

RECORD TYPE: FEDERAL (TRP NOTES MAIL)

CREATOR: swalitsk (swalitsk@usia.gov@INET@LNGTWY [UNKNOWN])

CREATION DATE/TIME: 5-MAR-1997 05:25:00.00

SUBJECT: March 5 Morning Press Summary

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

READ:UNKNOWN

TEXT:

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

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

TEXT:

RFC-822-headers:

Received: from gatekeeper.eop.gov by PMDF.EOP.GOV (PMDf V5.0-4 #6879)

id <01IG4PM5DEZ400WQPO@PMDf.EOP.GOV> for susan_e._walitsky@oa.eop.gov; Wed,
05 Mar 1997 04:31:28 -0500 (EST)

Received: from XGATE.USIA.GOV by gatekeeper.eop.gov;

(5.65v3.2/1.1.8.2/17Oct95-0424PM) id AA00933; Wed, 05 Mar 1997 04:31:17 -0500

Received: from Connect2 Message Router by usia.gov via Connect2-SMTP 4.20B.6;

Wed, 05 Mar 1997 04:30:05 -0500

Organization: USIA

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

===== END ATTACHMENT 1 =====

===== ATTACHMENT 2 =====

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

TEXT:

WPC

2ZBF

XXN\ PXPDefault Para6lDefault Paragraph Font(L*LTTrbEEO#XP\ PQXP##C\ PQP#1Trb

6lDefault Paragraph Font

tb *LTTrbEww#XP\ PQXP##C\ PQP#20XN\ PXP(hH

Z6Times New Roman RegularXXP\ PQ

XP\ *Times New Roman (TT)XC\ PQP\ *Times New Roman (TT)XP\ PQXP\ *Times

New Roman (TT)XC\ PQP\ *Times New Roman (TT)[4 pG;* 0Times New Roman Boldu

4 pG;* 0Times New Roman Bold&G4 pG;&* 0Times New Roman Bold&XN4 pG;X* 0Times

New Roman BoldX&R2P &P,

AZ"Arial Regular&K2P

P,

AZ"Arial Regular&R2P&P,

AZ"Arial Regular&K2P P,

AZ"Arial RegularI2P

QP%2A`Arial (TT)K2PP,

AZ"Arial RegularI2PQP%2A`Arial (TT)K2PP,

AZ"Arial RegularI2PQP%2A`Arial (TT)K2PP,

AZ"Arial RegularI2PQP%2A`Arial (TT)K2PP,

AZ"Arial RegularI2PQP%2A`Arial (TT)K2PP,

AZ"Arial RegularI2PQP%2A`Arial (TT)K2PP,
AZ"Arial RegularI2PQP%2A`Arial (TT)K2PP,
AZ"Arial RegularI2PQP%2A`Arial (TT)K2PP,
AZ"Arial RegularI2PQP%2A`Arial (TT)K2PP,
AZ"Arial Regular2#|P XX XX #[4 pG;#United States Information Agency
#u4 pG;#Morning Press Summary#&G4 pG;#&
#XN4 pG;X#March 05, 1997` ` Compiled by the Operations Center, D/O

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

#K2P

P#GENERAL

CSM World News Briefs

BG Gutter Pols Target Lake

WP No to the Chemical Arms Treaty

WP Diplomatic Dispatches: Getting Their Kicks on Embassy Row

NYT Editorial: Dismantling the Secrecy System

CSM From Dumdums to Nerve Gas

EUROPE

WP On First Trip as Pentagon Chief, Cohen Discusses Bosnia Endgame

NYT Cohen Says U.S. Troops Will Exit Bosnia in 1998

WSJ Cohen Expects U.S. to Clash With Europeans Over Bosnia

CSM Remember Brcko! Why It's Not Easy to Be Hard in Bosnia

WSJ Moscow's Trove of Bank Records

WP Albania Dispatches Troops to Subdue South

NYT Albania's Government and Rebels Prepare for Showdown

WSJ Editorial: Anarchy in Albania

WSJ Albania Crisis Grows as Rioters in South Loot Federal Arsenal

LAT Albania's Leader Chokes Off Unrest

WP Prying Open the Vaults

CSM Editorial: No Euro Paeans, Yet

CSM Pocketful of Efficient Entrepreneurs Powers Italy's Wealthiest Corner

NEAR EAST/SOUTH ASIA

NYT Israel Tells Arabs to Shut 4 Offices in Jerusalem

LAT Clinton Assails Israeli Housing as Arafat Visits

CT Arafat Crusades Before Clinton And Larry King

CSM Editorial: Spotlight on Jerusalem

CSM Iraq Survives Sanctions With 'Cowboy' Capitalism

EAST ASIA

WP China Raises Spending For Military

NYT China Assails Human Rights Record of U.S.

NYT The Real Chinese Threat

LAT We Need an Enemy: Hey, Here's China!

WP North and South Korean Delegations Are to Meet in New York Today

NYT Trade vs. Rights: A U.S. Debate With a Burmese Focus

BG Exposing Indonesia

AFRICA

NYT Editorial: Diplomacy First in Zaire

WP Ivory Coast Set to Bulldoze A More Squalid Washington

NYT Christian Rebels Wage War of Terror in Uganda

CSM Could Kenya Become the Next Rwanda?

BG Legislating Culture: Merits Of Ban On Genital Mutilation Debated

LATIN AMERICA

NYT U.S. And Mexico Differ Over What They Negotiated on Drugs

LAT Smuggler May Shed Light on Level of Corruption

CT Editorial: The Military Is No Answer For Mexico

BG Mexico Certification Facing Backlash: Congress Nears Action Against Clinton Move

WP Guatemalan Rebels Exchange Weapons for Dreams

NYT Rebels Holding Hostages in Peru Don't Rule Out Cuba Asylum #&R2P&P##K2P P#

USIS Pr

ess Summaries are prepared by USIA D/O to alert officers to issues of concern related to their official responsibilities. Further reproduction for private use or gain is subject to original copyright restrictions

CHRISTIAN SCIENCE MONITOR

World News Briefs

Wednesday March 5, 1997

Much of southern Albania was reported in chaos, despite a nationwide state of emergency imposed by parliament. News sources said looters roamed the city of Vlora and seized weapons from government arsenals in other cities in ongoing protests against the collapse of high-risk investment schemes. pp2

Russian President Yeltsin met with Prime Minister Viktor Chernomyrdin to put finishing touches on an expected shake-up of his government. No details were reported, but aides said vast changes were not likely. In recent days, Yeltsin has publicly attacked his defense minister and the country's top prosecutor in what analysts say is an effort to reassert his authority after a battle with illness. Yeltsin's long-awaited state-of-the-nation report to parliament is expected tomorrow.

US troops will pull out of Bosnia for good by mid-1998, Defense Secretary William Cohen said. Cohen, on a European tour, said the decision would stand, with or without peace among Bosnia's Muslim, Croat, and Serb populations. As he was beginning the trip, an explosion wrecked a Roman Catholic church in Sarajevo. Pope John Paul II is scheduled to visit the city next month. ``

Leftist guerrillas who hold 72 hostages inside the Japanese ambassador's residence in Peru scoffed at an offer of political asylum in Cuba, CNN reported. The offer from Cuban leader Fidel Castro came during talks in Havana with Peru's

President Fujimori aimed at bringing an early end to the hostage drama, which

began before Christmas. F

Political opponents in Britain challenged Prime Minister John Major to confirm or deny that he had sought campaign donations from a wealthy Greek businessman. Such allegations appear in a new book due on the market later this month.

Published reports say Major, whose Conservative Party trails in opinion polls, asked for more than \$800,000 from John Latsis, an alleged backer of the military junta that ruled Greece from 1967-75. 7

South Korean President Kim Young Sam's choice of a new prime minister won praise even from his political opponents. University president Koh Kuh was named to the post in the first of a series of moves aimed at repairing Kim's image.

Kim apologized Feb. 25 for a scandal involving government loans to a bankrupt steel company, and several senior members of his staff resigned or were fired. h#

Prime Minister H.D. Deve Gowda of India reversed course and promised renewed technical support to the country's Agni missile program. The Agni, with a range of 1,500 miles and the ability to carry nuclear warheads, is seen as a potent military deterrent to China - itself a nuclear power. In December, Deve Gowda's government announced the Agni project was being shelved.

Residents of Canada's largest city and five suburbs overwhelmingly rejected a planned merger. The Province of Ontario wants to meld Toronto, York, East and North York, Scarborough, and Etobicoke into a single municipality of 2.4 million people. The vote was nonbinding and is expected to be ignored by the Ontario government. F

Use of cocaine, LSD, and marijuana is growing among young Americans, UN narcotics experts reported. In an annual survey, they also said heroin use appeared to rise "significantly" in the US between 1994 and 1995. The report said many European drug users were switching from cocaine and heroin to synthetic substances such as LSD. F

The US will open an antidrug field office in Nicaragua, the second poorest country in Latin America, the State Department said. In a report, the department said the decision followed a request by the Nicaraguan government and a three-month test of cooperation between US and Nicaraguan antinarcotics units last year.

"I can't make it any clearer . . . in June of 1998 we will be on our way out." - Defense Secretary William Cohen, announcing what he said would be the deadline for all US troops to leave Bosnia.#I2P
QP#

BOSTON GLOBE
Gutter Pols Target Lake
By Thomas Oliphant, Globe Columnist, 03/04/97 WASHINGTON Eight years after a horrible mistake was made on Capitol Hill, history is in danger of repeating itself.

In 1989, it was a desperate Senate minority leader Bob Dole and a partisan Democratic Senator Sam Nunn who first put the poison of raw, unverified investigative files into the increasingly ugly blood sport of confirmation politics.

This time around, the players have far less stature and nothing remotely resembling justification for their institutional thuggery: majority leader Trent Lott and a hack politician with the oxymoronic title of Senate Intelligence Committee chairman, Richard Shelby of Alabama. They want to compound the mistake Dole and Nunn made.

Back then, the victim besides the institutions of government, the rights of citizens, and the reputation of the Senate was former senator John Tower, President Bush's first choice to be secretary of defense.

This time it's Anthony Lake, President Clinton's pick to be director of the Central Intelligence Agency.

