was the center piece that affected the bilateral relationship, that it was absolutely essential that the State Department have representation on this oversight body. I forget whether in one of our earlier sessions whether I mentioned the concern that Bob Sayre had when he was the United States ambassador to Panama. Back in 1970 I first was introduced to the Panama scene as a member of the staff of the Secretary of Defense tasked with looking after that particular piece of real estate, Mexico, Central America, of which Panama was a part. And I used to attend inter-agency working group meetings where the ambassador would come up and report. At that time Brandon Grove was the director of Panama affairs. He was one of the more effective country directors among those I dealt with in working with other agency representatives. He would get us together and Bob Sayre would come into the room. Even though he was the president's personal representative, responsible for bilateral relationship, the ambassador complained that his authority effectively stopped at the border of the then Canal Zone. He said that the governor of the Canal Zone, who was also president of the Panama Canal Company, which was the precursor of the Panama Canal Commission under the new treaty, effectively did pretty much as he wanted.

There was established under the Johnson regime something called the Panama Review Committee consisting of the ambassador, the governor, and the senior military person, and they were charged with submitting recommendations to Washington as to how the United States should conduct itself. So the ambassador never really had the free hand, or never played as significant a role in Panama as was customary in many other parts of the world. I think out of that recollection, we at State were determined in the aftermath of the long period of negotiating the treaty, and the difficult period of getting the treaty ratified, and then getting the implementation legislation through the Congress, we wanted to be sure that State's voice was considered in the policy that developed.

That went well. The State Department representative was almost always, if not always in my time, the principal deputy assistant secretary for Inter-American affairs. Steve Bosworth, who retired relatively early in the 80s, I guess, to take over the presidency of the Japan's Society was our first representative, and then John Bushnell, who succeeded him, had it for a number of years. John was particularly qualified because of his economic background. He was a very good State representative.

I attended throughout the period as essentially a back bencher. Our office typically would prepare the briefing book for the State representative. The chairman was attended by an individual who had the title of secretary of the Panama Canal Commission, a full-time person, a retired Army colonel who had offices here in Washington who had the job of preparing the agenda for each board meeting. He worked closely on a continuing day-in and day-out basis with the U.S. administrator, and his deputy, a Panamanian. He also worked very much with the two committees of the congress who watched over Panama affairs; the Armed Services Committee in the Senate, and the Panama Canal Subcommittee, a part of the Merchant Marine and Fisheries Committee in the House. He had an extremely good relationship with both of those committees, and when the Panama Canal Commission was interested in getting some small piece of legislation through, he generally got what he, or the Canal Commission, wanted by working with these two committees. He would prepare the briefing books for the U.S. and the Panamanian members, and then with the two or three days that we would have before the board would actually meet, my staff would prepare the State Department view for the State Department representative, and then usually the State Department representative and I would always caucus with the U.S. board members, and brief them as they would get ready to enter the board meeting on the state of the U.S. bilateral relationship. That became increasingly important as the decade wore on, and as our bilateral relationship deteriorated.

Q: Initially within the first year or two after the initiation of the treaty, was there the feeling that there was foot dragging by, say, the American canal authorities. Was it being done with good grace?

WYROUGH: I think that the U.S. members of the board carried out their mandate within the spirit of the treaty. There was really no foot dragging. There were significant doubts,

and opposition, and some outright opposition I would say, in some parts of what was known as the Zonian community. The American citizens who operated the canal, who lived in Panama, and who had, many felt, a colonial mentality, who were very much opposed to the effort to change the old canal treaty. And when we actually concluded the negotiations in the summer of '77, we went over and they were the first people to actually get a briefing, and there was a lot of hostility. There was generally the thought that we had sold them out. And that attitude never completely disappeared within that group, but they were voted down and once the treaties entered into force, they did their very best to...they acted in a professional matter, by and large. They did their job, and we didn't really have any problem. I can say that we always defined the U.S. interest in the canal as the interest in use of the canal, not in owning it, not in operating it indefinitely, but in using it. From the time that Johnson first entered into negotiations, right up until the present, to the best of my knowledge, in contrast to the period prior to the mid-'60s, there was no interference by the Panamanians, and no labor unrest that adversely affected the operation of the canal, except for a brief time during the height of the Noriega crisis in the late '80's.

