

RECORD TYPE: FEDERAL (TRP NOTES MAIL)

CREATOR: GayMarine (GayMarine@aol.com@INET@LNGTWY [UNKNOWN])

CREATION DATE/TIME: 4-MAR-1997 05:47:00.00

SUBJECT: GLBVA Press Release 97-04

TO: Marsha Scott (Marsha Scott@eop [UNKNOWN])
READ:UNKNOWN

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RELEASE# 97-04 FOR IMMEDIATE

RELEASE

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GAY, LESBIAN & BISEXUAL VETERANS OF AMERICA
HOLD BIENNIAL CONVENTION IN CORPUS CHRISTI, TEXAS

Gay, lesbian and bisexual veterans from across the country converged on
Corpus Christi, Texas President ,s Day weekend for two days of networking,
educational seminars, speeches, planning sessions and the election of
national officers. And for the first time in history a gay veterans
service
organization used facilities aboard a U.S. Naval vessel for their plenary
session.

The general membership convention, which is held every two years, began with

a reception on Friday evening at the Sandy Shores Hotel. Convention attendees met for cocktails and hors d'oeuvres and got acquainted before beginning the serious work which brought them to this convention.

Saturday morning GLBVA officers hosted a continental breakfast for convention

attendees, the officers welcomed the convention delegates and the invocation

was delivered by Reverend Sandy Olson, Steen of the Metropolitan Community Church

of Corpus Christi. The highlight of the morning session was a slide-presentation on the history of the gay, lesbian and bisexual veterans movement presented by James Darby and gay veteran Max Woerner presented a dramatic reading from his new work titled, *8. & War Stories Woven of Khaki Love and Olive Drab*.

Following a luncheon on the mezzanine, guest speaker Warren Dinges spoke to the group and gave them an update on the progress of his case against the United States military. Dinges, who was a Captain in the Air Force, was convicted by military court martial for engaging in a private consensual adult relationship and served a five month sentence in the maximum security military confinement facility at Fort Leavenworth. Following a question and

answer period, Captain Dinges thanked the group for their outspoken

position

on the "Don't Ask, Don't Tell" policy and wished them luck in their future endeavors.

The afternoon workshops focused on topics such as the Servicemembers Legal Defense Network, discussions of possible benefits from utilizing recruiting and informational tools such as AOL, the internet and the World Wide Web and an open forum for attendees to ask questions or voice concerns and opinions.

The Sunday morning plenary session made history as the group met aboard the aircraft carrier USS Lexington (CV-16), which was anchored less than one-hundred yards from the convention's hotel. This was the first time that a gay veterans service organization has used a United States naval vessel for a plenary session. The Officers Ward Room aboard the World War II aircraft carrier was decked out in the finest of military tradition with the American flag, the rainbow flag, several military banners and the flags of all branches of the U.S. Armed Forces. After arriving for the Sunday morning plenary session, some convention attendees toured the aircraft carrier while others swapped war stories and spoke of their dedication to continuing the fight for the right of gays, lesbians and bisexuals to serve openly in the

military. Later in the day members were served a meal from a traditional
&chow-line 8, listened to speeches from the organization's leaders and then
began the nominating process which would culminate in the election of the
officers who will govern the organization for the next two years. Results
of
the election are as follows:

President.....James
Darby.....Chicago, IL
Vice President.....Nancy Russell.....San
Antonio, TX
Secretary.....James
Donovan.....Plainville, IL
Treasurer.....Mel
Tips.....Cathedral City, CA
Regional Coordinator..... Mack Thomas.....Mission
Viejo, CA

Vice-President Public Affairs.....Edward
Clayton.....Birmingham, AL
Vice-President Veterans Affairs.....Max
Woerner.....Guerneville, CA
Vice-President Legislative Affairs.....Cliff
Arnesen.....Boston, MA
Vice-President Membership.....Ed
Kassing.....Chicago,
IL

Vice-President Gay Liaison Support.....Bud Robbins.....San
Francisco, CA

During the session a special award was presented to outgoing President
Nancy

Russell honoring her for all her hard work over the past four years in
building the organization and establishing a viable presence on the
national

political scene. Under her administration the organization saw a
significant

increase in membership, obtained its 501(c)3 status, testified before
numerous committees during the 1993 LIFT THE BAN campaign and established a
solid financial footing which will ensure the organizations long-term
survival. A plaque was presented as a small token of the groups
appreciation

and a standing ovation demonstrated the respect and admiration the members
have for Ms. Russell and her dedication to their cause.

The highlight of the Sunday session came when newly elected President James
C. Darby called on the group to endorse a declaration which asserts the
unacceptability of the current "Don't Ask, Don't Tell" policy, reaffirms
the

organizations commitment to the eventual removal of ALL policies preventing
the service of gay, lesbian and bisexual men and women in the United States
Armed Forces, and calls again for the president to lift the ban. The group
unanimously endorsed the Lexington Declaration and instructed that copies
of

this declaration be sent to the President and all members of congress.

GLBVA, Inc. is the only national non-profit organization for gay, lesbian
and
bisexual active duty, reserve and veteran members of the United States
Armed
Forces, their families, friends and supporters.

FOR MORE INFORMATION AND/OR PHOTO REQUEST CONTACT:

EDWARD CLAYTON

GLBVA PUBLIC AFFAIRS OFFICER

(205) 833-8391 or E-mail: gaymarine@aol.com

===== ATTACHMENT 1 =====

ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

RFC-822-headers:

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by PMDF.EOP.GOV (PMDF V5.0-4 #6879) id <01IG3BWGT9UO00VUIK@PMDF.EOP.GOV> for
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RECORD TYPE: FEDERAL (TRP NOTES MAIL)

CREATOR: Fenceberry (Fenceberry@aol.com@INET@LNGTWY [UNKNOWN])

CREATION DATE/TIME: 5-MAR-1997 14:01:00.00

SUBJECT: Articles 3.5.97.5

TO: Richard Socarides (Richard Socarides@EOP [UNKNOWN])

READ:UNKNOWN

TEXT:

1. HONOLULU STAR-BULLETIN Air Force officer resigns to end "gay" battle
2. CENTRE DAILY TIMES (State College, PA) Editorials from around the nation: STRAIGHT Scoop: Same old story
3. CENTRE DAILY TIMES Editorial: Hatred is always Hatred
4. FEEDBACK Response to question about Marriage Project - Hawaii t-shirts

HONOLULU STAR-BULLETIN March 4, 1997

P.O. Box 3080

Honolulu, Hawai'i 96802

editor@starbulletin.com

AF [Air Force] OFFICER RESIGNS TO END 'GAY' BATTLE

His court-martial was to begin today

By Gregg K. Kakesako

Star-Bulletin

A Hickam Air Force officer charged with sodomy has resigned, ending a prolonged battle that included accusations that evidence against him was obtained illegally.

The court-martial of Capt. Robert Saragosa, a member of Pacific Air

Forces

Air Operations was supposed to begin tomorrow. However, in January

Saragosa

submitted a letter of resignation which was accepted by the Air Force today.

He had been charged with sodomy, conduct unbecoming of an officer, indecent exposure, committing indecent acts and fraternization.

Kirk Cashmere, Saragosa's attorney, said his client's action was "not an admission of guilt," but that Saragosa was willing to resign rather than go through a court-martial. Had he been convicted of all the charges,

Saragosa

could have drawn a maximum sentence of 30 years in jail.

Maj. Joe Davis, Hickam spokesman, today said Saragosa will receive an "administrative discharge." He said the privacy law prevented him from saying

whether it is under honorable conditions.

In October, Saragosa asked that the charges be dismissed because of the circumstance under which they were obtained. He maintained that the way the

evidence was gathered violated the Defense Department's "don't ask, don't tell" policy on homosexuals.

Saragosa was implicated by another Hickam Air Force Base serviceman--Senior Airman Bryan Harris--who was convicted of raping another man last year. In exchange for a lighter sentence, Harris provided the names

of 17 men with whom he said he had engaged in consensual sex. Harris was released from the Ford Island brig in January after serving less than a

year.

Cashmere said Saragosa has denied Harris' charges as well as the charge of fraternization with an enlisted man.

Last year Saragosa's attorneys maintained Harris' agreement violates the Pentagon's "don't ask, don't tell" policy.

Two other Hickam airmen said the Air Force would not have been interested in their sexual orientation had Harris not implicated them.

THE CENTRE DAILY TIMES March 1, 1997

Box 89, State College, PA, 16801

(Fax 814-238-1811, print run 26,320)

(E-MAIL: pcarty@knighttridder.geis.com)(<http://www.centredaily.com>)

STRAIGHT SCOOP: SAME OLD STORY

Editorials from around the nation

-- The following editorials do not necessarily reflect the views of the CDT.

Paul V. Carty

Editorial Page Editor

However he packages it, Darin Loccarini's student group, Straights Reinforcing Adherence In General Heterosexual Tradition, is really nothing new.

Loccarini says he's anti-gay but not homophobic, he's opposed to

homosexuality, but likes homosexual people. You know: It's not the sinner, it's the sin.

Discrimination against gays and lesbians continues, and will continue, until it is socially unacceptable. Jim Crow laws and discrimination against blacks, for example, lasted for years, despite legislation and court rulings. Gay civil rights won't be achieved overnight, either.

That said, the student court at Penn State did the gay and lesbian community a disservice by refusing to recognize the STRAIGHT group. Although its intentions were noble -- to shield sexual minorities at Penn State from offense and possible hate by the group -- the decision gave the STRAIGHT group more attention -- and grounds for a federal lawsuit.

Ironically, this was the path a gay group pursued against the university 25 years ago when it was denied status. Loccarini fails to see the redundancy of a pro-heterosexual group. He's proud that he has the guts to proclaim his bigotry, and believes STRAIGHT can enable other Penn State students to come out as bigots, too.

That arrogance could also serve the gay and lesbian community. Being aware of our enemies is always preferable to driving them underground.

-- Philadelphia Gay News

THE CENTRE DAILY TIMES March 2, 1997

MY VIEW

HATRED IS ALWAYS HATRED

Section: EDITORIAL

By KIMBERLIE KRANICH

For the Times

As a lesbian, I find it difficult to believe members of STRAIGHT
(Students
Reinforcing Adherence In General Heterosexual Tradition) who say they don't
hate homosexuals, just homosexuality (Feb. 23 CDT). How are these two
hatreds
different? To those who are the targets of such hatred, it feels the same.

Here is a case in point:

Not long ago I drove to the corner of College Avenue and Allen Street in
State College and picked up my life partner from work. We chatted about our
day as I drove us to College and Atherton. We stopped for the light and
exchanged a "hello, nice to see you" kiss while we waited. We were
oblivious
to the passengers in the cars around us until we heard what sounded like
raucous horseplay.

We didn't pay much attention to the sounds until the light turned green
and we
crossed Atherton. As we did a car with three men passed us. One of the men
was leaning out the window and flipping us off. As he yelled his face was
pink with rage. I reacted by slowing down so as not to get in front of
their

car and risk being followed home. We were stunned at this display of hate.

I

wondered how so much hatred could be generated from such a loving act. I am still baffled. Did that man hate homosexuality or did he hate us? It was impossible for us to make that distinction.

This kind of hatred directed against me and my partner is the kind of hatred that can be fostered in groups like STRAIGHT that condemn homosexuality. By condemning homosexuality, one condemns the homosexual.

Why do the people interested in forming STRAIGHT feel it necessary to "reinforce adherence in general heterosexual tradition"? How can my love for a woman threaten another's love for a member of the opposite sex?

And how will STRAIGHT "reinforce adherence" to heterosexuality? Will heterosexuals not be allowed to express emotional and physical closeness to members of the same sex? Will STRAIGHT physically separate two women or two men from holding hands or kissing in public? Will they verbally assault people who they think are gay or lesbian? Will they perpetuate stereotypes and tell lies about homosexuals and exploit the fears of those who don't know or understand us? Will they lobby against laws that prohibit discrimination against us?

The extreme manifestation of hate is, of course, violence. Gays and lesbians and those perceived to be homosexual already have been physically and verbally harassed in State College, as verified by the police. Let us as a community of people who live and work in State College send a message that

hatred of homosexuality will not be tolerated. Write your letters of love
and

support to the editor. We need to hear from you now.

Kimberlie Kranich lives in

State College.

FEEDBACK From: SkipperO@aol.com

Aloha,

Thank-you for your interest in one of our tee shirts. They are Hanes
Beefy Tees and come in three colors, berry lavender, stone washed blue and
natural. The logo is "I Do...Support the Freedom to Marry." Tank tops in
the new colors will not be available until a little closer to summer. You
should send your size (s,m,l,xl,xxl), color choice and \$15 plus \$2.50 SH to
Marriage Project-Hawaii, P.O. Box 902, Captain Cook, Hawaii 96704

We also have new caps, black with "I Do." in rainbow on the front and
Marriage Project-Hawaii on the back..They look good and are high quality.

They are also \$15 plus \$2.50 SH.

The profits of this big island Marriage Project-Hawaii group all go the
cause. We are all volunteers of the marriage project and there in not one
paid employee. In 1996, we netted \$11,000 for the cause.

Your order will help. The shirts and hats are a purchase, but please
feel

free to donate as much as you can as well. All donations to Marriage

Project-Hawaii are tax-deductable.===== ATTACHMENT 1 =====
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Socarides_R@a1.eop.gov; Wed, 05 Mar 1997 13:24:53 -0500 (EST)
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by STORM.EOP.GOV (PMDf V5.0-7 #6879) id <01IG589A18XW000045@STORM.EOP.GOV> for

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CREATION DATE/TIME: 8-MAR-1997 12:24:00.00

SUBJECT: Articles 3.8.97.6

TO: Richard Socarides (Richard Socarides@EOP [UNKNOWN])
READ:UNKNOWN

TEXT:

1. BOSTON GLOBE An Assault on Gays in the Military
2. PITTSBURGH TRIBUNE-REVIEW Son's struggle with AIDS makes a fighter of his mom
3. (Salt Lake City) DESERET NEWS Objection! Lawyers take aim at letter
Graham and others object to criticism of gay attorney in legal journal
Voir
Dire
4. DESERET NEWS Granite board urged not to do away with all noncurrclular clubs

THE BOSTON GLOBE March 8, 1997

Box 2378,Boston, MA 02107

(Fax 617-929-2098, print run 516,981)

(E-MAIL: letter@globe.com)(<http://www.boston.com/globe>)

EDITORIAL

An Assault on Gays in the Military

The instructions sound simple: Don't ask, don't tell, don't pursue.

But

President Clinton's policy of tolerance for gays in the military appears to have backfired.

The story is in the numbers. In 1996, 850 gay military personnel were discharged, a five-year high and the highest rate of discharge since 1987, according to the Servicemembers Legal Defense Network.

The network labels the de facto practice "ask, pursue, and harass" and backs the numbers with disturbing examples of service personnel who were questioned repeatedly about their sexual orientation and threatened about the penalties for not answering.

In a particularly perverse twist, the organization found that women, regardless of their sexual orientation, were labeled lesbians for rejecting men's sexual advances or for reporting incidents of sexual assault or harassment. In some cases, officials investigated only the lesbianism allegations.

The implication? The Defense Department habitually breaks the law. The department, however, is tight-lipped about defending itself. Yes, it kows all about the report, and yes, it will look into it, as the Servicemembers Legal Defense Network also made a valid case last year. But don't expect a publicly staged nostra culpa.

The network has suggested a more aggressive response that includes additional "don't ask, don't tell" training for military personnel and the disciplining of commanders who ignore the regulations. The military would still be free to dismiss personnel who declare that they are gay or have sex with or try to marry someone of the same gender.

Changing organizations takes time. But as the leader who swung a spotlight on the issue of gays in the military, President Clinton should be

at the front lines of this effort. The worst don't ask, don't tell violations merit an executive office bellow of CUT IT OUT! [italics in original]. And as commander in chief, the president can also insist that in the United States military, gossip, false accusations, and harassment of any kind will not win the day.

THE PITTSBURGH TRIBUNE-REVIEW March 8, 1997

Tribune-Review 622 Cabin Hill Drive, Greensburg, PA 15601

(Fax: 412 838-5171)(E-MAIL: letters@tribune-review.com)

Son's struggle with AIDS makes a fighter of his mom

By Melanie Cox

TRIBUNE-REVIEW

Jeanne White says she's just a mom, charged with passing on the story of the death of her son Ryan as a way to educate young people about AIDS.

White,

her voice breaking with emotion as she recounted her son's fatal struggle with AIDS, spoke to about 150 people Friday in the Student Service Center Auditorium of the Community College of Allegheny County, North Side.

Ryan White, a hemophiliac, was diagnosed with AIDS at age 13 in 1984 after contracting the virus from a tainted blood product. Hemophilia is a genetic disorder in which the blood lacks clotting factors. Victims inject a medicine

prepared from human blood that contains the missing factors.

He died in 1989 at age 18, but not before bringing national attention to a disease that at that point had stricken few children and few hemophiliacs.

"I never really wanted to be or do anything except be a good mom," White said.

But as controversy over Ryan's fight to go back to school in Kokomo, Ind., escalated, Jeanne White found herself acting as a champion for the families of AIDS victims and suffered along with her son the discrimination against a "misunderstood disease."

She asked audience members, mostly college students and twentysomethings, to embrace AIDS awareness as a gift from this generation to the next. "Wouldn't it be nice to say that your generation has done something for yourselves and also for the young people you'll bring into this world,"

White said, as audience members wiped tears from their eyes.

White, who now lives in Indianapolis, shared heartbreaking examples of the bigotry her family faced as Ryan tried to go back to school. She recalled how two of her son's teachers brought cards from classmates when Ryan was first admitted to the hospital. But they were afraid to go into his room.

Nurses and surgeons refused to treat Ryan, White said. Neighbors shot bullets through windows into White's house and slashed her tires. Members

of
the congregation refused to shake Ryan's hand during Easter services at
the
church he had attended for 10 years. And while letters of support came to
the
White household from across the globe, neighbors in Kokomo sent hate mail
repeatedly, calling Jeanne White a slut, a poor housekeeper, a front for
the
gay community and an unfit mother.

But White said she decided to regain control of her family's struggle
when
a newspaper reporter came to her house one night saying that a local
parents'
group had tried to make Ryan and his sister wards of the court. "I became
Superwoman after that," White said. "This woman put on her Batman outfit."

Equally touching were the two videotapes White played during her
two-hour
speech. A documentary made by the CBS news program "West 57th" examined
Ryan's court struggle against neighbors and classmates who were terrified
the
AIDS virus would invade their schools. Michael Jackson, who along with
Elton
John, lent celebrity support to the family, made the other video after
Ryan's
death.

"Every story needs to be told," White said, standing in front of eight
AIDS quilts. "The best education you can get is hearing a real story of a

real person."

White was the college's keynote speaker for Women's History Month. Since Ryan's death, she has remained committed to AIDS education and prevention. She established the Ryan White Foundation, worked on her son's autobiography, "The Ryan White Story," and recently co-wrote "Weeding Out the Tears, A Mother's Story of Love, Loss and Renewal."

THE DESERET NEWS March 5, 1997

Box 1257, Salt Lake City, UT, 84110

(Fax 801-237-2121, print run 64,671)

(E-MAIL: letters@desnews.com)

OBJECTION! LAWYERS TAKE AIM AT LETTER

Graham and others object to criticism of gay attorney in legal journal Voir Dire.

By Chip Parkinson, Staff Writer

An anti-homosexual letter to the editor published last month in a statewide legal journal has drawn criticism from some of the state's most prominent lawyers, including Utah Attorney General Jan Graham.

Voir Dire, a semiannual publication of the Litigation Section of the Utah

State Bar, published the letter from Ogden lawyer Mark H. Gould, who attacked

the journal's decision to spotlight attorney Jane Marquardt.

Gould wrote that Marquardt is an admitted homosexual who ``shares a

lifestyle which is endorsed by only a very small percentage of people.

Those

who enter into this lifestyle are behaving illegally and immorally."

The journal was sent to more than 6,000 members of the Utah State Bar in early February. Editor Kate Toomey received dozens of letters responding to Gould's letter within a week of its publication.

The overwhelming response was negative and prompted Salt Lake attorney Francis M. Wikstrom and six others to circulate a letter condemning Gould's position, Wikstrom said.

"Ms. Marquardt's sexual orientation has nothing to do with her ability to practice law or to be an outstanding member of the bar. By contrast, one's eligibility to participate in civilized society, must less to practice law, is substantially compromised by bigotry and insensitivity. Intolerance has no place in our profession," the letter states.

Graham signed the letter along with 121 other attorneys who represent a broad political spectrum. Others who signed include Weber County Attorney Mark DeCaria, prominent civil attorneys Dale A. Kimball, David K. Watkiss, Randy L. Dryer, Stephen B. Nebeker, Jeffrey J. Hunt, Peter W. Billings and Alan L. Sullivan.

Several former bar presidents, including Paul T. Moxley and Dennis V. Haslam, and Assistant U.S. Attorney Brooke C. Wells and Salt Lake County prosecutors Barbara J. Byrne, Michael J. Christensen and Trina A. Mann also signed the letter.

It will appear in the Utah Bar Journal later this week; letters submitted

by individual attorneys will be published in Voir Dire's summer issue, Toomey said.

Graham said it was easy for her to decide to lend her support.

“(Gould's letter) made me very sad. I thought it was very hateful and completely inconsistent with everything that we as Utah lawyers stand for,” she said Tuesday.

Also, Graham said, Marquardt deserves all the praise she gets.

Gould wrote he was upset that Voir Dire would “hold this person (Marquardt) up as some kind of role model or someone who is typical of the best of our profession.” He said the letter was difficult to write and that he knew he was raising a sensitive subject. “But I feel it is an important one,” he wrote.

The journal devoted a full page to Marquardt under the headline, “A Credit to the Profession,” in its winter 1996 edition.

The article focused on Marquardt's work as an attorney and volunteer, which spans 20 years in Utah. She is the former president of the Weber County Bar Association and has served on two bar committees examining attorney ethics and discipline; she is also known in the Ogden community for her devotion to several charitable organizations. The article made no direct mention of her sexual orientation.

Toomey said some attorneys have questioned the journal's decision to run Gould's letter, which she read to Marquardt before it was published.

“We thought he had a right to say what he said,” she said.

Marquardt agreed, noting part of the role of a legal magazine is to serve as a forum for its readers.

``His opinion is unfortunate, but he's entitled to it," she said. ``I've been out for a long time; I guess it's something you expect."

She said she was most surprised by Gould's claim that her lifestyle was illegal. ``It clearly isn't," she said.

Marquardt does not plan to respond to the letter with one of her own. ``My life speaks for itself," she concluded.

Gould refused to comment on his position when contacted by the Deseret News. ``My letter speaks for itself," he said.

THE DESERET NEWS March 5, 1997

GRANITE BOARD IS URGED NOT TO DO AWAY WITH ALL NONCURRICULAR CLUBS

By Jennifer Toomer, Staff Writer

Granite High teacher Gary Clark had one claim to fame his senior year in high school: He was Stamp Club president.

While stamp collecting had little to do with curriculum at Marshfield High in Coos Bay, Ore., what Clark learned through the club led him into academic pursuits.

``All noncurricular clubs will help us to do that," said Clark, who is also the student body officers' adviser.

Clark's comments came Tuesday at a Granite Board of Education work session

aimed at receiving feedback on the school clubs issue from invited students, teachers and parents. About 60 attended.

The clubs issue erupted last winter after some students at Salt Lake School District's East High tried to form a gay-straight alliance. The issue often dominated the 1996 Legislature and resulted in student demonstrations and national media attention.

Granite, which has received up to 20 applications for clubs including a gay-straight alliance at Cottonwood High School, must decide whether to follow the Salt Lake City Board of Education's ban on clubs unrelated to curriculum or to allow all noncurricular clubs, including controversial ones.

Those are the sole options under an equal-treatment rule passed last month by the Utah Board of Education.

Most speaking Tuesday favored retaining noncurricular clubs, which they said help students to develop self-esteem, make new friends and stay in school.

“Education is not necessarily in a classroom lecture or textbooks, but in noncurricular clubs and involvement in them,” said Skyline High student Ruth

Ann Romney, president of Operation Smile, which soon will conduct a service project in the Middle East.

Leadership positions in clubs also can help pad college applications,
said

Melanie Topham, Olympus High student body vice president.

“They (colleges) always ask for your school club involvement,” she
said.

“I believe that if we didn't allow (noncurricular clubs), it would
detract

from our opportunities to get scholarships.”

But those favoring a ban on non-curricular clubs said academic-based
organizations yield similar benefits.

“There seems to be a misconception that academic clubs are in some way
stuffy or prohibitive,” said Cheri Ause, Cottonwood High yearbook adviser.

“By going with option one (allowing all clubs), we open ourselves up to
unnecessary problems.”

For instance, the district could be forced to allow clubs for satanic
worship, guns or body piercing - provided they don't violate laws or harass
others, among other criteria, said Granite public relations director Kent
Gardner. A principal-approved adviser would oversee such groups.

A ban on noncurricular clubs, however, could put an end to Students
Against Drunk Driving, water polo and multicultural clubs, among others,
Gardner said. Still, such groups could be conducted unsupervised in rented
classrooms after hours, under the state Civic Center Act.

“I don't really want the Tattoo Club,” said parent Jolene Ludvigson
of
the Parent-Teacher-Student Association at Kennedy Junior High. “But if
that
is the case, I'd rather have them supervised.”

Supervision, however, could become a funding problem, said Chad Christman,

a Granger High music teacher and student body officers' adviser.

"I don't want to be told I have to supervise a club for it to be in existence," he said. "We have an obligation to compensate those who must do this not of their own free choice."

Until it decides its path, Granite School District is holding off on applications for clubs, including biking, rodeo and philosophy, Gardner said.

Some school board members fear either path would be a losing one. But member Robert Arnold disagrees. "The question is, what is the best way to serve our young people? I believe we can have a win-win situation."

The district will hold public hearings on the clubs issue in early

===== ATTACHMENT 1 =====
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Received: from emout16.mx.aol.com (emout16.mx.aol.com)

by STORM.EOP.GOV (PMDf V5.0-7 #6879) id <01IG9BEPF7E1005USL@STORM.EOP.GOV> for

Socarides_R@a1.eop.gov; Sat, 08 Mar 1997 11:38:31 -0500 (EST)

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CREATION DATE/TIME: 9-MAR-1997 13:43:00.00

SUBJECT: March 8-9 Weekend Press Summary

TO: susan e. walitsky (susan e. walitsky@EOP [UNKNOWN])

READ:UNKNOWN

TEXT:

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09 Mar 1997 12:50:04 -0500 (EST)

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Organization: USIA

X-Mailer: Connect2-SMTP 4.20B.6 MHS/SMF to SMTP Gateway

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` Phone: 6194792 Fax: 6194510#&R2P&P#

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WASHINGTON POST

Letter to the Editor: USIA Web Site Focuses On the Foreign Press
Saturday, March 8 1997; Page A22

The Feb. 6 news story on the CIA's decision to maintain funding for the Foreign Broadcast Information Service (FBIS) cited a former Senate staffer's argument that the CIA needs to provide the American public with unclassified analyses of the foreign press on the Internet.

The Post's readers should know that the U.S. Information Agency (USIA) already is providing such analyses on its Internet server (<http://www.usia.gov>), which has been on-line for more than two years and which now receives more than 40,000 hits per day.

Weekdays at the USIA web site, under "foreign commentary on U.S.," one can access the "Daily Digest," a report designed to keep senior government officials informed about how the world press views the major foreign policy issues of the day.

PATRICIA McARDLE

Office of Research and Media Reaction

U.S. Information Agency

Washington

LOS ANGELES TIMES

U.S.-Led Push for Land Mine Ban Stymied

By Craig Turner, Times Staff Writer

March 7, 1997

GENEVA--The Clinton administration effort to negotiate--via the United Nations ' Conference on Disarmament--a worldwide ban on the use of land mines has withered amid opposition here, diplomats said Thursday.

The failure of the 61 nations participating in the Geneva conference to even begin talks on the issue may strengthen the argument of those within the administration and in Congress who contend that the United States must pursue other options--perhaps including unilateral rejection of mines--to reduce and eventually eliminate the devices.

Mines kill or maim an estimated 26,000 people, mainly civilians, each year, experts say.

There are believed to be more than 110 million mines, left from wars and civil conflicts, buried around the world. They often remain long after combat has ceased. Not only do they kill and injure civilians, they keep farm land out of production, block roads, villages and airports, and drive up medical costs, mainly in underdeveloped nations.

In January, President Clinton announced a permanent ban on American sales of mines to other countries and said the United States would introduce a comprehensive treaty here prohibiting their use, production, stockpiling and transfer.

But the disarmament conference operates by consensus, meaning the opposition of even one country can derail a proposal.

On Thursday, Mexico declared its opposition, and other countries, including Syria and Vietnam, indicated that they were not ready to begin talks on the issue without instructions from home.

"I don't think there's very much chance as we stand right now of getting a negotiation started in the near term," Stephen Ledogar, the U.S. envoy at the talks, said Thursday. "You have a whole series of folks who are unlikely to even agree to the mechanism to get the negotiations started."

Ledogar said some countries opposed the ban, arguing that mines are a military necessity; others say the issue would be best negotiated in another forum.

Talks are also stalled by the insistence of some developing nations, led by India and Pakistan, that the conference focus first on nuclear disarmament, a position rejected by the United States and other declared nuclear powers.

Ledogar's assessment was echoed by British Ambassador Michael Weston, who has taken a leading role in the mine initiative here, and by Mark Moher, ambassador from Canada, which favors an alternative approach to abolishing the deadly devices.

Efforts to eliminate the weapons now will probably turn to the Canadian proposal, which calls on other countries to sign a treaty in Ottawa next December. Work on a text of such a treaty began last month in Vienna.

The principal difference in the two approaches is that the disarmament conference would seek universal agreement on mine abolition step-by-step, beginning with a ban on international sales of the weapons.

The Canadian plan would get as many countries as possible to agree to a total ban on use, production and stockpiling of mines by the year 2000 in hopes that would pressure other nations to sign.

Most of those in the informal coalition of peace activists, humanitarian agencies, church groups, medical organizations and others that have been in the forefront of the anti-land mine movement in recent years favor the Canadian proposal.

But a number of military powers, notably China and Russia, have expressed no interest in anti-mine proposals.

The Clinton administration has refrained from criticizing the Canadian plan but favors the disarmament conference because the Defense Department has been reluctant to surrender a weapon until almost every other country also has agreed to do so.

WASHINGTON POST

Jury Acquits Former Official At State Dept. of Visa Fraud
Saturday, March 8 1997; Page A02

A former high-ranking State Department official was acquitted yesterday of charges that he conspired to commit visa fraud while serving in senior positions in Washington and the Philippines.

John Adams, 57, was found not guilty after a three-day jury trial in Concord, N.H. Having served as deputy assistant

secretary of state for visa services in Washington and consul general in Manila, he was the highest-ranking U.S. diplomat to be charged with such an offense. He had faced up to 10 years in prison if convicted. Adams was arrested in December after a year-long joint investigation by the State Department's Bureau of Diplomatic Security and Office of Inspector General.

An indictment announced by U.S. Attorney Paul M. Gagnon charged that Adams illegally issued a U.S. visa in Manila to a Thai woman, Lalita Prasertadisorn, who was the wife of a personal friend and had been previously rejected by the U.S. Embassy in Bangkok for lying on her application. Adams advised her to get a new Thai passport in a slightly different name to foil a computer check and issued tourist visas to her and six other Thais in December 1993, the indictment charged.

Adams's attorney, Harry Starbranch, said after the verdict, "What Mr. Adams did was not a crime. He was authorized to issue visas, and [he acted] within his authority. There was nothing corrupt about that."

Starbranch said Lalita had been improperly denied a visa when she had applied previously and that she returned to Thailand after visiting the United States on the visa issued by Adams. Starbranch said he did not know what had happened to the other six Thais, whose visas were not at issue in the trial.

U.S. and Thai diplomats said three of the six were young Thai women who discovered upon arriving in New York that they were to be forced into prostitution. They managed to flee to the Thai consulate in New York and were later repatriated, the officials said.

"Anything about Thai prostitutes just didn't come into the picture" at the trial, Starbranch said. "There were no allegations that [Adams] had anything to do with that."

Adams was sent back to Washington in mid-1994 when his tour in Manila was cut short. He retired in January 1995 and moved to New Hampshire.

Words we haven't heard since the Vietnam War rang out on Capitol Hill recently.

At a meeting in the basement of the Rayburn Building, Rep. Cynthia McKinney (D-Ga.) cried, "What kind of a country are we? Whose side are we on?" In the awful years of bombs and body counts, somebody was almost always asking.

Lately you hear more about the soaring stock market and the Dow Jones Industrial Average. The kind of a country we are is written on the front pages and the television screen. We sound like a country without a conscience. Did Bill Clinton, who has lowered ethical standards to subterranean levels, kill it? We put up with partial-birth abortion, political corruption and official Pentagon

torture manuals. We dole out billions for welfare for the wealthy, while we cut the poor to the bone.

McKinney was talking about a particularly egregious example of official indulgence to the haves. While legal immigrants are penalized and poor, childless people lose their food stamps, we have increased our largess to defense firms who are adding to their overflowing coffers by selling arms around the world. We taxpayers assist their efforts, and last year Congress increased their subsidies from \$7 billion to \$7.6 billion. We also contribute 6,400 Pentagon workers to the Government Arms Sales Force, which helps the arms merchants send their wares on foreign soil. The Commerce Department helps, too. McKinney, a second-term member from Atlanta, is not trying to do anything drastic like reducing or eliminating handouts for the arms dealers. She has the most modest proposal imaginable. She thinks that the merchants should observe a code of conduct in their pursuit of profits; she believes their big sales should reflect something about what kind of a country we are--or should be. She asks them not to peddle their weapons to countries run by dictators and human rights abusers.

The last time such a proposed code of Congress, it went down hard. It lost in the Senate by a vote of 65 to 35, and in the House by 262 to 157. William Hartung, another speaker at the meeting addressed by McKinney--a collection of budget and tax reformers, old peaceniks and arms controllers--saw no mystery in the lawmakers' reluctance to rein in the arms merchants--who, naturally, oppose any code of conduct. The weapons makers gave \$18 million in contributions to political candidates over the past six years, according to Hartung, who works for the World Policy Institute at the New

School for Social Research in New York.

The senators who voted with the merchants received an average of \$17,947 apiece, Hartung calculates. In the House, members voting with the industry received an average of \$10,724. Money counts in Congress, just as it does in the White House. Money is not a problem for the Pentagon. It has kept its spending--this year's budget was \$265 billion--at Cold War levels, and its subsidies, too. Capitol Hill reformers bent on ending corporate welfare have excluded Defense from their targets.

Right now, Congress is wrestling with civilian excesses in the moneyed world of campaign fund-raising--and making a mess of it. Republicans know they have to have hearings on the president and the money-changers in the temple of the White House. But they don't want any prying into their own money-raising closet.

On Thursday, their wrecking crew on the Senate Rules and Administration Committee went to work on the perennial Washington problem of having it both ways and came up with a hilarious "compromise." The leader of the investigation, Sen.