Back then, there was at least a charge that Tower, who is now deceased, lacked the character to be secretary because of a reputation for drunken promiscuity. The problem was that there was no evidence in the form of public, cross-examined testimony to that effect.

But this is the '90s, and you don't need specifics. With standards in the gutter for politicians and press alike, defamation can be cloaked in "questions."

Back then, the victim at least got a quick hearing.

In today's sick climate, in an Orwellian perversion, the hearing opportunity is withheld on the grounds that the "questions" must be investigated first. The partisan theory is that a presidential nomination can be pecked to death by the interminable raising of "questions," which in the stenographic press can take on the appearance of answers, combined

with the blocking of any public hearing at which the nominee might convincingly answer them.

In 1989, with the Tower nomination in trouble, Bob Dole gambled that senators directly exposed to the FBI's background file would see the flimsy nature of the evidence. Sam Nunn, the Armed Services Committee chairman, took him up on it with the opposite assumption.

The result was disgusting: Senators trooped to a locked room to read summaries of agent interviews, and some of them promptly leaked material, with their unverifiable spin on it, to the press. Others trooped directly to the Senate floor and publicly referred to these raw files and their contents.

Until then, such files were very closely held, precisely because of their nature. More often than not, they are simply individuals' statements that have not been investigated. Frequently, they are made anonymously, with no specifics, and they amount literally to gossip.

Until then, chairmen and ranking members of confirming committees were given briefings on this material (gathered, after all, as a background look within the executive branch to help a president make his choices of nominees, not to be anywhere near the public record of the confirmation process).

The Tower spectacle now looms over the Lake nomination. With a hearing scheduled for March 11, the search for "questions" has become desperate. Fronting for Lott, Shelby has demanded to see Lake's entire FBI file, going beyond even the summaries of interviews.

Shelby's reasons are pathetic. He says the raw files are necessary because the nomination is "controversial," because the position is sensitive and even because he has the support of most of his fellow Republicans.

Fortunately, he is opposed by his Democratic vice chairman, Senator Bob Kerrey of Nebraska, and one committee Republican (Dick Lugar of Indiana), and he is likely to be opposed by another Republican (John Chafee of Rhode Island).

To avoid Shelby's complete humiliation, Lott seeks to intervene, to "mediate" a situation he helped create. Let me see the files, he pleads, and if I see something naughty, I'll inform Clinton in private, and he can withdraw the nomination.

This is one time the Clintonian habit of compromise needs to be resisted in favor of the principled stand of Senators Kerrey and Lugar. There are major intelligence and foreign policy issues to be discussed with Lake; if senators wish to press him, let them; if they wish to vote no, let them. But an effort to do it by stealth, via attempted defamation from the shadows, must be opposed.

The real precedent for this nomination is Bob Gates, Bush's CIA director. His nomination raised important issues of independence, public record, and foreign policy positions. They were aired publicly; you could agree or disagree with Gates's presentation, but enough Democrats did agree, and he was confirmed.

Today, Gates supports Lake, as do most defense intellectuals and moderate Republicans, on the basis of his solid background in government and academia.

It is precisely because Tony Lake can stand the light of day that partisans like Shelby seek authority to throw stink bombs from the shadows.

Thomas Oliphant is a Globe columnist.

This story ran on page A15 of the Boston Globe on 03/04/97.
#K2PP#

WASHINGTON POST
No to the Chemical Arms Treaty
By James Schlesinger, Caspar Weinberger and Donald Rumsfeld
Wednesday, March 5 1997; Page A21

The phrase "damning with faint praise" is given new meaning by the op-ed by Brent Scowcroft and John Deutch on the Chemical Weapons Convention ["End the Chemical Weapons Business," Feb. 11]. In it, the authors concede virtually every criticism made by those who oppose this controversial treaty in its present form.

They acknowledge the legitimacy of key concerns about the Convention: its essential unverifiability; its lack of global coverage; the prospect that it will inhibit non-lethal use of chemicals, including tear gas; and its mandating the transfer of militarily relevant chemical offensive and defensive technology to untrustworthy countries that become parties. It is our view that these problems are inherent in the present treaty.

Take, for example, Scowcroft and Deutch's warning against cutting investment in chemical defensive measures. Unfortunately, treaties such as the Chemical Weapons Convention (CWC)--which promise to reduce the menace posed

by weapons of mass destruction but which cannot do so--inevitably tend to diminish the perceived need and therefore the support for defenses against such threats.

In fact, in December 1995, the then-vice chairman of the Joint Chiefs of Staff recommended a reduction of more than \$800 million in investment on chemical defenses in anticipation of the Convention's coming into force. If past experience is a guide, there might also be a reduction in the priority accorded to monitoring emerging chemical weapons threats, notwithstanding Scowcroft and Deutch's call for improvements in our ability to track chemical weapons developments.

Scowcroft and Deutch correctly warn that the "CWC [must] not [be] exploited to facilitate the diffusion of CWC-specific technology, equipment and material -- even to signatory states." The trouble is that the Chemical Weapons Convention explicitly obligates member states to facilitate such transfers, even though these items are readily exploitable for military purposes. What is more, the treaty commits member states not to observe any agreements, whether multilateral or unilateral, that would restrict these transfers.

In short, we believe that the problems with the Chemical Weapons Convention in these and other areas that have been identified by Brent Scowcroft and John Deutch clearly demonstrate that this treaty would be contrary to U.S. security interests. Moreover, in our view these serious problems undercut the argument that the CWC's "imperfect constraints" are better than no constraints at all.

The CWC would likely have the effect of leaving the United States and its allies more, not less, vulnerable to chemical attack. It could well serve to increase, not reduce, the spread of chemical weapons manufacturing capabilities. Thus we would be better off not to be party to it.

Notably, if the United States is not a CWC member state, the danger is lessened that American intelligence about ongoing foreign chemical weapons programs will be dumbed down or otherwise compromised. This has happened in the past when enforcement of a violated agreement was held to be a greater threat to an arms control regime than was noncompliance by another party. The United States and the international community have been unwilling to enforce the far more easily verified 1925 Geneva Convention banning the use of chemical weapons--even in the face of repeated and

well-documented violations by Saddam Hussein. What likelihood is there that we would be any more insistent when it comes to far less verifiable bans on production and stockpiling of such weapons?

As a non-party, the United States would also remain free to oppose dangerous ideas such as providing state-of-the-art chemical manufacturing facilities and defensive equipment to international pariahs such as Iran and Cuba. And the United States would be less likely to reduce investment in chemical protective capabilities, out of a false sense of security arising from participation in the CWC.

In addition, if the United States is not a CWC party, American taxpayers will not be asked to bear the substantial annual costs of our participating in a multilateral regime that will not "end the chemical weapons business" in countries of concern. (By some estimates, these costs could be over \$200 million per year.) Similarly, U.S. citizens and companies will be spared the burdens associated with reporting and inspection arrangements that might involve unreasonable searches and seizures, could jeopardize confidential business information and yet could not ensure that other nations--and especially rogue states--no longer have chemical weapons programs.

Against these advantages of nonparticipation, the purported down-sides seem relatively inconsequential. First, whether Russia actually eliminates its immense chemical arsenal is unlikely to hinge upon our participating in the CWC. Indeed, Moscow is now actively creating new chemical agents that would circumvent and effectively defeat the treaty's constraints.

Second, the preponderance of trade in chemicals would be unaffected by the CWC's limitations, making the impact of remaining outside the treaty regime, if any, fairly modest on American manufacturers.

Finally, if the United States declines to join the present Chemical Weapons Convention, it is academic whether implementing arrangements are drawn up by others or not. In the event the United States does decide to become a party at a later date--perhaps after improvements are made to enhance the treaty's effectiveness--it is hard to believe that its preferences regarding implementing arrangements would not be given considerable weight. This is particularly true since

the United States would then be asked to bear 25 percent of the implementing organization's budget.

There is no way to "end the chemical weapons business" by fiat. The price of attempting to do so with the present treaty is unacceptably high, and the cost of the illusion it creates might be higher still.

James Schlesinger was secretary of defense under Presidents Nixon and Ford. Donald Rumsfeld and Caspar Weinberger held the same post under Presidents Ford and Reagan, respectively.

WASHINGTON POST

Diplomatic Dispatches: Getting Their Kicks on Embassy Row

By Nora Boustany

Wednesday, March 5 1997; Page A16

Who said the romance of Washington nightlife is dead? A dozen ambassadors and their partners loosened their tuxedoed Beltway reserve for an evening of fiery tango dips and twirls in the oval-shaped ballroom of the Embassy of Argentina

Monday night. Forgetting if only for one night the nagging problems of drug control and certification, hurdles to Middle East peace and European unity, envoys turned their gaze to a different dance.

During a tango show preceding the dinner dance organized by Ambassador Raul Enrique Granillo Ocampo, diplomats tapped their feet and kept count, mesmerized by arched backs pivoting passionately and sharp leg kicks cutting through the smoke from under slitted gowns.

Pirouetting Palestinian

Yasser Arafat, president of the Palestinian Authority, in fluttering headdress and olive-green uniform, got to do his own pirouettes elsewhere. In one swoop, he appeared at three evening events and "Larry King Live."

"This visit is like no other," Arafat said with apparent satisfaction at Meridian House for the second dinner in his honor Monday night. He spoke briefly at the first event, hosted at the Ritz-Carlton by Ziad Karam, entrepreneur and partner of brother-in-law Gaby Tawil. He pinned the Jerusalem Order of Merit on Alma Brown, posthumously honoring her husband, Commerce Secretary Ronald H. Brown, for his contribution to peace. On his way to Meridian House, Arafat breezed in for 10 minutes at the Sheraton Carlton, where Moroccan Ambassador Mohammed

d Benaissa celebrated the enthronement of King Hassan II at a black-tie dinner with quail tajine.

This was the first time Arafat was invited on his own by President Clinton, said Middle East peace coordinator Dennis Ross. Arafat described his talks with Clinton as "very warm, constructive and fruitful." State Department officials said Arafat did raise the question of Israeli settlements in Jerusalem, noting that this was "a matter of great concern not only to Palestinians but to Islamic and other Arab nations."