Q: How did you find the Panamanian board members? Were they sensitive to the problems and obviously went through this of getting accustomed to each other.

WYROUGH: I would say that as far as the Panamanian board members, they were always the minority. Some of them were extremely professional, completely dedicated in a non-political way to providing the best possible canal operation. There were others who were primarily political in their perception, and some of them who had the bias, I suppose, of a highly nationalistic state approach to affairs. Labor issues were important, became important in the early years of treaty implementation.

In a brief history, the canal employees, whether they were Panamanians or U.S., were paid a wage scale comparable to scales existing in the United States. There was then a significant disparity as far as wage scales within the area that had been the Panama Canal Zone in comparison to wage scales in the rest of Panama, and in the rest of the Panamanian metropolitan area adjacent to the former Canal Zone. The Panamanian board members were very vocal in defending this disparity in the face of efforts, at least initially, to pay new hires a lower rate which as you know in the United States today is an increasingly common practice. For example, the paper today talks about labor negotiations in the auto industry. The new hires are going to get a lot less, both in starting salary and in pensions, and in all other benefits than the dwindling old timers have.

The U.S. majority included a labor representative who was relatively sympathetic to the views expressed by the Panamanian minority. In fact, he bought this concept of a common salary scale, whether it be for new or old employees. That's a situation that exists today, and it has reduced a little bit the relative efficiency, the productivity, of the canal. I'll talk a little bit in a moment about the land bridge, but I think it has affected relative efficiency. The canal is efficient, but the productivity gains of the '80s and the '90s have occurred more in the area of the land bridge, than they have with regard to

traffic moving through the canal.

Nevertheless, there was a U.S. majority, and while the Panamanian minority could debate and delay, they really couldn't alter in any significant way a policy direction if the U.S. majority decided in its individual private caucuses that that was the way it wanted to go. Early on, the U.S. members decided that they would vote pretty much as a block under the guidance established by the chairman. They were not completely free. There was always the risk that one member could break ranks and vote with the Panamanian minority, and so the chairman of the Board, the Secretary of the Army's man, while he could direct the vote, he chose not to exercise that prerogative in most cases. But it was more a matter of discussion and consensual development of agreement within the U.S. community that was the rule for the conduct of the Board meetings.

The Board met, like most Boards, quarterly. Most often in Panama, usually once a year in the United States. The meetings typically would take a couple of days, maybe three days. The rest of the time the day to day operations were watched over by the administrator and his deputy. The administrator for the first ten years of the treaty was a U.S. official. His deputy was a Panamanian, again proposed by Panama, nominated by our President, confirmed by the Senate. The only American to hold the job as administrator was a man named Dennis McAuliffe who was the last CINC of the U.S. Southern Command prior to the implementation of the new treaty. That is to say, he was a three star general who retired on September 30th of 1979, and was immediately appointed as the U.S. administrator of the Panama Canal. So, while he wore civilian clothes, in fact the Canal Commission maintained a semblance of his old Army flavoring. However, unlike his predecessors who I believe were almost all Army Corps of Engineer officers, or with an engineering background, McAuliffe, who was an artillery officer, had a strong background in political-military affairs. By personality he was thoughtful, and very reflective of the bilateral relationship. He was someone with whom the Panamanians worked well, and who worked very well with the ambassador, and with his own successor as the SOUTHCOM commander. He held that job until, under the terms of the treaty, a Panamanian was named as the administrator in 1989. His deputy was a political appointee, a popular Panamanian by the name of Fernando Manfredo who remains active in Panamanian politics today under the current Panamanian administration. Fernando Manfredo was like his U.S. counterpart, McAuliffe, a person very attuned to the viewpoints of the other members of the group, not just his Panamanian colleagues. Highly respected by all U.S. officials with whom he came in contact. Very well respected within the maritime community. Together they presented an outstanding team for the period of the first ten years of the treaty.