Fred Thompson (R-Tenn.), who frightens Republicans as much as Democrats, will be allowed to go forward but only on the 1996 elections and only on illegal actions. His jurisdiction as chairman of the Governmental Affairs Committee has

been radically pared back. He is not to look into two of the worst cesspools--soft money contributions to the parties or independent expenditures. The Rules Committee will take over the money portfolio while the Senate Ethics Committee will deal with improprieties. What makes it so funny--and so sad--is that, as Sen. John Glenn (D-Ohio) pointed out, the Rules Committee is a hotbed of opposition to any changes in the current smelly practices. The designation of the Ethics Committee as an electoral watchdog is a piece of whimsy that ignores the fact that it is the Senate's tortoise. It took them three years to resolve the matter of Sen. Bob Packwood's profusely documented sexual harassment. It could take them a decade to find out if anyone did wrong in passing the tambourine for election money.

The president has said "mistakes were made" although not by him. His approval ratings are at 60 percent. People don't necessarily like making the Lincoln Bedroom an ATM machine, but they voted for Bill Clinton and they buy into his et

hical
system, which is that nobody's perfect. The vice president feels the same way. If he did it, it's not wrong--and he'll never do it again.

What kind of a country are we? Don't ask. Don't tell.

LOS ANGELES TIMES
Allegations Put Envoy in Diplomatic Jeopardy
By James Risen, Times Staff Writer
Saturday, March 8, 1997

WASHINGTON--When Peter Galbraith, the flamboyant son of famed economist John Kenneth Galbraith, arrived in the Croatian capital of Zagreb in 1993 as America's first ambassador to the newly independent country, he quickly established himself as the most popular diplomat in town.

But while he was generating popular acclaim in Zagreb, Galbraith, now 46, was developing a less flattering reputation in Washington. His role in President Clinton's secret 1994 decision to give a green light to covert Iranian arms shipments to Bosnia, which exploded into controversy when it became public last year, has turned Galbraith into political poison.

Now he desperately wants to counter Republican allegations that he not only participated in the unauthorized covert action, but also lied to Congress about it.

A former high-profile staff member on the Senate Foreign Relations Committee, Galbraith now is waging a campaign to get out from under the Iran-Bosnia controversy and to rescue what was once a promising diplomatic career.

For now, congressional Republican sources said that they believe Iran-Bosnia has made Galbraith "unconfirmable" for another ambassadorial post or any other job requiring Senate approval. Time for Galbraith appears to be running short, with his tenure in Croatia likely to end this summer.

Last year, Galbraith defended his role in the arms-shipments controversy. But his public testimony before Congress did not address many of the most explosive allegations against him, contained in a classified report issued by the Republican majority of the House panel created to investigate the matter.

Galbraith, his State Department supporters and Democrats on the House subcommittee believe that the Republican

allegations against him are unfounded. Panel Democrats issued a classified minority report that they said debunks many of the Republican's, perhaps the most notable aspect of the House investigation is the degree to which partisanship crept into the process, with Republicans and Democrats studying the same facts and coming to diametrically opposed conclusions.

Last November, Republican panel members asked the Justice Department to determine whether criminal charges should be brought against Galbraith, then-National Security Advisor Anthony Lake and other administration officials. The Republicans highlighted conflicting testimony about the instructions given to Galbraith by the National Security Council.

The Justice Department appeared to ignore the referral until it became an issue in Lake's controversial nomination to head the CIA. Finally, it announced it had cleared Lake of any wrongdoing.

But Justice has not yet ruled on the criminal referral about Galbraith. The referral focused on Galbraith's testimony that Jenonne Walker, then a senior NSC aide, told him in April 1994 that--if Croatian officials asked about the U.S. attitude toward Iranian arms shipments--he was to respond that he had "no instructions" from Washington.

Galbraith testified that Walker added that "Tony [Lake] was smiling when he said it"--suggesting that the White House wanted Galbraith to make it clear that the United States was giving its sanction to the Iranian arms pipeline.

But Walker denied making that statement, and Lake said he did not ask that his smile, if any, be conveyed to Galbraith.

White House officials and congressional Democrats said they believe the contradictions are the result of faulty memories but Republicans said that they are evidence of an effort to conceal the truth about Galbraith's instructions.

House Republicans also raised questions about whether Galbraith actively facilitated the creation of an Iranian arms pipeline through Croatia and into Bosnia.

Among the most serious charges was a report that in early 1994 Galbraith met in Zagreb with an Islamic religious leader who became a middleman in the arms-smuggling operation. U.S. intelligence subsequently reported that the cleric, Sevko Omerbasic, told the Iranian ambassador to Croatia that two U.S. officials had come to see him and had encouraged him to try to acquire arms for

Bosnia by any available means.

When the CIA told Galbraith this, Galbraith said that he had met with Omerbasic but denied ever saying anything about arms for Bosnia.

Panel Democrats dismissed the GOP allegation that Galbraith conspired with Omerbasic to help set up the arms pipeline and congressional Democrats and State Department officials now say they believe that Omerbasic lied to the Iranian ambassador.

Galbraith has told State Department colleagues--and has testified in classified briefings--that he met with Omerbasic only once. U.S. Embassy official Tom Mitnacht, who accompanied Galbraith to the meeting, also testified that there was no discussion of arms.

Republicans also charged that Galbraith may have pressured Croatian officials in September 1995 to deliver a shipment of Iranian missiles to Bosnia.

Congressional Democrats and Galbraith's other supporters said there is no evidence to support that charge, and note that the Croatian official did not make the allegation until the spring of 1996, after The Times had first broken the story of Clinton's green-light policy and Congress was beginning to investigate

WASHINGTON POST

Unmodified, Chemical Weapons Pact Is Doomed, Sen. Helms Warns

By Thomas W. Lippman

Sunday, March 9 1997; Page A10

The Clinton administration's efforts to win Senate approval of a major treaty aimed at barring poison gas warfare suffered a new and possibly fatal setback yesterday when Senate Foreign Relations Committee Chairman Jesse Helms (R-N.C.)

pledged to block it unless it is substantially modified.

"I have given the White House a long list of changes that must be made in this treaty before we agree to Senate ratification of it," Helms said in a fiery, sarcastic speech to the Conservative Political Action Conference. "I promise you

this: Unless the administration makes the modifications I am demanding, the [treaty] will not leave my committee. Period."

Previously Helms had said he would not clear the treaty, known as the Chemical Weapons Convention, out of his

committee until after the Senate had completed work on other issues that he said are more important to Republicans, such as United Nations reform.

Administration officials have said repeatedly that there is no prospect at this stage of amending the treaty, which already has been ratified by more than enough countries to put it into effect on April 29.

If Helms is determined to hold out for amendments rather than accept conditions on implementation the administration is offering to resolve GOP reservations, there would appear to be little if any chance of ratification by that date.

The United States was the major architect and promoter of the treaty, which has long had bipartisan support and was signed during the Republican administration of President George Bush.

But if the United States has not ratified by April 29, it will be precluded from participation in enforcement and eventually subject to sanctions.

In an effort to win Senate assent, the administration has been negotiating with nine Republican senators named by Majority Leader Trent Lott (R-Miss.) over a ratification resolution to allay Republican concerns.

Helms, however, gave no indication yesterday that he can be persuaded by any legislative language.

Instead, he endorsed the views of a growing number of arms-control hawks who have argued that the treaty would not block the development or deployment of chemical weapons, cannot be verified and would subject U.S. manufacturers to unconstitutional mandatory searches by international inspectors.

"This treaty will do nothing to reduce the dangers of poison gas," he said in remarks prepared for delivery to the conference.

"Almost none of the rogue nations that pose a chemical weapons threat to us, such as Iraq, Syria, Libya and North Korea, are signatories to the treaty," he said. "The intelligence community admits that they cannot verify the treaty. Russia is already violating its existing bilateral chemical weapons treaty with the United States."

Helms gave his critics no quarter. "The foreign policy establishment is aghast that I would dare hold up ratification of this 'vital' treaty," he said.

"The New York Times lead editorial proclaimed the other day, 'Jesse Helms Mocks the Senate.' That's not so. I'm just thumbing my nose at the New York Times . . . the only poison gas in this debate is the noxious rhetoric coming from the proponents of this treaty."

WASHINGTON POST

Taming Uncle Sam's Classification Compulsion

By Evan Thomas

Sunday, March 9 1997; Page C02

Did the FBI kill Martin Luther King Jr.? The suggestion, once outrageous, is now commonly made on talk radio. Polls show that most Americans believe that James Earl Ray, the man convicted of shooting King, was not operating alone, and

many think that he was working, at least indirectly, for J. Edgar Hoover's men. And the FBI is just one vital government agency that many Americans routinely distrust.

Polls also show that four out of five Americans believe John F. Kennedy was killed as the result of a conspiracy, and about half believe the CIA played a role--the same CIA that another set of theories says created the crack epidemic in America's ghettos.

"If a majority of Americans believe that their own government murdered the president, I'd say we have a serious problem," said Sen. Daniel Patrick Moynihan (D-N.Y.) last week as he released a report that catalogues the government's obsession with secrecy.

America has always had a penchant for conspiracy theories, but the appetite seems to be growing, fed by such outlets as the Internet, talk radio and the movies of Oliver Stone. Meanwhile these theories, which I believe to be extremely

far-fetched, are difficult to rebut because of an equally strong American tradition: the determination of government bureaucrats to keep secrets. In fact, as Moynihan's report makes clear, numerous government agencies keep an astonishing number of secrets and appear determined never to let them go, whatever the cost.

For instance, it would seem to be in the CIA's interest to counter an image -- so luridly fostered by Hollywood--of rogue agents out of control, assassinating and terrorizing the American people. What secrets could possibly be lurking in the

vaults of Langley that would be worse than what Stone and his ilk are already selling? Over the years, the CIA has done some rotten things. But I believe that the historical record, would prove that killing JFK and starting a drug epidemic were not among them. Still, that's a very big "if." There is about as much chance of the CIA opening up its most sensitive files to historical researchers as there is of the director of operations ordering a hit on a public official.

The CIA today is not out of control. If anything, the agency has been made fearful and timid by years of scandal and congressional investigations. What is really out of control is the federal government's system for classifying and keeping secrets.

America has never known how to keep secrets well. On the one hand, government officials routinely leak top-secret documents to push a policy goal--or a grudge. On the other hand, government bureaucrats routinely keep important information from the public--and from each other--for petty and parochial reasons.

It is not a problem easily solved, as attests the somewhat contradictory title of the Report of the Commission on Protecting and Reducing Government Secrecy, released last week. The report of the commission, established two years ago by Congress, paints an appalling picture: Roughly a half-million government officials and contractors have the power to stamp a document "secret" and they do, at the rate of more than 3 million a year--far in excess of any real need. In

government vaults, there are about 1.5 billion pages of documents stamped secret--from more than 25 years ago. The government gets about a half-million requests a year to make documents public under the Freedom of Information Act, but it can take many months or even years to respond, and the requesters are often disappointed with the results.

Typically, great chunks of information are blacked out for reasons of "national security." (The cost of processing those FOIA requests runs over \$100 million a year.)

Two years ago, President Clinton decreed that all secrets more than 25 years old should be automatically declassified by the year 2000--with certain exemptions. Today, only about 10 percent of those documents have been declassified.

Some agencies (the predictable ones) are stonewalling. The CIA harbors 165 million pages of documents more than 25 years old. The agency has decreed about two-thirds of those exempt from the executive order. Of the rest, it has

so far
declassified about 20,000 pages, or about .0001 of the total demanded f
or a deadline that is only three years away.

Congress has tried to force the bureaucracy to release records that might shed light on the Kennedy assassination. The President John F. Kennedy Assassination Records Collection Act of 1992, better known to bureaucrats as "the Oliver

Stone Act," has forced out 3 million pages. But the review board goes out of existence in September, and the job is nowhere near done. The board estimates that the CIA and FBI are still holding hundreds of thousands of pages.

The agencies resist partly for reasons of cost; they cannot afford to spare the staff to wade through millions of documents line by line, which is the only way to do it. But the deeper reason for stonewalling is that bureaucrats like secrets. Secrets confer power. It is useful to conceal secrets that might be embarrassing to oneself, and equally useful to leak secrets that might be embarrassing to one's enemies. Bureaucrats will go to absurd lengths to keep secrets from other bureaucrats. In the 1940s, code breakers cracked a Soviet code book and discovered a ring of communist spies in the United States. But the FBI did not get around to telling the CIA about the so-called Venona cables until 1952. J. Edgar Hoover didn't trust the CIA. Even more incredible, it appears that President Truman was never told.

Such absurd stories are a powerful argument for reform. Unfortunately, it's not so easy. Why not just open up the files after 25 years? What secrets could still be dangerous to the national security? The Cold War is over, and the secret of the bomb is out. But even old secrets can do harm. What of the families of CIA agents in foreign countries whose identities were revealed? How would Russia view foreign governments who quietly helped the United States spy on the Kremlin?

Some secrets must be kept, but the problem is that the bureaucrats who make the decisions are often strongly biased in favor of keeping them all. At the State Department, the work is typically done by retired foreign service officers who don't want to reveal anything that might in any way offend another country. At the CIA, declassifiers love to protect "sources and methods" of intelligence gathering, which is fine when the source is a secret satellite. But the CIA has been known to classify newspaper clips.

Clearly, someone needs to assert the public's right to know and to balance competing interests. At the risk of creating a whole new layer of bureaucracy, Moynihan's committee suggests creating a Declassification Center in the National Archives. The committee also recommends that secrets should become public after 10 or 25 years, unless demonstrable harm would occur to the United States. As envisioned by Moynihan, such a system would force bureaucrats to at least think before classifying a document, and it could help ease the logjam.

But Moynihan's reforms would require significant funding at a time the federal government is feeling strapped. Even if Congress does appropriate the money, few agencies are going to simply throw open their files to an outside bureaucracy. So while the bureaucrats bicker and stall, America will continue to learn an inaccurate version of its history over talk radio and at the movies.

Evan Thomas is an assistant managing editor of Newsweek and the author of "The Very Best Men: The Early Years of the CIA."

NEW YORK TIMES
Democracy's Sword
By Gary J. Bass
March 8, 1997

CAMBRIDGE, Mass.--A little knowledge can be a dangerous thing. Still searching for a new strategic vision after the collapse of Soviet Communism, some of the West's brighter lights have seized on a theory hugely popular among political scientists: that democracies do not go to war against one another.

As Professor Jack Levy of Rutgers University has put it, the so-called democratic peace is "the closest thing we have to an empirical law in the study of international relations." But when diplomats and leaders of democratic countries open their mouths on the subject, they have an unsettling way of turning a peaceful idea into a veiled threat.

The most recent offender is Michael Portillo, the British Defense Minister.

Mr. Portillo, after meeting on Monday with the American Defense Secretary, William Cohen, explained why Russia should learn to stop worrying and love NATO expansion: "Perhaps the most important element of all in the new security architecture is the existence of so many new democratic countries, because democratic countries do not go to war with

each other. Democratic countries do not invade one another. We must convince Russia that the very undertaking of expanding NATO is one of the things that helps to underpin security and democracy in those newly democratic countries."

But if democracies pose no threat to one another, and Russia is a democracy, what's the point of bringing the Czech Republic, Hungary and Poland into NATO? Maybe we should instead be concentrating on insuring that Russia remains democratic. Or if Mr. Portillo reckons that Russia is not really a democracy and therefore might be a threat to the fledgling democracies in Central Europe, mentioning the democratic peace serves only as a slap to the Russians rather than as a reassurance.

In his 1994 State of the Union Message, President Clinton declared: "Ultimately the best strategy to insure our security and to build a durable peace is to support the advance of democracy elsewhere. Democracies don't attack each other."

And at the height of the crisis in Haiti in 1994, he argued for military intervention, saying, "Democracies here are more likely to keep the peace."

Mr. Clinton had many good reasons for intervention: to protect Haitians from the brutality of the junta, to stop the rush of refugees and to honor his own campaign oratory. But it is hard to believe he was acting because he feared that Haiti would become a military threat to the region.

In the Mideast, the democratic peace argument has been used as an ad hominem insult of Israel's undemocratic neighbors. In March 1995, when President Hosni Mubarak of Egypt was complaining about Israel's atomic arsenal, Shimon Peres, then Israel's Foreign Minister, responded, "The solution to the nuclear problem is democratization, since democratic countries do not use nuclear weapons against their neighbors." Mr. Peres may be right, but he was really avoiding the issue. He implied that Egypt had no right to criticize Israel because Egypt was an authoritarian country.

The thought of a world where democracy brings peace is compelling. But the idea should not be used to hide other political motivations, to antagonize undemocratic regimes for the mere sake of doing so, or simply as an all-purpose buzzword. And it should not become an excuse for belligerence.

Gary J. Bass writes for The Economist and is a fellow at Harvard's Center for European Studies.

WASHINGTON POST

Merchants Profit on Balkan Borders

By Jonathan C. Randal

Sunday, March 9 1997; Page A24

SOVICI, Bosnia--Throughout the three-story Ga-Gi mini-mall in this southwest Bosnian border town, the floors and stairways are made of fine marble. But the goods for sale are run-of-the-mill groceries, second-line Italian clothes and routine electronic equipment.

The mall's main attraction is rock-bottom prices. Bargains are appreciated in a region long so poor that detractors used to claim it grew nothing but stones, snakes and Croat nationalist extremists.

Shoppers from neighboring Croatia also flock across the border from as far as 100 miles away--from Split, Dubrovnik and other parts of the Dalmatian coast--to take advantage of the prices. But even as they come looking for bargains, many citizens of Croatia resent stores such as these in the Bosnian border region.

They feel that way because the shops would not exist if their Bosnian Croat owners--and customers--had not profited from the Bosnian war and did not continue to profit from the special privileges accorded them by President Franjo Tudjman's Croatian government in an effort to underwrite Croat nationalist goals.

With local and upper-house elections set for mid-April, the opposition in Croatia keeps hammering away at Tudjman's indulgence for Bosnian Croat hard-liners and gangsters and their alleged links with members of his government, including Bosnian-born Defense Minister Gojko Susak.

Western diplomats have complained as well, accusing Tudjman of looking the other way as Bosnian Croat extremists defy international efforts to make the Muslim-Croat Bosnian federation work and, in particular, to reunite the southern city of Mostar, divided since 1993 into Croat and Muslim halves.

Croatia's arrest recently of gangsters Mladen Naletilic and Vinko Martinovic appeared designed to quiet criticism from discontented Croatian voters as well as international monitors, according to foreign officials in Bosnia. Other Western capitals have demanded that Tudjman bring his often wayward Bosnian Croat prot

eges to heel after Croat policemen in Mostar opened fire on unarmed Muslims in a cemetery on Feb. 10.

"But around here," said a local journalist, " 'Tuta' [Naletilic] and 'Stela' [Martinovic] are revered as war heroes who kept first the Serbs, then the Muslims, at bay."

In Croatia, there is little sympathy for such thinking or the image it projects abroad. Up and down Croatia's Dalmatian coastline, tourism, once a major source of revenue, is just starting to bring back free-spending Germans and Italians after nearly six years of war-induced bad times. Over the New Year's holiday, some cars with Bosnian Croat license plates had their tires slashed in the coastal resort city of Dubrovnik.

Many Croatians say they resent the economic and financial privileges enjoyed by Bosnian Croats thanks to their influential lobby in Zagreb. The advantages include automatic Croatian citizenship, 12 seats as "diaspora" Croats in the 150-seat parliament in Zagreb, the use of Croatia's currency, and generous subsidies for the Bosnian Croat militia, police and general administration.

Most galling to merchants in Croatia is what they denounce as shady arrangements allowing well-connected Bosnian Croats to import goods through Croatian ports, then either sell them locally or export them back across the border into Croatia without paying any tax.

In the Croatian hill town of Imotski, a 10-minute drive across the casually guarded border from Sovici, local retail trade has suffered dramatically. The three-story department store of the state-owned Napredak (Progress) chain was well-stocked with goods the other day but did not have a single customer.

Its manager, Stipe Gazdo, emptied a tumbler of white wine from his own vineyard and complained about the cross-border competition that has forced him to dismiss all but 100 of a staff that once numbered 860.

"Those people over there," he fumed, pointing toward the Bosnian border, "claim they have a state of their own, but how can they have a state when they don't even pay taxes? They've got the best of both worlds--our customers without our taxes. We pay extra taxes for them, and they undercut our prices by as much as 50 percent." The chain once had branches in southwestern Bosnia, he said, but

t was forced to close them--in some cases because of mounting losses, in other s because of pressure from Bosnian Croat municipalities eager to favor local commerce.

"Even trying to inspect our former premises in Bosnia can result in someone waving a gun in your face," he said. "If this continues we will have to close. Then the company will be sold for a song--and probably to Bosnian Croats."

NEW YORK TIMES

Why Push for Elections in Bosnia?

By George Kenney

March 8, 1997

WASHINGTON--Ever since the Dayton peace accords, State Department officials have puffed themselves up with soaring rhetoric regarding the inevitable triumph of democracy in Bosnia. In practice they have ignored most of the real problems inherent in Bosnia's erratic progress toward self-government.

Until now that tension could be sustained by delaying implementation of Dayton's central provisions: return of refugees and free local elections.

Robert Frowick, the American diplomat given near-plenipotentiary powers to run Bosnia's elections, has postponed municipal elections for a second time, from July until September. Mr. Frowick recognizes that in these elections, a significant number of voters will be tempted to return to their old homes and cross ethnic boundaries, which could easily provoke widespread violence. But his solution, a short, two-month postponement, does not solve but merely puts off the problem.

The elections threaten vital interests on all sides. The Serbs will not give up political control of Breko without a war; nor will the Croats give up Mostar. Yet the Muslim-led Bosnian Government feels it will have lost the war unless it engineers a speedy mass return of refugees so they can politically dominate these and other areas. The only way to insure that Bosnia's peace holds is to delay municipal elections until mid-1998, or possibly beyond.

The Clinton Administration should not let its dreamy oratory about democracy drive its policy, which has been one of ad-hoc adjustments to every new wrinkle.

Bosnia will not be a single democratic state any time soon. It remains a divided country, with a Serbian state controlling about half the territory, while the American-brokered federation of Muslims and Croats, which is set to control the other half, has yet to function.

Conditions have not improved. Indeed, the feuding among Bosnian Serbs, Muslims and Croats over a handful of strategically contested areas, like Brcko and Mostar, has grown worse in recent months. Not only that, tens of thousands of refugees will be returning to Bosnia from Europe (most sent back from Germany). NATO will have to deal with this situation with its forces spread thinly throughout Bosnia. The number of peacekeeping troops today is 30,000, half the number of three months ago.

Even if municipal elections went more smoothly than any international officials dared hope--and that is only possible with the deployment of many new troops -- it would be a Pyrrhic victory.

In Serb areas, especially, an outright occupation would be necessary to install local governments elected by Muslim refugees.

The Pentagon has successfully resisted pressure from the State Department and the National Security Council to put NATO policemen on every corner.

But if the Clinton Administration's hawks succeed in their push to hold local elections in Bosnia, that may become a necessity. It is fantasy to think the task of anchoring democracy will take less than several years or cost less than several billion dollars. Even after all that, it would probably fail spectacularly.

If Washington insists on having the municipal elections for appearance's sake, then it should postpone until at least next year the half-dozen or so votes -- in Brcko and Mostar, for example--that could be most explosive.

Of course, delaying elections indefinitely is not a recipe for the successful creation of a democratic state either. But it would avoid renewed fighting. At this stage, keeping a fragile truce in Bosnia is better than trying for the impossible.

George Kenney, who writes often on foreign affairs, resigned from the State Department in August 1992 to protest the Bush Administration's policy in the former Yugoslavia.

WASHINGTON POST

Yeltsin Appoints Chubais As Deputy Prime Minister

By David Hoffman, Saturday

March 8 1997; Page A18

MOSCOW, March 7--President Boris Yeltsin appointed Anatoly Chubais as first deputy prime minister today, shifting his liberal chief of staff to a key position overseeing Russia's day-to-day economic and government affairs.

The appointment, which underscores Yeltsin's determination to launch a reformist second term, returns Chubais, 41, to a post he held until early last year, directly under Prime Minister Viktor Chernomyrdin. The announcement came a day after

Yeltsin vowed to reinvigorate Russia's troubled transition to free markets, which stalled during the presidential campaign last year and during Yeltsin's subsequent long illness.

Yeltsin made no comment on the appointment, which was announced in a terse statement from his press service that also said Chubais has been relieved of his chief-of-staff post. There is a major difference in the positions. In his previous post, Chubais ran Yeltsin's sprawling support staff but was not directly responsible for the government. Now, he will have a dominant voice in government policy, supervising agencies and ministries. Several other deputy prime ministers, as well as cabinet officials, are expected to be sacked as part of a broader government shake-up.

The Chubais appointment was announced tonight after many politicians had left for a long holiday weekend, perhaps to deflect criticism of Chubais, a favorite target of nationalists and Communists. But some wasted no time in blasting the selection.

Gennady Zyuganov, leader of the Communist Party, the largest faction in the lower house of parliament, said the appointment was "a mockery of common sense and of all citizens impoverished by privatization."

Chubais headed Russia's massive privatization program in the early years of Yeltsin's reform program. It was the largest transfer of state property to private hands in history, and while it rapidly shifted huge factories and enterprises out of the state's control as the new market economy was getting started, many Russians saw it as a giveaway of the national

wealth to a despised, elite
few.

Chubais has been deeply unpopular ever since. Gennady Seleznev, the speaker of the lower house, said Chubais had "deceived millions of people" with his promise--not fulfilled--that privatization vouchers that every Russian received eventually would be worth enough to purchase a new car.

Despite the criticism, however, Chubais also has proven himself a survivor, remaining in high government positions for all but a few months since the collapse of the Soviet Union five years ago. He is widely viewed as the direct opposite of the Soviet apparatchik--cool and analytical, teetotaling and ruthless. For all that, he was ridiculed on the pages of Moscow's most popular newspaper last year because he brought a laptop computer to Kremlin meetings.

But Chubais also has had his share of controversy, including a campaign episode, never fully explained, in which two aides were discovered coming out of the Russian parliament building with a box containing \$500,000.

In recent days Chubais had held talks with another reformist economist, Grigory Yavlinsky, who heads the centrist Yabloko bloc in parliament, about some of his party leaders joining the government.

But Yavlinsky announced today that the party had refused. He said the group was being invited to carry out "the program that has led us into the current blind alley" and "such an approach is unacceptable to us."

WASHINGTON POST
Russia's 'Red-Line' Limits
By Jim Hoagland
Sunday, March 9 1997; Page C07 "We will know when Boris is back," a European ambassador told me in Moscow a few weeks ago as doubt lingered over Russian President Boris Yeltsin's health and his future ability to rule. "He will fire a few people to let everybody know he is still in charge. He always does."

Recovery Day came on Thursday, when Yeltsin appeared before the Duma and promised a government shake-up, a new campaign against crime and corruption and a spirited fight against NATO expansion toward Russia's borders. News agencies reported that the Russian leader, who is 66 and had heart surgery last November and then pneumonia, looked surprisingly fit.

Yeltsin being fit enough to cut off heads in Moscow is good news for President Clinton. The political amputations clear the way for the U.S.-Russian summit in Helsinki on March 20 and 21. They suggest that it will be Good Boris who shows up in Helsinki, ready to strike a deal with his friend Bill, despite the anti-NATO rhetoric before the Duma.

Clinton has been surprised before by Bad Boris showing up instead and threatening renewal of the Cold War. That could happen again. But the visible signs of diplomacy point to the Russians seeking and accepting in Helsinki the outline of a package deal on European security, Russia's place in the Group of Seven leadership club of the world's industrial democracies and multilateral financial aid for Moscow.

"A healthy Yeltsin will grasp right away that he can't stop this NATO expansion, and he might as well get something for it," a Russian political leader in the Yeltsin camp predicted privately a few weeks ago. "He and 'Beel' will bear hug, proclaim Helsinki a success and order their aides to work out the details."

The brightening prospects for Helsinki have already changed the dynamic of the NATO expansion debate. The rapid movement by the Russians to position themselves for a grand bargain has weakened chances out the admission of the first three candidates--the Czech Republic, Hungary and Poland--which is now likely to occur by mid-1999.

That is roughly the admission schedule that Clinton promised in a campaign speech in Detroit last autumn, without having consulted America's partners in NATO or even letting them know he would make this diplomatic commitment for domestic political reasons. Many in European governments and in the Pentagon doubted the wisdom of pushing for a tight admission date.

But their hopes for a stretch-out strategy have grown weaker as the Russians have moved into detailed negotiations with NATO Secretary General Javier Solana, Secretary of State Madeleine Albright and other allied officials that do not focus on timing of the first admissions.

The Russians, through Foreign Minister Yevgeny Primakov, have communicated instead their concern about a series of "red lines" that they say must not be crossed.

ssed in NATO expansion:

There must be a moratorium of 10 years before any other Central European country can be considered for alliance membership. No former republic of the Soviet Union--including Ukraine and the Baltic states--can ever be considered for NATO membership. The Russians will not accept the presence of nuclear weapons or permanently stationed foreign forces on the soil of the new NATO member states. They will not agree to let NATO upgrade Polish airfields to handle nuclear-armed aircraft. And so on.

The listing of Russian conditions for agreement before the NATO summit in July where final decisions on admission are to be made creates an important new dynamic in consultations between Washington, Ottawa and the alliance's 14 European capitals.

The prospect of a deal has some allies worrying about how good a deal Clinton will strike with Yeltsin. Is the American leader ready, for example, to accept code language that the Russians will cite as meaning the Baltics will never get into NATO?

"Success" at Helsinki will in fact open the trickiest phase of the NATO expansion process, as Primakov, a crafty and determined bargainer, gets down to negotiating nuts-and-bolts issues that could drive wedges between America and Europe and within the American consensus on NATO.

Clinton has for three years pursued on NATO expansion a policy of preempting his Republican opponents and conservative critics such as Henry Kissinger and Zbigniew Brzezinski. Between Helsinki and Madrid, he must strike a deal with the Russians that saves political face for Yeltsin, satisfies Europe and withstands predictable denunciations from the right that he has given away too much. At Helsinki Bill Clinton will face the dangers of having his geopolitical prayers on NATO answered.

NEW YORK TIMES

U.S. Proposes Deeper Cuts in Nuclear Arms With Russia

By Michael R. Gordon

March 9, 1997

MOSCOW--The United States has told the Kremlin that it is prepared to negotiate deeper cuts in long-range nuclear arms

in an effort to ease Russian fears that the West seeks military advantage.

The American proposal could lay the basis for an agreement on the goals of future arms talks at the summit meeting in Helsinki this month between President Clinton and President Boris N. Yeltsin.

It is also intended to prod Russia to ratify the Start II treaty. Signed in 1993, that treaty has languished in the Russian Parliament because of resistance from hard-liners.

"We are trying to achieve guidelines for Start III," an American official said, referring to a future agreement mandating additional cuts in long-range armaments. "It would make clear that we are prepared to go to lower levels and, thus, obviate the Russian concern that Start II is the end of the road."

The American proposal envisions reductions to a level of 2,000 to 2,500 nuclear warheads for each side. American officials would like to announce negotiating guidelines spelling out the main provisions of a future accord at the Helsinki meeting. But the talks have been complicated by disputes over the testing of antimissile systems and NATO expansion. Timing has also been an issue, as the United States says a Start III accord must be preceded by Russian ratification of Start II.

Guidelines for a future arms agreement were discussed here on Thursday by Deputy Secretary of State Strobe Talbott and senior Russian officials. Foreign Minister Yevgeny M. Primakov plans to go to Washington next week for further talks.

The flurry of high-level diplomacy over nuclear arms proposals recalls the days of the cold war and reflects the new strains in Moscow's dealings with the West.

When it was signed, the Start II agreement was hailed as the cornerstone of a new Russian-American relationship. The agreement required reduce the number of its warheads to a level of 3,000 to 3,500 by 2003. Russia and the United States had more than 10,000 warheads each in the late 1980s.

But Communist and nationalist members of Parliament here assert that the treaty took advantage of Russia at a time of weakness. The Pentagon's plans to test

limited antimissile defenses have also been denounced here as an effort to gain strategic superiority. Even foreign investment has come under attack in Parliament as a scheme to gain an economic stranglehold on Russia.

Aleksei Arbatov, a member of Parliament from the liberal Yabloko faction, cited two additional reasons the Start II accord has bred such suspicion.

First, he said, support for the treaty has been hurt by the Yeltsin government's failure to outline a program for modernizing Russia's strategic arsenal. "The second problem," he said, "is NATO expansion to the East."

Still another reason has to do with the terms of the agreement itself. Members of Parliament complain that Russia cannot keep pace with the Americans under the treaty without a costly restructuring of its forces.

Specifically, they argue, staying even with the Americans under the terms of the accord would require building hundreds of new single-warhead, land-based missiles at the cost of tens of billions of dollars. More cost-effective ways to maintain parity are not available because the Start II treaty bans land-based missiles with multiple warheads. And beyond that, Russia's bomber force is in poor shape.

The ban on land-based missiles with multiple warheads is widely applauded by experts as an important step to reduce the risk of war. But such concerns are lost on a Communist-dominated Parliament, which sees nuclear weapons as a last vestige of Russia's former superpower status and a way to compensate for the disastrous decline in Russian conventional forces.

The United States, in its Start III proposal, tries to meet the Russian concerns by committing itself to negotiating a lower level of forces envisioned under Start III would enable Russia to maintain general parity in nuclear arms with Washington at far less cost.

"Under Start III, the Russians could meet the numbers without a major new program," said Spurgeon M. Keeny Jr., president of the Arms Control Association, a private group based in Washington.

Whether negotiating guidelines can be worked out before the Helsinki meeting, however, is unclear.

Many Russian experts, aware of their country's limited negotiating leverage, ur

ge delaying Start II ratification until the United States assures Moscow that it will not seek additional leeway under the 1972 antiballistic missile treaty to test new defensive systems. But developing and testing limited antimissile systems is an American goal.

Prime Minister Viktor S. Chernomyrdin also tied ratification of Start II to Moscow's opposition to NATO expansion last month. But NATO says its decision to expand eastward to include former Soviet bloc nations, is irreversible.

The prospects for new Start III negotiations depend on Washington's success in persuading Russia to let go of these linkages.

Washington has also insisted that a Start III accord cannot be completed unless Start II is ratified. Talks are being carried out on the precise timing of Russian ratification of Start II, the drafting of negotiating guidelines for a follow-up agreement, and the negotiation of the Start III treaty itself.

LOS ANGELES TIMES
COLUMN ONE: Russians Sift Past to Find Selves
By Richard Boudreaux, Times Staff Writer
Friday, March 7, 1997

MOSCOW--Leonid Parfyonov is a dashing creature of the new Russia, a 37-year-old entertainment mogul who writes, produces and stars in television shows. He is also one of the first to sense--and cash in on--a popular mood of nostalgia for the Soviet past.

His New Year's Eve extravaganza, in which singers re-created scenes from campy Brezhnev-era musicals, captured 64% of the national TV audience. The video has been outselling pirated copies of "Evita" in Moscow.

Last week, Parfyonov launched "1961-1991, Our Era," the most sweeping look at Soviet history ever on Russian TV. Viewers of the opening installment relived 1961 through footage of cosmonaut Yuri Gagarin's pioneer space flight, Soviet women in their first spiked heels, the construction of the Berlin Wall and the first Soviet sci-fi movie, "Amphibious Man"--all narrated with irony and irreverence.

Parfyonov uses computer tricks that thrust him into the picture, Forrest Gump-style, to hunt bear with Nikita Khrushchev and receive a Hero of Socialist Labor award from a doddering Leonid Brezhnev.

The TV host's prodigious work is part of a striving for self-discovery at all levels of life in a Russia that, after five years of painful post-Soviet disorder and drift, remains uncertain of its identity.