Upon his arrival Sunday, Arafat met first with the Saudi ambassador. Prince Bandar bin Sultan, then with World Bank President James D. Wolfensohn and then Ross. An Arab source present at the first meeting said Bandar counseled Arafat not to dwell on the settlements and to underline his commitment to peace, so as not to strain his relations with Clinton, leaving the sparring to "others." The Palestinian leader did ask Bandar, however, if he could use the "Saudi card" in expressing indignation over plans for new settlements, the source added.

In his interview with Larry King, Arafat described Secretary of State Madeleine K. Albright as "a strong woman." During their meetings over lunch, he confided to Albright that "now Palestinian women want to become foreign ministers." Should Arafat want to surprise the world, Palestinian Education Minister Hanan Ashrawi would be a likely candidate. Ashrawi described the talks with Albright as "honest and candid about the urgency of the situation and suggestions for rectification."

Ashrawi, who said she is a fan of Albright (they had gone shopping together), said the lines of communication were genuine. "I am not saying we are done. We have opened channels and touched on substance, but these have to be pursued," she said.

Hat in Hand for NATO

In the high-brass diplomatic parade clamoring for attention to glue their countries to NATO, at least one official has kept his sense of humor. Hungary's Foreign Minister Laszlo Kovacs, in Washington this week to canvass support for Hungary's early integration into NATO, told Washington Post editors yesterday with a poker face that he has been quite successful. He said he has meetings pl

anned with 15 senators on the Hill. "So far, I have 100 percent support, because I only met with one of them," he said lightheartedly of his first encounter, with Ted Stevens (R-Alaska).

On a more serious note, he cautioned that several small European countries are opposed to Washington's suggested cost-sharing quota for NATO expansion of only 15 percent.

Quorum Call in China

At a breakfast hosted yesterday by the Asia Society, the U.S. ambassador to Beijing, Jim Sasser, said China's new generation of leaders is intent on following the late Deng Xiaoping's quest for economic prosperity, territorial integrity and international acceptance. Quantifying interest in China as a foreign policy challenge and opportunity, Sasser said 20 percent of the U.S. Congress visited Beijing in January.

Chinese citizens fly American airlines, use IBM computers and drink Budweiser beer from America, he said. A Chinese official is to have said: "If it ain't B... oeing, I ain't going." But he warned that an increasingly large trade deficit with China will be "an irritant and a political problem."

NEW YORK TIMES

Editorial: Dismantling the Secrecy System
March 5, 1997

It is a rare moment in Washington when someone does something sensible about the Government's obsession with secrecy. A Congressional commission has done just that in a thoughtful new report that recommends a long-overdue change in the way official secrets are made and maintained. The commission's novel contention is that Congress, not the Federal bureaucracy, should determine how and why information is kept secret by establishing a law on secrecy.

Remarkably, no such law now exists. The existing classification system is set forth in executive orders. With the exception of John Kennedy, every President in the past 50 years has issued his own secrecy rules, like an elected monarch. The result is an egregious mountain of musty classified documents, some dating back to World War I, and a Federal secrecy industry that cost taxpayers \$5.6 billion in 1995, so the commission reckons. Previous panels that have studied the secrecy system have expounded the benefit of sunshine laws and open

government and preached the people's right to know. But attempts at real change have always been blocked by a permanent and potent national security bureaucracy. The broad-based Commission on Protecting and Reducing Government Secrecy, headed by Senator Daniel Patrick Moynihan of New York, could change all that.

The commission urges Congress to enact a law that would limit classification to 10 years unless an agency expressly requests continued secrecy. The law would require the declassification of all information after 30 years unless disclosure would demonstrably harm an individual or vital governmental activities. The commission further urges requiring the President to establish and publish secrecy procedures, and recommends creation of a National Declassification Center.

As the report argues with considerable eloquence, the system more often than not protects reputations and conceals blunders in the name of security.

The report makes a persuasive case that reform is the equivalent of prudent deregulation.

This panel's 12 members include Senator Jesse Helms; Representative Lee Hamilton, an Indiana Democrat, and John Deutch, the former Director of Central Intelligence. This gives its unanimous recommendations the bipartisan weight essential to command attention. But enacting its reforms will take a serious commitment from both Congress and President Clinton. There is unlikely to be a better opportunity for years. In an age when information is more than ever the key to self-government, excessive secrecy thwarts democracy.

CHRISTIAN SCIENCE MONITOR

From Dumdums to Nerve Gas

By Daniel T. Plesch and Natalie J. Goldring
Wednesday March 5, 1997 Edition

Arms control, once out of favor and derided as obsolete, has once again made the front pages of America's newspapers. In her confirmation hearings and first public appearances as secretary of state, Madeleine Albright emphasized the importance of early Senate ratification of the Chemical Weapons Convention. Despite Sen. Jesse Helms's well-publicized skepticism about the CWC and the Comprehensive Test Ban treaty, the Senate is expected to take up ratification of both

th
treaties this year.

Before rejecting arms control as a liberal plaything, the Senate should pause and think back to the medevacs of Vietnam and the stretcher bearers of Guadalcanal, and recall that had it not been for an agreement that was initially worth no more than the paper it was written on, many of these wounded would have been dead. Thousands of lives have probably been saved because of the 1899 Hague Declaration dealing with inhumane weapons, an arms control agreement that can be neither verified nor enforced. Despite the lack of formal legal frameworks for its implementation, it has generally been observed - even by Hitler, Stalin, and Saddam Hussein.

A key provision of the Hague declaration is the ban on soft-nosed or dum dum bullets. These were outlawed because the injuries they inflicted were seen as too grievous and cruel. Although easy to manufacture, this type of bullet has been used extremely rarely and has not been used by regular armies as standard issue even among some of the most evil regimes the world has known. In addition to saving lives in wars from World War I to the present, this agreement has also saved lives on American streets. The daily toll in American cities from handgunshots would be far higher if street thugs found that soft-nosed bullets could be had as standard supply, rather than as a special type of ammunition more difficult to obtain and more expensive.

The American families that received a wounded veteran to care for rather than a telegram to weep over stand as living proof of the importance of arms control. It has become fashionable to deride all international attempts to control weapons, be they chemical, nuclear, biological, or conventional. Skeptics argue that only the good guys (us) abide by these agreements and that we can never tell if anyone cheats.

Yet compliance with landmark treaties such as SALT I (negotiated by the Nixon administration) and the Treaty on Intermediate Range Nuclear Forces and START I (treaties concluded during the Reagan and Bush administrations) has been good, and our security was assured at lower cost because of these agreements. The key question, then as now, is whether we are better off with or without these agreements. History suggests that arms control has served us well and

should
not be abandoned.

Nevertheless, the obstacles are considerable. Imagine if a treaty banning dum dum bullets were before today's Senate. We would be told that American troops would be at a disadvantage because their adversaries would produce these bullets illegally and would slaughter our soldiers with them. Anyone who argued in favor of the treaty would be dismissed as selling out front-line soldiers. We would be told that dictators would never abide by the agreement, and the treaty would fall amid cries of derision from influential columnists.

As the Senate considers ratification of George Bush's Chemical Weapons Convention and Bill Clinton's Nuclear Test Ban, senators should keep these lessons in mind. We are better off with these treaties than without them. We will be more secure, and at lower cost to the American taxpayer.

* Daniel T. Plesch and Natalie J. Goldring are director and deputy director of the British American Security Information Council, an independent research organization based in London and Washington.

WASHINGTON POST
On First Trip as Pentagon Chief, Cohen Discusses Bosnia Endgame
By Bradley Graham
Wednesday, March 5 1997; Page A22

BONN, March 4--What's it like going from senator to secretary of defense?

William Cohen, who six weeks ago went from representing Maine to running the Pentagon, says the biggest change has been coping with the enormous amount of information that floods his office and crowds out any time for reflection. "The unrelenting flow of information, the need to digest it on a minute-by-minute basis, is quite different than anything I've experienced before," the former Armed Services Committee member and now sole Republican in President Clinton's Cabinet told reporters en route to Europe today.

"There's little time for contemplation; most of it is action," he said. "Every single minute is filled. There are no quorum calls, no timeouts. . . . I turn around for 10 seconds after a phone call, and I find another three or four books on my desk."

Breaking away from the crush of Pentagon business for his first overseas journey as defense secretary, Cohen arrived in Germany today for several days of talks.

lks with European officials and visits with U.S. troops. He will review the planned expansion and reorganization of NATO and the scheduled withdrawal next year of American troops from Bosnia.

He noted the aptness that he, NATO's most junior defense minister, should land first in the capital of the alliance's most senior one, Volker Ruehe, a longtime friend.

Ruehe gave Cohen help today in moving toward resolution of an American-French spat over who should command NATO's southern flank. But on another alliance concern--what to do in Bosnia after the planned withdrawal of U.S. troops in mid-1998--the German minister refused to consider the option of a European-led follow-on force that at least one leading Democratic U.S. senator, Carl Levin of Michigan, has strongly advocated.

Cohen's British counterpart, Michael Portillo, delivered the same emphatic "in together, out together" message Monday in Washington, effectively foreclosing on any alliance effort for now to plan beyond next year in Bosnia.

Clinton extended the U.S. military presence in Bosnia late last year for another 18 months, while at the same time reducing the number of American troops there to about 8,500. Cohen affirmed to reporters here that he intends to see the withdrawal carried out as planned, stressing that the Pentagon cannot afford and Congress will not support another extension of a military operation estimated to cost \$6.5 billion over 2 1/2 years.

But committed as the Europeans are to assuming a greater role in NATO, they shudder at the thought of being left again in Bosnia without U.S. leadership, recalling their disastrous experience there in the early 1990s as U.N. peacekeepers. Moreover, they worry that raising the prospect now of yet another international military mission in Bosnia would only undercut efforts to get the Bosnians to take responsibility for their own future.

On the question of who will head NATO's Southern Command, Ruehe outlined a possible compromise between the French demand for a European commander and U.S. insistence on keeping the headquarters in American hands. Under the proposal, the commander would remain American but the United States would agree to reconsider relinquishing the post in five to seven years. In addition, the role of the command's European deputy would be strengthened along with

other steps to enhance European involvement in the headquarters operation.

NEW YORK TIMES
Cohen Says U.S. Troops Will Exit Bosnia in 1998
By Philip Shenon
March 5, 1997

BONN, Germany--Defense Secretary William Cohen told U.S. allies in Europe on Tuesday that U.S. peacekeeping troops would pull out of Bosnia next year even if the country was still in turmoil.