Q: A most crucial period.

WYROUGH: They dealt well with labor problems within the Panama Canal Commission. They worked well with the union leaders. One of the most influential Panamanians to serve on the Board had a long background of working within the Panama canal community. By the time the treaties entered into force, he was the president of one

of the two major canal unions, and I think shortly after that was elected as the president of some international labor organization within the Latin America area, a man named Lewis Anderson. He, like Manfredo, while he was a very effective spokesman for his particular group, and for Panama, he also worked very well with his American colleagues. I for one, whenever I would visit Panama, and through that period I would usually visit Panama three-four-five times a year, I would always make it a point to meet one-on-one both with Dennis McAuliffe and with Lewis Anderson.

The other Panamanian Board members I could describe at some length. Some of them were purely political animals, some of them had no particular political background, but were simply appointed for their various abilities, backgrounds. They by and large presented a balanced team, and the two sides worked well most of the time over that period of ten years. Except, again, when the relationship between Panama under Noriega, and the United States deteriorated so badly, particularly in the years and the months beginning with the firing by Noriega of Panama's president Nicky Barletta in September of 1985. There was a period of time where the Panamanian Board members simply chose not to attend the Board meetings. That was a little rough.

Q: Why don't we tape the economic developments first and then go into the story of Noriega, and what had happened before, and also any reflections on Cuban activities, drug activities, or anything like that.

WYROUGH: Economically, the canal continued to prosper during '80s. Traffic volume measured in tonnage increased consistently over the period even when the number of ships began to drop off in the early '80s as the economics of the auto industry shifted from whole automobiles being imported into the United States in favor of parts being shipped, and the Japanese developed their assembly lines within the United States. The canal, by the time the treaties entered into force, was no longer the vital artery that it had been perhaps during the First and the Second World War. The military view was that it was an "important" facility, not vital. The change in status reflected the change in composition of our Navy. The fact that none of the carriers could go through the canal, the fact that nuclear submarines would not go through the canal. More than anything the canal has become a major maritime artery through which commodities move. In the past 15 years or more, there has been an increasing move to containerization as far as the global economy is concerned. The '80s saw a fantastic growth in the so-called land bridge across the United States. While traffic through the canal increased in a steady way, the increments were essentially small compared to the growth in traffic of the land bridge which essentially was high value containerized cargos moving from East Asia by a great circle route into the major ports of the west coast, and then transshipped onto rail, and sent across the United States stopping periodically to offload the containers that truck traffic picked up. By the late '80s it was increasingly the norm that containerized cargoes packed in East Asia bound for Amsterdam, let's say, could move faster and more cheaply by way of the land bridge than through the canal. This occurred because of technological developments on the rail lines within the United States, double-decking the containers on the trains, and breakthroughs, I suppose would be a fair term, as far as labor contracts that

substantially reduced, if not eliminated, feather-bedding.

Q: You might explain what feather-bedding is.

WYROUGH: Feather-bedding being a reflection, I guess, of the time when you would put a train crew on a train in Los Angeles eastward bound, and it would go 200 miles, or 300 miles, and be replaced by another crew. The technology had changed so significantly that trains had the capacity to go much further without the need for large crews or frequent changes to crews. So there were great savings in labor costs, and there were technological developments that brought the cost down of the land bridge in comparison to the more traditional all water route through the canal which as I said a little while ago, were adversely affected in my opinion by the high wage scales which the Panamanians insisted on maintaining, and which the U.S. Board members went along with.

Q: You had two more subjects you want to talk about with regard to economic developments.