There's a void. Russians have lost their infatuation with Western culture and democracy, but they voted last year against a return to Communist rule.

Now, from Kremlin councils to kitchen tables, they are sifting their past for some golden mean, some values worth saving.

"The period of openly aping the West is over, and so is the inferiority complex we felt in the early 1990s, when we were ashamed of our history," Parfyonov explained. "People now realize that their Soviet experiences, however terrible or ridiculous, are unique. Audiences are homesick for something called the Russian soul."

"That is why it's important to reconnect with our past without repeating it," he said.

Russia's new mood of introspection is refreshing after years of bad news. The army is home from Chechnya, defeated and disgraced. The treasury is unable to pay overdue wages and pensions to millions of people. The mafia runs amok. The president is often ill, the government paralyzed.

Yet, as disillusioned as they are by all that, Russians are improvising and innovating. Breaking a millennium-old psychology of dependence on the state, they are reaching into themselves for guidance.

The Kremlin sensed the mood last summer. Days after his reelection, President Boris N. Yeltsin lamented that the country--ruled in this century under successive banners of monarchy, communism, perestroika and liberal democracy--is now bereft of an ideology.

He urged an advisory panel to develop by this summer "a new national idea to unite all Russians."

The official newspaper, Rossiskaya Gazeta, offered the equivalent of \$2,000 for the best idea, prompting thousands of letters. It's not the money, said Mikhail Kushtapin, the editor who reads them. "Russians are moved by eternal questions: How should we live? And what for?"

Indeed, plays about fate are filling theaters for the first time in years. Wealthy entrepreneurs are going back to campus to

study philosophy. Once again it's hard to find a seat in the Lenin Library.

"There were three or four dead years when intellectuals and ordinary people lost faith in everything and began to think only about their own survival," political scientist Liliya Shevtsova said. "Now, having become more self-reliant, they are starting to think about Russian questions . . . restoring their faith in Russian culture, tradition and abilities."

Linguists are lobbying to ban a long list of foreign words from Russia's mass media. Teachers report that many parents have brought home children who were studying in the West, convinced that Russian schooling is superior. Thousands of communities are restoring churches shuttered or destroyed by the Soviet regime.

By playing only Russian music, Russkoye Radio has become the nation's most popular station, with 664,000 daily listeners in 39 cities.

In a challenge to McDonald's, the king of fast food here since 1990, Russkoye Bistro serves piroshki, borscht and other traditional fare to 40,000 Muscovites a day at 16 outlets and plans to open 180 more.

After a period of deep denial, pollsters say, Russians accept the fact that their Soviet empire is gone and Russia diminished.

Yet, politically, it's easier to define this Russia for what it isn't than what it is. True, its people have adopted the ways of capitalism and the habit of electing leaders. But Yeltsin has won and held office more for his anti-communism than anything he believes in.

Voters today reject candidates identified too closely with the ideologies of czarist rule--Orthodox Christianity and ethnic nationalism. On the other hand, candidates who espouse free markets, civil liberties and partnership with the West, undiluted by some unique Russianness, aren't winning elections either.

Until last year, Yeltsin's Communist and nationalist foes monopolized debate over what that Russianness is. The belated Kremlin search for a "new national idea" aims to seize the initiative and redefine the president's historical legacy while he's still alive.

A hint of a new Kremlin line surfaced in December when Rossiskaya Gazeta awarded

d half its prize money to historian and philosopher Guriy Sudakov for an essay asserting that an "individualist, money-oriented mentality" is alien to most Russians.

"For a European, social importance lies in business skills, in wealth, hence the guiding values: freedom and law," he wrote. "For a Russian, the important thing is society, motherland, glory and power."

But recent conversations with Russians turned up little consensus on this or any rival ideology--except, perhaps, that the state should stop trying to impose one.

"Russia has been united [in the past] on an imperial idea, which presupposed that the state was superior to society," Igor Klyamkin, a sociologist, wrote in the Kommersant Daily. "The peculiarity of the present moment is that for the first time a relative majority does not want to return to taking orders from the state. The priority now is personal interests."

In pursuit of those interests, Russians who were shaped by the Soviet system have clung to some traditions while pulling themselves and others through Herculean adjustments. Their experiences may help answer those eternal Russian questions about identity and the purpose of life. Here are three Russians' stories:
: * * *

Maybe because we've suffered, maybe because we're so close to nature, Russians understand better than others that people must help each other.

--Lyudmilla Sipidina

It's 9 p.m. and her rotary-dial telephone is ringing as Lyudmilla Sipidina arrives home to her cramped Moscow apartment after work. "It's the hotline," she says.

Aniece needs help finding work. Until past midnight, Sipidina is on the phone with relatives, friends and co-workers, trading tips on hand-to-mouth survival.

An ample woman with an infectious smile, Sipidina is a Soviet-trained geologist at Russia's State Oil and Gas Institute. A photo album records her summer expeditions scouring Siberia with a radiometer, dodging floods, mosquitoes and the occasional bear.

But the pictures show a younger woman. Sipidina, now 48, was last in the field

seven years ago. With private oil firms prospecting for themselves and state funds drying up, she hasn't received a ruble since July for her work in the lab.

In fact, the job she came home from this evening has nothing to do with geology. A single woman with a son, mother, sister and immense cat to feed, she cleans other people's homes for a living, earning up to \$40 per day--two weeks' salary at the lab if they get around to paying her.

More central to her life than her photo album is her frayed black address book. By her estimate, she keeps in close touch with at least 40 people--a mutual-support hotline dating to the time they saved places for each other in Soviet bread lines.

Today they share food, used clothing, leads on odd jobs, emergency cash and emotional support.

"We have this tradition," she says. "It's our safety net."

Not all informal networks are as stable as Sipidina's, but they persist among Russia's new poor.

Huddling together for survival is a centuries-old Russian frontier instinct--dictated by the vast spaces and harsh environment--that has survived urbanization. It also outlived the Soviet socialist safety net that once guaranteed everyone a paying job and steady pensions.

Like millions of others who are paid too little, too late or not at all, Sipidina still reports faithfully to work--on a flexible timetable that accommodates moonlighting.

"At least I still have my profession," she says. "If I quit and did nothing but clean, I know that, psychologically, I would feel a lot worse."

We still climb mountains. It keeps us in touch with the source of our spirituality.

--Vladimir Shumakov

Vladimir Shumakov boasts that there were few Communist Party members on his world-class Soviet mountain climbing team. "Our collectivism was not ideological," he quips. "We were simply joined by one rope."

"We worked as a single organism," he reminisces. "We knew each other so well that each of us could predict the behavior

of any teammate under stress, in the mountains or in real life."

Shumakov has kept his alpine mates together on a decade-long expedition from the small mountains to big business. Last year they reached a new summit, helping overturn city hall in a bellwether revolt against corruption. Acheerful, sandy-haired man still fit at 40, Shumakov is a source of contagious civic energy in Revda, a smokestack city of 100,000 people in the Ural Mountains, where he runs a prospering industrial maintenance service with 600 employees.

His enterprise, Vyso, was born in the old days to fill a hole in state funding for Soviet sports. To pay their way to competitions in the late 1980s, he and 39 teammates joined to hire themselves out painting steel mills, power stations and other towering objects.

The company, now an end in itself, thrives on the discipline and mystique of its founders. Newcomers get six months of technical and philosophical training from experienced climbers. Drinking on the job brings swift dismissal.

"Mountaineering is not just a sport but a way of life," Shumakov tells new hires. "It's the ability of people whose survival depends on each other to unite and reach any goal."

Tired of mobsters extorting business profits with city hall's blessing, Shumakov used his team-building experience to organize Revda's new entrepreneurial elite two years ago. In December they rallied voters to their side; their candidates swept control of the mayor's office and local legislature.

Fostering this new collectivism in Russia is not easy. The Soviet KGB planted informers everywhere to breed suspicion and crush initiative. Russia never had a "civic society"--a web of strong, independent interest groups that can hold elected leaders accountable.

If Shumakov's mountain-bred uprising means one thing is forming at last, it's a sure sign that big business will lead the way.

The climber says bluntly: "The authorities should act in the interests of business so business can flourish in the interests of the people. That will help everyone realize what the 'new national idea' is."

People are franker in the kitchen than in the living room. It's just a fact of Russian life.

--Olga Solodovnik

Olga Solodovnik spends long winter evenings at the kitchen table, trying to fathom where she--and her country--are heading in such a rush. Like most Russians, she has an overwhelming sensation of being swept along.

The summer before last, Solodovnik was a \$500-a-month university English professor embarking on her first vacation abroad. At the airport in Moscow, a mysterious travel agent handed her \$1,600 in an envelope and whispered, without explanation: "Take this where you're going."

She was too astonished to object. Two weeks later another agent from the company demanded the money in Greece. It was too late: She and a companion had figured it was all a lucky mix-up and spent the money on the best bargain of the trip: six fur coats from a factory outlet.

They sold the furs in Moscow and returned the money, keeping a \$2,000 profit. That launched Solodovnik's risky but lucrative career as a "shuttle trader."

Russian "shuttlers" buy wholesale goods abroad, pay bribes, evade import taxes, avoid middlemen and sell back home at huge markups. Solodovnik, 42, a single mother who lives with her parents, has been robbed once, but she's adventurous, charming and clever. After six shopping trips, she believes that she is ready to quit teaching and do this full time.

The adjustment is not simple for a graduate of a top Moscow institute who was brought up to prize ideals over money. She tries to deal with it in her parents' kitchen, where she heard three generations of straight talk as a child.

"The whole political and economic situation has changed, but inside ourselves we haven't really changed," she says. "We cherish the same things as before--close relationships, understanding."

Since czarist times, the kitchen has been an inner sanctum where Russians bare their souls. For Solodovnik, it is the ideal of Russia itself--a warm, enduring retreat where she can get back to being herself among old friends.

"Are you crazy?" they often ask about her new line of work.

Her answers pour out with the tea in rambling conversations. What's going on in Russia has her "disappointed and upset," she says. "Russia is sliding back into stagnation. As long as we have opportunities to make money, we want to make

e it quickly because we're not sure what will happen in a month or two or in a year. . . .

"You know, money is not everything," she adds after a pause. "It's the means of getting things in life, not the purpose.

"In the kitchen we like to relax and be philosophers," she says, assuming a tone of mock authority. "Here we don't discuss work or money. That's the dirty part of life. We try to keep the kitchen clean."

LOS ANGELES TIMES

Yeltsin Taps Liberal Aide to Help Speed Reforms

By Vanora Bennett, Times Staff Writer

Saturday, March 8, 1997

MOSCOW--President Boris N. Yeltsin followed up on promises that Russia will speed up its flagging economic reform program by reappointing a liberal ally, Anatoly B. Chubais, as a first deputy prime minister Friday.

The 41-year-old Chubais, who led an ambitious Russian privatization program in the early 1990s, has long drawn the ire of Communist critics of the often harsh post-Soviet economic restructuring.

His appointment signals that Yeltsin, now active again after months of illness, has recovered enough to take on his domestic opponents and force the pace of Russia's move to the free market.

Yeltsin promised during a tough speech Thursday to shake Russian politicians out of their recent lethargy with a Cabinet reshuffle, new reforms and a crackdown on corruption. Months-long delays in paying state-sector salaries and pensions have taken their toll on Yeltsin's popularity, as have fears that he was too unfit to rule.

The appointment of Chubais--who until Friday held another high-profile post as Yeltsin's chief of staff and has already served a stint as first deputy prime minister--was the first of the promised changes to materialize.

"The situation in the economy is extremely complicated," Chubais said Friday. But "the authorities can overcome negative influences in the economy and impose order, first and foremost in the paying of wages and pensions."

Exactly what Chubais will do in his new role has yet to be defined. A presidential decree announcing his appointment did not confirm or counter the widespread

ad belief that he will be put in overall charge of reform.

Nor did it make clear what would become of three other first deputy prime ministers now serving in Russia's top-heavy government- -Alexei A. Bolshakov, who oversees industrial production; Vladimir O. Potanin, who raises finance for industry; and Viktor V. Ilyushin and social policy.

Kremlin sources suggest that the three could be demoted or fired, leaving Chubais the only holder of the title.

The West is sure to applaud Chubais' new role. He is trusted by organizations such as the International Monetary Fund and the Group of 7 industrialized nations and can revive confidence in Russian reform.

In Washington, the Clinton administration welcomed the Chubais appointment.

"He's a very talented, very tough advocate of Russian national interests, and we respect him and look forward to working with him," State Department spokesman Nicholas Burns said.

In his earlier incarnation as first deputy prime minister, Chubais was fired in January 1996 after about one year on the job when Yeltsin made him the scapegoat for Russia's economic woes.

With presidential elections to fight last summer, the canny president stepped back from unpopular full-scale reform and those most closely associated with it --and clearly felt Chubais would not be an electoral asset.

Although Chubais helped organize Yeltsin's election campaign, he kept out of the limelight and, during a rare interview last summer, insisted that he wanted to pursue a career in the private sector. Weeks later, however, he accepted the powerful administrative post of chief of staff.

Since then, he has sidestepped attacks by Communists, who, like many voters, suspect that privatization swindled them of their share of the nation's assets.

On Friday, Chubais' enemies denounced his reappointment. Communist Party leader Gennady A. Zyuganov called it "a mockery of common sense and of all citizens impoverished by privatization."

Times staff writer Norman Kempster in Washington contributed to this report.

WASHINGTON POST

Militants Take Control Of S. Albanian Town

BY Christine Spolar

Sunday, March 9 1997; Page A24

VLORE, Albania, March 8--The government of President Sali Berisha lost control of another key southern town today as civilians and the Albanian army raced to position themselves throughout the rocky hills here, ignoring an appeal to suspend military operations.

The armed civilian uprising in Gjirokaster, 80 miles southeast of this port town, came a week after citizens first stormed military barracks to protest financial scandals and a day after they were offered amnesty for giving up stolen grenades, rifles, machine guns and bullets.

Dozens of army troops, who had just arrived at a large army base in Gjirokaster by helicopter, reportedly ran away when they were confronted by angry residents who opened fire. The fall of Gjirokaster, the former home town of onetime Communist dictator Enver Hoxha, means a loss of the south and the prosperous coastal region with two main roads leading to Greece.

The latest revolt arose as the embattled president huddled today with representatives of the Organization for Security and Cooperation in Europe (OSCE) to try to find a way out of the deepening crisis in this country of 3.5 million people.

Berisha indicated today that he "was favorable" to the idea of extending a suspension of military operations, and the possibility of new elections, said OSCE representative Franz Vranitzky.

Western observers took hope from Berisha's comment, but its vagueness is unlikely to sway the unforgiving thousands of people who lost their life savings over the past six weeks when nine nationwide investment funds collapsed.

Berisha, just elected to his second term by a parliament top-heavy with his Democratic Party supporters, has come under intense pressure by the United States and Europe to quell the unrest.

Fear of a potential refugee crisis--and reports today of hundreds of refugees attempting to cross the Adriatic Sea to Italy by boat--a flurry of contacts from Italian and Greek officials.

Italy airlifted 33 people from the port of Vlore today but said it was refusing

asylum requests and would send refugees back, the Reuter news service reported from Rome. Navy helicopters brought the 12 Italians and 21 Albanians--either

relatives of the Italians, Albanians who had previously been resident in Italy or Albanians who had helped the Italian community in Vlore--to the Italian port of Brindisi. Thirty-five people were airlifted similarly Monday.

Insurgents throughout the south, and particularly in the stronghold of Vlore, have demanded the resignation of Berisha, whose government is blamed for allowing pyramid investment schemes to flourish unchecked.

"We won't give up our weapons until our demands are met," said Lufter Petroshati, 62, a retired military man who helped rally a crowd of about 3,500 people this morning in Vlore to oppose Berisha.

"Let's use the next 20 hours [of amnesty] to organize better, to defend our city, our streets, our homes," he said as the crowd erupted in chants of "Sali, you are a fascist."

Petroshati is one of 31 people leading the protest effort known as the Committee to Protect Vlore. The committee, claiming to represent 17 political parties and intellectuals, remains an amorphous group of embittered investors, defectors from the police and army, and former government officials. Its main effort is directed at reining in a deadly and dangerous rebellion that has been fanned around raucous, gun-toting men patrolling the streets in search of secret police officers or anyone else they deem a friend of the government.

The looting of the military barracks in Vlore, it seems, has provided every man with a handgun or automatic rifle, and the crack of what is called "celebratory fire"--a free-for-all blast of firepower into the air--resounds from the hills here. This afternoon, when a report of a gun battle outside Vlore spread through town, the streets were choked with men carrying guns.

The firing has become so regular that rally leaders, in the past two days, have cautioned participants not to waste their ammunition or to kill their comrades by accident.

There may be reason to worry. Hospital officials in Vlore said today that 25 people have died from gunshot wounds. They would not say, however, how many wounds were caused by accidental blasts or were unwittingly self-inflicted.

NEW YORK TIMES

Rebel Albanian Port Prepares to Repel Attack

By Jane Perlez

March 9, 1997

VLORE, Albania--Insurgent leaders in this tough port town that is at the heart of the rebellion in southern Albania started organizing Saturday for a battle against the government, saying that they did not want to fight but were getting ready to defend themselves.

The unpopular Albanian president, Sali Berisha, lost more ground Saturday when his last remaining outpost in the south, the historic town of Gjirokaster, 20 miles from the Greek border, fell to local residents who stormed the army base and seized the weapons there.

An effort by Berisha's demoralized and miserably paid army of 30,000 to send in reinforcements by helicopter failed when the soldiers fled into the hills after being confronted by armed and angry residents.

All across the south the rebels ignored a 48-hour amnesty period during which they had been urged to surrender their weapons. As rumors swept through Vlore that the army had killed five rebels in the surrounding hills, toughs strutting with Kalashnikov rifles took control of the center of town.

The two-day cooling off period, which was supposed to include the suspension of military operations by the government, was not observed by Berisha's side either.

In what seemed like a comic scene out of "Sergeant Bilko," two army tanks in the hills behind Vlore tried to move in further but almost piled into each other as they maneuvered the narrow dirt road.

One of the drivers, who had been chatting with local villagers, left his earmuffs behind on the roof of a parked car and raced back to get them as his tank was moving off. Several of the soldiers on board were dressed in jeans and tatty jackets rather than uniforms.

Militancy rose during the day in Vlore, where townspeople are proud of easily repulsing the Italians in 1920 and of contributing to the partisan cause in World War II.

About 2,000 people who gathered in the town square Saturday morning newly consti

tuted Committee for the Protection of
Vlore to hold on to the weapons they had
taken from deserting troops.

"The ultimatum of Berisha ends in 20 hours," said Luftar Petroshati, 62, who was an officer in the communist army under President Enver Hoxha and a partisan in World War II. "Let's use the 20 hours to better defend ourselves, our streets, our houses."

At rallies Friday night and again this morning, some men wore pistols under their jackets. But there was relative calm in the town of 100,000, punctuated by the occasional pop of rifles and machine-gun and mortar fire. Army weapons depots and tunnels in the hillsides stuffed with government weapons were raided by angry residents the week before last.

The military arm of the citizens committee, composed of army defectors and retired officers, met Saturday afternoon to plan the defense of Vlore. A rough rebel line has been drawn 20 miles to the east near the village of Povel and another 14 miles to the north, near Fier.

The area south of Vlore to Sarande, a strip of untouched sandy beaches that the Albanians have dreamed of developing for tourism, is now out of Berisha's control.

Vlore has become a weapons bazaar, with people offering more than 200 pounds of flour for a Kalashnikov rifle, said Ferdinand Llandi, the owner of a private radio station that has an agreement with Voice of America to broadcast news. Llandi said his 10-year-old daughter came home with a grenade she found in a trash can a few days ago, and he said he had found five more that he was keeping as his personal armory.

The town is littered with roadblocks made of wrecked cars and cement bricks. At night, patrols ride through the town. The leader of one patrol, who is in charge of the customs at the port, was seen at one checkpoint Friday night brandishing a pistol.

A key demand of the citizens committee here, which says it is cooperating with insurgents in Sarande, is a caretaker government leading to new elections.

In the first diplomatic effort to ease the crisis, Dutch Foreign Minister Hans van Mierlo met with Berisha on Friday but said afterward that the president was still firmly against new elections. Elections last May were considered fraudulent.

dulent by the
United States and opposition parties have refused to sit in the
Parliament.

Berisha did offer to name a new prime minister in consultation with the opposit
ion, but the rebels here consider this
concession insufficient.

Berisha met Saturday with a delegation from the Organization for Security and
Cooperation in Europe, headed by Former
Austrian Chancellor Franz Vranitzky.

Western diplomats said Saturday night that they believed that Berisha was movi
ng closer to agreeing to a caretaker
government and new elections. But the dip
lomats said it was unclear whether this would be enough to quell the rebellion

The rebellion against Berisha in southern Albania, where most of this poor nat
ion's little wealth resides, started with anger
at the collapse of financial p
yramid schemes.

Vlore's relative wealth and tradition of criminal activity, as well as the pyr
amid schemes, have given the town a gloss of
richness by Albanian standards. T
he skeleton of a half-finished hotel belongs to one of the collapsed schemes.
A looted
supermarket, its shelves ripped out and glass shattered on the floor,
belongs to Vefa, the biggest of the schemes.

The leaders of two other schemes based here, known as Kamberi and Gjallica, hav
e disappeared, apparently into exile in
Italy and Turkey. They have taken the
depositors' money with them, Western diplothe rallies here, Berisha is referred
to
as a "cheater" and is blamed for not protecting Albanians against the sche
mes, which sucked in \$1.5 billion. Albania's
total budget last year was \$960 m
illion, with about one-third of it aid from the European Union.

The leader of Vlore's citizens committee is Albert Shyti, 27, who says that he
worked in Greece as a laborer and returned
to Vlore in January to see what wa
s happening to his investment in the pyramid schemes.

Shyti appeared suddenly as a rebel leader Friday, apparently because none of t
he better known politicians from the
political parties wanted to come forward.

After addressing a rally in the town square Friday morning, Shyti, a nattily d
ressed man in red shirt and black leather
jacket, held a news conference in th

e battered local movie theater. Among the committee's demands, he said, were the
e
resignation of Berisha, a caretaker government, new elections and 100 percent
t repayment of lost money.

"We have been asked to give up our weapons, but until our demands are met we will
ill not," Shyti told an applauding crowd
in the square, where he was dwarfed by
y a towering statue of Vlore's freedom fighters who helped win Albania's
indep
endence from the Turks in 1912. "We took them in one day and we can give them
back in one day," he said.

He also set some rules for the rebels: stop shooting but keep the guns; do not
wear masks and do not use cars without
license plates. The secret police of A
lbania traditionally drive cars without plates.
One young man in the crowd lifted his denim jacket and pointed to a pistol tucked
ked into his belt. "Maybe I will finish Sali
Berisha with this," he said. "Sali
i Berisha is crazy and it's a crazy Parliament and crazy everything."

LOS ANGELES TIMES

Albania Leader Agrees to 48-Hour Truce

By Tracy Wilkinson, Times Staff Writer

TIRANA, Albania--In an effort to pacify armed rebellion in the south, the Albanian
nian government agreed Thursday to halt
military operations there for 48 hours
. In exchange, opposition politicians called on the insurgents to lay down their
ir
weapons and accept amnesty.

The agreement emerged from more than five hours of talks between President Sali
i Berisha and most of his political
opposition, their first meeting since he imposed
posed emergency rule to crush an uprising by armed civilians who have seized
c
ontrol of the southern quarter of this country.

Diplomats praised the talks as a breakthrough. But they and Albanian opposition
n leaders said the agreement fell far short
of the demands for new elections and
nd constitutional reform needed to settle the political crisis jolting Albania
.

More ominously, reports from Vlore, the southern town that is the center of the
e revolt, indicated that people there
immediately rejected the deal.

Organized in an ad hoc "resistance movement," rebellious residents in Vlore and
d other towns have looted army arsenals
and are vowing to fight until Berisha

resigns.

Squared off in a tense confrontation, rebel and government armies have, according to reports from the area, had minor skirmishes, though an all-out government offensive failed to materialize.

In the last 24 hours, seven people were killed in Vlore, and food supplies, such as milk for children, were beginning to dwindle, residents told aid workers in Tirana.

Berisha's decision to meet with the opposition- -whom he had dismissed until now as Communist traitors who incited the insurrection- -came in response to European and U.S. pressure, as well as an awareness that his poorly equipped army might not be willing to move against the rebels, analysts said.

There have been reports of army desertions and officers' refusal to obey orders to fight their countrymen. Berisha fired the army chief earlier this week.

Besides the suspension of army operations for 48 hours starting this morning, the government and nine opposition political parties called on rebels to surrender weapons over the same period. Citizens who give up their guns and who have not committed "crimes" will be granted amnesty. Berisha also agreed to seek a consensus in naming a new prime minister to replace the one forced from office by the unrest.

"It is not a big step, but it is a step," Neritan Ceka, spokesman for the opposition Democratic Alliance Party, said of Thursday's meeting. "What is important is that it . . . opened the dialogue."

Ceka and others acknowledged, however, that the agreement was unlikely to quiet the inflamed passions of the Albanians who have taken up arms.

"A statement from us is not enough to get them to give up their weapons," said Skender Gjinushi, head of the Social Democratic Party, who also participated in the meeting.

Collapsing pyramid investment schemes, attractive to a desperately poor population unschooled in capitalism, sucked the life savings from tens of thousands of Albanians. In their subsequent rage, they blamed the government and exploded from riots to rebellion.

Thursday's meeting took place on the eve of the arrival of a high-level European

an Union mission and mediators from the Organization for Security and Cooperation in Europe, which was initially rebuffed by Berisha. The EU gives Albania about \$300 million in aid, a third of this impoverished country's national budget. The West fears that a flare-up in another Balkan hot spot will drive an exodus of refugees into neighboring countries and destabilize the already shaky region.

Whether Berisha, who has routinely outmaneuvered his opponents, is inclined to genuine compromise now remains to be seen. In the meeting, key issues, such as human rights and press freedoms, were not even raised, participants said, in keeping with Berisha's insistence on controlling the agenda.

"It's a good first step," said a Western observer. "But I don't see elections, I don't see the constitution--there are a lot of things that are not there. What you do see is the beginning of dialogue. You have a 48-hour window."

Critics said Berisha will use Thursday's meeting to demonstrate to international mediators that he is heeding their call for talks--while at the same time conceding little.

"The opposition failed 100%," said Ben Blushi, editor of the opposition Koha Jonë newspaper, whose offices were burned to the ground and whose reporters in the last few days have been repeatedly beaten, harassed and arrested by secret police. "The very first condition should have been fresh elections. It is ridiculous that the United States asks for new Albanian elections and the Albanian opposition doesn't."

The human rights situation has deteriorated in Albania since the pyramid collapses catapulted into political protest, in what critics say is a campaign against legitimate dissent.

LOS ANGELES TIMES

With Walesa Out of Limelight, Solidarity Finds New Spark
By Dean E. Murphy, Times Staff Writer
Saturday, March 8, 1997

GDANSK, Poland--If opinion polls and political pundits are right, the enfeebled Solidarity opposition--which got its start in this Baltic port 17 years ago--is staging a stunning political turnaround. There is even serious talk of a Solidarity-led coalition taking back the Polish Parliament in elections next fall.

II.

That would be a momentous comeback for the trade-union-based popular movement, which brought down communism in 1989 only to be swept to the sidelines by its revamped Communist adversaries in elections four years later.

But what is most striking about Solidarity's long-awaited rebound is the palpable absence of its most famous rabble-rouser. For the first time since taking up the cause of workers at the Lenin Shipyard here in 1980, Lech Walesa is not pulling the strings--or even muddying the waters--in Solidarity's quest for redemption.

Walesa left this week on an eight-day trip to the United States and Canada, his 17th journey abroad in 14 months, primarily promoting Poland's candidacy for membership in the North Atlantic Treaty Organization and the European Union. Except for a return to the shipyard last spring meant to embarrass the government into granting him a pension, Walesa has been virtually invisible in Poland since relinquishing the presidency to former Communist Aleksander Kwasniewski in December 1995.

"He is someone who has slipped into the shadows of Polish politics," said politician Aleksander Hall, a former Solidarity advisor and longtime critic of Walesa's trademark in-your-face manner. "And when he does take public stands now, they are quite sensible. I am actually quite sorry that his public contacts are so small."

Walesa's decision to distance himself from the goings-on of the Solidarity opposition is evidence of a broader search for a new identity since losing his bid for a second presidential term. In fact, the former union leader even moved his Gdansk office from Solidarity headquarters to a building down the street.

"It looked as though I was hanging on Solidarity's trousers," said Walesa, 53. "A lot of people were not happy with me being there. A lot of people who like me are outside of Solidarity."

Walesa said his retreat from the limelight is in part a recognition of former presidents' diminished function--"I've fulfilled my role; times are different now," he said--and in part an acknowledgment that his meddling in Solidarity's affairs would do more harm than good. Though a legend in his own time, Walesa ranks among the least-popular politicians in Poland.

"Fear of me is what keeps them together," Walesa said of the Solidarity-led opposition. Some observers say Walesa's hands-off policy is the main reason Solidarity is showing its greatest political promise since the heady days of the 1980s. After years of bitter infighting--much of it instigated by Walesa--the union has assembled 36 right-wing groups in a united front against the ruling former Communists of the Democratic Left Alliance.

The new political alignment, known as Solidarity Election Action, consistently scores near the top of public opinion surveys.

Maciej Plazynski, the former Solidarity governor of the Gdansk region and a Walesa friend, said the former president has subordinated ambition to the greater cause of ridding Poland of the former Communists. After the fall elections, Plazynski said, there will be time for Walesa to reassert himself.

"He . . . has been able to play on the international stage while not getting involved directly," Plazynski said. "It is not certain what he will do next, but for Lech Walesa, the most horrible thing would be to feel that he is not needed."

CHICAGO TRIBUNE

Albanians Protest 'Everything'

By Tom Hundley, Tribune Staff Writer
March 7, 1997

Dateline: TIRANA, Albania

Unlike other Balkan wars, the fighting in Albania is not about religion, ethnicity or even political power.

The anti-government militiamen who held three key towns in southern Albania on Thursday are less ideological revolutionaries than street rioters lucky enough to snatch up assault rifles, tanks and even a few naval torpedo boats commandeered from abandoned military barracks.

The rebels say, of course, that they are for "democracy," but what they really want is to live like the rest of Europe.

They also want their money back.

Albanians have been swindled massively in a series of pyramid investment schemes that began collapsing late last year.

Since the fall of communism, Eastern Europe has been particularly susceptible

to this form of get-rich-quick criminal capitalism. Russia, Romania, Bulgaria, Serbia and Poland all have been stung by pyramid scam operators.

But in terms of sheer breadth, it is hard to top what has happened in tiny Albania, where the amount of money poured into various pyramid schemes-- about \$1 billion--is the equivalent of 43 percent of the nation's gross domestic product.

At least 800,000 Albanians invested in one or more of these fraudulent schemes, which, out of a population of 3.8 million, means nearly every family got burned.

When people realized what had happened, they lashed out at the government, blaming it for allowing the population to be hoodwinked, and suspecting that those in power had somehow profited from it all.

Indeed, the government of President Sali Berisha was on cozy terms with many of the biggest pyramid operators and their banking associates, and brushed off repeated warnings from the international financial community.

"This all began as a protest against the government because of the pyramid schemes. Then it became a protest against Berisha. Now it is a protest against everything," said Blendi Gonxhe, a member of the opposition Democratic Forum.

The anti-government forces have dug in, but a dispirited army seems disinclined to take up the challenge.

On Thursday, Berisha met with opposition leaders to defuse the standoff between the army and armed rioters.

The outcome of their discussion was a joint declaration in which the rioters were offered an amnesty in exchange for laying down their weapons. The government agreed to suspend military activities for 48 hours, beginning Friday.

Berisha, who sacked his prime minister last week, also agreed that a new prime minister would be named in consultation with the opposition parties, and that a "commission of experts" would be appointed to examine the pyramid operations.

Opposition leaders hailed the declaration as a significant step toward resolving the crisis, but the rioters in the south, who owe their allegiance to no political party, seemed unimpressed.

Leaders of the revolt in the southern town of Vlore said by telephone and fax that their fighters will not turn in their arms.

How long the rioters can hold out is another question. The government controls the roads in and out of Vlore, Sarande and Delvina, the three towns under control of the well-armed rioters. Relief workers say food will become scarce in a matter of days.

This violent flailing against authority is hardly surprising in Europe's poorest nation, a place where only a lucky few earn more than \$100 a month but nearly everyone can tune in to see the high fashion and high life as depicted on Italian television, beamed from across the Adriatic, less than 100 miles away.

Seeing how the other Europe lives has only fanned popular resentment against the Berisha government, which has so stunningly mismanaged the country's feeble economy.

There is some danger that a prolonged crisis could turn into a civil war that pits the population of Albania's poor northern regions--Berisha's power base--against the slightly less poor southerners. But for now, the issue is not north versus south; it is Berisha.

Opposition leaders who met with the president Thursday urged him to call for fresh elections. Berisha refused.

"A war between north and south would be criminal," said Neritan Ceka, leader of the opposition Democratic Alliance. "We need more support--and quickly--for a political solution from the European Union and the United States."

Berisha has told European organizations that their advice is not needed, but with Albania's economy so heavily dependent on foreign aid, he apparently will get an earful anyway.

A delegation from the 54-nation Organization for Security and cooperation in Europe began arriving Thursday to prepare a visit for its new envoy to Albania, former Austrian Chancellor Franz Vranitzky.

Dutch Foreign Minister Hans van Mierlo, representing the European Union, also is insisting on a meeting with Berisha this week.

Meanwhile, the state of emergency declared by the government earlier this week remains in place, although the curfew in Tirana, the capital, has been pushed back from 8 p.m. to 10 p.m.

Tirana went about its business more or less normally on Thursday despite an un

usually heavy police presence throughout the city.

All roads leading in and out of the city had roadblocks. The guards, some in uniform and some not, stopped cars to check the occupants--and to cadge cigarettes.

WASHINGTON POST

Can the Euro Prove Its Worth?

By Anne Swardson

Sunday, March 9 1997; Page A21

DOUAI, France

Holding his cafeteria tray of roast chicken and cheese, Michel Barnier did something rare for a French cabinet minister: He mingled with ordinary people.

Plopping himself down at a table of high schoolers in this northern industrial town, the minister for European affairs asked them what worries they had about Europe's plan to join all its currencies into one.

Barnier got an earful. Will all the languages meld together? asked Janie Lamiaux, 16.

Will cannabis become legal or will the Netherlands have to tighten its lax laws? asked Ouraoui Dalla, 18.

And Manuel Roumelard, 17, had some big ones. "Will it resolve our unemployment problem?" he inquired. "Will we see a difference? Will it be good for us?"

Barnier answered each question as best he could, as he has in one corner of France or another every Thursday for the last 18 weeks. But beyond Douai, beyond France, fundamental concerns are being raised by ordinary European citizens about how their lives will change in the new-money world of the euro.

Polls in the countries likely to be in the euro "club" when the selection is made a year from now mostly show support, either by majorities or evenly divided figures. Politicians and experts fear, though, that as the budgetary austerity required to qualify for the club intensifies, and sacrifices are required from citizens, support may erode if people do not understand the purpose of the exercise.

"We have constructed Europe for 30 years for the people, but without them," said Barnier. "Europe must put a face on

what it does, explain what it does, rather than just pass laws and produce texts."