As he began his first overseas trip as defense secretary, Cohen left open the possibility that an all-European force might replace the U.S.-led peacekeeping unit. But he said U.S. troops would not remain beyond June 1998.

"It's very clear that June of 1998, we'll be on our way out," he said aboard an Air Force plane en route from Washington to Germany, the first stop on his European tour. "We're not prepared to make a commitment for perpetuity.

"If we accept the premise that people will only be secure as long as the United States is involved, that means that we would make an almost semi-permanent commitment to be there," he said. "And I don't think that the American people would support that. I know that Congress won't support it, and I don't believe that the president is going to recommend it."

Despite Cohen's assurance, many members of Congress, as well as some European leaders, remain skeptical that the United States will pull out entirely from Bosnia if the region is again on the verge of war.

Recent history offers reason for such skepticism. Shortly after President Clinton was re-elected last year, he extended what had previously been described as a firm deadline of December 1996 for the U.S. pullout. About 7,900 U.S. ground troops remain in Bosnia.

Before meeting Tuesday with German Defense Minister Volker Ruehe, Cohen said that the United States could no longer be swayed by humanitarian concerns.

"Are they going to go back to slaughtering each other?" he asked. "It's going to be up to them.

Asked in Bonn about the possibility that an all-European force might replace the current U.S.-led peacekeeping troops in Bosnia, Cohen said only that such a possibility "remains to be seen."

After his meeting with Ruehe, Cohen raised the possibility that the United States might eventually be willing to yield or share the southern command of NATO forces.

Responding to an initiative from the German government, Cohen said at the news conference that "we have a completely open mind" on the question, although he suggested that a decision would be at least several years away.

WALL STREET JOURNAL

Cohen Expects U.S. to Clash With Europeans Over Bosnia

By Thomas E. Ricks, Staff Reporter of the Wall Street Journal
March 5, 1997

BONN--William Cohen, beginning his first trip abroad in his new job as U.S. defense secretary, said he is determined to stay on his collision course with America's European allies over Bosnia policy.

His meetings over the next several days, as well as events in the coming months, will determine whether Mr. Cohen can stick to his vow that the U.S. military will withdraw from Bosnia in just 16 months, at the end of June 1998.

"I am very clear on this--we will be leaving," he told reporters aboard his plane en route to Europe. In an odd, pessimistic echo of the old John Lennon song, he added: "All we can do is give peace a chance." Having done that, Mr. Cohen said, the U.S. is prepared to head home.

Not so fast, other members of the North Atlantic Treaty Organization are responding.

THREE BIG DOGS

The British are most outspoken. "We went in together, we're working together, and we shall leave together," British Defense Minister Michael Portillo said in Washington earlier this week.

Privately, British officials are even more vehement. One officer recalled that, as the NATO peacekeeping force was being planned late in 1995, a top U.S. military officer sought the advice of a retired British intelligence operative living on the Croatian coast. The operative, who had worked with the Yugoslav resistance in World War II, said the Bosnian war resembled a fight between three big dogs, and recommended that the force be structured so that each NATO power sat on one "dog." Indeed, under the plan subsequently developed, Bosnia wa

s divided into three sectors, with the British, the Americans and the French taking one each.

But now, in the British view, not only are the Americans talking about letting go of their "dog," they actually have given him longer teeth. In recent months, the U.S. has provided the Bosnians with a formidable arsenal of tanks, armored personnel carriers, machine guns, and antitank weapons. In addition, Egypt and other Arab nations are giving the Bosnians artillery and anti-aircraft guns.

GERMANY'S WORRIES

The Germans also are somewhat leery of the American intention to withdraw, but more because they feel that their defense budget, already facing cuts, could be swamped by the costs of picking up the American slack. The U.S. now says it expects the total cost of its Bosnia mission to be \$6.5 billion, more than triple the original estimate. In addition, the Germans are deeply worried about the 300,000 Bosnian refugees remaining on their soil, and would like peace in Bosnia if only to ensure that those refugees don't become permanent residents.

The French are more sanguine about the American departure, and about "Europeanizing" the Bosnian mission. But, the British say quietly, that's because the French want to reduce NATO's central role in European security policy.

Events in Bosnia could upset American withdrawal plans. American intelligence predicts that refugee flows will increase sharply this spring, leading to ethnic confrontations that could test the smaller American peacekeeping force, which now numbers 7,900. Also, municipal elections are now scheduled for July, and promise to be contentious.

Most important, the next round of national elections is planned for September 1998. "Those elections are critical, and [Mr. Cohen] has drawn a line in the sand and to leave three months before then," one U.S. army colonel said earlier this week.

This officer predicted that ultimately the U.S. will be forced to break Mr. Cohen's vow and stay in Bosnia until late next year - and even after that to remain in the region, perhaps as a "Rapid Reaction Force," based in Hungary and ready to ride to the rescue of European peacekeepers.

But Mr. Cohen, still very much a creature of the U.S. Congress, where he serves

d for more than two decades, insisted that neither he nor Congress will stand for that. "It's going to be very difficult" simply to win congressional approval for the current mission, he said, let alone an extension. Indeed, there is already talk in Congress of nailing down the withdrawal deadline by threatening to cut off funding for the U.S. mission.

CHRISTIAN SCIENCE MONITOR

Remember Brcko! Why It's Not Easy to Be Hard in Bosnia

By David L. Bosco

Wednesday March 5, 1997 Edition

Bosnia was on edge for several months as international arbitrators considered the future of Brcko. On Feb. 15 the decision finally arrived: The strategically

located town in northeastern Bosnia remains under Serb control for one year while original inhabitants are encouraged to return. At first glance, the decision is reasonable; scratch the surface, however, and the familiar indecisiveness becomes apparent.

Brcko, like many other Bosnian towns, had its ethnic composition forcibly altered during the war. Once predominantly Muslim and Croat, the town is now controlled and populated by Bosnian Serbs. If Brcko's story is not unusual, its location is. It lies along the thin corridor connecting Bosnia's two Serb-controlled areas. The arbitration was tense, and Serb republic officials intimated that violence might greet an unfavorable decision.

Seeking an easy answer, the international community again ratified the status quo. The planned increase in unarmed monitors is symbolic and will be of little use to those trying to return. Recent experience gives no reason to believe that, absent coercion, Serb administrators will let the displaced come back. If the international community had mustered the courage, it could have made one of two hard decisions.

First, it could have used Brcko as a lever to promote a unified Bosnia by putting the town under trusteeship backed by an enhanced military presence. The International Crisis Group, which monitors implementation of the Dayton accords,

suggested this as a means of revitalizing the peace agreement. But the energy for that level of engagement is absent. The frustration of the European Union's administration of Mostar likely soured decisionmakers on trusteeship.

An equally hard decision, and one perhaps more consistent with existing politic

al will, would have been to hand over Brcko to the Muslim-Croat Federation, which has the strongest claim to its administration. This imperfect solution might have led to an exodus of current Serb residents. It also might have sparked armed confrontations between NATO and Serb forces. The question, however, is whether it is better for the needed transition to occur now, with substantial NATO forces in the country, or for the federation to fight for the town later when these troops have departed and conflict over Brcko could spread to other areas.

The aversion to hard decisions evidenced in Brcko is consistent with a broader pattern. Election officials yielded to an artificial and unrealistic timetable in September and held a deeply flawed national vote that strengthened hard-liners throughout Bosnia. NATO's political leadership, meanwhile, has been consistently unwilling to take the hard decision to arrest indicted war criminals.

The past few months alone have seen several humiliating incidents in which NATO troops encountered war criminals but had to pretend they did not.

The reason for this pattern is clear: The major troop-contributing states, and the United States in particular, are unwilling to risk confrontation on any issues but those directly linked to enforcing Dayton's military provisions. The determination behind the 1995 NATO bombing campaign and the subsequent negotiation of the Dayton agreement has all but disappeared. The refrain that it is the responsibility of the Bosnian parties to make Dayton work falls flat. The agreement was the product of coercion; it should come as no surprise that coercion is necessary in its implementation.

But exiting rather than implementing has become the NATO force's overriding mission. From this narrow perspective, the Brcko decision was a marked success. In the face of heightened security, the parties accepted it calmly. But confrontation has been delayed, not avoided.

Bosnia's division is hardening, with refugees still unable to return and war criminals in positions of influence. Compromises like that over Brcko may enable NATO to depart having made few waves, but they will leave behind a country set for another storm. A lasting peace cannot be built on the back of easy answers.

* David L. Bosco, who served in Bosnia as head of the American Refugee Committee's Sarajevo office, is an analyst with the Washington- and Geneva-based Refugee Policy Group.

WALL STREET JOURNAL
Moscow's Trove of Bank Records
By Konstantin Akinsha and Grigorii Kozlov
March 5, 1997

To anyone interested in getting to the bottom of the Swiss role in harboring the assets of Holocaust victims, the recent revelation that a guard at the Union Bank of Switzerland in Zurich had thwarted an elaborate record-shredding scheme was disquieting. But even if the Swiss banks were to destroy all their records from World War II, it's possible we could still get to the bottom of the mystery with a trip to Moscow.

Despite the fall of the U.S.S.R., many World War II-era archives remain closed to researchers. The files were confiscated in occupied countries by the Nazis at the beginning of the war and secretly removed to the U.S.S.R. in 1945. It is possible that these shelves of classified documents gathering dust in Moscow vaults can answer many questions connected with the assets of Jewish victims of the Holocaust.

At the end of the war, the Soviet government sent numerous so-called trophy brigades to Germany to collect booty, ranging from artworks to entire factories. The hunt for archives had a high priority, because Stalin was extremely interested in information that might be politically useful. Lavrenty Beria, chief of the NKVD secret police, controlled the operation himself, and the archival experts sent to the front line wore the blue shoulder boards of the NKVD.

At the end of the summer of 1945, the Ukrainian Trophy Brigade occupied the castle of Count von Althann, near Klodzko, in Silesia, Poland. To the Ukrainians' surprise, it was packed with important archival materials. They found files of high-level Nazi Party officials and SS and Gestapo records. Along with the German documents were hundreds of files confiscated by the Nazis in various occupied countries, including military and police records, documents of the Second International and boxes filled with Masonic papers.