WYROUGH: I was talking just a moment ago about the land bridge and the fact that technological developments were comparatively on the side of that traffic versus canal traffic. On the U.S. side we were very conscious of this and tried wherever we could to acquaint the Panamanians with these developments because there appeared to us to be a tendency on their part to look at the canal as the goose that lays the golden egg, and that the relative importance of the canal, let's say in the '60s, would continue without substantial change. We warned them wherever we could that, look at what else is happening in the world because without change by the canal itself it could well be that you're going to end up with something that is far less valuable than it was at one time, or that you think it to be. So there developed the practice that whenever we would have a Board meeting in the United States, instead of having it in Washington, we would hold it in a major port city of the United States, both as a matter of public relations between the Canal Commission and interested maritime groups within the United States but also to afford the Panamanians the opportunity to be exposed themselves to these developments. We would meet in Baltimore, Charleston, two or three times in New Orleans, Houston, Los Angeles, we would go around the country. It took the Panamanians a long time apparently to begin to focus on the points that we were trying to make, with the exception of Fernando Manfredo, and one or two other Panamanian Board members. There did not appear to be an awareness or even a high interest in these developments.

I, and others, encouraged them over the years of the '80s to begin to look ahead to the end of the treaty, and to ask themselves how were they going to operate the canal, what kind of institutions are they going to establish, what kind of labor policies are they going to follow. What about modernization of the canal? Broadly speaking, I guess, I was frustrated by a lack of real attention to those longer term issues that we felt needed addressing. Now with only three years to go before the transfer, I'm advised that finally the Panamanians are beginning to look seriously at some of these issues which they have unfortunately, I think, put off and procrastinated in favor of more immediate matters.

There was, of course, the delay in all of this caused by the Noriega business.

The final economic subject concerns the alternatives to the Panama canal. The treaties entered into force in October of 1979, and the canal treaty called for the joint study by Panama and the United States of a...I don't know whether it was alternatives to the canal, or the question of a sea level canal. This, in contrast to the elaborately defined draft treaty that had been a package of the aborted 1967 treaties that never went anywhere, reflecting the judgment reached by a U.S. group called the Atlantic Pacific Inter-Oceanic Canal Study Commission which published its findings I think in December of 1970, which in effect said a sea level canal is simply too expensive, not economically feasible. Johnson, the gregarious, optimistic soul that he was back in '64 when he had appointed this commission concurrent with his decision to enter into negotiations, was convinced that a sea level canal was going to happen, and it was just a question of timing and cost, and where and such things. The attractiveness of that idea had cooled and by the time we wrapped up our treaty it had fallen out of vogue, and we simply agreed that we would study the issue.

In March of 1980 President Carter, I guess, received the then Japanese foreign minister, maybe the Japanese prime minister, I forget, but a high level Japanese group, and one of the subjects that the Japanese wanted to talk about was a sea level canal. And they were motivated apparently by a then elderly man, I think his name was Nagano, who was an elder statesman industrialist. He was one of the architects of the Japanese miracle, and he tended to look at economic issues in global terms. A sea level canal across the Isthmus of Panama was one of a half dozen projects that he felt were absolutely essential for the continuance of the Japanese economic miracle. So he had sold the then Japanese government on that idea, and they approached President Carter. We were still of the view based on the 1970 study that it was impractical, not cost effective. We, however, began a series of discussions that eventually led to our, we thought, satisfying our treaty obligation with Panama to have a bilateral study and our interest in maintaining a good relationship with Japan. We established a trilateral group that beginning, I guess, in '82 and continuing into about mid-'84, drew up the terms of reference for a trilateral study between the two major users of the canal, Japan and the United States, and the territorial sovereign, Panama, to study the relative merits of a sea level canal, or a third locks that would take bigger ships than the existing locks, or a do nothing option, in effect substituting the canal traffic with a transmission land bridge.