Barnier was summing up a central problem. Europeans in many of the EU's 15 member countries tend to regard the European Union as a distant, bureaucratic, nannyish entity. From Finland to Greece, there is a widespread view that policies made in Brussels are enacted with the ordinary citizen. Until now, that attitude has not undermined support for the European Union, but there are signs that may be changing.

Last week, for instance, when French automaker Renault abruptly announced it was closing a factory in Belgium, eliminating 3,000 jobs, thousands of factory workers demonstrated at EU headquarters buildings in Brussels.

"What Renault has done in Belgium, you call that united Europe?" shouted one worker interviewed on French television. "Is this how we are going to compete against the Americans?"

Similarly, demands for national referendums on whether to convert to the euro are on the rise in France, Germany and elsewhere.

In France, the Communists and other leftist parties are circulating a petition asking for a national vote on the single currency. It has nearly 300,000 signatures, and at this pace will have 1 million in four months, said Pierre Blotin, a member of the Communist Party's national bureau.

"This is too serious for the people not to be consulted," Blotin said. "Our feeling is that the policy being put in place in the process toward the single currency is one of austerity, and people should be able to decide whether they want it."

Some people are looking forward to the advantages for which the euro is ostensibly being created: more commerce and greater efficiency.

"It's really a pain when the first thing you have to do on vacation is run to a bank and change your money," said Berlin economics student Stefan Schnapp, 27. "With the euro you can save yourself the trouble. Everyone is talking about a globalization of the economy. Why not a globalization of currency?"

The single currency actually will not be in citizens' hands until 2002, if the process goes as scheduled. Nor have the budget cuts enacted in most of the ap

plicant nations made a significant dent in relatively generous European social welfare systems.

But this is the year whose economic results will decide who gets to be in the club, and so far, only Luxembourg qualifies.

The rest of the countries that are interested have more belt-tightening in store as they try to meet targets for inflation, national debt and budget deficit. Britain and Denmark say they may well not be interested.

With unemployment high nearly everywhere--the European Union average is more than 11 percent and France and Germany both have unemployment rates in excess of 12 percent--citizens are beginning to fear the impact of budget cuts on their daily lives. Politicians might insist the cutbacks are needed under any circumstances, but the euro is likely to get some of the blame.

"The single currency risks becoming the scapegoat of everything that is going wrong in France," said pollster Stephane Rozes of the Paris firm CSA. "If jobs and growth are not at the rendezvous with the euro, we could see some very strong opposition."

Brigitte Mueller, a retired management employee in Berlin, worried that the euro "will impoverish a great number of people," adding that she was "prepared to accept a small reduction in my standard of living but not any more than that."

In Italy, where political and public support for the single currency is strong, Franco Ciaffi, a 52-year-old Rome grocer, noted that the government already has imposed a special new tax to reduce the budget deficit and that social-program cuts are

"If all these sacrifices are going to end in something good, like the single currency, then okay, let's do it," he said. "But what if all the sacrifices bring nothing? What if the government falls again and nothing happens at all?"

Governments are beginning to undertake education programs with an eye to overcoming such doubts. In Germany, 4 million brochures proclaiming that the euro will be "as strong as the mark" have been distributed. In Italy, pamphlets also are being circulated, and Prime Minister Romano Prodi has held explanatory news conferences after each new round of budget cuts.

In France, Barnier barnstorms one day a week, holding public meetings, touring factories and exhorting students, and

other explanatory programs also are being conducted.

From country to country, citizens' concerns about the new currency vary. The idea behind the economic requirements for entry, designed principally by Germany, is to ensure that the currency is backed by strong economies and thus is strong itself; Germans have a traditional fear of devaluation.

So when Joachim Bretzel, a mail-room worker for the German chemical giant Schering, says the euro is "a horrible and stupid idea," it is because he fears it will be worth less than the mark and thus "cut my savings in half."

"The euro is going to ruin Germany. . . . The average worker is really worried. I haven't met anyone who wants the euro," he said.

In fact, however, about half of all Germans who expressed opinions do, according to a January poll by the Gallup organization. Forty-three percent said they would vote in favor of the creation of a single European currency, and 44 percent said they would vote against.

In Italy, support is far higher, according to the same poll: Just over 70 percent of respondents would vote for the euro. What Italians want to know is not whether the euro is a good thing, but whether their perpetually fragile political system can do what it takes to enter--especially given that Germany is oppositely in the first round of participants for fear its tumultuous economy will drag down the value of the euro.

In France, where about 61 percent of respondents were pro-euro, people worry about whether the Germans, in the guise of the new European Central Bank located in Frankfurt, will have too much influence over the new money.

Many French fear that the mark and its central-bank master, the Bundesbank, already dominate the economy of Europe. To these French, the idea of an inflexible, numbers-minded central bank not answerable to political authority is a recipe for disaster.

"Someone must be responsible. We don't want the French to be the underdogs of Europe," said Marie-Therese Depond as she, her husband, Claude, and two companions strolled in Paris's Luxembourg Gardens recently. "Now it's the Bundesbank that pulls all the strings."

As it happens, there was a Bundesbank supporter handy: Artists Reinhart Buettner and Juliana Jaeger, who live part of the year near Frankfurt and part in Paris, were spending the afternoon with the Deponds.

Buettner earlier had said the future of the euro "looks like a European lottery . Maybe you win, maybe you lose." But as soon as Marie-Therese Depond spoke, he looked up. "Don't forget, that was all decided seven or eight years ago, in the Treaty of Maastricht," he reminded her.

"Yes," Depond said. "When everybody voted for Maastricht without reading what was in it."

Claude Depond had the last word: "We need a Europe," he said. "If not, the Americans would run everything." Special correspondents Matthew Gaskins in Berlin and Vera Haller in Rome contributed to this report.

WASHINGTON POST

Bonn Expels U.S. Official For Spying

By William Drozdiak

Sunday, March 9 1997; Page A01

BERLIN, March 8--Germany has ordered an American diplomat to leave the country after accusing him of trying to recruit senior officials for espionage and steal secrets related to high-technology projects, government officials said today.

It was believed to be the first time that a U. S. diplomat has been expelled on spying charges from postwar Germany, according to a report by the weekly news magazine Der Spiegel, which released the information ahead of publication Monday. German officials tonight confirmed the expulsion, but a spokeswoman for the U.S. Embassy declined to comment. State Department officials in Washington also declined comment.

According to Der Spiegel's account, a CIA agent working under diplomatic cover tried to obtain classified information and suborn officials from Germany's Economics Ministry. An official who was approached reported the contacts to Germany's counterespionage agency, the Federal Office for the Protection of the Constitution, which demanded that the diplomat leave the country.

The news weekly said the diplomat, whom it did not name, already had departed Germany though it did not say when. To avoid any disruption in good working re

lations between the two allies, Der Spiegel said the case was handled discreetly by the intelligence hierarchies of both nations. The Bonn government did not summon U.S. charge d'affaires J.D. Bindenagel to express its displeasure nor did it formally declare the alleged spy persona non grata.

The latest spying controversy reflects a new era of intensifying economic competition between Western allies now that the Soviet military threat has vanished. Two years ago, France expelled five Americans--four of them CIA officers operating as diplomats in the U.S. Embassy--after they were caught trying to bribe French officials for information about France's secret bargaining position in global trade talks. France has told the United States that the time has come for a dramatic reduction in the number of CIA officers operating here. During the Cold War, Germany was by far the largest American overseas base for military and other kinds of intelligence. Since Germany shared the U.S. priority of thwarting a Soviet invasion of Western Europe, American agents were allowed to gather information with virtual impunity.

The escalation of economic rivalries across the Atlantic in the post-Cold War era, however, has started to generate serious friction between friendly nations. Besides European irritation over CIA attempts to find new routes to ferret out allied economic secrets, the FBI has been incensed by the increasing efforts of France, in particular, to steal information about highly classified industrial projects of U.S. corporations.

In turn, France was so outraged by the 1995 espionage case that it suspended intelligence cooperation with the United States in such other areas as terrorism and arms smuggling. According to German and French sources, the Paris government told its other European Union partners that the extent of CIA economic espionage activities was becoming a serious peril to their interests and required a hard-nosed response by the Europeans.

When then-CIA Director John M. Deutch traveled to Europe a few months after the French fiasco in a bid to heal the breach with the allies, he was bluntly warned by the Bonn government that it would no longer tolerate U.S. snooping in sensitive areas such as trade and technology.

German officials said that in recent months Bernd Schmidbauer, Chancellor Helmut Kohl's chief adviser on intelligence matters, had been pressing the Bonn go

vernment's complaint that the United States appeared to be dragging its heels in living up to promises to scale down the size of its intelligence community in Germany.

According to German officials, Schmidbauer warned that U.S. recalcitrance could lead to a public embarrassment if that was necessary. Schmidbauer also told colleagues that Kohl was prepared to take up the matter personally with President Clinton to demonstrate how seriously Bonn felt about the matter. Kohl spoke by telephone with Clinton last week, though it could not be determined if they discussed the latest spying incident.

In addition, American diplomats say the CIA's attempts to justify its post-Cold War purposes by expanding economic intelligence missions in Europe also have escalated clashes with Congress and the State Department because of Langley's long-standing reluctance to share sensitive information. Several U.S. ambassadors in Europe have lodged high-level protests questioning the need to lard their staffs with CIA agents operating under diplomatic cover. They say the presence of more CIA personnel has heightened institutional rivalries and invariably added little in the way of collecting valuable information.

Referring to the 1995 spying fiasco in France, U.S. Ambassador Pamela Harriman said in a conversation before her death that she was never informed about the nature of the CIA's activities and was infuriated when she was called on the carpet by then-French Interior Minister Charles Pasqua. She described the CIA operation as "horribly amateurish," especially when much of the information the agency was seeking was readily available, even in the local press.

NEW YORK TIMES

Kurdish Guerrillas in Turkey Are Down but Not Out

By Stephen Kinzer, March 8, 1997

ATMAN, Turkey--Whether Turkey is winning its 12-year war against Kurdish separatists depends on which village you believe.

In Caliskan, a rugged outpost near the Iraqi border where 4,000 Kurds scratch out a living as shepherds and farmers, the war seems to be all but over.

Three or four years ago, guerrillas from the Kurdish Workers Party, known as the PKK, roamed freely in the area. But the Turkish army has built a 500-soldier

r base on the edge of town, and squads are on constant patrol in the surrounding mountains. Things are quiet again.

On one recent afternoon, military officers convened a meeting of local men, who effusively thanked them for their work.

"Thanks to the soldiers, we're going to open the coal mine again, and maybe even get a paved road," said the village chief, Nadir Yaman, who has two wives and 18 children. "Maybe a few people from this area were tricked into joining the PKK, but no one supports them any more. The PKK is a terror and murder group."

But 120 miles northwest of Caliskan lies the village of Gumusorgu. Rumors have been circulating through the surrounding countryside that something awful may have happened there. Some say soldiers burned the village or forcibly evacuated it or committed some kind of atrocity there.

A reporter who tried to reach Gumusorgu this week was arrested, taken to a military prison in Batman, the provincial capital, and interrogated for seven hours by angry government agents who accused him of spying for the Kurdish rebels.

Part of the proof they cited was a restaurant receipt they found in his pocket indicating that he had met with a representative of a group with the phrase "human rights" in its name.

One agent described Gumusorgu and two other villages that the reporter had hoped to visit as "PKK villages." Another said Batman province and neighboring Siirt province were infested by the rebels.

"They're all over the place!" he shouted. "We can't go out at night. The PKK is everywhere around here."

Is the war proceeding as it looks from Caliskan, with the army in firm control and local Kurds grateful that life is returning to normal? Or is it the way it looks from around Gumusorgu, where soldiers seem far from victory and rumors of repression spread unchecked over the high hills?

A six-day tour of southeastern Turkey suggests that the army has dealt powerful blows to the rebel group, killing many guerrillas and forcing most of the rest across the border to sanctuaries in Iran, Iraq and Syria. Many villages once torn by conflict are now at peace.

MANY KURDS RESENT SUPPRESSION OF IDENTITY

ut throughout the region, many Kurds still resent the government's refusal to accept their ethnic identity. With Kurdish newspapers closed, Kurdish politicians in jail and hundreds of Kurdish civilians murdered by mysterious death squads, the Kurdish Workers Party is the only surviving organization that upholds the concept of Kurdish identity.

"People are not for the PKK, because the PKK kills children and schoolteachers and commits all kinds of violence," said a university student in Diyarbakir, the largest city in the region. "But there is a certain sympathy, because we share the same blood.

"We want to be able to express ourselves as Kurds, with books and newspapers and radio and television stations. What the government has done makes us think they are against any peaceful Kurdish movement. The PKK is all we have left."

As many as one-fourth of the 60 million people in Turkey are fully or partly Kurdish, tracing their lineage back to tribes that have lived in this region for more than 2,000 years.

Despite repeated efforts, Kurds have never had a state of their own, and today not only the Turkish government but also the governments of Iran, Iraq and Syria, all of which have substantial Kurdish populations, strenuously oppose efforts to create one on their territory.

The group leading that effort is the Kurdish Workers Party, tapping a deep strain of Kurdish nationalism that has persisted since the founding of the Turkish Republic 73 years ago.

MURDER AND ABDUCTION: PART OF TURKS' RESPONSE

The first evidently organized Turkish response to the rebels was a campaign of murder and kidnapping that has taken the lives of hundreds or perhaps thousands of Kurdish nationalists since 1991.

This wave of killings effectively decapitated the Kurdish elite in southeastern Turkey. It may also have crippled the rebels' efforts to build an organized base among civilians.

The next blow against the rebels was struck by the army, which beginning in 1993 flooded southeastern provinces with

hundreds of thousands of soldiers. They have overwhelmed the rebels, who probably never had more than 10,000 guerrillas.

The number of attacks by the rebels in recent months and the area in which they operate are greatly reduced from the level of two or three years ago. Army intelligence officers say they believe that fewer than 3,000 guerrillas remain inside Turkey, with perhaps another 4,000 encamped in neighboring countries.

Published estimates suggest that the war against the Kurdish rebels costs Turkey \$7 billion to \$8 billion a year.

TURKEY FEARS ITS LAND COULD BE CARVED UP

Despite that cost, despite the social upheaval caused by the hundreds of thousands of Kurds who have abandoned their villages voluntarily or on orders from the army, and despite the political price that Turkey has had to pay for the accusations of human-rights violations that have been lodged against it in Europe and the rest of the world, most Turks seem to believe that their leaders have no alternative.

"Turks have never forgotten how the West tried to dismantle the Ottoman Empire," said Ilter Turan, a political scientist at Koc University in Istanbul. "They see the PKK as trying to cut away a part of Turkey to create a separate state, and they don't tolerate that."

This intense fear of losing part of the country has led many Turks to oppose granting Kurds a measure of cultural or political autonomy.

"First they ask for innocent-sounding cultural rights like being allowed to speak Kurdish, which is no problem for us," said Mecati Bilican, the governor of the nine southeastern provinces that are under emergency rule. "Then it is a Kurdish television station, then cultural autonomy, then political autonomy. The end goal is to create a Kurdish state, which is something we will never allow."

ARMY TRIES TO WIN HEARTS AND MINDS

With the tide running clearly in favor of the army, there is wide agreement that the government should now make stronger efforts to win the sympathy of Kurds in the southeast. Some local army commanders are taking steps in that direction.

on by
assigning soldiers to civilian tasks ranging from digging irrigation canals to clearing pasture land for sheep and goats.

"If I can do something for these villages, I do it," said Gen. Ergin Saygun, the army commander in Kars province and one of the pioneers of such civil action programs. "It works so well that now some of the villagers want us to stay for ever."

Finding official spokesmen for the Kurdish Workers Party is all but impossible. Nonetheless, it is possible to make some guesses about the strategy that the party follows.

It evidently seeks to disrupt development projects, viewing them as efforts by the government to tighten its hold on southeastern Turkey. By making schools and their teachers targets, it seeks to prevent what it views as indoctrination of Kurds by an educational system that denies their identity and seeks to turn them into Turks.

"You open up a school, and the next day the teachers are killed," said a diplomat who closely watches the conflict. "You build roads, and the next day they are torn up. You can't plant anything, because the PKK will kill the farmers and burn the crops. The government has turned the corner militarily, but now what they need is a political and cultural de-escalation."

SOME MODERATE TURKS CALL FOR UNDERSTANDING

Only with great difficulty can some Turkish officers and politicians bring themselves to concede that the party may have any popular support. A few, gently testing the limits of debate, suggest that perhaps the government should stop insisting that Kurds identify themselves first and foremost as Turks.

"In the days of the Ottoman Empire, we ruled places like Serbia and Hungary and Bulgaria," said Musa Okcu, who represents Batman in Parliament. "People there were never forced to abandon their cultural heritage. There was also respect between the Ottomans and the Kurdish people. We need to use this historical experience and look for a solution along these lines."

Such views are about as extreme as may be legally voiced in Turkey. Official sensitivity to the threat of Kurdish nationalism is so strong that journalists and writers are jailed for seeming to support it. Because many points of view are

taboo, it is impossible to have a public debate that considers the range of possible solutions.

"If I criticize this war or demand peace talks or talk about the legitimate rights of the Kurdish people, this is high treason," said Haluk Gerger, a leftist intellectual in Ankara who lost his teaching job after the 1980 military coup and has been taken to court six times for expressing his views, serving a year in prison in 1995-96.

"If I ask the Turkish government to abide by the legal or moral rules of warfare, it is a serious crime. You cannot even talk about the most serious problem facing your country."

REBELS' NEW TACK: ROLE AS HOLY FIGHTERS

Recently the Kurdish Workers Party has taken a new propaganda tack, seeking to portray itself as a devoutly religious organization fighting a godless state. The party-influenced television channel that operates in Europe has begun broadcasting religious programs and referring to the guerrillas as fedayeen, or holy fighters.

That is an odd turnaround in view of the Marxist-Leninist principles on which the organization was founded, but it could strike a responsive chord because many Kurds are more traditionally Islamic than Turks in the western part of the country. It may also be an indirect overture to the Islamic-based government of Prime Minister Necmettin Erbakan.

The party has been all but wiped out in some eastern provinces, but the fact that emergency rule remains in place in much of the region suggests that peace is not yet near.

"The level of fighting is far lower than it was a few years ago, and the human rights situation is also better," said Mahmut Sakar, director of the Human Rights Association office in Diyarbakir. "But that doesn't mean the trouble is over."

"If the soldiers leave, everything will go back to the way it was. There have been Kurdish insurrections for as long as there has been a Turkish state, and the government has given no response except guns. Somehow we have to break out of this cycle."

Editorial: Delicate Relations With Turkey

March 8, 1997 Top Turkish official passing through New York recently studiously hinted that his Government, a member of NATO, might block the alliance's plan for eastward expansion unless Turkey was admitted to the European Union. The threat is probably a bluff, but it was a reminder that Turkey, now led by an Islamic Prime Minister, has its own international agenda and intends to demonstrate its independence from the United States.

The change in Ankara does not mean that America and Turkey are destined to come into conflict, but careful handling of the relationship by both countries will be necessary to maintain productive ties.

Turkey's pivotal importance to American foreign policy is dictated by history and geography. As a bridge between Europe and Asia and an important force in the Middle East and Persian Gulf region, Turkey can have a decisive impact on American interests in a large swath of the world. As the NATO veto threat suggests, Turkey can make itself felt in unexpected ways.

Turkey's new Government seems as insistent about joining Europe as were its secular predecessors. Ankara's application cannot and should not succeed so long as its military and police forces trample the rights of the Kurdish population in the name of a war against violent Kurdish separatists. But beyond that, Turkey's claim seems to be unfairly blocked by Greece's bitter hostility and the anti-Muslim prejudices of other European states.

Since Necmettin Erbakan, the Welfare Party leader, came to power last June as head of a coalition Government, Washington has worried that Turkey would shift from its traditional European orientation and seek new, anti-American alliances with radical Muslim countries in the Middle East.

The concerns seemed justified by the anti-NATO, anti-Israel rhetoric Mr. Erbakan habitually used before his party emerged as Turkey's top vote-getter last December and, later, by his early official visits to Iran and Libya. But more recently he has hewed to a more pragmatic course, renewing Turkey's military cooperation agreement with Israel and continuing to provide bases for American air operations in northern Iraq.

Now the more pressing question is whether the Islamic Government will respect the rights of secular Turks and maintain

its alliance with the United States.

Mr. Erbakan recently stirred alarms at home by challenging the strict secularist guidelines designed by the founder of modern Turkey, Mustafa Kemal Ataturk.

Unlike America's own secularist tradition, these leave little scope for individual displays of religious devotion.

Mr. Erbakan proposed relaxing the prohibitions against women's wearing veils and head scarves in the civil service and public universities. He also called for graduates of religious academies to be allowed to serve as military officers and supported the construction of large mosques in the center of Istanbul and Ankara.

Many secular Turks, particularly women, fear that these steps could be a prelude to fundamentalist intimidation. After an inappropriately pointed warning from Turkey's politically powerful generals, Mr. Erbakan this week promised to respect existing secularist legislation.

Ankara should continue to encourage peace between Israel and its Arab neighbors, enforce United Nations sanctions against Iraq and show its willingness to thwart Iran's export of terrorism. If it does so, the United States should be able to work constructively with the Erbakan Government.

LOS ANGELES TIMES

Editorial: Making Amends for 'Neutrality'
March 8, 1997

Switzerland's President Arnold Koller is winning deserved international praise for his proposal to establish a multibillion humanitarian fund to aid victims of the Holocaust and other genocides, as well as those who have suffered from natural catastrophes and human rights abuses. What remains to be seen is whether the Parliament and Swiss voters, in a referendum that will be required to set up the fund, are prepared to support the president.

Nationalistic resentment over the critical global attention lately given to Switzerland's World War II relations with Nazi Germany could work against Koller's proposal. That resentment may well deepen when a study commissioned by the Clinton administration is released later this month. Advance word is that the study will find that after World War II, Switzerland returned only a small fraction of the hundreds of millions of dollars in looted gold it bought from Naz

Germany. Stolen from Belgium, the Netherlands and other countries occupied by Germany, that gold hoard was separate from the possibly billions of dollars in cash, jewelry and artwork that was deposited in Swiss banks in the 1930s by European Jews, most of whom did not survive the Holocaust. The value and fate of those deposits have yet to be accurately revealed.

In presenting his proposal, Koller called on his countrymen to look back with "merciless truthfulness" on Switzerland's equivocal role in World War II. Many Swiss argue now, as then, that preserving their country's neutrality in the face of the Nazi juggernaut necessitated a degree of cooperation with Germany. Left largely unexplored until now has been how extensive that cooperation was, how Swiss banks and others profited from it and the moral issues these actions raise. Most Swiss living today have no memories of the war years. This generation and those that follow it can only gain from an honest accounting of what happened in the century ago.

WASHINGTON POST
Antisemitic Slur Angers U.S. Ambassador
By Barton Gellman
Saturday, March 8 1997; Page A17

JERUSALEM, March 7--U.S. Ambassador Martin Indyk, still seething at a two-week-old slur, ran into his accuser Thursday and fixed him with a glare. According to Ephraim Sneh, a Labor Party member of Israel's legislature, this is what happened next:

"The last time someone called me a Jew boy," Indyk said, harking back to school days in Australia, "I was 15 years old and he got a punch in the face."

A right-wing legislator, Rehavam Zeevi, had indeed called Indyk a yehudon -- Hebrew invective translated variously as "Jew boy," "yid," or "kike" -- at a parliamentary caucus late last month. He looked up from his seat at a memorial service for the late Yitzhak Rabin and glared back at Indyk. "Try me," Zeevi replied. Then, taunting Indyk, he added distinctly: "yehudon, yehudon."

Zeevi, a retired general who is chief of the ultranationalist Moledet (Homeland) party, apparently meant to say that Indyk, the first Jewish U.S. ambassador here, betrayed his coreligionists by pressuring the Israeli government for co

missions
in peace talks with the Palestinian Authority. Zeevi's political platform, the most extreme of any party in the parliament, calls for expulsion of Arabs from the West Bank to make room for Jews.

Sneh, who witnessed the exchange, said Indyk looked agitated. It crossed his mind, Sneh said, that the two men might come to blows at the ceremony, just two seats away from Israel's chief rabbi, and yards from Leah Rabin, the slain prime minister's widow.

"I'm not a psychologist," Sneh said, "but it seems to me the ambassador used the utmost of his self-restraint not to do it."

"You are a disgrace to the state of Israel," Indyk replied to Zeevi.

"And you," Zeevi shot back in English, "are a son of a bitch."

At the urging of fellow legislator Binyamin Ben Eliezer and Chief Rabbi Yisrael Meir Lau, Zeevi approached Indyk at the end of the ceremony and muttered, "I apologize." Indyk looked at him, said, "Fine," and walked away.

Zeevi had refused to apologize two weeks ago after sharp criticism from the Anti-Defamation League and from Cabinet Secretary Danny Naveh. Indyk could have ignored Zeevi's presence but he told friends he did not think he should let the incident pass.

"I'm not interested in getting into the details," Indyk said in a telephone interview tonight, "but what's important here is that a member of the Knesset, leader of a political party, is attacking with an antisemitic slur the representative of the United States in Israel."

WASHINGTON POST

U.S. Uses Veto To Spare Israel Housing Plan

BY John M. Goshko

Saturday, March 8 1997; Page A01 UNITED NATIONS, March 7--The United States tonight went against the tide of international opinion and vetoed a proposed Security Council resolution urging Israel to abandon plans to build housing that would draw thousands more Jews into East Jerusalem.

Casting its first such U.N. veto in nearly two years, the United States backed Israel even though President Clinton had criticized Israel's position on the issue and Israeli Prime Minister Binyamin Netanyahu rebuffed a direct appeal

Wednesday from Secretary of State Madeleine K. Albright to delay the housing project.

Asserting the resolution could impede peace talks between Israel and the Palestinians, U.S. Ambassador Bill Richardson cast the sole vote in the 15-nation council against the resolution put forward by West European governments.

"This draft resolution would not have helped the [peace] process," said Richardson, who took up his post three weeks ago and was casting only his third vote on a council resolution.

He reiterated that the U.S. government, led by Clinton, has expressed regret over the Israeli decision, but added, "We have never believed, despite the useful role the council can play in working for Middle East peace, that it is an appropriate forum for debating the issues now under negotiation between the parties."

The proposed resolution, sponsored by France, Britain, Portugal and Sweden, characterized the proposed Israeli housing project as "illegal and a major obstacle to peace." It called on Israel "to refrain from all actions or measures which alter the facts on the ground."

As one of the five permanent council members, the United States has the power to veto any decision. In doing so tonight, it brought an end to three days of negotiation and debate, in which country after country denounced as a dangerous threat to the peace process Israel's plan to construct 6,500 homes for Jews on a hill, Har Homa, in predominantly Palestinian East Jerusalem.

It was the first American veto of a council resolution since May 17, 1995, when the United States thwarted a similar attempt to condemn a planned Israeli expropriation of Palestinian-owned land. Last November, the United States cast a de facto veto to block former secretary general Boutros Boutros-Ghali's bid for reelection, but that was part of an election process and did not involve an attempt to bring the influence of the world community to bear on an international controversy.

Throughout the 50-year history of the United Nations, the United States has used its veto almost exclusively against resolutions that it regarded as one-sided criticism of Israel. There have been occasions when Washington sought to re

buke actions by Israeli governments by abstaining and allowing a critical resolution to pass. In this case, the Clinton administration concluded its disapproval of Israel's plans for Har Homa was outweighed by its concern that the resolution could jeopardize efforts to keep the peace process moving.

The U.S. veto followed a week of unusually strained exchanges between Washington and Jerusalem as the Clinton administration showed its displeasure with Israel's policies.

First, Clinton on Monday criticized Israel's decision to build the housing in East Jerusalem. Then Albright telephoned Netanyahu two days later to ask that the project be delayed and that the announced closure of Palestinian offices in East Jerusalem be called off.

And late Thursday the State Department issued a statement designed to show displeasure with Israel's decision to withdraw from about 9 percent of the West Bank in its next stage of redeployment, far less than the Palestinians expected.

While welcoming the withdrawal announcement as "a demonstration of Israel's commitment to the peace process," the U.S. statement said it is "only the first step in a three-phase process and we hope the government of Israel will do more in the second and third phases." That bland language was designed to show "we are not totally satisfied," an administration official said. Netanyahu gave a green light to the Har Homa project in part to mollify restive hard-line

opponents of the peace process within his coalition government. That led Palestinian leader Yasser Arafat and his Arab world allies to charge Israel is trying to bolster its claims to sovereignty over all of Jerusalem by forcibly increasing the Jewish population of East Jerusalem. The Palestinian authority headed by Arafat hopes the peace process will lead to creation of an independent Palestinian state with East Jerusalem as its capital.

On Monday, while Arafat was visiting Washington, Clinton appeared with him before reporters to say he believes the Har Homa decision "builds mistrust, and I wish it had not been made." Arafat later came here to meet informally with Security Council members and urge them to take action that might dissuade Israel from its plans. Faced with strong international pressure for the resolution, the United States proposed that the council settle instead for the much weaker diplomatic device of a statement by the council president on behalf of the members.

rs. However, the necessary consensus was blocked by the refusal of Egypt, the only Arab country on the council, to go along.

WASHINGTON POST

Editorial: Wrong Decision on Jerusalem
Sunday, March 9 1997; Page C06

IT SHOULD not be considered too late for Israel to somehow slide off its unilateral decision to plant 6,500 new Jewish apartments in East Jerusalem. The decision further preempts an issue--the status of Jerusalem--that Israel had promised to submit to negotiation with the Palestinians. It is calculated to enflame almost all Arabs. It has left Israel criticized and isolated by all of its friends, not least by the United States, which vetoed a United Nations rebuke of Israel but only in order to keep the Security Council out of an ongoing negotiation.

Israelis of both major parties are devoted to a single undivided Jerusalem as the capital of Israel. But the land designated Jerusalem since Israel won the 1967 war is larger by several multiples than it was before. The new apartments at what Israelis call Har Homa are to go in a part of the city added in that war and later annexed over universal international protest. This is not holy land; it is strategic real estate. Israel's legitimate security and defense interests can be served by other means.

To assert that every inch of greater Jerusalem is of equal emotional and religious value to the Jewish people is simply wrong. To say that nowhere in this sprawling realm is there a place for a Palestinian capital is to pull the rug out from under the impending final-status negotiations. To equate the forward-looking prospect of sharing Jerusalem with the discredited notion of dividing the city is to take the issue off the table even before it has been put on.

It is said in his defense that Prime Minister Binyamin Netanyahu is taking his stand at Har Homa principally to keep together a governing coalition put under severe strain by his courageous decision to thin the Israeli presence in Hebron and to undertake further (limited) West Bank withdrawals. Mr. Netanyahu does deserve credit for accepting at least in theory the idea of territorial withdrawal from the West Bank. But his rigidity on Jerusalem shoves onto the Palestinians' Yasser Arafat alone a

burden of political accommodation that both sides to the negotiation ought to be carrying together.

A frustrated ruling Likud is said to be considering breaking with its hard right and forming a "national unity" government with the Labor opposition. That would complicate Israeli politics, which are in an extraordinarily venomous phase. But it could give the Israeli people a government with a better chance of making peace.

WASHINGTON POST

Netanyahu's Hold on Power Is Weakening

BY Barton Gellman

Saturday, March 8 1997; Page A01

JERUSALEM, March 7--Prime Minister Binyamin Netanyahu, who emerged from January's Hebron agreement with aspirations as a consensus politician, is looking today like a man without allies, as embattled as any Israeli prime minister in memory.

Washington has displayed irritation with his government, the conflict with Palestinians is poised once again on the brink of violence, and his cabinet now is divided between antagonists of many years, such as Foreign Minister David Levy and Finance Minister Dan Meridor, and once-loyal lieutenants, such as Communications Minister Limor Livnat, with whom he is barely on speaking terms.

With multiple fractures in his governing coalition, Netanyahu's hold on power is the subject of increasing speculation in Israel's political class. Some of the talk is wishful thinking by longtime opponents, and his history as successful underdog makes it foolish to write him off. Even so, according to party activists and foreign diplomats who watch him closely, Netanyahu has not been in as tough a spot before.

On the way back from Egypt late Wednesday, Netanyahu confided to journalist Shimon Shiffer that "there are some moments of isolation in my job."

That was before eight right-wing lawmakers threatened today to abandon his parliamentary coalition, enough to bring down the government if they vote as they say they will.

It was before Uzi Landau, a senior Likud legislator and former key supporter, called him a liar, and before his Likud predecessor as premier, Yitzhak Shamir,

demanding that he resign.

It was also before a tense telephone conversation with Secretary of State Madeleine K. Albright, in which, according to accounts from both governments, he refused her requests to freeze plans for a new Jewish neighborhood in East Jerusalem and rescind police orders to close Palestinian political offices in the city's historically Arab neighborhoods.

Netanyahu's political assets include a public trustworthiness rating of 52 percent in a poll this week in the newspaper Haaretz, down from 64 percent in August but still respectable. He has also managed to juggle the most divisive issues of land for peace while commanding strong majorities for each decision among Israeli Jews.

But Netanyahu now is alienated almost completely from Israel's political establishments, including those of his own party and political base.

So far have Netanyahu's political fortunes declined that he invited in opposition leader Shimon Peres today for an unscheduled, and briefly secret, meeting to talk about a "national unity" government in which the Labor Party would join forces with Netanyahu's Likud. Netanyahu has raised the idea before, according to one close aide, "as a ruse, a tactical maneuver to scare his coalition partners into line. I think this time he may actually mean it."

For the moment, even if he means it, the idea seems doomed. A police investigation into allegedly corrupt deals behind the appointment of a short-lived attorney general in January has left Netanyahu's government under an ethical cloud.

Forming a unity coalition now, said Labor Party activist Yitzhak Herzog, would be "like joining a colony of lepers. There will not be a majority in Labor to join a government that seems on the verge of collapse."

There is no sign of evidence for the most spectacular of the allegations in the attorney general affair: that two politically powerful men facing felony charges--Shas party leader Aryeh Deri and Likud money man David Apel--tried to install their own candidate for attorney general, cut a deal with him to grant pardons or plea bargains in their cases, and threatened to hand Netanyahu a major political defeat if he did not appoint their man.

But even if police bring no charges, there have been enough untoward disclosures to do lasting damage. There is

evidence, to begin with, that felony defendants Deri and Apel had advance knowledge and participation in the nomination of Roni Bar-On for the nation's senior law enforcement post. The justice minister, Tzahi Hanegbi, was shown in a leaked cabinet transcript to have misrepresented Bar-On's credentials and endorsements by senior legal figures.

And Netanyahu, after being interrogated under warning, the equivalent of American Miranda rights, hired a lawyer who spread word that the Bar-On nomination was Hanegbi's fault, not Netanyahu's. Hanegbi, once Netanyahu's closest political operative, spread counter-spin that the nomination was mainly his boss's idea.

Trade Minister Natan Sharansky, a former Soviet political prisoner, showed increasing signs of discomfort as the case pressed on. "As someone with considerable experience of interrogations, I know that when those under investigation start blaming each other that means the investigation is succeeding, and that doesn't smell good," he said.

Sharansky's party, Yisrael B'Aliyah (Movement for Israel and Immigration), controls seven seats in Netanyahu's 66-vote governing coalition, enough to deprive him of a majority in the 120-seat parliament. The Third Way Party, led by Internal Security Minister Avigdor Kahalani, controls four. Both are new parties with clean-government images, and although both are enjoying their first taste of power, they also have some incentive now to be the first to call for new elections because of the scandal.