The Ukrainians packed up their valuable find and sent it home. The first shipment, including seven boxcars crammed with

documents, was bound for Kiev, but news of the discovery reached the Kremlin, and the train was diverted to Moscow at Beria's order.

In Czechoslovakia, Germany and Romania, too, Beria's men found a rich trove. Near Ceska Lipa in Czechoslovakia they discovered the archive of the French intelligence service, which had been confiscated by the Nazis in Paris in 1940. It included reports on Stalin himself as well as on other Soviet leaders. Twenty overflowing boxcars were immediately dispatched to Moscow. A few months later the Special Archive was established to house the foreign documents sent home by the trophy brigades.

Of particular interest today is the vast collection of Jewish documents confiscated by the Nazis in Germany and occupied countries and then found by the Soviets. These include private archives, like that of the murdered David Herzog, a relative of former President Chaim Herzog of Israel, who was a professor at Graz University and a member of the Rabbinate of the Graz Jewish Community. Along with the other papers of Holocaust victims, it is still classified and inaccessible to historians.

Among the hidden documents are voluminous bank records, which the Gestapo sought out assiduously. The complete archive of S.M. Rothschild & Sons bank in Vienna and the records of the Universum bank in Amsterdam, the CCF bank in Paris, the Romanian Credit Bank in Bucharest and the Kreditanstaltbank in Vienna are all in the Special Archive. Of even greater interest are the records of European branches of the Credit Suisse bank. In the years before the war thousands of people transferred their assets to the safe haven of Switzerland. The fund transfers had to be registered. Who were these people, and to which banks did they send their money? The answers to these and other questions might well be found in Moscow.

Without intense international pressure, the Russians will not admit they have bank records stolen by the Nazis from occupied Europe. It took years of such pressure to persuade them to bring out the artworks the trophy brigades had looted from Germany, including the Gold of Troy. What to do with war loot is an unpleasant political issue for Moscow, and today's political leaders are behaving

ng very much like their communist predecessors.

After the war, the Soviet government refused to participate in Allied efforts to return Jewish property. Jewish Cultural Reconstruction, an international organization that represented Jewish groups in many countries, was in conflict with the Soviet Occupation Administration in Germany and in the Soviet-occupied Central European countries, where restitution efforts were almost paralyzed.

Today, while Jewish archives remain hidden in inaccessible storerooms, art masterpieces confiscated by Adolf Eichmann from Jewish collections in Budapest were recently on display in the Pushkin Museum in Moscow. An impressive collection of Torah scrolls selected by Nazi experts in Hungary for the notorious "Museum of the Extinct Race" in Prague is stored in the library of Nizhnii Novgorod. The prewar owners of the paintings are known, but the owners of the scrolls, and of thousands of other trophy objects hidden in Russian special depositories, are not.

As with looted artworks, so with bank records. When it comes to answering questions about Jewish assets in Switzerland, and Jewish property confiscated by the Nazis in general, all roads don't necessarily lead to Zurich.

Mr. Akinsha and Mr. Kozlov are the authors of "Beautiful Loot: The Soviet Plunder of Europe's Art Treasures" (Random House, 1995) and of many articles based on extensive study of Russian archival documents.

WASHINGTON POST
Albania Dispatches Troops to Subdue South
By Christine Spolar
Wednesday, March 5 1997; Page A12

FIER, Albania, March 4--Army tanks and troops moved toward southern Albania today as the government tried to regain control of the port city of Vlore after four days of violent clashes there.

The government sealed off roads and most lines of communication to Vlore today, one day after declaration of a state of emergency failed to subdue the southern region. The area has been the scene of the most violent of the nationwide demonstrations over financial losses suffered by thousands of Albanians who invested in pyramid schemes that have collapsed in recent weeks. Demonstrators have blamed the government of President Sali Berisha for not protecting them

from financial ruin, and the fiercest clashes have claimed more than a dozen lives since Saturday.

Tanks and armed personnel carriers could be seen rolling through this town 25 miles north of Vlore at midday, and more tanks headed south this evening from Albania's capital, Tirana, along with busloads of soldiers.

The struggle for Vlore and other coastal towns in the south--the area hardest hit by the financial collapses and populated by supporters of Albania's ousted Communist regime--has turned into a battle for survival by Berisha's wobbly democracy. Authorities continued to portray much of the south as being in chaos, although the level of violence appeared to have diminished since the weekend, when 14 people were killed.

A witness in Vlore, reached by telephone, said townspeople had raided army munitions stockpiles and appeared armed for battle. They were guarding the coastline by boat and hunkering down in the ubiquitous concrete bunkers that were built as defense outposts under Communist rule, he said.

"We are waiting for them," he said of the troops.

He said Vlore was much calmer than two days ago but that "this is a catastrophic situation."

Here in Fier--pronounced "fear"--residents said they were leaving their homes only to go to and from work and were avoiding the tanks that began rolling down the street this morning.

"Somehow in Fier, it seems safer with the tanks," said a woman who explained that fewer bursts of automatic gunfire had rattled the town than the day before. "But I don't think it's the same way in Vlore."

State television reported one death today in Vlore, a 4-year-old who was killed by gunfire as she played in a garden. The source of the gunfire was not reported.

Albanian television also broadcast video of protesters in Saranda, 50 miles south of Vlore, standing on the deck of a navy minesweeper, wearing ghoulish masks and firing weapons into the air.

The intensity--if not the sheer weirdness--of the conflict here has unnerved Europe and triggered tough talk from the United States. Washington and its allies

es have viewed Albania--which borders Yugoslavia, Macedonia and Greece -- as a key partner for ensuring peace in the hazardous Balkan region and had supported Berisha's government.

But Western relations with Albania cooled last summer when international observers declared parliamentary elections to be rife with fraud. Berisha's party swept nearly every race, essentially turning the country into a one-party state. Post-election protesters were beaten by truncheon-wielding police. In the weeks following the election, Berisha ignored requests and Western pressure for new balloting.

Berisha came under scrutiny again in January, when nationwide financial investment funds--pyramid schemes that promised impossibly huge payoffs to naive investors -- fell into ruin and sapped the savings of nearly everyone in this country of 3.5 million people.

Armed protesters, angry that the government had not warned people about the pyramid schemes, last week demanded that Berisha dissolve Parliament and postpone his own reelection bid. Instead, Berisha ordered the resignation of Prime Minister Aleksander Meksi, and Parliament declared a state of emergency, restricting freedom of movement and the press, and reelected Berisha to second five-year term.

In the past two days, Berisha also replaced the head of the Joint Chiefs of Staff and the commander of the National Guard, moves that analysts here called retribution for their inability to ensure the security of military installations and storage areas.

Albania's main opposition party said it appealed to Berisha today to agree to a new broad-based government to help end the unrest. Socialist leader Pandeli Majko said there was "no sense of compromise" from Berisha during the talks.

Western television transmissions from Albania resumed today after the government broke off satellite links on Monday. But other press restrictions were still being enforced. Motorists heading toward Vlore were turned back about 25 miles north of the city by a crowd of more than 30 men dressed in military uniforms and hoisting automatic rifles.

Many of the men appeared not to be trained soldiers; some had longish hair and spoke with accents from northern

regions of Albania. Berisha, a northerner, is suspected by some analysts here of shoring up the military with recruits or civilian volunteers from the north.

"You are spies," a scruffy uniformed man growled at foreign journalists who drove up to the last of nine armed checkpoints set up along 70 miles of highway between Tirana and Fier. "Don't you know there is a war? . . . Move, you dog."

NEW YORK TIMES
Albania's Government and Rebels Prepare for Showdown
By Jane Perlez
March 5, 1997

IER, Albania--Palm-studded Vlore, a kind of Wild West town on the Adriatic Sea where expensive new cars compete with donkey carts on dusty streets, was organizing itself Tuesday for one of Europe's most bizarre revolts.

Here, on a hill 18 miles north of Vlore, a ragtag group of rifle-bearing men haphazardly dressed in army uniforms manned a government front line. They were backed by more than a dozen tanks strung along the road behind them.

But inside Vlore, where secessionists were considering declaring an independent city-state, the people's army was cocky and confident.

"We are waiting," said a local businessman reached by telephone. "If the army comes there will be a war."

The citizens in Vlore have their own tanks and armored personnel carriers captured from deserted army barracks, added the businessman, who insisted on anonymity because of fear of retribution from the government. He said armed patrols were now under an organized command.

With government armor stationed here Tuesday and more on the way down the road from Durres, accompanied by trucks and buses carrying infantrymen, armed confrontation between the citizens of Vlore and the Albanian government seemed increasingly possible.

Albania, Europe's poorest country, is now into the second day of a state of emergency imposed by the hard-line president, Sali Berisha, who has lost control of the southern, and richest, part of his country.

The law and order measures have failed so far to take hold, making governments

in Western Europe nervous about yet another wave of Albanian refugees, the third in less than 10 years.

Albania was where dramatic cracks in communist rule first began to show when tens of thousands of bedraggled refugees arrived on the Italian Adriatic coast in 1988, clinging to the hulls of ships to escape economic and political repression.

After the Berlin Wall fell and the Albanian communists finally collapsed, a second flood of Albanian refugees landed in Italy.

The Italian government stepped up its patrols around Brindisi on the Adriatic Coast on Tuesday as the revolt in Vlore became more intense. The ferry service from near Brindisi to Vlore was stopped by the Italian government Monday.

Tuesday, an Albanian military jet landed in southern Italy and its two-man crew asked for political asylum, the Italian Defense Ministry said. The Greek government has reinforced its troops along the border with Albania.

It is unclear how effective a government assault on Vlore would be if it came.

The men on the tanks in Fier appeared to be irregular soldiers brought from northern Albania, the home of Berisha. This was one of many signs, Albanians and Western diplomats said, of the difficulty the highly unpopular Berisha is having in mobilizing his 30,000-strong army.

Western diplomats reported widespread defections from the military even as Berisha tried to regain control with the appointment of a new army chief of staff.

The revolt in Vlore and the unrest in other southern cities was set off by the collapse of fraudulent investment schemes that the government allowed to operate without regulation. Western governments have said they warned Berisha of an inevitable economic catastrophe as long as 18 months ago.