We concluded those talks and the three governments signed an agreement in September of '85 at the United Nations in New York. As a result there was a commission established and that commission was supposed to be a five year effort. By the time I left in September of '90 we had been interrupted because of the Noriega crisis. The effort resumed and was concluded in the early '90s, '93, '94, somewhat inconclusively because in the meantime traffic had not grown through the canal at the rate that we had expected it would. Traffic projections for the next 20 years, combined with channel widening efforts that the U.S. began once the treaties entered into force in '79, supported the conclusion that the existing canal could handle anticipated traffic up until the second decade of the next

century. In other words, I think the three parties agreed that we would simply put off any decision.

It was an interesting exercise though in trilateral efforts. Three different approaches, melding three different points of view. An approach I'm sure replicated now as we get more and more enmeshed in the global economy.

Q: How does the Japanese meld into this already peculiar organization?

WYROUGH: I was very involved in the effort. I was the senior American for the years where we put together the mechanism that was going to undertake the study, and then would meet on a regular basis. The Japanese were absolutely confounded by the Panamanians. At one point, one of our very first meetings, we were meeting in Panama at the foreign ministry and it happened to be the Emperor's birthday, and the Panamanians allowed that, not very diplomatically, that they were happy to have the Japanese participate, but that the Japanese should understand that the U.S. and Panamanian involvement was in implementation of a treaty requirement, whereas the Japanese involvement was just sort of a protocol, or an executive agreement. In other words, the Panamanians were happy to take the Japanese money but not necessarily expect that their views would govern, or would be taken into account as much as the views of the Americans and the Panamanians. Well, we got over that little to-do. The senior industrialist statesman passed from the scene, and with his departure much of the Japanese commitment to a sea level canal eroded. Not entirely, but in some measure. I think all parties concerned have simply decided that there's no need for an immediate decision. I was sympathetic to the minimal change idea, no sea level canal, no third locks, maximum use of the existing canal supplemented by non-maritime instruments be it a highway, a rail line, a slurry line, and taking advantage of Panama's location.

In fact, great circle routes are a little more effective through the United States because of distances between Asia and Europe than they are between Asia and Europe by way of the Panama Canal.

Unless you have some questions...

Q: No, I don't. Could you talk about the political situation?

WYROUGH: Okay. The political life of Panama was dominated by their military from the time there was a coup in the late '60s until the time of Operation Just Cause in December of '89 when Noriega was removed from power. The strong man of Panama was Omar Torrijos, a young colonel in the late '60s who came to power in a coup. He controlled the country all during the period of the final negotiations from '74 until '77. He was the head of the National Guard. There was a civilian president, but the civilian president in fact was hand picked by Torrijos. He was a Greek by the name of Demetrio Lakas, a big man, educated in Texas, spoke with a Texas accent. Ellsworth Bunker, when we would go to Panama for a negotiating session, liked to fish, and liked to sail, and

President Lakas would always make available his sailing ship, an old minesweeper perhaps from the U.S. that Panama had somehow gotten at some point earlier. A good glad-hand person, but with no effective political power. Political power was in the hands of Torrijos who had a strong populist bent. He was killed in a helicopter crash in the late '70s, maybe '79 or '80. There was a pecking order within the Panamanian National Guard. By that time Noriega perhaps was the third or fourth most important person, but upon Torrijos's demise his then deputy took control of affairs. He lasted maybe a year or so, then his deputy, and then the next deputy, and finally Noriega became the commander of the Guard. I don't remember exactly, perhaps 1983-1984, in that neighborhood.