"When people smell weakness in politics it very often invites attack and further erosion," said political scientist Yaron Ezrahi.

The noisiest at the moment is the hard-core ideological right, which felt betrayed, first by Netanyahu's agreement in January to abide by the Oslo peace accords between Israel and Palestinians and withdraw from most of Hebron, and again in the predawn hours today when the cabinet voted to pull back from 9 percent more of territory on the West Bank.

"Bibi," said Infrastructure Minister Ariel Sharon, using Netanyahu's nickname, "is a dangerous man for the state of Israel. I do not believe one word that leaves that man's mouth." Netanyahu's appearance last Sunday before Likud's central committee, an orchestrated effort to demonstrate support,

suggested the opposite in the end. That night's television news showed Netanyahu making a get-tough speech to the raucous encouragement of the crowd.

The story that emerged as the week went on was otherwise. It turned out the audience had been packed with ringers paid to cheer Netanyahu and drown out his many opponents who tried to speak. When some of the ringers began to call for former science minister Binyamin Begin a "traitor"--a term of special revulsion here since former prime minister Yitzhak Rabin's slaying in 1995 -- lawmaker David Reem took a microphone to defend him. But Reem's microphone, he complained, was mysteriously turned off.

Moshe Arens, a former defense minister who was the crucial patron of Netanyahu's rise to power, also was unable to speak that night, and he gave coldly furious radio interviews on Monday. Calling the meeting a "fiasco," he had this to say about his former protege.

"It is high time," he said, that the prime minister learn to behave "in an orderly and democratic manner."

NEW YORK TIMES

U.S. Vetoes U.N. Criticism of Israel's Construction Plan

By Paul Lewis

March 8, 1997

UNITED NATIONS--The United States used its Security Council veto Friday night to block a resolution that strongly criticized the Israeli government's plan to build a new Jewish settlement in mainly Arab East Jerusalem. But all 14 other

council members voted for the measure, which portrayed the Israeli plan as a violation of international law and a threat to peace in the Middle East.

Defending the administration's decision, the U.S. representative, Bill Richardson, repeated President Clinton's opposition to the plan for 6,500 new Jewish homes, saying it is not helpful to the peace effort.

Although the Security Council has been closely involved with the search for a Middle East settlement for decades, Richardson said that Israel and the Palestinians must resolve their differences themselves and that interference by the United Nations tends only to provoke mistrust between them and harden each side's position.

"We have never believed, despite the useful role the council has played in working for a Middle East peace, that it is an appropriate forum for debating the issues now under negotiation between the parties," Richardson said, adding that at the resolution makes "sweeping statements" about the legal status of Israel i settlements that are to be included in the talks.

Friday night the permanent Palestinian observer at the United Nations, Nasser al-Kidwe, said that since the United States had prevented the council from acting on the new Israeli settlement plans, he would ask the General Assembly, where the United States has no veto, to take action instead.

The defeated resolution expressed "deep concern" about Israel's new settlement plans, saying, "Such settlements are illegal and a major obstacle to peace."

It called on Israel to "refrain from all actions or measures which alter the facts on the ground, pre-empting the final status negotiations" on such issues as the future of Jerusalem.

It spelled out the legal case against the new settlement by telling Israel that it should "abide scrupulously" by the Geneva Convention of 1949 on the Protection of Civilians in Time of War, which forbids an occupying power from altering the demography of conquered territory, saying this applies to all territories Israel captured from Jordan in the 1967 war.

LOS ANGELES TIMES

Influx of Foreign Workers Is Cause for Concern in Israel

By Rebecca Trounson, Times Staff Writer
Saturday, March 8, 1997

TEL AVIV--Inside a cave-like bar near the old central bus station here, more than a dozen Romanian men drink beer and gaze listlessly at the pornography playing on a flickering television. A few blocks away, up a trash-strewn stairwell, a pristine, whitewashed church awaits the arrival of its Nigerian and Ghanaian faithful for evening prayers.

Outside, among the peep shows and cheap shoe stores lining the Neveh Shaana pedestrian walkway, pay-per-minute telephone shops display their rates for India, Jamaica, Chile, Turkey, Tajikistan.

To many Israelis, the international face of this seedy section of south Tel Aviv represents a social and economic problem

potentially more dangerous than the two small bombs that exploded here last month, injuring several people.

"If we continue in this way, allowing foreigners in without any controls, this will be a disaster for Israel," said Yigal Ben-Shalom, director general of the Labor Ministry. "We have to stop."

Thousands of foreigners have been allowed into Israel since 1993 as a substitute for Palestinian laborers kept out by the closures of the West Bank and Gaza Strip that were a response to attacks against Israelis. Many entered on short-term contracts; others arrived as tourists or Christian pilgrims, then stayed illegally.

The unease of many Israelis today over the foreigners in their midst represents a sea change from the relief that greeted the workers' arrival. The solution to one problem has created several others, Israelis are discovering.

With progress in Israeli-Palestinian negotiations and growing anxiety over the flood of foreigners, Israel is taking steps to slash their numbers as well as to ease the closure of the territories.

Prime Minister Benjamin Netanyahu, speaking recently at an international conference in Switzerland, said his government plans to reduce the number of foreign workers in Israel and increase the number of Palestinian laborers.

Palestinian officials said they welcomed the change but noted that the vast majority of the 2 million residents of the West Bank and Gaza Strip are still not allowed to visit or work in Israel. The closure has created economic hardship, with unemployment in Gaza at about 60%, according to Palestinian and United Nations officials.

In recent months, the number of Palestinians permitted to work in Israel has risen slowly, from about 32,000 in August to 50,000 today. Those granted entrance--married workers over the age of 35 who have clean security records--are considered least likely to carry out a terrorist attack. But the figure is far below the 160,000 Palestinians employed in Israel before the ban.

"The most important thing is that the closure is still in force," said Nabil Abu Rudaineh, a spokesman for Palestinian Authority President Yasser Arafat. "Israeli leaders are making these statements, but on the ground nothing is being done."

For the most part, Israelis supported the security measures and applauded when the government also announced a short-term policy of replacing Arabs with foreigners, mostly Eastern Europeans and Asians. For farmers and contractors, the newcomers provided a reliable labor source, unaffected by the closure. For the public, shaken by knifings and shootings that left 15 Israelis dead in March 1993, they spelled a release from fear.

But nearly four years later, foreign enclaves are mushrooming in many neighborhoods, particularly in the poorer areas of south Tel Aviv, and along with the excessive drinking and prostitution sometimes observable in areas frequented by foreign workers, Israelis lately have become uncomfortably aware of the inhumane living and working conditions forced on many of the workers by their Israeli employers.

Many, like Stoyan Yonel, a Romanian with a broad, open face who knows a smattering of Hebrew, are housed six or more to a single room, with no bathing facilities, a hot plate for cooking and clotheslines draped on the walls.

"When there is no food on the table at home, what choice do you have?" asked Yonel, 37, who arrived legally in Israel last July and sends money home each month to his wife and two young sons.

Some employers take away the workers' passports and, toward the end of one-year or six-month contracts, have them deported without paying their final wages. Confiscating passports is illegal but common, workers and advocates say.

"They are like slaves," said Simcha Yishai, a coordinator with the Workers' Hotline, an advocacy group that tries to help foreign and Palestinian workers.

Some religious and political leaders here warn that the influx of foreigners--virtually all of them non-Jewish--threatens the very fabric of the nation.

Concern that many of the foreigners may decide to stay, marry Israelis or bring their spouses and children from abroad has become a theme of the newly influential religious parties that came to power last June as members of Netanyahu's coalition.

"We are a very young country, and sometimes we are all mixed up about who we are," said Rabbi Avraham Ravitz, a member of parliament from the United Torah Judaism party. "We are building our country and we want to stay Jewish, but the

foreign workers are now a big percentage of our population.

"They are not a part of us," he added. "They are not Jewish, and they are not a part of our culture or our security problems. This is not what we want."

Soon after the election last May, Netanyahu's government formed several committees to find ways to reduce the number of foreign workers.

Ben-Shalom, the Labor Ministry official, said their recommendations, which are scheduled to be presented to the Cabinet in the next few weeks, include slashing the number of legal work permits for foreign 100,000 to 25,000 within four years.

In addition, the government plans to locate and deport as many as possible of the 100,000 illegal workers believed to be in the country, he said.

Other measures include a carrot-and-stick approach of bonuses and fines to persuade employers to hire Palestinians instead of foreigners, and incentives to entice young Israelis to enter unpopular fields such as construction.

The construction industry, which relies heavily on foreign workers, is expected to employ its considerable political clout to fight the new policies. One reason, according to workers' advocates, is that foreigners are willing to work for as much as 40% less than their Arab counterparts.

Hanna Zohar, a founder of the Workers' Hotline, said the foreigners generally receive no overtime, sick leave or paid holidays. But she blames not only the unethical employers and agencies that exploit the workers but also the regulations that create a system rife with the potential for abuse.

For instance, under conditions set by the Interior Ministry, a worker's visa is linked to employment by a specific company or individual. The employer must sign a guarantee and deposit the equivalent of about \$1,500 to ensure that the worker fulfills the terms of the visa. The worker is not allowed to change employers, regardless of the working conditions. If the worker does, he or she instantly becomes an illegal.

"This leads to a lot of abuse," Zohar said. "If they cannot move freely, the employer can treat them however he wants." And with little knowledge of the language or applicable laws, many feel that they are without recourse, she said.

Ben-Shalom said he hopes that the one-employer rule will be changed, enabling the workers to leave employers who exploit them.

But that is not the case now.

Yonel lives in a former Tel Aviv restaurant now crowded with seven men, four sets of bunk beds, a table and plastic chairs. All said they had no choice but to remain in Israel until their contracts expire; not only have their passports been taken, but the average wage of \$500 a month is five times what they could make at home.

Constantine Ferestrewaru, 43, a heavily bearded man wearing a T-shirt, sweatpants and slippers, said he was on his second stint in Israel but found it so difficult the first time that he debated for 18 months before returning.

Of 17 friends who arrived with him last October, only two remain, he said. The rest returned to Romania, unable to endure the long hours and difficult conditions.

"We came here to make money and support our families so our children have a chance for a better future," Yonel said.

"But they treat us like animals, and now they want us to leave."

Zohar and others at the Workers' Hotline, which has filed hundreds of complaints on behalf of foreign workers, said they do not disagree with plans to reduce work permits to foreigners and allow Palestinians to return. But they say the

reductions should be accomplished gradually, with humanity.

"We have to ask ourselves how so many of these people came to be here," she said. "The government needed and wanted to create a source of cheap labor, but now it has changed its policy and wants to get rid of them. This is a brutal way of treating them."

LOS ANGELES TIMES

Palestinians Hard Pressed to Control Ire Amid 'Deceit Operation'

By Marjorie Miller, Times Staff Writer

Saturday, March 8, 1997

BEIT SAHUR, West Bank--On a craggy hillside overlooking the slope in southeastern Jerusalem where Israel plans to build a new Jewish neighborhood, Palestinian leaders Friday called on more than 1,000 demonstrators to pray and protest

peacefully.

Palestinian youths, in turn, called Israeli Prime Minister Benjamin Netanyahu "a jackass" and urged the crowd to break through a line of Israeli soldiers to take the hill that Jews call Har Homa and Palestinians know as Jabal Abu Ghneim.

"Calm down! Get back!" Palestinian security agents shouted as they moved between the press of youths and heavily armed Israeli soldiers.

"This is a peaceful demonstration," Palestinian Legislative Council member Saleh Tamari yelled at the young men. "When you joined, you accepted the condition that it would be peaceful."

The throng grumbled and dispersed, ending the noon demonstration without violence. This time.

Although smaller than expected, the protest illustrated the rising anger among Palestinians over the direction the Israeli-Palestinian peace process is taking--and the difficulty Palestinian leaders could face in trying to contain the ire.

Meanwhile in New York, the United States on Friday vetoed a U.N. Security Council resolution calling on Israel to abandon its plans for the Har Homa housing project.

Bill Richardson, the U.S. ambassador to the United Nations, criticized the Israeli plans but said the council was "not an appropriate forum for debating the issues now under negotiation between the parties."

Palestinian officials organized Friday's demonstration against recent Israeli decisions to build 6,500 apartments at Har Homa; to close four Palestinian offices in traditionally Arab East Jerusalem; and to carry out a limited troop redeployment in the West Bank.

The Israeli Cabinet voted early Friday to pull back the West Bank, but only 2% of its land now under exclusive Israeli control; 7% is already under Palestinian civil responsibility but patrolled by Israeli troops.

After the redeployment, expected to take place next week, nearly 29% of the West Bank will be under full or partial Palestinian control.

Palestinian Authority President Yasser Arafat condemned the unilateral Israeli withdrawal after returning to the Gaza Strip

from a trip to the United States

"This is a big deceit operation. It came from one party, without consultation with us," Arafat told reporters.

The withdrawal was far less than the Palestinians had expected.

The United States backs Israel's contention that it did not have to negotiate the scope of the pullback.

The Israeli Cabinet's 10-7 vote followed a seven-hour debate between Netanyahu and hard-line lawmakers who oppose giving up more land to the Palestinians before final-status negotiations, which are to begin March 15 and end in May 1999.

Afterward, Netanyahu told his critics that he had relinquished "the necessary minimum" of land to keep the peace process on track. Netanyahu told Israel Radio that the Israeli-Palestinian peace agreements required him to hand over more land.

"This is not too large a territory in any respect. . . . We have in fact handed over territories in which we have no security or residential interest and, in the map of the permanent status arrangement, is not vital for us," Netanyahu said.

But he faced continued attacks from Jewish settler leaders and rightists in his own coalition government who threatened to join an opposition vote of no confidence.

In theory, the eight members of parliament who have now threatened to jump ship would be enough to bring down the government.

In practice, they are unlikely to do so because this would result in a more liberal coalition government led by the center-left Labor Party.

Palestinians protesting on the border between the West Bank town of Beit Sahur and Jerusalem seem in Netanyahu's internal political problems.

They agreed with his assessment that he had turned over "the minimum" amount of land and wondered whether this would indeed be enough to keep peace on track when bulldozers move in to break ground on the new Jewish neighborhood in an area they consider to be Palestinian.

They waved Palestinian flags and banners stating "Abu Ghneim is ours now and f

orever," a slogan copied from Jewish settlers in the West Bank city of Hebron, in which 450 settlers live among 100,000 Palestinians.

"Shame and disgrace on the Israeli government!" they chanted. Their posters read: "Jerusalem, Capital of Two States."

Palestinians want East Jerusalem for the capital of an independent Palestine. Israel says it will never cede ground in the city it "reunited" in the 1967 Six-Day War.

"The present government is not really serious about reaching a kind of peace that will be accepted in the end," said Sari Nusseibeh, dean of Al Quds University in East Jerusalem.

"It is a question of trying to pacify us," Nusseibeh said, surveying the rocky landscape and rising level of frustration around him. "Eventually, it will come to an end."

NEW YORK TIMES
Hard Life Gets Harder for Palestinians in Lebanon
By Douglas Jehl
March 9, 1997

AIN HILWE CAMP, Lebanon--It has been a long time since Lebanon was a happy home for Palestinians, and by all accounts in this claustrophobic slum, which is home to tens of thousands of them, spirits are growing darker every day.

Israel and the Palestinian Authority are scheduled to begin a final round of talks soon on the knotty issues that still divide those two sides, including whether the Palestinians who fled their homes after the establishment of Israel in 1948 will be granted the right to return.

But few of the more than 300,000 Palestinian refugees with roots in that era place much hope in the talks. After nearly 50 years of exile, their main preoccupations are deteriorating conditions and the lack of civil rights, which United Nations officials say have made life harder for Palestinians in Lebanon than anywhere else.

Those conditions have worsened drastically in recent years, U.N. officials say, as the Palestinian Authority has cut off virtually all financial support that it once provided to the refugees and the Lebanese government has imposed strict new travel restrictions discouraging Palestinians from seeking work outside

e the country.

Lebanon, unlike Syria and Jordan, which also have large concentrations of Palestinian refugees, gives Palestinians neither the right to work nor Government services. And in camps like Ain Hilwe, where the only authority is provided by unelected local committees made up of leaders of influential Palestinian factions, rising tempers and increasing violence are among new portents of trouble.

"This situation might get out of hand, because the people say that they have nothing to lose," said Lionel Brisson, country director of the U.N. Relief and Works Agency for Palestine Refugees, which is preparing to issue an emergency-aid appeal to help improve the Palestinians' living conditions.

As many as two out of three Palestinians are believed to live below the poverty line, and more than 10 percent are labeled hardship cases to whom the United Nations provides food twice a month.

Nearly all of the 125,000 or so Palestinians who fled to Lebanon during and immediately after 1948 came from what is now northern Israel, making it exceedingly unlikely that they or their descendants will ever gain the right to return to their ancestral homes.

Few have any faith in Yasser Arafat, the Palestinian leader who fled Lebanon in 1982 along with his Fatah faction, which once held sway over part of southern Lebanon. There is little hope here that the Israeli-Palestinian talks, which are not expected to conclude until at least 1999, will result even in a right for refugees to resettle in the Palestinian-controlled Gaza Strip or the West Bank.

In a gesture of protest against the deteriorating conditions, some camp leaders have gone so far in recent weeks as to declare that Brisson and his staff would no longer be welcome in the camps, although U.N. officials believe that breach has now been healed.

But at least three people have been murdered so far this year in Ain Hilwe, the largest and most tense of Lebanon's 12 Palestinian camps, and another man was killed outside a U.N. school this month by a bomb of his own making, part of what residents described as an accelerating drift toward violence.

"No one can say when it will stop," said a young man, a camp resident who spoke on condition of anonymity, of the recent slayings. "Everyone here is fed up.

We all have lots of weapons, and if people can't kill the Israelis, they may just kill each other."

As is the case at other large Palestinian camps, the perimeter of Ain Hilwe has been controlled by the Lebanese army since 1991, after Syrian forces moved into Lebanon in large numbers to disarm warring Palestinian and other militias of their heavy weapons and force an end to the country's 1975-90 civil war.

But neither Lebanese nor Syrian soldiers ever enter the camp itself, seeing less purpose than peril in trying to patrol its squalid, narrow streets, where the lack of civil order is evident every time two motorists meet head on and refuse to yield.

To the Lebanese, most of whom still hold the Palestinians responsible for the violence that swept their country for those 15 years, there is no compelling reason to accord their longtime guests any additional rights.

About 60,000 Palestinians have been granted citizenship in Lebanon over the decades, most of them Christians welcomed in the 1950s by a Lebanese government that was dominated at the time by fellow Christians. But in this country of fewer than 4 million people, no one has proposed allowing the remaining 250,000 refugees, mostly Sunni Muslims, to become citizens, because that would upset the fragile political balance now maintained among Christians, Sunnis and Shiite Muslims--a balance so precarious that Lebanon has not conducted a census in more than three decades.

Indeed, while Jordan has granted citizenship to virtually all of its more than 1.3 million registered Palestinian refugees, Lebanese leaders of all stripes have resisted for decades what they denounce as the "implantation" of a Palestinian population.

With an annual budget of about \$50 million, the U.N. Relief Agency's operation in Lebanon provides schooling for some 35,000 Palestinian primary and intermediate school students, who are barred from Lebanese public schools, as well as

basic health care for refugees who without that assistance would have no access to Lebanese hospitals.

But the average family income in the camps has plunged to about \$400, lower even

en than in the impoverished Gaza Strip,
in large part because Palestinians in
Lebanon must survive with only a small fraction of the jobs and other support
the
Palestine Liberation Organization provided until 1990, when rich Gulf Arab
countries cut off financial support to the PLO
over its back invasion of Kuwait

Among more recent affronts, Palestinian activists point to a redevelopment plan
for eastern Beirut that appears likely to force thousands of Palestinians from
their homes in the war-scarred Shatila camp, and to new regulations that require
even Palestinians who are registered as refugees in Lebanon to obtain visas
as if they leave the country and want to return.

That requirement was imposed as a shield against the flood of refugees that Colonel
Muammar Gadhafi of Libya threatened
to unleash in September 1995 when he began
expelling tens of thousands of Palestinian workers. But the activists say
it
has inflicted a considerable blow to Palestinians with ties to Lebanon, some
of whom have been unable to obtain
permission to return and others who are now
afraid to look for jobs abroad.

"We were not dealt with as human beings, and that's threatening the relationship
between the Palestinians and the state
and pushing the people toward extremism," said Souheil al-Natour, a Beirut-based official of the Democratic Front
for the
Liberation of Palestine.

WASHINGTON POST

Trio Caught Up in Fund-Raising Probe Called Turncoats in Taiwan

By John Pomfret

Sunday, March 9 1997; Page A14

TAIPEI, Taiwan--At a recent reunion of the Da Tung University alumni association,
amid oranges stacked in pyramids,
stir-fried noodles and slaps on the back
from old friends, the conversation turned to the small school's most suddenly
famous alumnus: John Huang.

Huang did not attend his 30th reunion. He is in the United States, a key subject
of a Justice Department investigation into
massive, possibly illegal donations
to the Democratic Party from foreign sources. It is probably better that he
did not
make it this time. People at the school and throughout this island would
like to give him a piece of their mind.

Six months ago, when Huang, Charles Yah Lin Trie and Johnny Chung, two other T

Taiwanese Americans caught up in the widening probe, first made front-page news in this island's press, Taiwan looked to them with pride. These men who had left Taiwan to make their fortunes in the United States were seen as heroes, pushing the United States to modify its policy on this prosperous island of 21 million people that is claimed by China. But after a series of reports linking Huang, Trie and Chung to communist Chinese officials, Taiwan has turned its back on its native sons.

In a recent article in the China Times daily, the influential Taiwanese journalist Norman Fu warned Taiwanese not to trust "those Chinese who left Taiwan, settled in America and now dream about uniting with their motherland." Fu called the troika "Communist pawns" and urged "Taiwan's government and people to wake up to this threat."

U.S. government records show that while Huang worked as a senior Commerce Department official, privy to classified trade briefings, he met several times with Chinese Embassy officials who would have valued such information. Chung, a Los Angeles businessman, handed a \$50,000 campaign donation to Hillary Rodham Clinton's chief of staff in 1995 while in the House with six communist Chinese officials to hear a presidential radio address.

And Trie--a big fund-raiser for the Democratic Party and the Clintons' legal defense fund--wrote the president a letter in early 1996, advising him not to send U.S. aircraft carriers near Taiwan during a threatening series of communist Chinese military exercises in the Straits of Taiwan.

Some Taiwanese officials also have begun a public relations campaign against the threesome.

Taiwanese police officials told The Washington Post that Trie was a member of the Bamboo Union gang, a major Taiwanese crime syndicate, before he left Taiwan in 1979 for the United States. They said that Trie did not have a criminal record in Taiwan but that he served as a minor gang official in the gang hierarchy for several years.

"He's not a patriot," said one senior investigator, "so why should I be loyal to him?"

The government here has gone so far as to establish a special group in the Government Information Office to deal with the situation.

"We couldn't imagine this in the beginning," said Parris Chang, a leader of Taiwan's biggest opposition group, the Democratic Progressive Party. "But now it seems that they were carrying China's water for them."

Huang and Trie were the sons of soldiers who fought in China during the civil war the Chinese Nationalists lost, forcing them to flee to Taiwan. Huang's father retired as a major general and went on to take a top position in Taiwan's veterans administration while Trie's father was a poor, low-ranking officer.

Although he graduated from Taiwan's second-best high school, Huang entered Da Tung University, a small second-tier college known for its tough regimen, strict discipline and small classes. It was nicknamed the "military academy."

Huang's classmate, John H. Wang, a Taiwanese banker who spent many years in Seattle, remembered his old friend as one of the brightest in his class. Huang was as the best English speaker, a good basketball player and, remarkably, an another classmate called him "twinkletoes."

"He was a quick study," Wang said. "Whatever he wanted to do, he could do well."

Huang's major--business and administration--had only 27 students by the end of the fourth year, from a starting class of more than 40. The course load was intense--seven hours a day of classes six days a week--and created close bonds among the students. Sometimes Huang would invite his classmates over to his parents' house to relax.

Another old friend remembered Huang's father, who died several years ago, as a fierce proponent of reunification with communist China, an idea that has taken hold among aging Nationalist soldiers who yearn to return home to mainland China.

"Perhaps John was trying to promote that idea by working in the United States," the friend reasoned. "Maybe he wanted to help the three sides--China, Taiwan and the United States--move together."

Wang agreed. "Whatever he was doing he did for greater China," Wang said.

Kuo Yi-shen, another classmate, said he believed Huang was never "satisfied" with Taiwan. Indeed, many families of Huang's generation came to Taiwan with no intention of staying here. They either planned to return to China in an invasion force, which never materialized. Or they worked to immigrate to the United

States, like John Huang.

"He is typical of what we call a 'mainlander,' " said Kuo, who runs an air-conditioning business on Taipei's outskirts. "He has no love for this place. We doubt him now."

Trie was much poorer than Huang. He never went to college and didn't master English the way his polished compatriot did.

"He was just a poor kid but when his sister immigrated to America, his life changed," said one Taiwanese official who grew up with Trie. "For the first time he had some prospects."

Trie followed his sister to Arkansas and the restaurant business. He met Clinton soon after Clinton became governor.

Poor and from the mainland with no roots in Taiwan, Trie moved in a milieu dominated by gangs such as the Bamboo Union. For years the criminal o close ties with Taiwan's ruling Nationalist Party. It was implicated in the assassination of one Taiwanese dissident in the United States in the early 1980s; it also smuggled Taiwanese prostitutes into America during those years.

Taiwanese police sources said they found Trie's Chinese name, Tsui Yalin, on several gang documents uncovered during a crackdown on the organization over the past five years. Bamboo Union has effectively been disbanded, and the sources said they had no evidence that Trie continued his association with any criminal organization since moving to the United States.

In the early 1990s, Trie began doing business with Ng Lap-seng, a Chinese property dealer based in the Portuguese enclave of Macao. Ng is a member of a Chinese communist organization in Guangzhou, the capital of Guangdong Province. Ng gave the Democratic National Committee \$15,000 in 1994 but it has been returned because the source of the money was not clear.

Johnny Chung has also actively pursued business opportunities with Chinese communists from his base in Torrance, Calif. Chung is involved in several joint ventures with communist Chinese officials in California. He also has several similar companies in Hong Kong.

"Are these characters who come from Taiwan but whose hearts belong to China re

ally good for Taiwan?" Fu asked rhetorically in his much-remarked-upon newspaper analysis. "It doesn't take a genius to figure that out."

NEW YORK TIMES

China Policy: Means and Ends

By Laura D'Andrea Tyson

March 9, 1997

BERKELEY, Calif.--Recently, the media have been full of innuendo that the Clinton Administration's policies toward China have been influenced, if not bought outright, by Asian business contributions to the President's 1996 campaign.

As one of the architects of those policies, I know firsthand that there is no basis for such allegations.

Our approach to China has been crafted by economic, national security and foreign policy experts from many Federal agencies who have debated options, sometimes heatedly, but always on their merits and always with the goal of serving American interests.

Reasonable people can disagree about the effectiveness of the Administration's approach, but they should understand its overriding motivation and its underlying logic.

This approach starts with the simple notion that the United States is best served over the long run by China's stable evolution toward a more open, more democratic, more market-oriented system based on the rule of law.

The logic of our policy also depends, however, on a realistic assessment of the means at our disposal.

Critics of Administration policy too frequently overlook this distinction between means and ends.

Consider the Administration's often-criticized support for renewal of China's most-favored-nation trading status in each of the last four years.

Some critics allege that the White House has sacrificed human rights goals for crass commercial ones.

Others have gone even further and argued that the Administration's trade decisions have been bought by the lobbying efforts of American multinationals or of Asian business interests.

Both accusations are wrong.

Improving human rights conditions in China is an essential part of our long-term goal.

But the Administration's policy makers, supported by China experts at home and abroad, believe that withholding most-favored-nation status for China--and would even impede--our achieving this objective. Nothing in China's history or

in the history of economic sanctions suggests that revoking the country's most-favored-nation trade status--which would amount to imposing unilateral economic sanctions on Chinese goods--would impel Beijing to ease its human rights stance.

Nor have China's other trading partners been willing to join the United States in multilateral sanctions against the Chinese.

Certainly by withholding its most-favored-nation status, America could hurt China's economy, but it would undermine our long-run goal for at least two reasons.

First, it would cause a dramatic deterioration in our overall diplomatic relations with China and in our ability to negotiate on other important aspects of our relationship like nonproliferation.

Second, the bulk of American imports from China come not from its state-owned enterprises but from its private or quasi-private sectors, on whose health and developing Chinese middle class and China's continued evolution toward a more democratic system depends.

This is why many China experts believe that the best way to encourage reform and democratization is to strengthen China's trade and investment ties with the rest of the world, even though this approach may yield few if any short-run improvements in human rights. Critics often point to the apparent anomaly between the Administration's willingness to threaten economic sanctions to encourage China's adherence to trade agreements and its unwillingness to withhold favorable trading status over human-rights violations.

But a dispassionate assessment of means explains away this anomaly.

The threat of specific trade sanctions has proved effective in getting China (and many of our other trading partners) to stop violating trade agreements.

Such sanctions can be fashioned to be commensurate with the economic costs that such violations have imposed on American businesses.

Consider the dispute over intellectual property.

Precisely crafted sanctions encouraged the Chinese to respect the rule of law established in last year's bilateral agreement on intellectual property and in multilateral standards of copyright protection, without jeopardizing our ability to negotiate with China on other issues at the same time. By contrast, revoking most-favored-nation status would be a blunt instrument that would bring disproportionate harm to China's private ventures.

The most recent criticism of President Clinton's policy relates to the ongoing negotiations over China's admission to the World Trade Organization. The latest round of these negotiations concluded in Geneva last week amid promising signals from the Chinese that they are willing to meet the major conditions the Administration laid out in a blueprint several months ago.

This blueprint reflects a firm Administration resolve, shared by China's other trading partners, that China not be admitted unless it meets sound commercial conditions comparable to those met by other member countries. These conditions include commitments on improved access to China's market, greater openness in its trade and investment rules (including information on the extent of subsidies to China's state enterprises) and an end to requirements that foreign investors export the products they make in China.

As a member of the W.T.O., China would have the same responsibilities as its trading partners to honor the rules of international trade. This would curtail the power of its state decision-makers who resist opening markets, and it would strengthen the hand of economic reformers.

At the same time, we would have a powerful multilateral forum in which to resolve trade disputes with China, thereby reducing the pressure for high-stakes bilateral trade confrontations that threaten to destabilize the entire United States-China relationship.

In short, China's admission to the World Trade Organization--on commercially acceptable terms probably our single most effective means of shaping a more open, market-oriented China.

Unfortunately, the recent accusations of an unholy connection between the Clinton Administration's China policy and Asian campaign contributions threaten to obscure this reality.

Some members of Congress are now proposing further, unspecified conditions on China's admission to the W.T.O. as well as requirements that Congress be given the right to "review" China's application before the Administration can approve it.

Both of these proposals are misguided. They could delay or even scuttle China's application to the W.T.O., contaminate other aspects of our relations with China, and call into question America's broader commitment to the trade organization.

The Clinton Administration's approach to China is based on a clear understanding of our national interests and of the tools at our disposal.

Although our progress with China has been disappointingly slow in the short run, we are on the right track for the long run. Irresponsible speculation about the role of campaign donations cannot be allowed to undermine responsible policy.

Laura D'Andrea Tyson, a professor of economics at the University of California, was chairman of the White House Council of Economic Advisers and of the National Economic Council in the first Clinton Administration. ---

NEW YORK TIMES
The U.S. Quest for Teeth to Jawbone China
By David E. Sanger
March 8, 1997

WASHINGTON--In the next few days a presidential advisory commission will drop on the White House doorstep a voluminous study of America's economic problems with Asia that focuses on the Clinton administration's biggest foreign policy headache: finding a new way to talk to China.

No one is satisfied with the meager exchanges that pass for dialogue between the world's strongest power and its most ambitious one. Everyone agrees that Washington has to break out of the circular debate over how to influence Chinese

behavior--an argument that rarely gets beyond wrangling over whether to threaten revocation of China's trading privileges with the United States because Beijing continues to imprison dissidents, ship arms around the world and steal

technology, from Tokyo to Silicon Valley, for its expanding military.

The trade threat is an empty one, and the Chinese know it. The biggest losers would be the U.S. companies that have invested billions in the world's most promising emerging market; the winners would be their Japanese and European competitors.

But some wisps of new strategy are emerging, not only from the presidential commission but from private-sector groups that have spent the last year debating what some more creative shades of "engagement" might look like.

Some are proposing strategies that would nudge China into trade accords that promote the "rule of law" inside the country. Almost all are plotting ways to get the West to speak in one voice, rather than let Beijing play one off against the other by threatening to shift a big Boeing order to Airbus.

The presidential commission's central recommendation is that Washington insist that Deng Xiaoping's successors commit to playing by world rules if they want to join the club of trading nations, the World Trade Organization, and make a down payment with some rapid changes in Chinese law.

The commission, at the samality when it comes to negotiating a timetable for ending many of China's protectionist practices and for improving environmental standards and labor rights.

None of these ideas would be easy to execute in the best of times. But add this hitch: The most recognizable name on the presidential commission is Charles Yah Lin Trie, the Little Rock restaurateur turned big-time hustler in Beijing, who funneled more than \$640,000 in shady cash to the Democratic National Committee and President Clinton's defense fund last year.

It was Trie who brought Wang Jun, the head of China's state-owned arms manufacturer, to a coffee at the White House. By all accounts, Trie had no influence on the report; he hasn't shown up at a commission meeting since the fall and has never seen the draft of its report.

In Washington's scandal-charged atmosphere, though, Trie's name is enough to taint the report. And the problem does not stop there. If Clinton makes even minor gestures to Beijing, the response is not hard to imagine. "All over the Hi

ll, and
on every talk show, you'll be hearing the same question, " predicted on
e recently departed Clinton administration official. "
'Is this the payoff? Is
this what all the Asian money was about?' "

In fact, it's hard to imagine that money turned around Clinton's basic China p
olicy--that happened without prompting in the
spring of 1994. It was then that
Clinton backed down from the rhetoric of his first campaign and adopted the l
ine that
linking human rights to trading rights was bound to fail.

Clinton's advisers never figured out how to press a human rights agenda once t
he Chinese figured out they had nothing to
lose. Every trade mission to China
would ritualistically raise the subject, but "the Chinese knew it was so we co
uld go in
front of the cameras and say that we pressed them," one negotiator r
ecalled recently. "Then it was on to business."

There are no satisfying alternatives in the murky ground between using trade a
s a lever and giving humss-off as you sign
a deal for a hangar full of 767s. B
ut if you listen to the administration talk to the Chinese, you can hear some
new themes.

Speaking in Hong Kong last week, Lawrence Summers, the deputy treasury secretar
y, tried impressing upon China that repression is expensive. If China botches i
ts takeover of the colony, he warned in a speech, "Hong Kongers have the
abili
ty to make such actions extremely costly" for Beijing, taking their expertise
and their billions in cash somewhere else.
"If there is to be some convergence
of systems over time," Summers continued, "it would be beneficial for all inv
olved that
China's system become more like Hong Kong's than the other way arou
nd."

One big test of whether China agrees may lie in the future of Hong Kong's cour
ts. It has long had an independent
judiciary, one of the reasons the island ha
s been a thriving commercial hub, and some of its principles are clearly makin
g
their way over the border; Chinese entrepreneurs have a clear interest in pr
otecting their businesses from bribe-seeking
bureaucrats and competitors eager
to rip off manufacturing processes.