Almost every Albanian family put money into the schemes, which in fact were money-laundering and weapons-dealing businesses that were never capable of paying back the investors at the promised high rates of interest, Albanian and Western financial experts say.

When some of the schemes failed to pay back their investors and many Albanians lost their savings, widespread protest engulfed the major cities, including Tirana, the capital.

But the anger at the loss of money has taken on a new dynamic in Vlore, a seafaring town with a long tradition of smuggling and relative wealth. When the Albanians won independence from the Turks in 1912, the Albanian flag was first raised in Vlore.

And when the communists fell in Albania, Vlore quickly became the richest town in an impoverished country. Profits from the drug and weapons trade -- as well as the smuggling of people to Italy -- allowed the new entrepreneurs of Vlore to buy Mercedes Benzes, open restaurants and cafes and run banks.

It was this relatively prosperous way of life that the citizens of Vlore wanted to defend, the businessman said. In the last week, leaders of anti-government rallies in Vlore have demanded the resignation of Berisha and new elections.

In Fier, residents said the government's preparations to retake Vlore and to reinforce its positions here began Monday. A motorcade of army trucks rolled through the town Monday, loaded with armed civilians armed with guns as well as nervous-looking young soldiers, one woman said.

"It was psychological terror," the 35-year-old mother said as she sat in her living room overlooking the main street where the troops passed by. The woman said she had started to stockpile food; a large sack of flour rested against her front door.

But in Vlore people were confident not only that they had enough weapons but also enough to eat. "We've opened up all the army warehouses that have food," the businessman said. #I2PQP#

#K2PP#

WALL STREET JOURNAL EUROPE
Editorial: Anarchy in Albania
March 5, 1997

For most of the month of February the Albanian government contemplated and then resisted imposing emergency rule, shrinking from admission that the turmoil caused by the collapse of a number of pyramid schemes had spiraled out of control of the country's recently elected government. On Sunday, President Sali Berisha threw in the towel. Mr. Berisha declared a state of emergency and the government's resignation, promising to cooperate with the opposition Socialist Party in finding a successor for Prime Minister Alexander Meksi.

The Socialist Party has denounced Mr. Berisha's moves as too little too late and protesters are calling for parliament to be dissolved and for the formation of a technocratic interim government. Meanwhile, the country is in a state of complete chaos and neither the ill-equipped army nor the demoralized police are capable of containing the rapidly spreading violence.

Albanians aren't the first in Eastern Europe to be suckered by speculative investment schemes, but the effects there have been much more severe. "Albanians haven't quite internalized the meaning of economic and political transition," says Mark Almond who authored a book on the Balkans. For many Albanians operating in the "market economy" means laundering money and engaging in smuggling or speculative investment schemes. When the bubble burst, angry Albanians turned against the government.

Yet if the situation in Europe's poorest country is bad (and Mr. Berisha's government clearly has its flaws), the prospective alternatives look a lot worse.

The greatest danger here is that Albanians' mistaken notion of capitalism, and subsequent disenchantment with the bill of goods they believed to be capitalism, will translate into political gains for the very forces that would lead Albania back down the road of economic depravity from whence it has come some way. As Mr. Almond warns, the danger is that "we could see a counter-revolution from the Left."

The former Communist Party is reputedly the least reformed of Eastern Europe's ex-ruling parties. At the Socialist Party convention last August, Albania's comrades debated for a day whether to remove Marx from their party program. They removed it. The leader of the party's reformist wing, Fatos Nano, is in prison on corruption charges.

"A new government will not stop Albania's descent into chaos," predicted the sacked prime minister, Alexander Meksi. Of course, if there is much concerted fighting in Rome and Athens over recent events it is not least because prolonged instability in Albania would send another mass exodus of Albanians to both Italy and Greece, their main destinations after the collapse of communism in 1991.

The World Bank and IMF as well as Western governments repeatedly warned Mr. Berisha of the pending collapse of the

pyramid schemes; wisely, they are not eager now to dispatch a rescue mission until it becomes clear that the country has a stable, accountable government committed to real reform. Unfortunately, once squandered, public confidence is difficult to rebuild. Albania's leaders encouraged their citizens in their illusions of overnight wealth. In doing so, they jeopardized the prospects of bringing real improvements in the lives of Albanians by sloggng through the kinds of reforms other East European countries have had to undertake. If Albania is to find its way again, its leaders will have to be honest about the hard road ahead.

#I2PQP###K2PP#

WALL STREET JOURNAL
Albania Crisis Grows as Rioters in South Loot Federal Arsenal
By Robert Frank and Neil King Jr. , Staff Reporters of the Wall Street Journal

March 5, 1997

Albania, long considered one of the rock-bottom poor of Europe, is plunging even further.

The nation's leaders acknowledged Tuesday that they had lost control of the southern part of the country, where rioters--angry over the collapse of financial pyramid schemes--looted several government arsenals of weapons. There were reports that troops were being deployed to the south. On Sunday, the government imposed a national state of emergency, which includes a curfew, press censorship and orders for police to "shoot to kill" civilians who throw things at them or refuse to relinquish weapons.

Although analysts and diplomatic officials are unsure how the crisis will end, one thing is certain: The uprising will dash the country's feeble reform process and add strain to the already-struggling Balkans.

GLOOMY ASSESSMENT

"This will just about wipe Albania out," said Bernard Gold, of PlanEcon, a Washington-based consulting firm. Added a Balkan expert with the Vienna Institute of Comparative Economics: "An earthquake would have been better."

Or at least simpler to fix. Diplomats in the U.S. and western Europe attacked Albania's actions and appealed to its autocratic leader, Sali Berisha, to broker a deal with the opposition. The crisis overshadowed talks Tuesday among six

European prime ministers and other leading politicians meeting in Brussels to discuss European integration. Italian Prime Minister Romano Prodi is expected to press for more European Union funds for Albania to stabilize the situation.

The International Monetary Fund and the World Bank are also expected to send delegations to the country next month to consider possible loans. Thus far, the U.S. and much of Europe have been loath to give any assistance to Mr. Berisha, who has been accused of rigging the most recent elections and is proving to be the iron-fisted autocrat many feared.

WORRY ABOUT REFUGEES

Italy and Greece are concerned about a repeat of 1991, when thousands of Albanians fled their homeland during economic turmoil. Both countries have stepped up border patrols. Analysts also worry about the flight of Albanians to nearby Macedonia or Kosovo, a volatile region of Serbia that houses a large Albania minority.

Within Albania, the upheaval is already exacting a price. Rioters smashed and looted a hotel complex in the southern part of the country, and fires destroyed a major newspaper building and restaurants in the capital of Tirana. Residents began stocking flour, oil, rice, sugar and other staple foods. The collapse of the pyramid schemes is expected to drain the country of more than \$1 billion and cost many residents their life savings.

Analysts and economists say it could also destroy four years of reform. Mr. Berisha began to ease the country toward freemarkets when he took power in 1993. Albania's gross domestic product was growing a healthy 8% to 10% in recent years. But the economic growth was largely a mirage. Much of the country's income continues to pour in from Albanians working in Italy or Greece who send money back to relatives. In 1995, Albanians working abroad sent home about \$1 billion a day; there was hardly a family among the country's 3.3 million people that didn't have a son or daughter working as a manual laborer in Italy or Greece.

COLLAPSE OF INDUSTRY

The infusions of cash sparked a building boom in Tirana and other cities as citizens opened small shops and filled the capital's once-spacious parks with ornate, multistory cafes. The surging service sector helped make up for the

near
-complete collapse of Albanian industry in the early 1990s. Albania has managed to attract only \$200 million in direct foreign investment and most of Albania's industries remain state controlled.

Still, current investors in the region remain committed. Siemens AG, which is investing in a joint venture with the government to rebuild the country's airport, said its \$50 million project is "on track" for completion next year. The European Bank for Reconstruction and Development said it remains "optimistic" about its more than \$60 million in projects.

As one of Albania's few large foreign investors, the Athens-based textile maker Terlana SA had its worst days when the pyramid schemes hit their height late last year. The reason: Few Albanians had any desire to work.

"Why should they?" said Panayiotis Ignatiazis, whose family-owned business has invested about \$1.5 million in a spinning mill and a sewing factory on the edge of Tirana. "I pay on average about \$70 a month, while anyone with \$1,000 could earn two or three times that much through the investment schemes."

By December, Mr. Ignatiazis had seen his work force of 130 slip to just 70, and even then employee turnover was high. But all that has changed since the schemes collapsed in January, and workers have surged back to the plant.

#I2PQP# LOS ANGELES TIMES
Albania's Leader Chokes Off Unrest
By Tracy Wilkinson, Times Staff Writer
Tuesday, March 4, 1997

TIRANA, Albania—Embattled President Sali Berisha was reelected Monday by an obedient parliament stacked with party faithful, while an emergency crackdown aimed at stopping fierce riots sent journalists and opposition politicians into hiding.

With parts of this impoverished country awash in anarchy, Berisha posted police roadblocks on major highways, slapped censorship on news reports and imposed a nationwide curfew that transformed the capital into a ghost town after nightfall. Police have orders to shoot to kill. Albanians cannot congregate in groups larger than four.

The violence that began two months ago after the collapse of fraudulent pyramid schemes and escalated into demands that Berisha's rightwing government step

down reportedly continued in the south, after mobs looted army arsenals during a bloody weekend that claimed 13 lives.

State radio gave new accounts of more shootings, fires and looting. But it was difficult to obtain independent details because the government cut telephone lines to Vlore, a southern Adriatic port city and former Communist stronghold that was the scene of the worst fighting.

Berisha ordered foreign nationals out of southern Albania, triggering fears that he plans a wider, deadlier military action in the area. Italian naval aircraft escorted by combat helicopters evacuated 36 foreigners from Vlore.

In Tirana, the capital, the offices of Albania's main opposition newspaper were gutted in the predawn hours Monday by a fire that employees said was started by groups of men carrying walkietalkies. One reporter for Koha Jone was missing and reported to have been arrested, while several others were in hiding, their friends and families said. A number of politicians from the opposition Socialist Party were also lying low.

"The situation speaks for itself," said Abin Puto, an Albanian human rights activist. "We don't dare go out . . . [when] darkness falls."