Politically Torrijos hand-picked the successor to President Lakas, I believe in the late '70s. A young man who had been one of the co-negotiators. When Bunker was the chief U.S. negotiator, his counterpart was a man named Escobar Barletta, a former president-rector of the University of Panama. When Sol Linowitz appeared on the scene and became the U.S. co-chief negotiator, Torrijos responded by naming this young Aristides Royo, as the co-negotiator with the man who had been the chief negotiator. So those two teams remained in place through the climatic session of '77. And sometime after '77, I don't remember now exactly, perhaps in '78, Torrijos arranged that this young Royo, 38 or 39, became Panama's president. And I think it was in that time period that he promised that there would be in 1984 direct election of a Panamanian president for the first time since the military had taken control of the country in the late '60s. That schedule was maintained, and there were presidential elections in May of 1984. The principal candidate of the non-government parties was a man who by then was in his 80s, or late 70s, Arnulfo Arias, who had three times before been elected president, and three times forced out of office by action of the military. The last time being in the late '60s. And the candidate picked by the military was a man named Ardito Barletta, who at that point was the vice president of the World Bank for Latin America, U.S. educated, Ph.D. from the University of Chicago, highly respected within the United States, and the international financial community. Also a member of the Panamanian negotiating team, so a good credential within Panama as far as the military and their civilian supporters were concerned. As far as the PRD [Partido Revolucionario Democrático or Revolutionary Democratic Party], which was the political party established by first Torrijos, and later his military supporters to advance their purposes.

The election was a very close election. The election was challenged and Arias lost by 1500 and some votes. He immediately challenged it. The United States had no clear evidence, despite our suspicions, that the election had been stolen, or fixed. So after a suitable interval we accepted the election of Barletta, who was sworn in to office in October of 1984. Barletta was inaugurated with his two vice presidential running mates in October of 1984. By that time Noriega was the Guard commander, and was effectively running the country. Barletta proved to be too independent for Noriega. While Barletta was in New York attending the United Nations General Assembly session, and literally the day that he witnessed the signing of this canal alternative study by Jorge Illueca, Panama's foreign minister, and Japan's foreign minister, he got a call one night from Noriega saying come home. And there had been a beheading of a National Guard civilian

critic, Dr. Hugo Spadafora, under rather grizzly circumstances. Again, the details escape me, but Barletta appeared to be promising a truly independent special prosecutor that was going to investigate the circumstances. Noriega brought him home for consultations, and after an all night session, Barletta resigned the following day, September 27, 1985, in favor of his first vice president, Eric Arturo Delvalle Henríquez, who was sworn into office. This man was a very successful businessman with sugar interests in Panama, wealthy, interests in horse racing. But he was considered to be a traitor to his class. During a parade in early October commemorating the revolution of the country, he marched in the parade; and, in a display of civilian subordination to the military, left the parade route to pay his respects to Noriega, and was ridiculed by much of the opposition. That was in October of '85.

The situation deteriorated gradually over the next couple of years. Delvalle remained in office through '86, through '87, and then in late '87 there were a couple of grand juries in the United States that began to look at the drug activities, money laundering, of the National Guard and particularly of Noriega. I remember in January of 1988 I was in Mexico for a brief holiday. We had been apprised of these grand jury investigations in a general sort of way, but really didn't expect anything to come of them. Lo and behold in late January of '88 there were two indictments returned against Noriega. Indictments which the Reagan administration only learned about days before.

Q: You were the desk officer.

WYROUGH: I was the office director.

Q: Were flags coming to you?

WYROUGH: The flags we were getting, they were yellow, but definitely not red, and by the time I left...I was caught by surprise. The administration was caught by surprise with perhaps no more than a couple of weeks' warning. Delvalle was the then Panamanian president -- Arturo Delvalle. Elliott Abrams was the assistant secretary for Latin America. Delvalle and Abrams met either in Panama or New York, I forget which. Delvalle became convinced that Panama could not continue with the head of the National Guard as an indicted person, and announced on a taped TV appearance that he was relieving Noriega of his responsibilities as head of the Guard. This taped appearance was broadcast one evening in mid-February of 1988. That night Noriega convened the National Assembly in a session about 2:00 o'clock the following morning. They impeached Delvalle, who went into hiding. Noriega put in his own replacement president. Delvalle remained in hiding inside Panama from February of '88 until I think the following December, a period of about ten months. And it was in that period of time that the civic crusade, or whatever they called themselves, were formed and people began demonstrate in the streets, and we would have nothing to do with the government established by Noriega. We continued to conduct our relations with this fugitive president.

Q: Did we have contact with him?

