

2169

CONFIDENTIAL

10 DOWNING STREET

THIS FILE MUST NOT GO OUTSIDE 10 DOWNING ST

FILE TITLE: Relations		SERIES PANAMA
		PART: 1
PART BEGINS: 2 May 1997	PART ENDS: 7 JUNE 2001	CAB ONE:

LABOUR
ADMINISTRATION

Part 2001

PREM 49/2169

CONFIDENTIAL

Printed in the UK for HM80 Dd4063169 1/96 C10 59064

PART

CLOSED

DATE CLOSED		7 JUNE 2001
-------------	--	-------------

Series : PANAMA

File Title : Relations

Part : 1

Date	From	To	Subject	Class	Secret
06/05/1999	FCO	FA/APS	Panama: Election: Message of Congratulations	U	0
19/05/1999	PM	Panama/Pres	(H) - Panama: Election: Message of Congratulations	C	0



a HMA
FLO

10 DOWNING STREET
LONDON SW1A 2AA

THE PRIME MINISTER

SUBJECT
MASTER

19 May 1999

Filed on

Dear President-Elect

Please accept my warm congratulations on your election as the next President of Panama. Your election signals a further consolidation of democracy in your country. I wish you every success at this historic moment, as your country prepares to assume full responsibility for the Panama Canal. I look forward to the continued strengthening of the close commercial and other links between our two countries.

Yours sincerely
Tony Blair

Sra Mireya Moscoso

AB

DCO pps

● Top papers with the
Prime Minister

Date

7/5-

Sra Mireya

MOSCOSO

SCAN: MOSCO SO



Foreign &
Commonwealth
Office

6 May 1999

London SW1A 2AH

(5)

1/GR to scan
2/PB

Dear Philip

Panama: Election: Message of Congratulations

Presidential elections were held in Panama on 2 May. Mireya Moscoso, candidate of the Arnulfista Party and of the Union for Panama Coalition, won with 44-45% of the vote. Martin Torrijos, candidate of the ruling Democratic Revolutionary Party (PRD), obtained 38% of the vote and a third candidate Alberto Vallarino (Christian Democratic Party) obtained 17-18%. The turnout was 76%.

President Ernesto Perez Balladares will remain in office until Mrs Moscoso is inaugurated on 1 September. A clause in the Constitution disallows the incumbent President from reelection. Panamanians rejected removal of that clause in a referendum last May.

The election had been expected to be close. Moscoso capitalised on a popular mood for change and a backlash against the effects of privatisation and deregulation. She has called for an end to corruption and privatisation and for more social justice. In practice there is unlikely to be a radical departure from the policies of her predecessor. Moscoso has invited her opponents to join in a government of national unity.

Moscoso is the widow of the populist Arnulfo Arias, three times President of Panama. He was deposed for the third time in 1968 by the military dictator Omar Torrijos, father of Martin Torrijos. These echoes of the past highlight the significance of this election in Panama's progression to stable democracy. The election campaign was calm; the voting free and fair. This is the second successive clean election in which the opposition candidate has won, since the end of military rule ten years ago. Torrijos graciously accepted defeat. Moscoso is the first female President of Panama.

It will be Moscoso who will accept the return of the Panama Canal from the US at the end of the year and in doing so preside over an entirely independent Panama for the first time in its history.



Moscoso's victory is unlikely to affect our good relations with Panama. Panama is the UK's largest export market in Central America. UK firms have won large contracts as a result of Balladares' privatisation programme, for example, Cable and Wireless runs the telephone monopoly. Moscoso will probably rule out further privatisations, such as water, for which UK companies might have been bidders.

... We consider it appropriate to send a message of congratulations from Prime Minister to the President-elect along the lines of the enclosed draft.

Yours ever

Andrew Patrick

(Andrew Patrick)
Private Secretary

Philip Barton Esq OBE
10 Downing Street

SCANNED

**DRAFT MESSAGE FROM THE PRIME MINISTER TO SRA MIREYA MOSCOSO,
PRESIDENT-ELECT OF THE REPUBLIC OF PANAMA**

Please accept my warm congratulations on your election as the next President of Panama. May I also congratulate you on being the first woman to be elected President in Panama's history. Your election signals a further consolidation of democracy in Panama. I wish you every success at this historic moment for Panama, as your country prepares to assume full responsibility for the Panama Canal. I look forward to the continued strengthening of the close commercial and other links between our two countries.

Owen Richards
LACD, FCO

270 2478

CONFIDENTIAL



CONFIDENTIAL