That's why China's big revision of its criminal code, announced last week, focu
sed heavily on finance: it included the
country's first insider-trading laws,
a first shot at cleaning up the notoriously corrupt Shanghai stock exchange. A
nd it

made money laundering an offense, presumably so the tax man can get his piece.

In trade agreements, the United States has been trying to accelerate this move ment. As part of last year's accord to end the rampant pirating of American movies, software and videos, China finally agreed to wipe out the huge fees charged to any foreigner seeking to file a court case.

"It sounds like a small, technical point," said U.S. Trade Representative Charlene Barshefsky. "But if the system is designed so that you can't even launch a case, then there is no hope."

Getting Westinghouse a day in court, though, is very different from getting on e ssidents like Wang Dan. No one is expecting Beijing to subject its political decrees to judicial review. China's model is Singapore, where corruption is rare, the legal system is efficient, and the leaders never lose a case. The bet, though, is that the spread of legal norms will be hard to control.

"Look, this is our best shot," said Ms. Barshefsky. "If a real legal tradition is going to start somewhere, it's in the commercial sector. Does that mean it is bound to spill over into the social sector, to make the courts a place you go to protect free-speech rights? No one's that naive. But it's a start."

The same logic favors China's entry into the World Trade Organization. Now, most-favored-nation treatment gives China the main benefit of joining -- low tariffs on its goods--but none of the responsibilities. Membership means subscribing to thickets of regulations, and agreeing to abide by the rulings of WTO judges.

It is a nice-sounding strategy, but suing Beijing in Geneva is not the kind of get-tough behavior that China hard-liners in Washington have in mind. It's painfully slow. The judges are timorous. Human rights cases and arms shipments are off-limits for the trade court.

Worse, China could use the mechanism against Washington, to challenge the trade sanctions that Washington periodically slaps on Beijing. And it might not be a pretty picture the first time that Washington lost a case to Beijing.

by Sandra Sugawara
Sunday, March 9 1997; Page A01

TOKYO--After six years of painful recession and stagnation, many Japanese have reached a once-unthinkable conclusion: Japan Inc. has got to go.

The famous system of government-corporate collaboration that made their country one of the world's richest has proven powerless to revive an economy that last boomed in 1990. Now political and business leaders, with the support of much of the public, are trying to craft changes on a scale not seen since U.S. occupation forces busted up the zaibatsu industrial trusts after World War II.

The new view is that years of protection of core industries in the home market -- banks, airlines, insurance, energy, transportation and others--have left many of them fat and bumbling. They must face competition, even if it's painful in the near term.

Signs of the change: Small and medium-sized banks, burdened with bad loans, are being allowed to fail for the first time in half a century. Japanese TV viewers have seen sobering images of worried account holders lining up at the door of shuttered institutions.

Big manufacturers are buying parts from lower-cost factories abroad and letting increasing numbers of their local suppliers, small operations that they nurtured for years, go bankrupt.

The country's largest coal mine is closing down because the government decided to lower the price that power companies must pay for domestic coal. The Ministry for International Trade and Industry is threatening to break up the power companies and privatize them.

Discount retailing, long a taboo to protect millions of small shopkeepers, is a big growth industry. Many Japanese, seeking to make household budgets go further in times of economic hardship, shop at supermarkets and cut-rate warehouse stores, bypassing the little shops and their higher prices.

Foreign products have gained new importance in the marketplace--rice, beef, medical equipment--and are helping to push down prices.

Prime Minister Ryutaro Hashimoto is championing a plan to remove many regulations on the financial industry. Regulators

are clearing the way for the takeoff of the first new airline in 40 years, Skymark, to shake up three established carriers.

Nothing happens overnight in Japan; the country still is far from being a free-market economy. The government continues, for example, to protect ailing big banks that many other countries would close.

Still, the changes hold the potential to put a new face on the country in its economic relationship with the world. The trend could undermine the rationale that has underlain much of U.S. policy toward Japan for years: that close government supervision of the economy makes Japan a unique case and that increased sales of U.S. goods here only come through political pressure.

The People's Choice

Ordinary Japanese view the changes with a mixture of apprehension and hope. For years they basked under their country's reputation as the world's economic model. Now many of them are anxious to break out of a system in which prices are too high, banks are unstable, the stock market keeps dropping and jobs are going overseas.

Sitting with his wife in a noodle restaurant, camera shop owner Yasushi Noda, 57, was emphatic that the old system won't work anymore. "I think Japan should go through deregulation," he said. "It is absolutely necessary. It's no good that certain industries are protected and that the government is interfering with the management of companies and the economy."

Ushio Gomi, a 35-year-old medical equipment salesman, agreed. Increased foreign competition has made his job tougher, "but personally I think it's good. Globalization will make our companies more competitive," and as prices come down, the lives of ordinary Japanese will improve, he said.

Norio Fujita, 58, a trading company employee, has personal experience with the changes--he recently found his life turned upside down when he was brought in to supervise him, a break with the rigid seniority system. Yet when asked if he opposes the change, he said no. It's "part of the process of democratization of this society," he said. "It's part of a larger trend here as we move from a feudal society to a democracy."

For decades, the government orchestrated protected markets and high domestic prices to provide funds for Japan's export machine, assuring growth and creation of jobs. The system worked fine when Japan was a catch-up economy in the years after World War II. But in the 1990s, as a world power, it has proven a flop. Foreign partners won't tolerate it and it tends to suppress the innovation and creativity needed to break out of stagnation.

Now the Japanese are finding that competition means that some people win and some lose. That's a hard pill to swallow in a country built on an ethic that people share more or less equally, whether it's pain or prosperity.

A Systematic Safe Haven

Nowhere is the shift more obvious than in Tokyo's Ota district. Here warehouses rise up along Tokyo Bay, towering over huge parking lots stacked high with large shipping containers. For years Tokyo's Ota district was, in many ways, the heart of industrial Japan. Close to 9,000 small manufacturing companies churned out the strong screws, precision molds and high-quality robots that made Japanese manufacturing world class.

"The saying was that you could draw a blueprint, fold it into an airplane, throw it into the air around here and get a finished product," said Moriyuki Saruwatari, president of Sakaya Co. Ltd., as he sat in his 44-employee robot company in Ota.

These small suppliers were the serfs of a manufacturing system that was often feudal. The parent company told the smaller ones precisely what to do, when to cut costs and by how much. The large company's success was dependent on the loyalty and deference of the small suppliers; the suppliers' survival depended on the protection of the big company.

Sakaya prospered under this system, manufacturing robots for Sharp Corp., a Japanese electronics company, and for an American firm. Sales hit \$14 million a year in 1990.

But then globalization struck. Sharp moved much of its VCR production from Japan to Malaysia, Thailand and China, where cheaper labor meant factory automation--and thus robots--was not needed. The same year, Sakaya's U.S. customer was bought and Sakaya was dropped as a supplier.

The company's sales plummeted, but at least it stayed in business. About 2,000 manufacturing companies in Ota district

collapsed in subsequent years.

In hindsight, Saruwatari has found some aspects of the demise of Fortress Japan liberating. He no longer waits for his marching orders. Instead, the company now develops products independently, based on its own projections of where market growth will be. Still, its sales remain below their 1990 peak.

Breaking the Rules

Not far from Sakaya are scenes of the vibrant side of change. Cranes and workmen are busy on a massive construction site near a pier. Nippon Express Co. is erecting a \$140 million distribution centers for imported vegetables and fruit, the largest such center in Japan.

Imports of vegetables have been increasing thanks to the boom in supermarkets after restrictions on large stores were relaxed. Supermarket chains are more likely to import these kinds of products than neighborhood stores, so rising imports are expected in coming years and Nippon Express wants that business.

A few miles west, in a tall white and chrome building, a new corporate Japan is rising up out of the turmoil. It is Akia Corp., one of Japan's hottest new computer companies. It was founded in 1995 by Katsumi Iizuka, the former head of U.S. computer maker Dell Computer Corp.'s Japan operation. In 1996, Akia's first full year of operation, company sales hit \$100 million. It has 70 employees.

Iizuka is succeeding by breaking some hallowed rules of business here. For starters, he does not spend money on entertainers in a country where businessmen last year spent close to \$53 billion on business entertainment, helping drive up prices.

The traditional rule has been that business deals are not closed without expensive meals, drinks and golf games to cement the relationship. But seven years in the cost-conscious Dell environment taught Iizuka to choose suppliers based

on bottom-line factors, such as quality and price, and to clinch sales through technology, price and service instead of sake and sashimi.

Akia's customers, including many conservative companies and government agencies, surprisingly, have not been turned off by this approach. For one thing, Iizuka

a's style has allowed his company to move more quickly than traditional companies to offer new technologies or cater to the quickly evolving needs of customers.

"In recent years, the American way of doing business has gained respect. So in Japan there is a mood to look up to very vigorous American companies," Iizuka said. Although his company is Japanese, "this new mood has been a plus to us, because we are new and untraditional."

Some traditionally unthinkable business practices, of course, remain unthinkable today, even with global pressure for change. The most notable is the taboo against big layoffs. But behind that overarching taboo, corporate Japan and the government are trying to change the rules to give companies far more workplace flexibility. One of the hallmarks of Japan Inc. was lifetime employment, where newly graduated workers started with a company on the same day, were promoted and paid on the basis of seniority, and stayed with the company until retirement. Some companies have been taking tentative steps, promoting younger employees over older ones, paying better performers higher salaries.

But next year, the pace of this change is expected to pick up dramatically. This month, the national legislature is scheduled to consider a bill that would give corporations the right to form holding companies.

But legal in the United States and Europe, have been banned for five decades here, the legacy of the U.S. occupation forces' war on the zaibatsu conglomerates. But analysts say holding companies are key to restructuring, because they will allow corporations to separate weaker divisions from stronger ones, and to pay different salaries for each group.

With so many pieces of the Japanese system beginning to unravel, Prime Minister Ryutaro Hashimoto's government has said it would like to cross over to this new frontier in a gradual, methodical way--the Japanese way, in other words. Many of the toughest deregulatory actions are under study by committees and scheduled to take place in two or three years.

But analysts say the government may not be able to control the timing, especially with people like Michio Matsui. Earlier this year, Matsui, president of Matsui Securities, a small independent broker, surprised Finance Ministry officials by unilaterally cutting his company's trading commission.

The Finance Ministry plan had been to reduce commissions only after a long and exhaustive study. But after Matsui independently cut trading commissions for over-the-counter shares by half, a number of other companies followed suit.

As a result, trading on the OTC market surged. (Only the OTC commissions can be cut independently. Finance Ministry approval is required to cut commissions on other stock exchanges.)

Matsui said the government needs to drop the Japanese style of trying to anticipate all possible problems and solutions before proceeding. "We just have to think as we move forward," Matsui said.

"I see deregulation as the greatest opportunity to increase profits," Matsui said. But he said there will be a true blood bath in his industry. Restructuring will require the elimination of about half of the 120,000 people employed in the industry, he said. He expects many securities companies to go under.

Some skeptics question whether Japanese society is ready for that many bankrupts sulting unemployment. But the strongest skeptics say the real question is if bureaucrats are willing to fall too. For real deregulation will, in essence, mean the emasculation of bureaucrats from power brokers to mere civil servants.

Thus, while some bureaucrats have emerged as regulation busters, others are still throwing up roadblocks. Privately, some hold out hope that the economy will rebound without restructuring because of the weak yen, which makes exports cheaper.

Many Japanese businessmen, however, even those hurt by the changes, say it's far too late to revive the old model. "Rather than try to figure out if it is good or bad, we need to accept the changes," Saruwatari said. "Globalization means the world is becoming more equal and countries are dealing with each other on more equal terms. In this environment, a closed market is unthinkable."

Special correspondent Akiko Kashiwagi contributed to this report.

SEOUL" After 25 years of refusing to talk about peace, North Korean leaders sat down in a New York hotel room last week and began to do just that. It would be easy to see their attendance at the briefing by U.S. and Korean diplomats as a sign of the country's desperation, surely the beginning of the end.

But that is not necessarily so. Despite a failing economy, high-level defectors, an anachronistic political system and food shortages that could become one of this generation's great famines, those with the best knowledge of North Korea believe that the world's last Stalinist regime probably won't collapse anytime soon. To understand why, you need to imagine a land where rice is a luxury and meat is exotic, where oiled paper often passes for window glass in the most bitter depths of winter. Villages are divided into groups of five houses, each of which is bossed by a government lackey who makes sure no one steps out of their daily routine. For those who do, execution or concentration camps await.

Imagine that for 50 years the peasants in this sealed-off land have been told by their leaders that the rest of the world has it worse, while they are living in paradise. And although each generation grows a little shorter and a little thinner from poor nutrition, and thousands of people may have died from hunger in the past two years, the people in this odd laboratory of a country unquestioningly believe what they are told.

According to those who have been there, this is the reality in the countryside of North Korea. Villagers there accept hardship because they know nothing else, because of their devotion to their leaders and because of the consequences of complaining. Predicting the collapse of North Korea has been popular for decades, but never more so than in the past seven years. "That North Korea was teetering on the verge of collapse with a basket-case economy since the Berlin wall fell," writes Korea scholar Bruce Cumings in his new book on the peninsula's history.

On Thursday, Adm. Joseph Prueher, the U.S. Pacific commander, told Congress that it was difficult to predict when a change in the North Korean government would come. "One to 10 years, perhaps," Prueher said, "but it could come faster."

In December, outgoing CIA director John Deutch gave the North three years before

re it would disappear: either by war with South Korea (and conceivably the United States, starting with the 37,000 U.S. troops stationed in South Korea), or

economic reform and peaceful reunification with the South, or simple disintegration because of its "incredible economic problems."

Certainly there is evidence to suggest such outcomes. Although little official information passes into or out of the tightly sealed nation, aid workers, diplomats, tourists and other visitors offer grim eyewitness accounts. Food shortages are epic, with visitors observing gravely malnourished children in hospitals with insufficient heat and electricity. Military officials say older North Korean troops are refusing to retire because they fear losing their food ration. Young recruits, many of whom are under five feet tall and 100 pounds, are trying to get in for the same reason. One visitor was struck by the fact that, in many cases, old people are taller than young ones--the sign of at least a generation malnourished since birth.

Estimates of deaths from famine in North Korea in the past two years range as high as 100,000, and one U.S. intelligence official said the North Korean government has banned most funerals. "There are too many of them and it's depressing people," he said.

The inflexible state-run economy barely has a pulse, with estimates suggesting it is operating at 20 percent of capacity or less. Factories and coal mines have shut down; the North is even considering using some of the mines to store nuclear waste from Taiwan in exchange for badly needed cash and a pair of U.S. satellite photos taken 10 years apart. In one photo, taken on a January 1986 night, the glow of lights is visible in every section of the country. In a January 1996 photo, however, the country appears dark except for a single small eyeball of light from the capital city of Pyongyang. The conclusion is unmistakable: Electrical production has virtually disappeared.

Despite the grim news, there are reasons to assume the government will endure. "I believe, as cynical as it sounds, that even if 1 million North Koreans died from hunger, it would not mean the collapse of the regime," said Georgi D. Toloraya, the second-ranking diplomat in the Russian embassy in Seoul, who lived for six years in North Korea and still visits there.

Toloraya said millions of Russians starved under Joseph Stalin in the 1930s, and his regime only grew stronger. Millions starved in Mao's Great Leap Forward, and China remains one of the world's great powers.

"North Korea didn't collapse after the death of Kim Il Sung [in 1994], it didn't collapse during the nuclear standoff with the United States in 1994, it is not going to collapse just because of mass starvation," said Toloraya, who had rare access to the remotest countryside during the late 1980s, when he was a Soviet diplomat and Soviet-North Korean relations were close.

"The North Koreans are accustomed to poverty and hunger; they have been enduring it for decades," said Kim Jong Pil, a leading South Korean opposition legislator. "They are ideologically armed to the teeth."

While North Korean leader Kim Jong Il lacks the charisma of his father, national founder Kim Il Sung, he has apparently worked hard to maintain control over the people by wrapping himself in his father's aura. And he has been happy to rely on the repressive North Korean system to maintain loyalty, or at least obedience.

The "system" is a brutal web of overlapping security services, neighbors assigned to inform on each other, and the deft use of propaganda and fear. Information from outside is strictly controlled: Radios and televisions are built to receive only official state broadcasts, mail is censored. People need passes to travel from one area to another, although that system has eased somewhat as authorities look the other way at people traveling to find food.

The most conservative intelligence estimates say that North Korea runs at least 15 harsh concentration camps housing at least 100,000 prisoners. Many have been sent there for infractions as minor as placing a newspaper photo of Kim Il Sung face down. In many cases, an offender's entire family is sent to the camps.

According to the U.S. State Department's 1997 human rights report, public executions, sometimes in front of schoolchildren, are used as a tool to enforce the government's will. Even criticizing the regime or listening to foreign broadcasts can bring the death penalty.

"On the list of the world's most God-awful repressive regimes, this is probably the most repressive," said one U.S. official. "They don't kill as many people

as, say, Iraq, because they don't have to. In an effective totalitarian system, people do what they're told."

Visitors say the military presence is oppressive. In addition to a million-plus troops on active duty, North Korea has a reserve force of 6.5 million, according to South Korean government estimates. That's a third of the 23 million population in regular military training, and they are used as much to keep an eye on their countrymen as to confront outsiders.

If there is a serious threat to the regime's survival, it is most likely to come from others in Kim's ruling cabal. As one U.S. official said, "Revolution is never led by the working class." And there have been recent signs of potential unrest at the top. The defection of top party ideologue Hwang Jang Yop, 74, followed by the death or demotion of three others of his generation, has fueled speculation that Kim is conducting a purge of non-loyal leaders.

And Kim has kept the country's powerful military leadership, which is widely believed to be a potential threat to his rule. Apparently hoping to shore up his support there, Kim has promoted hundreds of officers to higher ranks in the past two years. With the recent deaths of two senior military leaders, Kim presumably has been able to place two more loyalists in top jobs.

So far, it seems to be working. "I see no signs of fragmentation," said Michael Breen, a Seoul-based consultant who specializes in North Korea. Ban Ki Moon, national security adviser to South Korean President Kim Young Sam, one of the harshest critics of North Korea, called the recent defection "a beginning of a crack in the elite." But even he admits that Kim Jong Il appears to remain in control.

Which is not necessarily to say that Kim Jong Il isn't prepared to make changes to ensure the survival of his regime. He has already gone against the country's code of self-reliance and appealed for international food aid, as well as opened a corner of North Korea to foreign investment. And this week's meeting in New York can be read as evidence that Kim may be willing to bend a bit to keep his country afloat.

Analysts say it's a gamble: More openness means more visitors to North Korea and more information getting in. And when the North Korean people realize the wealth beyond their barbed-wire borders, their sense of betrayal could weaken K

im's authority. But the payoff could be worth it. U.S. and South Korean officials say opening the North's economy to foreign investment, cooperation with international aid organizations and reform of agricultural policies could reverse the economic slide and sustain the country indefinitely.

"It would not take a whole lot to get them back into positive economic growth," one U.S. official said, noting that, until 20 years ago, the North's per-capita income was greater than the South's. He said North Korea might be able to return to economic stability by accepting foreign help to revive a once-heavily agricultural base and by improving the climate for foreign investors to take advantage of a low-cost work force and natural resources.

Of course, if a country founded on the philosophy of "self-reliance" and communism opened itself to the free market, one could argue it had effectively died. Or would it just have been reborn?

Kevin Sullivan is The Washington Post's co-bureau chief in Tokyo.

LOS ANGELES TIMES
Korea's Biggest Worry Is Internal
By Jonathan Clarke
March 9, 1997

The pictures of Secretary of State Madeleine Albright decked out in a personalized cap and peering mistily across the demilitarized zone into North Korea brought back memories of Dean Rusk or Robert McNamara staring down the Cold War.

They also symbolized a worrying characteristic of the Clinton administration's approach to Asia: a predilection for yesterday's problems to the detriment of those on the horizon.

With North Korean tanks massed a mere hour's drive from Seoul and North Korean agents carrying out assassination attempts in Seoul's suburbs, it may seem irresponsible to make light of the threat from Pyongyang. Of course, the doomsday scenario still applies. No one should let down his guard.

Once they have delivered themselves of their ritual panic warning about North Korea, however, most South Korean leaders will reveal their real concern. They are much less concerned about contamination from North Korea's bankrupt ideology or invasion by its threadbare military than from anonymous accountants in New York. Their most pressing fear is

that the number-crunchers from Moody's will downgrade South Korea's credit-worthiness and send the economy into a tailspin.

Their fears are built on real facts. The combination of the weak Japanese yen, the collapse of semiconductor prices and high labor costs (exceeding European levels in some industries) have made many Korean exports uncompetitive. The consequent slowing of growth has begun to cast doubt on many of the economy's underlying assumptions, most worrisomely, the implicit guarantee of lifetime job security. People are asking whether the Korean miracle is finished. With directors at Hyundai dimming the lights in the executive suite as an economy measure, it is tempting to conclude that it is.

Against this difficult background, a tumultuous battle is unfolding for what a scholar at Seoul's Sejong Institute calls "political and economic rules of engagement." Independently of the North Korean problem, South Korea's leaders are desperately worried about whether Seoul can manage its own transition from Third World upstart to self-confident membership in the developed world. Opinions diverge widely about how to achieve this. Conventional wisdom among officials at the presidential Blue House and the Ministry of Finance is that Korea must follow Japan and make the leap from a "hardware" to a "software" society. Others, including members of the influential Presidential Commission on Globalization, take a very different tack. They argue that Korea must stick to its traditional strengths in manufacturing and appliances. Samsung's decision to move into the automobile business suggests that South Korea's industrial conglomerates agree.

The urgent need for economic modernization comes at a time of grave political weakness. President Kim Young Sam enjoys barely more than single-digit support and, with more revelations from the Hanbo steel mill bankruptcy in prospect, has probably not yet reached bottom. Government apologists argue that the Hanbo scandal gives an opportunity for a fresh start. They cite the government's determination to press ahead with labor law and financial reform as evidence that the system is bankable. Others, including many foreign observers in Seoul, are outspokenly skeptical.

The one source of optimism is that Koreans of all political persuasions and from all walks of life talk of something called the "Korean character," formed by

y the ability to absorb punishment and prosper from adversity. A slender reed on which to lean, perhaps.

For U.S. policymakers, the key implication of the seething domestic situation is that South Korean leaders are terrified at the potential costs of reunification. The enormous expense is the lesson officials at the Ministry of National Reunification cite from their observation of the German experience. With the South Korean economy at present these costs, any forcing of the negotiating pace with North Korea would require massive underwriting by the international community, alias the United States.

Given the patent U.S. unwillingness to accept this burden, as evidenced by its minor and grudging financial contributions to the arrangements to revamp North Korea's nuclear power industry, the most sensible U.S. course is to wait until South Korean political and economic recovery allows a solid U.S.-South Korean partnership to reemerge. The German experience is once again applicable. There, the Bush administration overrode British and French phobias to form the tightest possible link with Germany. South Korea deserves the same.

As the U.S.-North Korea silence is officially broken in talks in New York, the U.S. must not let itself be romanced into cutting side deals that ultimately will undermine a peaceful future for the Korean peninsula. Jonathan Clarke is a Foreign Policy Analyst Affiliated with the Cato Institute. He Visited South Korea Last Month

LOS ANGELES TIMES

Out With Old, In With New for Kim Jong Il

By Teresa Watanabe, Times Staff Writer

Saturday, March 8, 1997

TOKYO--One by one, the old-timers still clinging to power around North Korea's mysterious leader, Kim Jong Il, are dropping away. In the past month, the Communist regime's chief ideologue, its prime minister, two top military leaders, its vice minister of foreign affairs and an economic official all have defect ed, been deposed or died of "incurable" diseases.

Is it mere coincidence or a chilling conspiracy?

The isolated regime defies attempts at authoritative analysis, but North Korean watchers generally seem to agree on three things: As he prepares to assume fo

normal leadership roles this year, Kim is reshuffling his team faster than expected in favor of younger leaders.

The "first-generation revolutionaries"--men, mostly in their 70s, who fought against the Japanese in Manchuria under Kim's revered father, the late Kim Il Su--are being squeezed out.

The dramatic defection last month by Hwang Jang Yop, a chief architect of North Korea's nationalist *juche* philosophy of self-reliance, is said to have accelerated the reshuffling.

Questions persist as to whether the deposed or deceased officials were forcibly removed, especially given a South Korean news report that four other senior officials had planned to defect with Hwang but were discovered.

Second, analysts agree that Kim has vastly strengthened the military--evident from his selection of officers to fill 61 of 85 spots on the funeral committee for Choe Kwang, the late defense minister, who reportedly died of a heart attack Feb. 21 at 78. In a congratulatory birthday message to the North Korean leader in February, officials declared the military "the core of the revolution group," fueling speculation that the armed forces had usurped the party in importance.

And third, while some analysts argue that Hwang's defection signaled the flight of reform-minded intellectuals in this powerful military clique, most agree that Pyongyang has refrained from the belligerent acts one might expect from hard-liners.

North Korean officials attended a briefing this week on proposed peace talks among the United States, China and the two Koreas, pledging to listen to "whatever proposals . . . promote peace and security on the Korean peninsula."

The regime has indicated a willingness to allow Hwang--who remains holed up in the South Korean Embassy in Beijing--to settle in a third country. And it offered an unprecedented expression of "regret" for sending a spy submarine into southern waters last year.

Still, some analysts worry that the apparent flexibility shown by North Korea's leaders is merely a tactical ploy to coax international food aid for their starving populace of 23 million.

The nation faces a full-blown famine that experts say could approach the scale of past disasters in Ethiopia and Somalia and lead to widespread death, social chaos and a mass exodus of refugees to neighboring countries.

InterAction, a U.S. council of humanitarian groups, said severe floods in the past few years have deepened a food shortage that now threatens to reach 2.5 million tons this year--enough to feed 12 million people in 1997. People are systematically foraging for roots and at times receive less than half a bowl of rice a day; the old are sacrificing their portions to feed the young. Without relief, severe malnutrition is expected to set in by May, the group said in a January statement.

But Pyon Jin Il, editor of the Korea Report in Tokyo, said Kim's personnel changes have put into place younger military leaders who do not know the horror of war and might be more inclined toward aggression once they get the food aid in hand.

"North Korea's strategic target has not changed yet: unification [of the Korean peninsula] under the socialist system," Pyon said. "The developments are getting a bit dangerous."

WASHINGTON POST
If City Falls, Chaos Could Split Zaire
by Stephen Buckley
Sunday, March 9 1997; Page A22

NAIROBI, Kenya, March 8--If Kisangani, Zaire's third-largest city, falls to rebels in the next few days, as appears likely, its capture would be the equivalent of American insurgents taking New York or Chicago.

Zaire's 4 1/2-month-old uprising probably would be over.

For Kisangani, an economic hub in a strategic location, is also the base of the government's two-month campaign to halt the onslaught of the rebels, who have corralled a 900-mile swath of territory since last October.

Some analysts fear that the conflict could split this already fractured country further, lead to years of political anarchy and create a massive refugee crisis for the nine countries on the former Belgian colony's borders.

The government has concentrated most of its few hundred mercenaries around Kisangani, sent military aircraft on bombing missions from the city and stockpiled

hundreds of tons of ammunition at its airport.

"If the rebels take Kisangani, the morale of the Zairian army would be extremely low," said Andre Kapanga, chairman of the All North American Conference on Zaire, a body of Zairian intellectuals who live in the United States and Canada. "If the base of their counteroffensive fails, where else would they resist the rebels?"

Kisangani, with an estimated 350,000 residents, holds a special place in the Zairian psyche.

Explorer-journalist Henry Morton Stanley founded it in the late 1800s, and it was called Stanleyville until the early 1970s. The city is believed to be the setting for V.S. Naipaul's classic novel "A Bend in the River."

Hemmed in by one of the world's thickest and most beautiful tropical forests, Kisangani is situated on the powerful Zaire River near white-water rapids that were once a major tourist attraction.

Its location on the river and along a major railway line helped make Kisangani an economic beacon for decades. Its position at the middle of the way between Cape Town and Cairo, halfway between the Atlantic and Indian oceans--also made it an ideal center of commerce.

And nothing has made Kisangani more economically important than the diamond and gold mines surrounding it.

That is one reason the government rushed to shore up the city shortly after the rebels took several key cities and towns within the first two months of the insurgency.

The rebels, who have said they aim to capture Kinshasa, the capital, and overthrow longtime dictator Mobutu Sese Seko, began rumbling toward Kisangani in December, inching along until the past few weeks.

Since then, the insurgents, known as the Alliance of Democratic Forces for Liberation (Congo-Zaire), have eased their way to the city by overwhelming several key towns and withstanding numerous airstrikes.

The city eagerly awaits them. In recent days, thousands of people have tried to flee, but they reportedly are scrambling to escape government soldiers -- known for ransacking cities and ravaging residents before leaving a lost battleground.

Kisangani has long been a center of anti-government views. In the 1950s, Patrice Lumumba forged a base for his anti-colonialist political party there before becoming Zaire's first post-independence prime minister.

In the mid-1960s, rebels established a revolutionary government in Kisangani that Mobutu eventually stomped out. And in the late 1960s, rebellious elements of the army, along with mercenaries, took over the city. Mobutu also ended that campaign.

Anti-Mobutu sentiment in Kisangani springs from the city's economic downfall. Once sprinkled with fine hotels and elegant cottages, the city today is a symbol of the government neglect that has eviscerated the enormous country.

Thousands of tourists once flocked to Kisangani to challenge the rapids, take in the awesome forest and shop for items from Parisian dresses to American-made cars.

Today the city has one decent hotel. Its once-gorgeous houses are dilapidated and gray with grimy businesses are barred or boarded shut.

"It used to be a jewel of a city," Kapanga said. "But now it's like the rest of Zaire. The people get no services. Everything is falling apart. When Zairians say they want change, it's because the people in power are not working for the common people."

The rebels' taking of Kisangani could have huge repercussions in Kinshasa, 1,000 miles to the southwest. Some political analysts predict that a government defeat in Kisangani would ignite a political brawl among those hoping to fill Mobutu's shoes.

"The regime would be completely destabilized," one senior diplomat said. "It's going to be chaos. People will be fighting each other to position themselves to take over."

Others predict that the rebels would slow their pace after the fall of Kisangani and wait for the government to negotiate with the alliance. Kinshasa has embraced a U.N.-sponsored cease-fire plan but thus far has rejected direct talks with the rebels.

Analysts say the demise of Kisangani would give the government no choice. "If Kisangani goes, the rebels don't need to go on to Kinshasa," Kapanga said. "At

l they would have to do is wait until Mobutu decided to get serious about negotiations."

WASHINGTON POST

Zaire Rebel Appears Amenable to Truce

by Lynne Duke

Sunday, March 9 1997; Page A21

GOMA, Zaire, March 8--With his troops poised outside the key river city of Kisangani, Zairian rebel leader Laurent Kabila said today he is open to negotiations with the crumbling government of President Mobutu Sese Seko and that he accepts, in principle, a United Nations plan calling for a cease-fire and negotiations.

It appeared unlikely, however, that any talks would come soon enough to stop an assault on Kisangani, whose fall could be the turning point in the 4 1/2-month conflict in the eastern half of this central African nation. Kabila said that rebel forces are about 28 miles from the city and continue to approach in several columns, as they have in other regional towns where they met limited opposition.

Kabila had previously demanded face-to-face talks with Mobutu, but he suggested today that he might be open to a meeting with someone other than the ailing Mobutu, who has spent much of the last few months in France recovering from surgery. Kabila said that among the issues that need to be discussed are the "modalities of relinquishing power" by the Mobutu regime.

[In the capital, Kinshasa, Zairian Defense Ministry spokesman Leon Kalima said Kabila appeared "ready to accept a cease-fire," the Associated Press reported. "I don't know if he's already accepted, but there seems to be a willingness on his part. It's not really certain that he wants to cease hostilities. We must be very prudent."]

The city could fall within a week, Kabila said, despite his characterization of the "ferocious resistance" his fighters are meeting in the region and despite reports that the Kisangani airport has been sown with land mines to deter the rebels.

The Zairian army forces are bolstered by European mercenaries.

In response to international fears that Zaire's conflict could become a broader regional quagmire, Kabila said that Zairian

Katangan insurgents who had been based in on the side of his rebel movement.

That admission confirms recent statements by U.S. officials who warned of the potential broadening of the Zaire conflict with the involvement of Angola-based rebels. The officials noted in recent interviews that there is no love lost between Mobutu's government and that of Angolan President Jose Eduardo dos Santos because of Mobutu's support for Angolan rebel leader Jonas Savimbi during Angola's long years of civil war. Whether Angola supports the Katangan involvement in the Zaire conflict is not known.

Uganda and Rwanda, two other neighboring countries that are hostile to Zaire, also support Kabila's rebels, according to diplomatic reports that both nations deny.

The Zaire conflict, which began in October, threatens to destabilize central Africa and has prompted myriad peace proposals and rounds of negotiations brokered by South Africa, the United States, France and other nations fearful of deepening chaos in Africa's third-largest nation and some of the nine countries that border it.

The Kabila-led rebellion sprang from the ferment of the Zairian-Rwandan conflict, ethnic hostilities and anti-Mobutu sentiment here in the eastern region. But the involvement of Katangan rebels who have infiltrated Zaire from Angola indicates the rebellion is broader than previously thought. The Katangan rebels have sought secession from Zaire since shortly after Zairian independence from Belgium in 1960; they fled to Angola in 1978 after a failed secession attempt in Zaire's copper-rich Shaba Province, also known as Katanga. Asked about Katangan involvement since the start of the conflict, Kabila said, "There are those who were infiltrating, who were jumping the border to come and be with my forces." He would not say how many.

Increasingly confident after a series of battlefield successes, Kabila spoke to reporters at his headquarters in this town on the northern banks of Lake Kivu as his troops inched closer to Kisangani, Zaire's third-largest city. It could herald unprecedented chaos in Zaire, where the government has been hobbled by the prolonged absence of Mobutu, the autocrat in power since 1965, who has suffered from prostate cancer. Kabila's rebel challenge has further destabilized

Zaire at a time when constitutionally mandated opposition parties based in Kinshasa are crying for change. Opposition protesters who attempted to march in the capital Friday to press for negotiations to end the war were suppressed by the military.

If the rebellion is successful, Kabila said, he envisions the establishment of a transitional government in advance of national elections. Kabila's movement, the Alliance of Democratic Forces for Liberation (Congo-Zaire), would play "the leading role" in a transitional government, he said, adding: "In the alliance, we don't accept Mobutuists." Kabila, who has been a Mobutu foe for more than 30 years and who now occupies the lakeside villa that once was Mobutu's, would not say what his own role would be in such a transitional arrangement.

Kabila said today that his battle for Zaire would not stop at Kisangani -- a clear reference to his hope to sweep the entire country--and he reiterated that he does not plan to break up Zaire through secession. Despite the involvement of formerly secessionist Katangan fighters, Shaba Province's secessionist tendencies thus far has not surfaced as a major factor in the conflict.

WASHINGTON POST
Rebels Near Zaire's Third-Largest City
BY Stephen Buckley
Saturday, March 8 1997; Page A15

NAIROBI, March 7--Rebels and government forces reportedly battled each other today at the airport outside Zaire's third-largest city in what could prove to be the most critical fight yet in that central African country's 4 1/2-month-old conflict.