WYROUGH: We had contact with him. I would go to Panama, and I met with him. I'd go to the ambassador's residence, and after supper get into the back of a private civilian Jeep with the dark windows, and be taken into some apartment building, change vehicles, and go into a private home and have sit-down for a couple of hours of discussion with Delvalle. It was a bizarre time. For a period of time, as I recall, Delvalle moved into our ambassador's residence, and then moved into these different safe havens. There was a part of Panama with just a series of high rise buildings...whether Noriega knew where he was and decided it was just too risky to confront him directly, or what, I am not really sure. It's hard for me to imagine that Noriega didn't know where he was, and chose instead just to let him function in this odd way.

We froze Panamanian assets within the United States. The embassy here in the United States worked with the fugitive president, and we continued to carry on with that man. We entered into an extended period that ran from February-March of '88 through December of '89, a period of about 20 months. The situation simply deteriorated. We imposed economic sanctions. The Panamanian Board members, as I said earlier, boycotted the Board of Directors meetings. Our embassy was reduced in strength. U.S. companies within Panama evacuated dependents. Dependents of the embassy were evacuated, dependents of the military living on the economy off the military bases were evacuated. It was a very tense time.

Q: Were you sitting around, you and your colleagues, how are we going to be more beastly to the Panamanians figuring this out?

WYROUGH: Well, in the spring of '88 while we were working with President Delvalle's shadow government, we were also holding direct negotiations with Noriega's representatives, seeking a satisfactory solution that would involve Noriega's stepping down from power. There was a major inter-agency effort within Washington, State, Defense, the Joint Chiefs, the agency, Treasury, all the usual players, plus the special ones because it was Panama. We looked at different alternatives, by then the principal deputy at State was a man named Mike Kozak, who had been our young lawyer who was one of the drafters of the treaties. He had maintained good contacts, he was well respected, had good credentials within Panama. He had a number of negotiation sessions. There was a major debate within the United States government, the Defense Department, the Joint Chiefs were very much opposed to military action at that point. We had a CINC in Panama who was opposed to military action. The chairman of the Joint Chiefs, I think, was Admiral Crowe who is now our ambassador in London. This was, you remember now, this was now in the last six months of the Reagan administration, and you would frequently read in the New York Times columns by Elaine Sciolino, does that name ring a bell. She was a Times correspondent who covered either Washington or the National Security desk at the Times Washington bureau. She would have articles clearly getting information from Admiral Crowe, or somebody in his office, lambasting the policy that the administration was following and had been approved by the President, and was being pushed by State. It was a disheartening situation. There was a time where we would have

inter-agency meetings almost on a daily basis.

And by the summer of '88 the effort to encourage Noriega to leave voluntarily had failed. The United States was then caught up in the presidential election campaign. Things just drifted along, deteriorating gradually, but demonstrations periodically and something of a stalemate. Once President Bush took office, the Washington team began to work more harmoniously. We presented a series of papers. There were just countless numbers of National Security Council meetings and whatever the level immediately below the NSC was, the Under Secretary of State for Political Affairs was our principal representative. Elliott Abrams had left office, left his position and I forget now the name of the name of the man had come in under Baker, a Democrat, a very capable, somewhat abrasive individual [note: Bernard Aronson]. In Panama during much of '89 was one of the major diplomatic issues facing the Administration.

We prepared the NSC briefing papers; we prepared the briefing papers for the meetings of the Under Secretary's committee; we prepared the papers that were the principal papers considered by the IG [Inspector General] at the assistant secretary-level meetings. And then pretty much on a daily basis for much of that time we created an inter-agency working group that met in the offices each morning of the principal deputy, an assistant secretary, a man named Mike Kozak, who perhaps more than anybody else has been my closest associate at State, and who is now our chief man down in Havana.