Meanwhile, ordinary Albanians hoarded food and retreated to their homes after Berisha ordered stores closed at 3 p.m. as part of draconian emergency measures aimed at quashing the worst political violence to grip this small country since the chaotic fall of communism six years ago. * * *

Journalists were required to submit their reports to a government censor for approval, and the British Broadcasting Corp. said authorities cut its satellite hookup, blacking out its coverage. Earlier, the government blocked Albanian-language BBC and Voice of America broadcasts, diplomats said. This was all part of an effort by the government to silence the news, which officials have contended was helping to foment the riots.

As the emergency decree issued Sunday night took full force Monday afternoon, Berisha had himself reelected to a five-year term by a parliament full of members of his Democratic Party of Albania. He ran unopposed in a ceremony surreal for its solemnity and boycotted by the opposition.

"Today is the day of open dictatorship in Albania," proclaimed opposition leader Neritan Ceka, head of the Democratic

Alliance. "Only a dictator could be elected under such conditions."

Berisha's party holds overwhelming control of the parliament after last year's elections, widely regarded as blatantly fraudulent.

Analysts said Berisha now appears to be fighting for his political survival, taking a hard line to stop the riots and showing no mercy for protesters he has characterized as "Red Communist terrorists."

But his ironfist actions are also worrisome to human rights activists, who said Berisha may try to use the emergency as a smoke screen to eliminate opposition.

"Legally a government has a right to impose emergency measures, especially given what is going on in the south," said Fred Abrahams, research associate for the New York-based Human Rights Watch. "But there is evidence that the government is using it to justify a violent crackdown on the press and opposition politicians."

Under the emergency law, the leaderships of the army, Interior Ministry and secret police were merged into a Council for Defense that will enforce the new measures. Berisha named Baskim Gazidede, head of the feared secret police force SHIK, to run the Defense Council.

Albania in effect has no other government, since Prime Minister Aleksander Meksi and his Cabinet were forced to resign over the weekend in an unsuccessful attempt by Berisha to throw a bone to his opponents. Instead, government authority has crumbled in parts of Albania in the face of the pyramid crisis, in which tens of thousands of Albanians lost their life savings.

"The police have proven time and time again that they are not able to handle this," said one Western diplomat. "They are poorly equipped, poorly trained, and they are demoralized. A lot of them lost a lot of money too."

Opposition particularly in the south, home of Albania's former Stalinist dictator, Enver Hoxha has been especially virulent. Berisha hails from northern part of Albania and, since taking office in 1992, has placed northern Albanians in government and police positions.

On Monday, the Council of Europe urged an immediate end to the violence. Southern European countries notably Italy

and Greece are especially eager for a peaceful solution because of the potential for Albanian refugees to flood their shores.

In Washington, the Clinton administration swiftly denounced the parliamentary reelection of Berisha. "This step is likely to increase polarization rather than facilitate a solution," State Department spokesman Nicholas Burns said.

#K2PP# WASHINGTON POST

Prying Open the Vaults

By Patricia Cohen

Wednesday, March 5 1997; Page A01

The week's letters are stacked in a neat pile on a corner of the desk. There are crisp white leaves with engraved letterheads, and sheets ripped from yellow legal pads; paper thin as onion skin and notes with a quaint quill-and-ink logo announcing it's "From the desk of . . ."; postcards with a single sentence scrawled in tiny, crabbed script, and thick stapled bundles of bank questionnaires and birth certificates from countries that exist only in remaindered textbooks.

Children write for parents, nieces write for uncles, cousins write for each other, and some write for themselves because they are the only ones left.

In these letters, every unhappy family is unhappy in the same way: "My parents died in Auschwitz . . ." "I am the only surviving member of an extended family that perished in the Holocaust . . ." "My father was killed by the Nazis . . ."

Their bitter tales, mailed to the office of Senate Banking Chairman Alfonse D'Amato (R-N.Y.), are part of an effort to recover some of the vanished money that they or their families hid in Swiss banks during the Holocaust. Now, for the first time in half a century of blank looks and closed doors, a combination of events--including pressure by Jewish groups and D'Amato--has produced something once thought unimaginable: Progress.

But from the perspective of the fading Holocaust survivors, the climax of this drama is another excruciating wait. With an average age of 80, they are hoping to outlive the slow-motion finale. "Thousands have died" in just the last year, says Elan Steinberg, executive director of the World Jewish Congress.

"There's been remarkable progress recently but we're still nowhere," says Dian

e Leigh Davison, a Baltimore lawyer who is helping her uncle, Sylvain Alalouf, recover money seized by the Gestapo. "I'm hopeful, but fearful of how long it's going to take and at what cost. They're putting these survivors and heirs through the wringer, dragging it out so long."

Last week, the Swiss government and the World Jewish Congress agreed to jointly administer a multimillion-dollar Holocaust Memorial Fund created by a group of Swiss banks. The humanitarian fund was formed following revelations of Switzerland's money-laundering for the Nazis and exasperation at its foot-dragging. But devising a formula to disperse the money is a vexing problem yet to be worked out. Nevertheless, Steinberg lauded the Swiss banks last week, saying there has been a "sea change" in their attitude.

Still, despite the work of a Swiss investigative panel, a U.S.-led audit and a bank ombudsman, not a single dollar in restitution has been paid, says Steinberg.

Hard Proof

While thousands of survivors are trying to unearth dormant accounts, many more are seeking compensation for the family money, jewelry, and even gold fillings that were pilfered by the Nazis and then stashed in Swiss vaults. But as many

survivors' tales show, documentation is rare. Most have only memory mixed with desire--a photograph of a lost aunt and uncle, a friend who remembers an account or a frantically whispered story as the SS pounded down the door.

Sylvain Alalouf is one of the few who has more.

In 1943, the 7-year-old's parents tried to escape from Belgium to Switzerland, hoping to sneak the rest of their family over later. Israel Alalouf crossed the border, but his wife, Eugenie, didn't make it. So he turned around -- though only after Swiss police forced him to leave nearly 1 million francs he was carrying.

The Nazis soon grabbed the couple and they ended up in France's Drancy concentration camp, a barbed-wire layover on the route to Auschwitz. Hoping to buy their freedom, Eugenie's brother, Leon Levy, delivered the Alaloufs' savings to the Belgian Gestapo in exchange for their promised release.

Within a month, both Israel and Eugenie were shipped to the gas chambers.

What the Gestapo did give Levy, however, were two 4-by-6-inch scraps of paper on security police letterhead, stamped with the Gestapo's Iron Eagle. Carefully saved for decades, these receipts, like cracked and aging specters, offer rare documentation of plundered assets:

"From the cash assets of the Jew Alalouf we have today at this office received the following amounts . . . 385,000 French francs, 535,432 Belgian francs."

SS Lt. Kurt Asche, who signed the March 20, 1943, receipt, authenticated it during his 1981 trial for war crimes.

The second receipt, also in German, indicates that the French Gestapo took "the assets of the Jew Alalouf at this time in the internment camp of Drancy." Those assets included two gold wedding bands, a gold signet ring, a five-carat diamond ring, a diamond watch and more that had been hidden in the lining of Eugene's coat.

"My uncle, before he died, gave [the receipts] to me: 'Keep it and try to do something, it is the only thing that belongs to you from your parents,' " Alalouf, now 63, and living in Brussels, says in his accented English. After his parents were captured, Sylvain was sent to a children's prison camp. The night before he and the others were to be transported to Auschwitz, the Belgians in charge quietly woke them and opened the gates. For days the children hid in the woods. It was American soldiers who finally discovered them. That his father's effort to save his wife ultimately meant orphaning him still tugs at Alalouf's memory.

Empty Promises

"We tried to get something back and the answer was always no, no, no," says Alalouf, explaining how he and his uncle first wrangled with the German government over compensation. Now, he, like the many other survivors, is hoping for retribution from Swiss banks that traded in the German plunder. "Then a few months ago, I heard about [the renewed efforts] and the hope came back."

Still, Alalouf waits. "They say yes, yes, yes, but they can say yes for 20 years and do nothing."

He is one of the more than 12,000 people who have joined a \$20-billion class-action lawsuit against the Swiss banks on behalf of Holocaust survivors, most of

f them victims whose family wealth likely passed from the Reich's hands into those of Switzerland's bankers.

'A Glimmer of Hope'

Gizella Weisshaus, 66, of Brooklyn, New York, initiated the suit in October. She is trying to retrieve a bank account opened by her father. At a hearing in Manhattan's federal court on Friday, her lawyer, Edward Fagan, convinced a judge that depositions should begin immediately, before more elderly survivors die.

"Nobody was talking about it, and now everybody thinks we're doing the right thing. Definitely, I have hope," Weisshaus says, her thick glasses perched on her nose. Now she reads letters and helps answer phone calls from people who want to join her lawsuit; the calls are coming in every 90 seconds on average, according to Fagan. "Every day, people call me," Weisshaus explains wearily, "not only [at the law office], they call me at home."

Weisshaus, who spent more than a year in a slave labor camp during the war, lost 55 family members. She has a few photographs but no account numbers, no bankbooks, no receipts.

Neither does Peter Bloch. Fearful of the grinding Nazi threat, his mother, Else, made a journey from Frankfurt, Germany, to Basel, Switzerland, in 1937, hiding a few thousand dollars to give to a family acquaintance who worked at a bank.

"You did not ask for a receipt," explains Bloch, 75, who discussed the visit with his mother several times and later saw notations in her diary about the transaction. "It was terribly dangerous to have a receipt if your house was searched."

Peter escaped to Switzerland in 1942, a year before his father was hanged by the Nazis in the Malines prison camp. He spent a year in an internment camp before he visited the banker, who Bloch says denied ever receiving any valuables. Where the money ended up--in an account or stolen by the purported friend--Bloch doesn't know.

"We had given up," Bloch says, who lives in the same rent-controlled apartment in New York City that he moved into in 1949. "Without documentary evidence, what could we do?"

Bloch now feels "a glimmer of hope," but adds, "It is very frustrating. The Ge

rman government paid restitution [to my family], because the Nazis seized so much property. . . . It took years in that case. It was more complicated, but it was also more simple, because there was documentary evidence."