The rebels, who have had little trouble taking several key towns and cities on their way to controlling much of eastern Zaire, reportedly ran into heavy resistance from Zairian army forces at the airport at Kisangani, base of the government's two-month-old counteroffensive and its last stronghold in eastern and central Zaire.

Government forces are believed to have mined the airport with explosives to halt the rebels' approach. The airport is roughly 10 miles north of Kisangani.

"We're not strolling into town the way we have in other places," rebel spokesma

n Nyembwe Kazadi told the Associated Press in a telephone interview from Tanzania. "They're putting in everything they have."

Kazadi's account could not be confirmed independently. But for the past several days, reports have indicated that the rebels, known as the Alliance of Democratic Forces for Liberation (Congo-Zaire), have been surging toward Kisangani. The insurgents, who have grabbed territory stretching an estimated 900 miles north to south along Zaire's eastern border and extending west into the interior, have stated repeatedly that their goal is to take Kinshasa, Zaire's capital.

Laurent Kabila, leader of the alliance, says his group intends to overthrow dictator Mobutu Sese Seko, who is recuperating from prostate cancer surgery in France and is said to be gravely ill. Mobutu, president since 1965, has been in Europe during most of the conflict.

Analysts and diplomats suggest that continued warfare in Zaire, sub-Saharan Africa's third-most-populous country, could further inflame political and ethnic tensions there and spawn a major refugee crisis for the nine countries on its borders.

Various sources reported that thousands of Kisangani's residents have fled the city in recent days, swarming onto boats to escape down the Zaire River.

International aid workers departed the city last weekend, citing security concerns. Kisangani has received no food aid since, and aid workers fear that the fighting could lead to dangerous shortages of food and other supplies.

The city is on the Zaire River, control of which is vital in a country with a virtually nonexistent road network. Just as importantly, Kisangani carries enormous symbolic weight in the eyes of Zairians because of its size and location, and a defeat there could doom the army's already dim prospects of defeating the rebels.

If the rebels take Kisangani, it would be the third crucial city or town they have overwhelmed within the past week. Late last week and over the weekend they took Lubutu, on the road to Kisangani, and Kindu, an important refueling point for Zairian military aircraft.

Kabila has called for the government to negotiate with the rebels, but thus far the regime has rejected direct talks. Representatives of both the rebels and

the government participated in indirect talks hosted by South Africa late last month.

The rebels have been moving toward Kisangani since December. But government forces have staved them off, keeping the rebels more than 100 miles from the city until the past week.

To keep Kisangani, the government used airstrikes against approaching rebels last month and has deployed foreign mercenaries--mostly from Eastern Europe -- around the city. But the rebels have continued their push toward Kisangani, and the government has become increasingly alarmed at the direction of the war.

Earlier this week, Zairian officials said that they would accept a U.N. cease-fire plan proposed last month. The government rejected the plan then, but now appears to support it and has called for U.N. monitors to implement the initiative. But rebel representatives say they will not accept a cease-fire plan unless it is negotiated by the insurgents and the government.

Some analysts say the rebels may be reluctant to accept a cease-fire because they hope to take Kisangani in the next few days, which could force the government into direct negotiations.

WASHINGTON POST

Editorial: The Price of Mobutu Sese Seko
Saturday, March 8 1997; Page A22

ZAIRE IS PAYING an increasingly heavy price for lingering autocrat Mobutu Sese Seko's misrule. As if the country's maldevelopment and his corruption were not enough, Zaire is in the throes of a civil war that is inflicting a terrible human toll and could lead to national disintegration. The country's immensity, strategic location, ethnic diversity and capacity to set an example add up to great potential trouble for all of central Africa.

The civil war is President Mobutu's creation. Last fall his forces undertook to expel a Tutsi minority that had lived peacefully for two centuries in eastern Zaire. That minority, helped by Uganda, Rwanda and Burundi, then geared up to unseat the Mobutu regime, whose army of looters hangs on now thanks to its longtime imperial-minded patron, France, some of France's African clients--Morocco, Chad and Togo--and some Russian and Serbian mercenaries. There is the

usu
al flow of refugees abused by the men with the guns. There is no peacekeeping
force to speak of and no visible
prospect of one.
African states are alert to the regional perils of an unconstrained struggle i
n Zaire. Nelson Mandela, encouraged by the
United Nations and the Organization
of African Unity, has launched talks meant to install a cease-fire and open a
political
negotiation. But the rebels have the military momentum, the regime
shrinks from negotiating from weakness, and the talks
in South Africa languish.

In his fourth decade of power, Mr. Mobutu hogs the leadership despite a degre
e of physical
deterioration that has him again in France, near his stolen bill
ions.

An accident of the calendar found Al Gore in South Africa as the Zaire talks w
ere getting underway, and he and his team
of experts helped. But the Americans
have chosen, wisely, not to get out in front of the man everyone wants to get
behind, Nelson Mandela.

Washington supports the traditional and still-pervasive African attachment to
the territorial integrity--that is, to the
colonially drawn boundaries -- of A
frican states. This doctrine comforts the ins but, in this instance, legitimate
s President
Mobutu's power grab. Multiethnic Zaire and its parts, as they loose
n, need not only a democratic structure but an
arrangement among all the neigh
bors to respect ethnic frontiers and flows as well as the old colonial lines.
This takes a
larger, almost a permanent, negotiation, not simply a single piec
e of paper.

NEW YORK TIMES
Zaire's Power Vacuum Sucks in Neighbors
By Howard W. French
March 9, 1997

KINSHASA, Zaire--With a rebel force that invaded Zaire advancing through the c
ountryside, new protagonists who want to
secure vital interests here or settle
old scores are being drawn into the conflict.

From the outset last October, the rebellion sweeping eastern Zaire has been an
affair of outsiders. The rebels, supplied by
the Tutsi-led government of neig
hboring Rwanda, have been chasing remnants of Zaire's army and its Hutu allies
through
thick Central African forests.

Now the fall of the longtime dictator, Mobutu Sese Seko, is appearing ever more likely. So governments of neighboring countries and insurgent groups throughout Central Africa are scrambling to get involved on one side or the other of the conflict, diplomats, Zairian officials and regional military experts say.

A growing coalition of forces is contributing to the fight against Mobutu, in what can be seen as a form of revenge for the decades during which Zaire, a major Cold War ally of the West, was used as a staging point for covert actions against neighbors.

The most dramatic case of new activity from outside involves Zaire's southern neighbor, Angola. Throughout two decades of civil war in that country and now under an uneasy peace there, Zaire has played a critical role in support of the Unita rebel movement of Jonas Savimbi, once with the heavy covert assistance of the United States.

In recent weeks, these experts and officials say, Angola has been flying Zairian rebels, long exiled after an unsuccessful revolt, along with military supplies, into eastern Zaire to join the burgeoning insurgency of the Alliance of Democratic Forces for the Liberation of the Congo. Angola's formerly Marxist government apparently is anxious to cut Savimbi off from gun-running and diamond-trading networks in Zaire.

Most of the exiles are sons of the so-called Katanga Gendarmes, who repeatedly fought secessionist Zaire's copper-rich Shaba province beginning shortly after independence from Belgium in 1960.

Zairian officials and diplomats say that there is increasingly strong evidence of flights from Angola into the rebel-held cities of Kalemie, Uvira and Bukavu in Zaire. They say that in recent battles, Zairian government forces were routed in the cities of Bunia and Bafwasende by Portuguese-speaking African troops, apparently from Angola.

Angola has denied any involvement in the Zairian war. But in a diplomatic note sent to Mobutu's government last month, Angola, which now enjoys good ties with the United States, reportedly warned that it would attack Zaire if it did not end its support for Savimbi.

Last week, the United States publicly called upon Angola to stay out of the Zairian war.

In an assertion that Western diplomats said they could not confirm, advisers to Mobutu said Friday that Angola has begun massing Swahili-speaking rebels, apparently from eastern Zaire, in Angola's oil-rich coastal enclave of Cabinda in preparation for an attack on Kinshasa, a mere 200 miles away.

The Zairian officials, who spoke on condition of anonymity, said that this intelligence had come from another Angolan rebel group, the Cabinda-based insurgency known by its acronym as FLEC.

"FLEC attacked the Angolans recently and were pursued by them all the way into Zairian territory," said an associate of Mobutu. "When they reached here, they informed us that they had encountered Swahili speakers in their retreat." Swahili, a lingua franca of East Africa, is not spoken in southwestern Zaire or Angola.

For its part, the Zairian government, unable to rely upon its own woeful army or a few hundred Serbian mercenaries to stop the rebels' advance on the important eastern city of Kisangani, has reportedly obtained battle-hardened troops on loan from Savimbi's Unita movement.

Asked to confirm these reports, the associate of Mobutu's said: "We have looked to friends in Africa to help us. Even if we end up losing Kisangani, we must make the rebels pay a high enough price so that they will sit down and talk seriously."

Diplomats here say they have been unable to explain how the Zairian rebel leader, Laurent Kabila, has been able to clothe, arm and supply his fast-growing movement, keeping its units supplied with radios, for example, down to the squad level.

Much, but not all, of Kabila's support has come from Rwanda and Uganda. But although the evidence is less certain, military analysts say they suspect that other governments in the region, along with sympathetic rebel movements such as the southern Sudan guerrillas led by John Garang, may be aiding Kabila, or simply cutting deals with him.

International relief officials say that there is clear evidence that Zaire tolerated the arming of Hutu militia members who once attacked Rwanda and Burundi from refugee camps near the borders with those countries. Similarly, diplomats say

that in addition to supporting Savimbi, who reportedly maintains a residence here, Zaire has allowed its territory to be used to supply anti-government guerrillas in Uganda, and Sudanese government troops fighting Garang's forces in the southern Sudan.

Ugandan President Yoweri Museveni has longstanding ties to the Rwandan leader, Paul Kagame, as well as to Kabila, and to leaders in Tanzania and Angola. And for all of these countries, establishing a sympathetic government in Zaire could end years of destabilization and disorder coming from a decaying and corrupt neighbor.

Because of the warm U.S. relations with Rwanda and Uganda, and the U.S. condemnation of the government in Sudan, both Zairian officials and news reports here routinely accuse the United States--long Mobutu's closest ally--of masterminding the onslaught against the government here.

Western diplomats deny any U.S. involvement, and say that what is the consequence of years of mischief and drift in Zaire.

"All of these years, Zaire has been playing with fire, and now it looks like it is finally getting burned," said one Western military expert. "The Angolan government, for one, has every reason to be fed up with Kinshasa, and may have figured that this was the right occasion to make them pay."

With the situation in Zaire becoming increasingly confused and the number of players growing, however, many feel there is a risk that the help that Zaire's neighbors have been providing to the rebels could in the end increase instability, with overcrowded neighbors like Rwanda coveting croplands and others seeking to control Zaire's vast mineral wealth.

Officials in Rwanda and Uganda have, for example, spoken with increasing enthusiasm in recent days about the economic benefits of a rebel victory for their country.

"If Zaire is ripped apart by all of the hands that are getting involved in the game here, it will be a long time before anyone is able to speak of synergies," said one African diplomat here. "The dismemberment of Central Africa's largest country, if it were to happen, would be the ugliest disaster we have seen yet."

Yes to Certification

By Arturo Valenzuela

Sunday, March 9 1997; Page C07 President Clinton was right in certifying to Congress Mexican cooperation on narcotics matters with the United States.

Critics

of the president's decision are mistaken in arguing that there has been little progress on narcotics cooperation.

They also are profoundly wrong in assuming that decertification would improve narcotics and law enforcement performance

in Mexico. Finally, in recommending decertification, they exhibit a limited understanding of the fundamental changes taking place in Mexico and the enormous stakes for the United States of continued cooperation with one of our country's most important partners.

The Zedillo administration's track record in the anti-narcotics battle is clear. The president repeatedly has noted that narcotics trafficking is the most serious threat to Mexican national security. In 1996 seizures of cocaine, heroin and marijuana were up, and twice as many clandestine drug labs were busted last year as the year before.

Mexico also enacted vital new legislation to crack down on criminal behavior. Money laundering and chemical diversion were criminalized in May, and a tough new bill to fight organized crime was enacted in November. The justice ministry

experienced a massive shake-up when more than 1,300 police agents and technicians were dismissed for incompetence or corruption. For the first time in history, Mexico allowed the extradition of Mexican nationals accused of violent crimes to

stand trial in the United States. Juan Garcia Abrego, the only Mexican drug kingpin on the FBI's 10 Most Wanted list, was captured and expelled to the United States, where he was convicted and given 11 life sentences.

Progress on these fronts cannot obscure the fact that far more needs to be done. The recent arrest of Gen. Jesus

Gutierrez Rebollo, the newly named head of the National Narcotics Commission, is dramatic evidence of the penetration of

narcotics corrupt levels of government. It is essential, however, not to confuse Mexico's will to fight the cartels with

Mexico's capacity to destroy the cartels and implement the rule of law. The will is there; the capacity leaves much to be desired.

Mexico's lack of capacity to confront powerful narcotics organizations is because of the weakness of political and

governmental institutions at a time of profound economic, social and political change. Mexico is the 11th-largest country in the world, a highly urbanized society of 95 million people with one of the world's leading industrial economies. But it also is a country of enormous social and economic disparities, where economic change has outpaced the modernization of governmental institutions. In many ways, the magnitude of Mexico's challenge is comparable to the historic transitions taking place in East and Central Europe. During the past decade, Mexico has evolved from a closed one-party state to a more open and competitive society.

At this delicate moment in Mexican history, a decision on the part of the United States to decertify Mexico could seriously jeopardize Mexico's efforts to strengthen the rule of law and collaborate in the war against the drug lords. It also could dampen cooperation on the myriad other issues in the Mexico-U.S. bilateral relationship from trade, to immigration, to border environmental concerns.

Americans must remember that Mexicans have a historic mistrust of their large and powerful neighbor to the north. They don't take kindly to patronizing or critical comments, even if well intentioned. Earlier this month the Mexican Congress reiterated this sentiment by unanimously voting to condemn the U.S. certification process as injurious to the country's national dignity. Had Mexico been decertified, the nationalistic outcry would have weakened officials, including President Ernesto Zedillo and Foreign Secretary Jose Angel Gurría, who have championed closer ties with the United States.

Decertification also would do more to the drug cartels and hard-liners in Mexico who are opposed to the country's political reforms and closer cooperation with the United States. And it would have placed opposition parties facing crucial elections this summer in a quandary. They would have been forced to join the nationalist chorus critical of the United States, distracting public attention from their campaigns for greater democratization and honest government.

By certifying Mexico, the United States can continue the progress achieved thus far, mindful of the fact that drug trafficking is as much an American as a Mexican problem. Just as significant, certification permits the United States to work with Mexico to improve that country's judicial and law enforcement practices.

tices and exert a positive influence as Mexico modernizes and democratizes its institutions. Our problems with Mexico can best be resolved not by throwing tantrums or by pointing fingers, but by engaging in the search for common solutions in an atmosphere of mutual respect.

The writer is director of the Center for Latin American Studies at Georgetown University. He served as deputy assistant secretary of state in the first Clinton administration.

NEW YORK TIMES

Analysis: Anger Stymies Relations Between Clinton and Zedillo

By Sam Dillon March 8, 1997

MEXICO CITY--The furor over Mexico's troubled anti-drug efforts and President Clinton's endorsement of them has driven a wedge between the two countries in recent days, forcing Clinton and President Ernesto Zedillo to balance their quest for cordial relations against the need to satisfy disgruntled domestic backers.

The abrasive debate is grinding down the two leaders' freedom to maneuver. Clinton, who faces a rebellion in Congress, has been compelled to press Mexico to step up its drug war and allow a heightened U.S. involvement in it. But President Ernesto Zedillo cannot sign off on the Clinton administration requests without incurring the wrath of increasingly assertive Mexican nationalists.

This excruciating dynamic became clear after a House committee voted by a wide margin on Thursday to override Clinton's full certification of Mexico's drug efforts. The vote came after a tumultuous debate in which lawmakers attacked Mexico's drug program and even Zedillo's governing Institutional Revolutionary Party, known as the PRI, and set the stage for more fireworks next week.

Zedillo, visibly irritated, responded with unusually stern language in a speech hours later, vowing to "act with all necessary energy to defend the dignity and sovereignty of the Mexicans."

Zedillo was not specific about how Mexico might react if Congress makes good on its threat to reverse the certification. But Zedillo's tough statement, and the heated congressional language in Washington, underlined the explosive tensions that are developing between the two countries five weeks before Clinton is to make his first state visit to Mexico.

Clinton obviously would like that trip to be a triumphant parade focused on Mexico's newly robust economy, partly because of the \$20 billion bailout loan he arranged in 1995, which Mexico has repaid.

Instead, the narcotics threat is threatening to dominate the two-day visit. And after the stunning arrest of Mexico's top drug official last month for collaboration with traffickers, White House aides have got to be concerned about the trip's potential for unpleasant surprises.

On Wednesday, senior White House advisers including Samuel Berger, Clinton's national security adviser, visited Zedillo here. Both governments have insisted that their agenda focused on logistical details of the president's tour. But Berger's visit was seen here as a new attempt to squeeze concessions from Zedillo, concessions that are viewed in dramatically different ways north and south of the border.

For instance, U.S. officials want Mexico to extradite Mexican citizens indicted on trafficking charges in the United States. Americans view Mexican resistance as little more than protecting criminals by subterfuge. But Mexican law prohibits the extradition of citizens except in "special circumstances."

The Clinton administration has also pressed Mexico to permit American drug agents here to carry firearms for self-protection. Mexicans view the request as an attempt to turn the agents, whose role here is limited to information gathering, into an elite foreign police force.

Perhaps most of all, American officials have pressed the Zedillo government to arrest the country's major traffickers. On Thursday, more than 200 soldiers invaded a Guadalajara hotel, apparently in hopes of seizing Amado Carrillo Fuentes, perhaps the most powerful trafficker. Five unidentified men were detained, but not Carrillo Fuentes.

That makes it appear that Clinton has been unable to win any clear concessions, and Congress is accusing him of being soft on Mexico.

During the debate Thursday in Congress, one administration official warned lawmakers that the threat to reverse the Administration's full certification could backfire by cutting off the possibility of "working with our friends in Mexico."

"You have the wrong friends down there," shot back Sen. Ernest Hollings, D-S.C. "The only way that I know of having the correct friends is to provoke a crisis there, because until you get rid of the PRI, until you get democracy, you'll never get rid of the corruption."

Those and statements by other lawmakers greatly inflamed passions here. Friday, Humberto Roque Villanueva, the PRI's president, called the certification debate in the United States "a frontal aggression against Mexican sovereignty." If PRI allies have been vocal in expressing their outrage, they have been goaded into an increasingly militant stance by opposition leaders on the left and right.

Ricardo Garcia Cervantes of the conservative National Action Party, for example, accused PRI leaders Friday of acting with "timidity and defeatism" out of fear of provoking American anger.

Nationalist sentiments, building for two weeks, are cornering Zedillo. A Yale-trained economist, he has preferred to remain aloof from law enforcement issues like narcotics and organized crime. But when news of the congressional debate in Washington reached him on Thursday he immediately delivered what was, for him, an almost fiery speech.

Mexico's cooperation with the United States is "based on the principle of respect for our sovereignty," Zedillo said, his jaw clenched. "This principle is not negotiable." The minute that the United States passes any legislation "that can have consequences for Mexico's dignity and sovereignty, as well as material consequences for our cooperation with the United States, the government of the republic will act with total energy to defend the dignity and the sovereignty of the Mexicans," he said.

NEW YORK TIMES

Drug Connection Links Mexican Military to Spate of Abductions

By Julia Preston

March 9, 1997

MEXICO CITY--The owner of a department store in the provincial capital of Culiacan was driving to work one morning last September when three unmarked sedans without license plates surrounded his gray Oldsmobile.

As passers-by watched in terror, four men brandishing assault rifles hauled th

e man, Romulo Rico Urrea, from his car, forced him into one of theirs and sped away.

Rico has not been seen since Sept. 25, 1996. But a notebook dropped in his car by one of the kidnapers, as well as evidence gathered by military investigators, links the abduction to Gen. Jesus Gutierrez Rebollo, the former head of Mexico's anti-drug agency who was arrested last month on charges of collaborating with one of the country's most powerful cocaine barons.

Rico is one of at least 51 Mexicans who have disappeared in the last three years after kidnappings in which there were signs of government security force involvement, according to lists compiled by relatives, human rights organizations and the press. Now, evidence is emerging to tie many of these abductions to the war against powerful drug traffickers, which has increasingly been under the command of Mexico's military.

"We are everyday citizens under attack, caught in the crossfire between narcos, authorities and narco-authorities," said Lucia Solis de Jurado, whose husband, a semiprecious-stone trader from the border city of Ciudad Juarez, was seized on the front step of his home on Oct. 6, 1996. "It has gotten to the point where it can happen to anyone."

The majority of the victims have no proven ties to drug traffickers or other criminal activities, relatives and human rights leaders contend, although a number have had brushes with the authorities.

"They tend to be businessmen, students and other citizens who were going about their lives," said Oscar Loza of the Commission for the Defense of Human Rights in the state. At least nine people have disappeared.

Mexico's military has traditionally played a supporting role in the drug trafficking fight, mainly eradicating narcotics crops. Shortly after he took office in 1994, President Ernesto Zedillo, facing widespread corruption in the state and federal police, began to place military officers and troops in key positions in the battle against the drug cartels.

Gutierrez was named Mexico's chief anti-drug official in December 1996, and army officers were given command of state and municipal police forces in Sinaloa, through which large quantities of drugs flow. Just last week, the army took over

narcotics operations in the border state of Baja California.

Since the arrest of Gutierrez, who was highly decorated, a number of families of missing Mexicans have come forward after enduring their anguish in silence for months and even years. The number of known victims is growing.

There is evidence that in addition to Rico, five men who disappeared since last September in northern Mexico were abducted in operations commanded by Gutierrez and carried out by his deputies during his two-month tenure as head of the national drug agency or before that, when he was the senior commander of the Fifth Military Region in central Mexico.

The abductions in which Gutierrez appears to have had a role are only a fraction of those reported. The general's lawyers did not respond to requests for comment.

The disclosures about the kidnappings raise new questions about Gutierrez's ascent to the highest position in Mexico's war on drugs, and about Zedillo's moves to expand the role of the armed forces in the anti-narcotics campaign.

Several months before Defense Minister Enrique Cervantes Aguirre recommended Gutierrez to the president for the top anti-drug job, the Mexican military had substantial evidence implicating the general's two closest aides in the kidnapping of Rico. Both aides were arrested with their commander on drug charges on Feb. 18.

The kidnapping allegations apparently never reached the highest levels. Cervantes acknowledged that neither he nor Zedillo had had any doubts about Gutierrez until about two weeks before his arrest.

Rico's relatives believe he came under suspicion of drug trafficking because Miguel Angel Rico Urrea, his brother, was falsely accused on drug charges in 1992 and served prison time before he was cleared. A judge ordered his release, but the day he was to leave prison he was murdered.

On Sept. 16, 1996, soldiers in Culiacan swarmed into the home of Enrique Rico, another brother. The raid, conducted without a warrant, was led by a brash officer who identified himself with a name that later proved false. Romulo Rico was seized nine days later. At first, federal agents told his relatives he was in custody at their headquarters.

But 24 hours later the same agents denied they had ever seen him, relatives said. At about the same time, Rico's wife,

Teresa, received an anonymous telephone call from a man who said her husband had been detained by someone named Horacio Montenegro Ortiz. The caller said he had seen Montenegro escorting his prisoner onto a military plane at the local airport.

The family did not recognize the name at the time, but it turned out to be significant. Montenegro, a former army captain, had long worked closely with Gutierrez.

Later that day, Rico's family discovered a notebook that one of his abductors had accidentally dropped between the front seats of his car. The scribbled, sometimes encoded phrases showed that the writer was a military officer who was in Sinaloa pursuing an inquiry into the murder in Mexico City on Sept. 14 of a leading anti-narcotics police commander, Ernesto Ibarra Santes.

The huge operation to find and capture Ibarra's killers was commanded by Gutierrez, senior army commanders recently confirmed.

Unlike many families of the disappeared, the Ricos did not remain silent. They took the notebook to military and police authorities in groups in the state and the capital, raising questions about the mysterious Montenegro.

In October, shortly before Gutierrez was named commissioner of the National Institute to Combat Drugs, more than a hundred federal legislators signed a petition calling for a deeper investigation into Rico's kidnapping. And the military told the family that it was opening its own inquiry.

One man who took up the case was a newly appointed attorney general, Jorge Madrazo Cuellar, a former human rights lawyer. But the Federal Judicial Police under his command steadfastly denied knowing anything about Rico, Madrazo said in an interview.

So he sent the Rico family to Gutierrez, recently appointed to the drug agency at the time, thinking he was "the right man to conduct the investigation."

"We were surprised at how pleasant and friendly the general was," Mrs. Rico said bitterly in an interview. "I thought I had finally found the person who was going to give me back my husband."

In 10 meetings with her, Mrs. Rico said, Gutierrez never acknowledged that he

had directed the operations in Sinaloa at the time of her husband's kidnapping or that Montenegro had become his deputy in the drug institute, where the conversations took place. Defense Minister Cervantes confirmed in a speech on Feb. 18 that Montenegro, "a man with a disastrous reputation," was under military investigation for the Rico kidnapping. He added that last year Gutierrez had disobeyed "explicit orders" from the high command to dissociate himself from Montenegro.

Another piece of evidence linking Gutierrez to the kidnapping became clear after his arrest. Mexican television broadcast a film of Capt. Javier Garcia Hernandez, an army intelligence officer and aide to Gutierrez who was arrested on drug charges the same day as his commander.

Relatives who had witnessed the raid at Enrique Rico's home said they recognized Hernandez as the brash officer who had commanded the search. In late February, military officials told confidentially that the notebook in Romulo Rico's car belonged to Hernandez.

In recent days, a half-dozen northern Mexican families, with nine disappeared relatives among them, have come together for somber meetings in the cramped Mexico City apartment where Teresa Rico and her children have taken refuge. They found one another through human rights organizations they had approached after Gutierrez's arrest.

As they sadly share photographs of missing loved ones, they worry about their own safety. Human rights activists who helped them have received death threats, apparently to stop their publicizing disappearance cases. In interviews the activists confirmed the threats and asked not to be identified.

Gilberto Chaidez, the 22-year-old nephew of two hoteliers who were abducted from the border city of Tijuana, said he had broken down as he watched the televised announcement of Gutierrez's arrest. Chaidez, a burly man with a buzz cut, had to stop to control his sorrow once again last week when he recalled his reactions.

"We were sure those men participated in kidnapping my uncles," Chaidez said. "We thought it meant they would finally be released."

Rogelio Verber Mondaca, 39, is the father of two men who were kidnapped by uni

formed army troops from a highway south of Tijuana on Jan. 6. Verber, who until a few years ago was the deputy police chief of Tijuana, called on his friends in local law enforcement to help him mount a statewide search for his sons Rogelio and Raul, to no avail.

His son Rogelio, 28, suffers from advanced Hodgkin's disease and has a catheter in his heart for treatment, Verber said. He produced news photographs and clippings showing that Gutierrez was conducting anti-drug operations in the area at the time his sons disappeared.

Mrs. Jurado and her family have become outraged about the official response to their search for her husband, Ruben Guillermo Jurado, 39. A senior official of the state of Chihuahua, where the Jurados live, confirmed in an interview this week that Jurado had been seized by armed men wearing federal uniforms.

Nevertheless the official, who insisted on anonymity, said state investigators believed Jurado might have been kidnapped by traffickers, because of "narcotics-related wrapping materials" found in his home.

The Jurado family indignantly accused the authorities of inventing charges against Jurado. They point out that the police never searched his residence or workshop, before or since he disappeared.

Some relatives have nearly despaired of going through Mexican institutions. Maria de los Angeles de Beltran, whose husband, Manuel, disappeared in 1994, wrote to U.S. Secretary of State Madeleine Albright, pleading for help.

"Our government doesn't fight drug trafficking," Mrs. Beltran wrote. "It just administers it."

LOS ANGELES TIMES
Drug Case Tests Mexico Cooperation
By Elizabeth Shogren, Sam Fulwood III, Times Staff Writers
March 7, 1997

WASHINGTON--The Clinton administration has singled out a drug case in Mexico as a test of whether Mexican officials will live up to their pledge of a new level of cooperation, a promise made in negotiations preceding the president's decision last week to formally declare that this nation's southern neighbor is fully cooperating in the war on drugs. Administration officials are pushing for the extradition of Oscar Malherbe de Leon, the alleged chief of the notorious Gulf

drug cartel who recently was arrested in Mexico and is under indictment in Houston.

"The test will be the [extradition of] Oscar Malherbe de Leon," said Robert Gelbard, an assistant secretary of State for international narcotics and law enforcement affairs.

The issue of this extradition came up as Gelbard and other senior administration officials made the rounds Thursday on Capitol Hill, trying to head off a congressional bid to overturn the president's declaration of Mexico's cooperation in the drug war, a legally required, annual process called certification.

In the first vote on the issue, a House panel Thursday voted, 27 to 5, to overturn Mexico's certification.

The full House is likely to pass the measure overwhelmingly, but the administration still hopes to sway the Senate, congressional and administration officials said. Clinton is prepared to veto the legislation if it passes, a senior administration official said.

Malherbe's extradition is an example of one of the steps U.S. officials hope that Mexico will make to prove its commitment to making progress in the drug war and, in the process, to derail the decertification push in Congress.

But the Mexican attorney general's office has said Malherbe must first be put on trial in Mexico on the array of charges he faces there--including homicide, drug trafficking and illegal export of cocaine and marijuana--before extradition will be considered.

The Mexican government has resisted extraditing its nationals but last year started doing so.

Gelbard said U.S. officials are aware of the Mexican position but are still urging Malherbe's extradition "as soon as possible." He added that, if hasty action is not taken, U.S. officials "will be unhappy."

Clinton certified Mexico as an ally in fighting drugs despite recent scandals that had linked past and current high-ranking Mexican officials to narcotics-related corruption.

To try to avoid a showdown between the White House and Congress on a highly sensitive foreign policy issue, senior administration officials are blitzing Congress, attempting to sway people to the administration's thinking.

Clinton has also started raising the issue in conversations with members of Congress, a senior White House official said.

Top administration officials, including the president's national security advisor and his White House anti-drug chief, also traveled to Mexico on Wednesday to stress the urgency for tangible results in fighting drugs, White House officials said.

Administration officials hope, "in the course of a week to 10 days," to tell Congress about steps the Mexicans are taking in the drug war, Gelbard said.

Areas where U.S. officials expect to see movement by the Mexicans include implementation of legislation aimed at stemming money laundering; new assurances of immunity for U.S. law enforcement officers who work across the border and carry weapons; and the extraditions to this country of Malherbe and several other suspected drug lords.

The pressure on Mexican officials to show fresh evidence of their determination to fight illegal drugs developed after Gen.

Jose de Jesus Gutierrez Rebollo, Mexico's top drug official, was arrested and formally charged with having ties to a drug mafia. His arrest--just 10 days before the deadline for certification--sparked protests in Congress, which had paid scant attention to the certification process before that.

"If Gen. Gutierrez's arrest had not come up, none of this would be happening," Gelbard said.

Thursday's vote by the House International Relations Committee in favor of decertification was the first warning shot from Congress.

"Not only are we changing Mexico's grade [on the drug-war front], we are also sending a message to this administration that its international narcotics control strategy is in shambles," said Rep. Benjamin A. Gilman (R-N.Y.), who chairs the committee.

Under U.S. law, decertifying a nation calls for it to lose benefits such as U.S. support for its loan requests to international lenders, such as the World Bank.

But the legislation approved by the House panel--one of at least four bills circulating on Capitol Hill--would allow the president to waive imposition of economic sanctions on national security grounds.

"Decertification says we're serious," House Minority Leader Richard A. Gephardt (D-Mo.) said. "The waiver says we value the relationship and want to work together to solve what is a common problem."

Times staff writer Mary Beth Sheridan in Mexico City contributed to this report.

LOS ANGELES TIMES
Zedillo Vows to Fight for Dignity in War on Drugs
By Mark Fineman, Times Staff Writer
Saturday, March 8, 1997

MEXICO CITY--Stung by congressional efforts in Washington to revoke its certification as an ally in the U.S. war on drugs, a frustrated Mexican government fought back with words and deeds Friday.

President Ernesto Zedillo, speaking out on the issue for the first time since the Clinton administration gave the stamp of approval to his government's counter-narcotics efforts a week ago, warned Washington that the bipartisan move to decertify his country could affect Mexican cooperation in battling the cross-border drug trade.

Zedillo praised President Clinton as "a friend of Mexico" who has stood by his government and its counter-narcotics efforts. But, in a speech delivered just hours after a House subcommittee voted Thursday to decertify Mexico, Zedillo said his administration "will act with all its energy to defend [Mexico's] dignity and sovereignty."

He did not specify what steps he would take if Congress decertifies Mexico, but his ruling Institutional Revolutionary Party, or PRI, closed ranks around him Friday, and top party officials said Mexico should indeed scale back its cooperation on the drug front if Congress votes to overturn certification.

A senior Clinton administration official, asked whether congressional action to revoke certification would hurt joint efforts in the war on drugs, responded: "Of course."

"Anything that is going to set that back is not in our interests--or the interest of Mexico. Decertification is going to set us back," said the official, speaking on condition of anonymity.

"This is the case we're making on the Hill," the official added, referring to

a major effort by the administration to persuade Congress to abandon its decertification effort.

Zedillo, who characterized the U.S. certification debate as an "internal affair" between the U.S. executive and legislative branches, stressed that drug efforts will continue. And, even as he issued his warning in a speech to Latin American officials in Cancun that aired just after midnight Thursday, Mexico's counter-narcotics forces were mobilizing elsewhere in the country.

In an apparently stepped-up search for alleged drug lord Amado Carrillo Fuentes, more than 100 troops backed by light tanks commandeered a luxury hotel in Guadalajara late Thursday night.

U.S. and Mexican law enforcement officials allege that Carrillo runs Mexico's largest drug cartel, based in the border town of Ciudad Juarez.

Carlton Hotel manager Carlos Hodria said Friday that about 150 soldiers arrived unannounced in trucks and tanks and that the operation lasted about 40 minutes, jarring most of the hotel's personnel and 296 guests. He quoted military officers as saying they were "searching for a person."

Although Hodria said the officers never mentioned Carrillo by name, and no arrests were made, he and local officials said the reputed drug lord appeared to be the target. Sources in Guadalajara said the search continued in other locations Friday.

Known here by the nickname "Lord of the Skies," for his alleged extensive air-smuggling routes, Carrillo has been indicted on drug-trafficking charges by federal grand juries in Miami and Dallas. He has eluded capture here for years.

In the days before the U.S. certification deadline, Carrillo's name surfaced at the center of a drug-corruption scandal that brought down Mexico's top counter-narcotics official and continues to fuel the U.S. certification debate.

Mexico's now-jailed former anti-drug chief, Gen. Jose de Jesus Gutierrez Rebollo, is accused of taking bribes to protect Carrillo.

Clinton justified his decision to certify Mexico in part by citing Zedillo's bold move to charge and jail his anti-drug chief.

But U.S. congressional leaders, asserting that Gutierrez had compromised the U

nited States' anti-drug efforts, charge that the scandal involving the general is emblematic of how deeply drug corruption has penetrated all levels of Mexico's law enforcement machinery.