The position that we took through all of this was that, given the nature of our interests in Panama and the power of Noriega, there was no middle ground that would allow us to continue to fulfill our responsibilities, protect U.S. interests as broad as they were, and allow Noriega to remain in power. There were initially critics of this approach within the military community primarily. You have to remember that this crisis had its early beginnings with the election, the first presidential election after the military had seized power in the late '60s. In the last couple of years we had this bizarre effort...eventually in late '88 President Delvalle left Panama and set up his operation, such as it was, in Miami, and we would meet with him there. For a while he would go back into Panama and leave and eventually disappear. But there was another presidential election in May of '89, and this time the opposition parties banded together, selected a candidate, not Arnulfo Arias, but his principal deputy. The group, the Civic Crusade, I think it was called, composed loosely of opposition parties. They formed a coalition and the head of the Christian Democrats was the number two vice presidential candidate, and another influential moderate political party, the head of it was put in as the first vice president. And they fielded this ticket and they ran against Noriega's slate.

We chose to focus the glare of world publicity on the elections, and we did the usual thing in order to send in international observers, and what have you. Election time came, we sent in a presidential delegation, some Senators, Congressmen, the usual mix. And they were met by our senior military man on the ground who continued to have doubts about the course of action which Washington was pursuing. Jimmy Carter headed his own team, as I recall, besides the presidential team. The two teams sent observers to

different places. Jimmy Carter, as I recall, was shocked by the manipulations by Noriega. And in a televised appearance Carter declared that the election was fraudulent, and that the real winner was the opposition. The three successful candidates, the presidential candidates, his two vice presidential candidates, then participated in a victory parade down the streets of Panama, and were attacked by some of Noriega's civilian thugs.

Q: You mean the opposition group.

WYROUGH: The opposition group had a victory parade and they were attacked by some of Noriega's thugs. Whether they were military in civilian clothes, or whether they were just civilian supporters, I don't know. They were bloodied, and their picture was on the cover of Time magazine. Whether they went into hiding, or whether they left the country -- I think they left the country. That was in May of '89. We tightened the embargo, the president replaced the senior U.S. military commander on the ground, preparations for possible military action were intensified. There was an attempted coup within the National Guard in October that failed. And finally, by mid-December, a U.S. Navy officer and his wife, I think, were somehow accosted on a street in Panama, and the decision was made to send in our forces under what was called Operation Just Cause. Noriega was caught literally with his pants down as the paratroopers dropped in to the Torrijos airport. Noriega escaped with his red underwear and on Christmas Eve actually took refuge in the residence of the Papal Nuncio, and eventually gave himself up, I guess, early in January of 1990.

I was a strong supporter of the action at the time, remained convinced that it was the only practical course of action that the United States had left open to it when all other alternatives, short of military action, had failed. The Arturo Delvalle government, I was pretty sure, had gone to the United States, and then was brought back into Panama. It was sworn into office, and a period of reconstruction began in the 1990s. The National Guard was disestablished in place of a police force, and the United States provided fairly massive assistance of various forms to help reestablish democracy in the country. The coalition which was put together primarily in opposition to Noriega later had trouble maintaining its unity, and in fact, fell apart. And in the elections of '95 their candidate lost...there were a number of candidates in the field at the time instead of one, and the winner of that election was the present president who had been a young Oligarch recruited by Torrijos back in the mid-'70s. However, he was never a supporter or an ally of Noriega, and he really challenged Noriega in the late '80s for control of the political party which had been established by Torrijos.

Q: As office director during this build up, before the takeover by the U.S., what were you getting from our embassy?

WYROUGH: I would go into Panama, either individually or as part of a visiting delegation. The frequency of my trips diminished given the nature of the crisis. But we worked very, very closely with our ambassador. And indeed, in the final months our ambassador came out, he was in Washington and operated out of my office for months,

and we had in Panama his DCM who was in effect the Chargé. The embassy and we were of, I think, one mind. There was no divergence, and eventually once Bush took office, the Pentagon with its several voices, and we, began working very effectively together.

Stu, I've really appreciated this opportunity to participate in the oral history program

Q: Thank you.

End of interview