The heated rhetoric in the House this week has met with an equal reaction here in the Mexican capital.

Mexico City's airwaves have been filled with U.S. and Mexican analysts blaming the drug problem not on Mexico but on the United States, which is consistently portrayed as the world's largest market for illegal narcotics.

Mixed with that criticism has been a clear voice of frustration from the Mexican administration.

Senior officials here said Zedillo, who declared narcotics trafficking Mexico's No. 1 national security threat more than two years ago, believes that he has done everything in his power to combat the multibillion-dollar drug trade--enlisting the full force of the Mexican army and even punishing top police and army officers who are accused of drug ties.

In addition, senior government officials at the Cancun conference said Friday that Mexico will unveil tough new regulations to better police drug-money laundering, an issue that has been high on the agenda of the joint drug battle.

"Mexico has acted without hesitation to take up the war on drugs," Zedillo declared in his speech. "We have reiterated our desire to continue having the broadest cooperation with the executive branch of the United States in continuing to fight the battle against the destructive phenomenon of drug trafficking.

"However, we must stress with total clarity that the moment the United States, due to the differences between the executive and legislative branches, takes legal steps . . . that have consequences for Mexicans' sovereignty and dignity . . . the Mexican government will act with to defend our dignity and sovereignty."

Times staff writer Elizabeth Shogren in Washington contributed to this report.

Last December, I spent six days in Cuba as part of a bipartisan delegation of former and current members of Congress. Before our trip, we were briefed extensively by U.S. government authorities, congressmen and their staffs, the Republican and Democratic international institutes, human rights activists, foreign diplomats and spokesmen for the Cuban American community. Our briefers -- and our policymakers--are obviously well-intentioned, but our trip also convinced us that, on several key points, they are wrong.

If the intent of the past two generations of U.S. policy toward Cuba has been to render its economy comatose, its energy consumption reduced nearly by half, its agricultural production wobbly, its diet restricted, its plumbing and street lamps non-operational, its professional classes earning less than busboys, and many of its young women streetwalkers, I would pronounce the policy a considerable success. If, however, the intent has been to alter Cuba's form of government or remove its leader, I would conclude otherwise.

Of course, our goal is not to cripple Cuba, but rather to achieve the democratization of Cuban politics; the cessation of church repression; the establishment of individual freedom, civil rights and a free press; the release of political prisoners; the transition to a free-enterprise economic system; and negotiations toward compensation for nationalized and expropriated property. But clearly something is amiss in our methods.

A brief snapshot of the Cuba we saw: a mix of socialist law, incipient capitalist experimentation, decaying Spanish architecture, failed public utility services, lavish beach hotels for the mainly European tourist trade, long lines of patient commuters waiting for buses which may have broken down somewhere, denting and smoking cars from the 1950s, period tractors kept alive by extraordinary measures, bone-tired bureaucratic problems, or--as they would say--the "complexities" of Cuban life and governance, and ordinary citizens living between despair and cheer.

We met with government ministers and bureaucrats, church leaders, municipal authorities, students and teachers, farmers, small business managers, and, most importantly perhaps, "dissidents," or representatives of political opposition groups, whom their confreres in the United States had urged us to meet.

The students wanted to know why the United States feared them and Cuban America

ns hated them. Even as they recounted the repression they had suffered at the Castro regime's hands, Catholic church representatives expressed their opposition to the U.S. "containment" policy, as Pope John Paul II has in the past. But it was the views of the dissident community that were most surprising.

Of 12 dissidents we met with privately, 11 were adamantly opposed (and one was wobbling) to the Helms-Burton Act, legislation enacted last year to tighten the economic sanctions on Cuba. They called it "Helms-Burton-Castro," arguing that it gives Fidel and his government a handy device to deflect growing public irritation with his flawed economic policies by placing new blame on Uncle Sam. There seems to be some miscommunication between the ardent advocates of the law in this country and the objects of their solicitude in Cuba.

Equally surprising was the dissidents' belief that a significant uprising that could threaten the Castro regime is unlikely. It was suggested that much of Cuba's potential leadership for opposition initiatives had left the island, and in doing so increased the proportion of Cubans on the island whose life under Batista had been miserable enough for the Castro revolution to be seen as something of a leveler and, for a while at least, an improvement. Beyond that, there is some shared pride among the citizenry in having "stood off" the colossus to the north.

So what did the dissidents suggest instead? Easing travel and visa restrictions. The dissidents would welcome "a million American tourists," "an attack of cruise ships" with air cover by licensed carriers. Prudent U.S. investments, with principles to protect workers, would stimulate a return to normal economic theory and practice. Such openness, they believe, would erode Castro's ideological base and the institutional support required to maintain it.

As President Clinton said of another Communist regime, "Engaging China is the best way to work on common challenges, and to deal frankly with fundamental differences like human rights.

China "si," Cuba "no"?

James Symington, a former member of Congress (D-Mo.), is an attorney at the law firm O'Connor & Hannan.

WASHINGTON POST
A LOOK AT . . . Changing Cuba
By Elise Ackerman
Sunday, March 9 1997; Page C03

Last month, shortly after President Clinton announced that the United States would give massive aid to a post-Castro Cuba, a representative of Cuba's state security agency visited a dilapidated Havana walk-up that houses Raul Rivero and his independent news agency CubaPress.

The 51-year-old journalist was ordered to appear before a committee of neighborhood activists. He refused. The next day about 100 government supporters mobbed his apartment building, screaming insults and accusing him of being a counter-revolutionary, a traitor and a CIA agent.

On the island, these verbal lynchings, known as "acts of repudiation," usually are directed at dissidents. Rivero, the president of CubaPress, was an odd target: He has explicitly distanced himself from the opposition movement, publicly stating that he aims only to provide an accurate, reliable alternative to the strictly controlled government press. His "counter-revolutionary" actions include articles about the damage wrought by Hurricane Lili and wry essays on the perks granted to deceased Communist officials. The heat on Rivero is a measure of the light he and some 60 other independent journalists are shining on Cuban society. Maverick scribblers operating out of makeshift news bureaus, they are the inheritors of a revolutionary journalism that has helped shape the history of the Americas since Thomas Paine galvanized support for the American Revolution with "Common Sense" and Jose Marti -- the Cuban patriot, journalist and poet--rallied his countrymen to seek independence from Spain.

Lacking basic supplies, the Cuban journalists chase down leads by bicycle and scrawl their reports on scavenged scraps of paper. They do not produce traditional newspapers or magazines; rather they collect information and then distribute it mostly by sending it abroad so it can be transmitted back into Cuba via radio or the Internet frequently in Spanish-language publications in Miami and elsewhere. The journalists try to fill the gaps left by the official press, following up tips on arrests of opposition members and reporting critically on local governments' actions. They also produce scathing opinion pieces, humor and

and an occasional man-on-the-street opinion survey.

While the quality of their reports varies wildly, the fact that they try to present the truth as they see it has begun to capture at least part of the populace's imagination. In Cuba, salsa music sung by exiled performers like Willy Chirino or Gloria Estefan is taboo. Spanish-language newspapers published in Miami are "enemy propaganda." And Cubans have been threatened with arrest for watching a bootleg video of a debate last August between exile leader Jorge Mas Canosa and Ricardo Alarcon, president of Cuba's National Assembly. As Rivero has written, "The world's poverty is brought to the foreground [by the official media], along with robust party leaders, happy and healthy, sporting guayaberas [Caribbean sport shirts] and mustaches, who swear by Karl Marx that the next economic plan is sure to succeed." Although the independent journalists do not propose grand solutions to Cuba's problems, they reflect its reality in a way that is revolutionary for citizens weaned on the official press.

Unfettered reporting may not provoke Fidel Castro's overthrow, but it is already serving as a catalyst for change. The Cuban government has struggled for an appropriate response, knowing that a crackdown could lead to international condemnation at a time when Cuba is acutely sensitive to its image abroad. And so the government has resorted to mostly psychological forms of coercion: frequent detentions, threats of prolonged jail terms, internal banishment and systematic impoverishment.

These methods have been unsuccessful. During the past two years, the number of independent news agencies has grown from one to eight, and the number of reporters in Havana to several dozen around the island. Their efforts have attracted international support from press-freedom groups such as the Paris-based Reporters Without Borders. Last year the Inter American Press Association, a coalition of Western Hemisphere editors and publishers, awarded the independent journalists the Grand Prize for Press Freedom.

The journalists attribute their growth to a visceral need to act as witnesses after decades of denial. "Cuban society has a hunger to know the truth about Cuba," Rivera says. "There is, at this very moment in this society, an eagerness for a change, for a transition, which you can practically reach out and touch

with your hand."

A compact, heavysset man who smokes incessantly, Rivero is one of the most prominent members of the independent press. He is an acclaimed poet who spent nearly 30 years working for state-run Cuban magazines and newspapers. But he became increasingly disillusioned and quit his job with the state in 1989.

He and a handful of disaffected colleagues tried to form an independent press association. But publishing an underground newspaper was both illegal and logistically impossible, given the government's control of all aspects of daily life and the scarcity of basic supplies. It wasn't until late 1994, following a significant upgrade in telecommunications between the United States and Cuba, that the systematic practice of independent journalism became possible.

Rather than attempt to produce a publication within the country, Rivero and his colleagues began calling in daily dispatches to Radio Marti and Miami radio stations. Lacking word processors or faxes, they also dictated their handwritten articles to sympathizers in the United States and Puerto Rico, who painstakingly transcribed them. By the fall of 1995, five independent news agencies were operating in Havana. Volunteers in Miami and Europe also have built a website (<http://www.cubanet.org>) for the journalists, and they e-mail articles to a list of more than 700 subscribers, including many in Cuba. (Internet access in Cuba is restricted to official institutions, but those with access sometimes share it with friends.)

The Cuban government has accused the independent press of collaborating with its enemies and, in particular, of receiving money from the U.S. government. These charges are ironic: The truth, as Rivero says, is that "members of the independent press spend the majority of each month without enough money to eat." Jobs in Cuba are provided by the state, so when the independent journalists renounced their official positions, they cut themselves off from their livelihood. Except for occasional payments from foreign independent journalists receive no money for their labor; they survive with the assistance of family, friends and Reporters Without Borders, which sends \$1,100 each month to be divided up among the independent news agencies.

At the CubaPress office on a hot, narrow street in Central Havana, Rivero jokes about the lack of resources, describing

the agency as "an abstraction." In reality, the office consists of an antiquated typewriter and a cardboard box full of manila folders (the CubaPress archive) stored in a bedroom. Still, Rivero proudly displays sheaves of handwritten articles produced by bureau reporters

"I think, in the beginning, the government underestimated us, because they thought we were doing this in order to obtain a visa from the American government so that we could leave the country [as dissidents seeking asylum]," he says.

"A year and a half later, they see that we are working in a way that is professional and impartial, without politicizing the news and without receiving money from the U.S. government or from any political parties, and they realize that the majority of the independent press . . . wants to continue to work inside of Cuba. And they have begun to fear us."

The government may be right to do so. More citizens are asking the agencies to report on cases of perceived corruption or injustice--including members of the Communist Party. Jose Rivero, a CubaPress reporter, says a well-known Communist Party militant asked him to denounce the government's indifference to widespread pilfering in the state-owned warehouse where he worked. Rivero warned him that he would have to use his name in the report. "He said, 'I don't care. I am a communist. Fidel Castro is not a communist.' " The man eventually agreed to an on-air interview on Radio Marti.

It's unclear whether such reporting is illegal. The Cuban constitution specifies that only the "official" media are guaranteed freedom of expression and that all media will be owned by the state. Furthermore, the idea is that anyone belonging to an unregistered organization can be imprisoned for one to three months. Rivero hoped to avoid that penalty by attempting to register CubaPress soon after the agency was formed. He applied Oct. 3, 1995 -- and is still awaiting an answer.

But the Cuban government has hardly ignored CubaPress or the other independent agencies. The journalists' phone lines are routinely disconnected, forcing them to make elaborate arrangements to call abroad. Foreigners are discouraged from associating with them. Last fall, for example, a reporter from Miami's El Nuevo Herald was detained and then expelled from the country after visiting Rivero's apartment.

According to Reporters Without Borders, Cuban authorities detained Cuban journalists 28 times between January and October 1996. Rivero has been detained twice since founding CubaPress. Olanecé Nogueras, an investigative reporter who has documented flaws in the construction of the Juraguá nuclear plant, has been detained 16 times. Last February, Rafael Solano, former head of Havana Press, was held for 42 days. After an international outcry prompted his release, Solano received an ultimatum: Either stand trial on charges of "association with persons with the intent to commit a crime" or go into exile. He now lives in Madrid.

While in custody, independent journalists have been threatened with arrest for charges such as "contempt," "rebellion" and "spreading false news that threatens international peace." The government has not followed through on those charges, but journalists say the climate is increasingly hostile.

In December, the Cuban National Assembly passed the Law of Reaffirmation of Dignity and Sovereignty, also known as the "antidote" law to America's Helms-Burton Act, which tightened economic sanctions against the island. During the act

of repudiation at Rivero's apartment on Feb. 10, an official read aloud the portion of the law stating that it is illegal to provide information to the U.S. government or to "collaborate" in efforts to implement the Helms-Burton Act. "The person that lives here has violated this law!" the official reportedly declared. Identical scenes played out in front of the homes of six other independent journalists.

"I think that the government has resolved to do away with the independent press," Rivero says. "They are taking these measures in order to prevent anyone from being surprised," he adds, referring to the recent waves of repudiation and

detentions. "The moment this turns into information that through repetition becomes trivial or quotidian, they are going to incarcerate us all." If that happens, the Cuban people will be the losers.

Elise Ackerman is a staff writer for the Miami New Times.

WASHINGTON POST

Haiti's Ex-Police Chief Arrested by U.S. Drug Agents

BY Catharine Skipp

Saturday, March 8 1997; Page A06MIAMI, March 7--Joseph Michel Francois, the exiled police chief of Haiti's capital, was arrested this morning by U.S. drug

e
nforcement agents in Honduras and charged with importing 33 tons of cocaine and heroin into the United States.

Francois, who was the No. 3 man in the military government that ran Haiti from 1991 to 1994, used the military and political institutions, airports and seaports of Haiti to run a drug trafficking network for the Colombian cartels for nine years, the indictment says. For his part in the plot, he received millions of dollars in U.S. currency, federal officials charge.

Francois led the 1991 coup that toppled democratically elected President Jean-Bertrand Aristide, then turned over the reins of government to Gen. Raoul Cedras.

The investigation has long aimed as high in the Haitian military as Cedras, and senior law enforcement officials said that today's indictment should not be considered the end of the probe. In the early years of the military government, Francois was clearly the most powerful figure in Haiti, and was a key leader of the repression that took several thousand lives.

As police chief, Francois was regularly briefed by U.S. Drug Enforcement Administration officials, who shared intelligence with him and his men on suspected drug smuggling operations in Haiti, even as the exiled Aristide was denouncing the role of the military in drug trafficking. Francois was also part of a U.S.-trained counter-narcotics intelligence unit, formed in the late 1980s to combat drug trafficking in Haiti.

According to the indictment, Francois had an airstrip built on the property of Haitian Col. Jean Claude Paul for drug trafficking and arranged the appointment of conspirators to key government positions. Among the Colombian drug lords he conspired with was the late Pablo Escobar, head of the Medellin cartel.

The indictment also detailed a separate operation in which cocaine and heroin from other smugglers who did not pay bribes to the Haitians was seized and then shipped to the United States for resale.

A Haitian court convicted Francois in absentia in 1995 for his part in the killing of Haitian businessman Antoine Izmerly, an associate and campaign fundraiser for Aristide. Francois was sentenced to life at hard labor.

All but three of the 13 people named in the indictment unsealed today in federal court were taken into custody this

morning. The only one to appear in U.S. District Court this afternoon was Evens A. Gourgue, a former Miami airport security employee who met couriers with cocaine-laden suitcases on flights from Haiti and escorted them past customs inspectors.

Today's arrests give new credibility to the charges leveled by Aristide but played down by U.S. officials, even though U.S. intelligence agencies routinely received reports that Francois and other senior military personnel were dealing with known Colombian drug traffickers who were harbored in Port-au-Prince.

Correspondent Douglas Farah in El Salvador contributed to this report.

NEW YORK TIMES
Peru Officials Said to Try to Intimidate Foreign Journalists
March 9, 1997
By Diana Jean Schemo

LIMA, Peru--As talks aimed at freeing 72 hostages being held here by leftist rebels derailed, the Peruvian government has quietly begun trying to intimidate foreign journalists who have been maintaining radio contact with the rebel leader holding the hostages.

The government's representative in talks with the rebels, Domingo Palermo, met Thursday with Yves Claude Llorca, the president of the Foreign Press Association here. Palermo, the education minister, warned that several foreign reporters were under investigation for "advising an armed group," but did not offer names or evidence, Llorca said.

On Friday night, Miguel Real, a reporter for Worldwide Television News, a British news agency, left Lima for New York after a news conference in which he complained of heavy pressure from the government and said he had been threatened with arrest.

Real broadcast an interview in which rebels accused the government of burrowing a secret tunnel to the residence where the hostages are being held. The news of the tunnels, which Peruvian papers reported on Friday had been under construction since late December or early January, has derailed talks between the Peruvian government and the rebel leader, Nestor Cerpas Cartolini.

Although it is a life-or-death standoff, the drama involving the rebels holding the hostages in the Japanese ambassador's

residence has from the start been something of an image contest between the guerrillas and the government. The government has consistently tried to limit publication of the guerrillas' viewpoints.

The police regularly invite journalists to film captured members of groups like the Tupac Amaru Revolutionary Movement, which stormed the Japanese ambassador's residence on Dec. 17 and took hundreds of guests at a reception hostage.

But it is accusing journalists who make contact with the group now of "advising" them, which is punishable under Peruvian law.

Some foreign journalists have made contact with the rebels using citizens' band radios. The government has also bitterly attacked foreign news outlets, including The New York Times, that have not generally referred to the hostage-takers as "terrorists."

In January, a Japanese journalist for Asahi television was arrested and later expelled after sneaking around police lines to enter the residence. The Foreign

Press Association here said the anti-terrorism police put pressure on the station to hand over the tape by threatening to keep the station's Peruvian interpreter in jail. The reporter and his interpreter were held for 10 days, and the interview was never broadcast.

Officials at the Presidential Palace and at Palermo's office did not respond to requests for comment Saturday.

On Thursday, a radio interview that Real held with Cerpa, the rebel leader, was broadcast around the world. In it, Cerpa said he would not attend the 10th round of negotiations with Palermo because of strange underground noises that suggested the government was in the final stages of building a tunnel to reach the house.

At his news conference before he left Peru, Real, visibly nervous, said he had received warnings since then from an intelligence official who said the secret police were putting together a case charging him with terrorism, by tracking reports he had previously done on guerrilla movements in Central America.

Real said he had also been told that he would soon be arrested and that a cell had already been earmarked for him at the headquarters of the feared anti-terrorism unit.

"Of course, I spent seven years in Salvador and South America, but I've never had any involvement with terrorism," Real said. "The only contact I've had with them was as a journalist."

A group of foreign reporters accompanied Real to the airport in a show of solidarity.

In addition, the electricity went out for 24 hours at a house being rented by CNN and Asahi television near the ambassador's residence. The blackout, which affected one side of the street, began shortly after the last round of talks ended with Cerpa demanding that the government explain the excavation noises.

Kim Norgaard, a CNN producer here, said the network had been told that a transformer blew out in the area. He said CNN had not been trying to reach the rebels by radio and had not been threatened by the police.

"What it did was serve as a great dress rehearsal for everyone to make sure they have alternative sources of energy," Norgaard said.

The Peruvian president, Alberto K. Fujimori, has still not made any public comment about the reported effort to dig the tunnels. He spent most of Friday reassuring the international guarantors overseeing talks that he was committed to seeking a peaceful solution to the standoff, now in its 81st day.

Various government and police officials and members of Congress close to the president have dismissed the reports of tunnels as the product of an overactive imagination on the part of the rebels.

NEW YORK TIMES
Despite Denial, Peru's Police Seem to Plan a Rescue
By Diana Jean Schemo
March 8, 1997 LIMA, Peru--A day after the Peruvian police dismissed allegations that they were burrowing a tunnel to the Japanese ambassador's residence, where scores of hostages are being held, foreign officials and local journalists confirmed Friday that one or more tunnels had been dug beneath the besieged residence.

Peruvian newspapers, saying they had held off publishing the information to protect a possible raid to rescue the hostages, reported Friday that the digging was carried out as the police blared creole music and staged noisy maneuvers outside the residence--ostensibly to taunt the rebel hostage-takers, but

actually to cover the clamor of excavation.

"They started to play the music to cover the noise that was going on," said an official close to Peruvian intelligence.

The newspapers told of watching truckloads of dirt removed night after night from the grounds of a neighboring house to secret police headquarters. Their reports were published Friday after the leader of the Tupac Amaru Revolutionary Movement reported hearing subterranean noises and called off negotiations for the hostages' release.

On Thursday Peru's defense minister, who was in Bolivia at the time, denied the existence of any tunnels, as did a police official who dismissed the rebels' reports of digging noises as an "invention" of the guerrillas, who are holding 72 hostages.

On Friday, President Alberto Fujimori said in a statement that he was dedicated to resolving the crisis peacefully.

But he said the peaceful approach would last only as long as the rebels "fully respected the life and health of the hostages."

He added, "The state, in consequence, will stay alert at all times to any change in this scenario."

Though the government did not confirm the existence of the tunnels Friday, they have emerged as the major stumbling block to negotiations between the Peruvian government and Nestor Cerpa Cartolini, the rebel leader.

In a walkie-talkie interview with foreign journalists on Thursday, Cerpa said the rebels would not attend the 10th round of talks with the government, saying he was reluctant to leave the compound for a negotiating session for fear that the residence would be attacked in his absence.

"All of a sudden they are waiting for us to leave to start an attack, taking advantage of our absence," Cerpa said, adding that "without doubt" there was "a tactic to attack from the outside. We have been hearing noises from underneath the floor."

Workers began digging in January, as Fujimori traveled to Canada for talks with Japanese officials on negotiating an end to the crisis.

The reports of the tunnels have put Fujimori in a delicate political situation

with the Japanese, who have repeatedly urged a peaceful solution to the crisis, which is now in its 80th day.

Japanese officials had been promised they would be consulted before any police intrusion into the compound which is legally regarded as Japanese territory, but they apparently were not informed about any tunnels.

A Japanese government spokesman, Seiroku Kajiyama, told reporters that Japan supports the negotiations between the rebels and the government. "We hope the Tupac Amaru Revolutionary Movement side will attend the next round of preliminary dialogue," he said.

An official close to the situation, who demanded anonymity, said the government should openly admit the existence of the tunnels.

"The government is taking the wrong tack by not saying anything," the official said. "They should just step up and say it's part of a contingency, we're not following through with it."

Though La Republica, one of the daily newspapers that carried reports of the tunnels Friday, had earlier published rumors that American commandos would be involved in a plan to take the residence by force, the U.S. Embassy denied that.

"There's not now, nor has there ever been, any consideration of U.S. forces being used in this crisis," said an embassy spokesman. "There's been no request from the government of Peru, nor has there been any plan on our part."

An official close to Peruvian intelligence said officers thought that Cerpa was aware that one or more tunnels were being built, and responded with gunfire and a grenade explosion one day shortly after construction began. "It was Cerpa's way of saying, 'We know what's going on. You'd better watch it.'"

The official said one tunnel had already collapsed because it was being built without reinforcements and the earth in Lima is subject to frequent tremors.

On Friday tension the police increased their forces around the embassy and isolated more streets, after photographers took pictures of construction workers near the residence who appeared to be working under police protection. The police also barred the mayor of San Isidro, the neighborhood where the residence is situated, from viewing the construction work.

The government negotiator, Domingo Palermo, also threatened foreign journalists with sanctions for broadcasting interviews with the rebel leader, and a reporter for WTN television, which had broadcast Cerpa's remarks about the tunnel, was ordered to leave the country Friday night.

With stress mounting, the group overseeing negotiations, known as the guarantor commission, split up in a seeming effort to keep the crisis from exploding. Michel Minnig, the Red Cross intermediary, spent most of the day inside the embassy residence, while Fujimori met with the commission.

In a communique issued after the meeting, Juan Luis Cipriani, the bishop of Ayacucho, said the commission had sent a message reminding Palermo that "our presence corresponds to the search for a swift, peaceful solution, with complete respect for the physical and moral integrity of the hostages and all the people who are in the Japanese ambassador's residence."

The bishop said "we received an explicit confirmation of this commitment" from Fujimori in Friday's meeting. In a seven-point statement the commission said the proposals of Palermo and Cerpa should "be the object of serious and urgent assessment."

La Republica reported Friday that beginning in January, police trucks reportedly began transporting dirt from a house near the ambassador's between 11 p.m. and 2 a.m. every night.

In addition to distracting the rebels with loud music and obscene gestures and by throwing stones at the back of the residence, the police forced journalists to leave nearby rooftops and cordoned off more streets.

For the quantity of dirt removed, it appeared that a network of three or four tunnels was under construction, with the aim of eventually storming the residence, the papers reported. One military official was quoted as saying there were several tunnels constructed, not for the police to enter, but to pump gas in to the residence during a possible assault.

The prospect was also raised of a simultaneous assault by air and ground and from under the ground. It was because of the difficulty of building the tunnels, one newspaper reported, that military officials predicted early that the crisis would not be settled quickly.

Peruvian newspapers reported Friday that the idea of carving a tunnel to the embassy was first raised in meetings of security officials days after the embassy residence was taken, as a way to give rebels "a taste of their own medicine."

In 1990, near the end of President Alan Garcia's administration, 52 Tupac Amaru prisoners, including the leader, Victor Polay, escaped from a maximum security prison through a secret tunnel.

MIAMI HERALD

Colombia Threatens to Probe S. Florida Firms

BY Andres Oppenheimer and Tim Johnson, Herald Staff Writers

March 7, 1997

BOGOTA, Colombia--Charging that the U.S. decertification of Colombia's drug efforts had "poisoned" relations, President Ernesto Samper said Thursday that he may open judicial inquiries on U.S. companies--most of them in South Florida--doing business with Colombian drug traffickers, and slap civil and criminal penalties on them. "Through contraband, they are helping to launder dollars that come from drugs," said Samper, adding he would soon announce a list of the companies. "Many of them are located in Miami."

In addition, Samper indicated he's considering suspending a multimillion dollar U.S. program to computerize Colombia's court system.

The announcements, in a three-hour interview with two Herald reporters, came a day after Samper suspended coca- and poppy-eradication flights in a move interpreted as retaliation against Washington.

But Samper dismissed suggestions that the measures were direct reprisals, or that Colombia would carry out more drastic measures, such as curtailing Drug Enforcement Administration or CIA activities in Colombia.

"Colombia has a wide range of cooperation programs with the United States. We have made the decision to maintain the majority of them," he said.

He noted, however, that relations with Washington had grown embittered.

'A LOW LEVEL'

"They are at a low level," he said, "and the decertification has poisoned them in a way that is not convenient."

Looking relaxed and puffing on a Cuban Cohiba cigar, Samper said he plans to keep some distance from the war on drugs--which he said has taken up virtually all of his time--and devote more attention to human rights issues.

He said he has already asked his justice minister, his foreign minister and law enforcement agencies to take additional responsibilities in counter-narcotics efforts.

"More than 35,000 people died last year," he said. "We are killing one another. We have to do something about it."

He said it is "absolutely surreal" for the president to be involved in issues such as "if they are putting marmalade on the toast of the Rodriguez Orejuela in prison." Miguel and Gilberto Rodriguez Orejuela are the convicted leaders of the Cali cartel.

A SECOND YEAR

Samper said the White House--declaring Colombia a pariah for a second straight year--soured prospects that his nation will renew extradition of drug traffickers to the United States. The Clinton administration has demanded the extradition of Colombian drug traffickers as a key condition for taking Colombia off its black list. U.S. Secretary of State Madeleine Albright said Colombia could be recertified if it accepts extradition and implements other changes within six months.

"The decertification poisoned the atmosphere in Congress on extradition," Samper said. Samper described extradition "as a useful tool," but said he will not push for its renewal--which would require debates and votes in both congressional chambers during two consecutive legislative sessions -- if U.S. officials twist his arm.

"Under pressure, there will be no extradition," he said.

AN OPEN DOOR

But leaving the door open to favorable action, he said he may present a proposal to re-establish extradition in Congress to the high-ranking Council on Policy Against Crime, which may ask him to send the proposal to Congress.

Samper added that the six-month U.S. deadline is impossible.

"In no way can we accept the period of six months. This will take at least the eight debates established in the Constitution

for any reform."

Samper received the two Herald reporters in his personal living quarters just as he received word that a U.S. House committee had voted overwhelmingly to reprimand President Clinton for certifying that Mexico is fully cooperating in the drug war.

Samper greeted the news by saying this may help gather regional support for Colombia's fight against the White House's annual review process of the anti-narcotics efforts of drug-producing countries.

'NO COUNTRY ALONE'

Samper said Colombia would attempt to "multi-lateralize" opposition to Washington's annual pronouncements on the anti-drug efforts of other nations.

"Colombia's principal concern right now isn't just that people understand our efforts but that there be a clear pronouncement that no country alone has the right to rate the conduct of another in the international community," he said.

Samper defended the decision a day earlier to suspend all flights to fumigate coca and poppy fields in Colombia, saying that Washington does not appreciate the dangers involved.

"It cost us 35 lives last year," he said. "It is important to note that these fumigations aren't like when you spray marijuana plantations in California.

We're talking about plantations in high-conflict areas with a guerrilla presence. . . . If this isn't recognized, we have to review the conditions of the program."

Samper said Colombia has decided "to maintain most" of its bilateral programs operated with U.S. assistance "but we think it is worthwhile to review the technical conditions in which some are operating." He singled out the multi-million dollar U.S. assistance program to buy computers for judicial employees, saying it will likely be suspended.

"I don't think giving computers to judicial functionaries is going to help them bring about justice right now. At least, it's not the priority of my government," he said.

Officials criticized the U.S.-backed program, saying it would provide Unisys computers to courts that in many cases don't even have electricity to turn them

on. The money would be better spent for justices of the peace and private mediation efforts, they said.

LOS ANGELES TIMES

Argentines See Message in Death of Photographer

By Sebastian Rotella, Times Staff Writer

Friday, March 7, 1997

BUENOS AIRES--The killers staked out a party at the summer home of a postal magnate in a resort frequented by politicians and patrolled by an army of police and security guards.

The killers abducted Jose Luis Cabezas, a magazine photographer who was covering the party, as he left shortly before dawn. They shot the handcuffed victim in the head and torched the car and body. They left the blazing wreckage by a dirt road that the governor of Buenos Aires province, who hopes to be Argentina's next president, uses to take his boat to the beach.

The slaying is believed by many here to be a murder with a message--common enough in Latin America but rare in Argentina, where the rate of violence is comparatively low.

And although five civilians have been arrested in the case, it is still widely suspected that corrupt police officers were involved.

The case has united Argentines in an outpouring of solidarity. Posters of the 35-year-old photographer cover walls across the capital, and soccer games and military ceremonies begin with photographers saluting their fallen colleague, cameras aloft.

On the one-month anniversary of the crime last week, much of the nation came to a stop. Marchers filled the streets in many cities for a minute of silence.

"Let us not forget Jose Luis Cabezas," said Gabriel Michi, a co-worker at Noticias magazine, in a speech. "Because today we are all Jose Luis Cabezas."

For many Argentines, the Cabezas slaying recalls the 1976-1983 dictatorship, when an estimated 30,000 were slain, including 93 journalists. The 14-year-old democracy has been convulsed by a seeming collision between the forces of the past and present: politically tinged gangsterism versus a watchdog press corps

that has been leading an outcry against organized crime.

"This represents a breaking point in the democracy," declared Gov. Eduardo Duhalde of Buenos Aires province. "What is at risk here is liberty."

According to the theory most widely held by those who believe that corrupt police were involved in the slaying, Duhalde was the intended target of the message because the charred corpse was left near his villa. The governor is considered a favorite for the nomination of the ruling Justicialist Party and is expected to announce his presidential candidacy this year.

The outcome of the case could decide Duhalde's political future. In one poll, 80% of the respondents said they would not vote for Duhalde if his province's investigators do not solve the mystery.

The polls also suggest that the killing "is the drop that overflowed the glass," pollster Jorge Giacobe said. "This is a moment in which people have lost faith in this justice system."

The civilians arrested in the case reputedly have ties to prostitution and drug trafficking. Initial tests identified a .32-caliber pistol found in a suspect's home as the murder weapon, authorities say. Eyewitnesses say they saw another suspect outside the party in Pinamar.

But the continuing hunt for a mastermind and a motive focuses on police officials, according to the chief investigator for the provincial police.

Investigators have targeted their own agency, a force of 48,000 officers. After the downsizing of the military, the province's police became Argentina's largest armed force, patrolling a Nevada-sized region of 12.6 million inhabitants.

As detailed in a Noticias expose last year, the force has been accused of being a rogue army. Duhalde has purged commanders charged in crimes ranging from drug trafficking to cattle rustling to an anti-Semitic bomb attack tied to international terrorism.

Those who suspect police involvement in the Cabezas case suggest that an alliance of police and gangsters engineered the slaying to retaliate against Noticias and send an intimidating political message, possibly to Duhalde.

Hours before the murder Jan. 25, neighbors testified, police failed to respond to calls about two suspicious vehicles outside the party. And investigators and commanders have been dismissed for sloppy work at the crime scene, alleged corruption and for floating the theory that Noticias editors arranged the murder to increase sales.

This deepens a cloud of uncertainty, said Hector D'Amico, the editor of Noticias. He has spent sleepless weeks leading staff coverage of the slaying, appearing on talk shows and meeting with community leaders.

He recounted incredulously how he provided information and drew diagrams for detectives who are now under investigation.

"Who are you supposed to trust?" D'Amico asked.

BOSTON GLOBE

Editorial: A Corrupt Drug Policy

By Globe Staff, 03/07/97

Common sense triumphed over posturing about Mexico's drug control shortcomings last week, opening the way for reexamining the US policy of granting or withholding certification for other countries' efforts. Certification is hypocritical and ineffective as a tool against drugs. It should be abandoned.

The contrast between Mexico and Colombia, which has been decertified for the second consecutive year, is instructive. Both countries are exporters or conduits of drugs to the United States. Both have a frustrating combination of severe foes of the drug commerce and pervasive corruption of public officials who undercut drug control efforts.

Mexico was certified March 1 as fully cooperating in the fight against drugs despite the arrest of that country's top drug official on charges that he collaborated with notorious traffickers. This happened in part because Mexico's economy is more intimately intertwined with ours, particularly in the wake of the North American Free Trade Agreement. Decertification would disrupt progress toward further compatibility.

Colombian officials are understandably irate about their country's decertification - which entails a ban on any US assistance and can be extended to include trade sanctions - despite the fact that they have made gains in the past year that make their performance comparable to Mexico's.

Furthermore, certification is an attempt to externalize a problem that has its origins in drug consumption by Americans - a horror, to be sure, but a fact of American life, not Mexican or Colombian. One does not need to endorse legalization of drug use to acknowledge that outlawing commerce in drugs contributes to the raising of prices to levels that make smuggling attractive. Certification is largely blind to the contribution Americans themselves have made to an international problem. Frustrations over how to deal with that problem are not justification for pursuing poor policies - and certification is doing more harm than good.

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===== END ATTACHMENT 2 =====