Catalin Bonciu, 45 and living in Mercersburg, Pa., has specific safety deposit box numbers--106 and 328, Z-239 and T-312--and an inventory of valuables. His great-uncle, John Stanley Goldberg, was returning from Zurich when he was killed by the Nazis in Poland in 1939. Goldberg's son, David, managed to escape with detailed information of his father's accounts but was unable to recover the money before his death in 1975.

Bonciu, who remembers his mother's stories of sticking tiny squares of black bread on her face to fake syphilis and avoid being raped, did have some success.

In safe 106, he found some money and documents. Another bank claimed the contents of box 328 were destroyed, and that the box was empty. He is still trying to find the other accounts. When Credit Suisse asked him for the customary 500 franc (\$300) fee to cover the expense of the search, he wrote on the form, "You made money on the teeth of my ancestors and you want me to give you 500 francs?"

The thought of the injustice used to gnaw at him every day. Although the recent string of events has made him more hopeful, he tries to shove the subject from his mind. "I don't want to embitter myself every day. . . . I never raise my hopes beyond the reality, because sometimes the reality is very cruel."

Time can be cruel as well. "In every major city in the United States on any given day," says Elan Steinberg, "there is a funeral of a Holocaust survivor."

CHRISTIAN SCIENCE MONITOR
Editorial: No Euro Paeans, Yet
Wednesday March 5, 1997 Edition

Europe has long flown its star-circled flag. Its supporters sing their world-stirring anthem: Beethoven/Schiller's Ode to Joy. But there is no joy, still, over the European Union's faltering attempts to get its last cementing symbol, the euro, locked into place.

Twenty years hence the current anguish over getting the core EU nations' economies into alignment before integrating them with a common currency and a common

n central bank may seem exaggerated. But not today.

As Britain fast approaches a potentially dynasty-changing election, and Germany prepares for its own watershed vote next year, the major European economies are caught in a dilemma. Germany and France can enforce their current drive to synchronize economies through budget belt-tightening - at the cost of stagnation and persisting unemployment. Or they can relax the belt-tightening and risk a union in which more northern European factories and jobs slip toward Mediterranean sites.

As wags have noted, if Europe had to unite its economies under its own rules tomorrow, the result would be about as powerful as a cloned sheep. Or perhaps a string quartet instead of Beethoven's Ninth. Only Luxembourg, Ireland, Finland, and the Netherlands meet the fiscal requirements.

But no great enterprise is built on hesitance and pessimism. Given what seem to be intractable problems, present and future, what can be done?

First, recognize that Britain's pre-election hesitance over Europe doesn't mean that the big power with the healthiest economic growth won't eventually join the party.

Second, remember that peoples and states do not progress through bureaucracies alone. German and French politicians cannot persuade workers (much less the jobless) that current stagnation will end when euros enter their pockets.

Both must continue to trim their welfare states in order to allow new enterprises and streamlined old industries to grow and create jobs. That way lies more personal and business income, more tax revenue, and less unemployment cost. And that way, therefore, lies more fiscal soundness to meet EU rules.

Once the restructuring of the old welfare states is complete, a somewhat looser European union can be visualized, coalescing around the core states. In that context, further growth of the Mediterranean economies will seem a less threatening outcome. British hesitance may abate if the Continentals follow London's growth example. And, sometime in the next century, the expansion of NATO in Central Europe may pave the way for still more members of the European family to join this free market of jobs, trade, education, and culture.

It used to be said of France's de Gaulle that he had brilliant long vision, but stumbled over the furniture. Much the same is said today of Helmut Kohl - and his vision of a grand EU. It's time for him to get the furniture out of the way.

CHRISTIAN SCIENCE MONITOR

Pocketful of Efficient Entrepreneurs Powers Italy's Wealthiest Corner

Lara Santoro, Special to The Christian Science Monitor

Wednesday March 5, 1997 Edition TREVISO, ITALY--A stroll through this town of some 85,000 people is all it takes to understand why the average Italian finds

it such an odd place. Cobbled streets gleam as luxury sedans peel by, 500-year-old buildings look brand-spanking new, and nearly every other woman wears a fur coat. Mink, of course.

Treviso, like most of the Veneto region around it, is a nook of wealth and efficiency in a country ridiculed by its European partners for its chaotic crusade to join Europe's single currency by next year.

"Treviso is Treviso in spite of Italy and its zillion governments," says Treviso resident Nico Pinton. Few Italians would disagree. Italy has had 55 governments in the past 50 years. Its monuments are crumbling, pensions are frequently unpaid, the bureaucracy is criticized as inefficient, and buses and trains often run late.

Yet Treviso shines, and so does most of Veneto, a northern region that generates close to 30 percent of the country's wealth and has an unemployment rate of 5.1 percent - less than half the national rate of 12 percent.

Many in Treviso own high-priced German or Japanese cars, designer clothes, and gold Rolex watches. They take off to the Caribbean once or twice a year and go skiing in exclusive Cortina d'Ampezzo at Christmas.

"There's no doubt this is an affluent place. The reason is that there are over 56,000 small to medium-sized businesses in this province of 750,000 people," says Nicola Tognana, president of Unindustria, an organization of the region's industrialists.

What this means is that in Treviso there is one business for every 12 to 13 inhabitants. Almost all of them are family-run.

This is the key to the northern region's prosperity: a dense concentration of very small companies making everything from ski boots to clothes to kitchen

unters.

A few giants are here as well, such as Benetton Sports System with its 2,500 employees - 1,200 of whom work outside the Treviso area. But such companies constitute the exception rather than the rule, observers say, and are not what ultimately makes Treviso and the Veneto region rich.

"Kids here grow up with the desire to set up their own business," Mr. Tognana says. "We help them the way we can."

For example, Unindustria and business owners have established, and essentially pay for, college-level courses in management, banking, marketing, and computer programming. The local paper, *Il Gazzettino*, routinely lists the courses that are available, as well as the number of registered students.

Considering that in 1995, the youth unemployment rate in Italy reached a record high of 33.9 percent, with peaks as high as 64.3 percent in the south, Treviso's 12 percent youth unemployment rate stands out.

"We try to make up for the shortcomings of our schools and universities," Tognana says. "With an education as bad as the one the state provides, it's really up to us. We need managers, not accountants, which is all the public school system generally offers us."

To get these courses going, Unindustria obtained funds from the European Union, pitched in some of its own money - provided by the organization's 12,000 members - and set a low fee for students.

The result is an unemployment rate of 3.4 percent in Treviso, compared with the average 26 percent in some southern towns. In addition, Treviso boasts a level of productivity so high that it accounts for 15 percent of Italy's entire trade surplus.

Yet Treviso's wealth doesn't show up in some of the official numbers. In fact, it ranks an uninspiring 43rd on the list of Italy's richest cities, with a per capita income of \$21,000.

"That's because part of its economy is submerged," explains Vittorio Filippi, a professor of Social Economics at the University of Venice. "People start working at a much younger age here than the national average and, in certain industries such as the textile industry, there is a tendency to work two jobs."

"What a relatively low per capita income means is that there's hardly any unemployment and that wealth is spread out more evenly," he says.

The genius of Treviso's economy, observers point out, is in the size of these 56,000 companies. Most of them are small enough to stream through the Italian bureaucracy's meshes far more nimbly than large industries or corporations.

A company with more than 50 workers, for instance, is subject to more regulations - many of which are union-related - than a small, family-owned business.

The acquisition or leasing of land for industrial purposes also tends to follow a simple rule: The greater the space required, the larger the bureaucratic impediments.

Not that the state bureaucracy is exactly friendly to small businesses. "It takes 29 different permits from 29 different public offices over a course of at least 10 to 11 months to set up a small business," Unindustria's Tognana says.

Compare that with France, where companies applying for permits in the booming region around Lyon have only a 60-day wait and apply to a single office. In the United States, entrepreneurs have been known to get a business up and running over the course of a few weeks.

The lack of hierarchy is another distinctive and favorable trait of the local economy. "Most of these businesses are small enough to be run informally," says Sergio Peccoli, whose plastics company made \$40 million last year.

"Mine is a typical example. There's only eight of us, and no one minds me, even though I'm the boss."

NEW YORK TIMES

Israel Tells Arabs to Shut 4 Offices in Jerusalem

By Joel Greenberg

March 5, 1997

JERUSALEM--Prime Minister Benjamin Netanyahu ordered Israeli police Tuesday night to close four Palestinian offices in East Jerusalem that he said were being operated by the Palestinian Authority in violation of self-rule accords.

The statement by Netanyahu's office did not specify which offices would be closed, saying only that it had been "proven beyond legal doubt that they are off

ices of the Palestinian Authority." Under the accords, the authority can only maintain offices in its self-rule zones in the West Bank and the Gaza Strip.

Netanyahu also ordered the removal of Palestinian security agents operating covertly in East Jerusalem.

The moves were promptly condemned by Faisal al-Husseini, the top official of the Palestine Liberation Organization in Jerusalem. "Such arbitrary decisions will take the region back to the atmosphere of conflict between the Palestinians and the Israelis, which we had dreamed of ending," he said.

Tensions are also rising over Israel's plans to build a new Jewish neighborhood in East Jerusalem. Palestinians claim East Jerusalem, captured by Israel in 1967, as the capital of their hoped-for state; Israel maintains that all of Jerusalem will remain its undivided capital.

But Netanyahu's latest assertion of control was apparently less a message to the Palestinians than an attempt to blunt criticism by his rightist partners of a army pullback planned this week.

The government is to meet Thursday to approve the first of three withdrawals in the West Bank by mid-1998. Some rightist members of Parliament have threatened a political crisis over the withdrawal, and the move to curtail Palestinian activities in East Jerusalem seems intended to placate them.

In any case, the office closings will not take effect immediately, and could be delayed by challenges in the Supreme Court.

A spokesman for the Internal Security Ministry said police would issue warnings Wednesday to four Palestinian offices that must close within 48 hours. If they are not shut by then, the police will issue closing orders to take effect 48 hours later, unless they are further delayed by court appeals, the spokesman added.

On Netanyahu's instructions, the Israeli police and Shin Bet security service have been monitoring more than a dozen Palestinian offices in East Jerusalem that the Israelis say are linked to the Palestinian Authority. They range from offices of Palestinian political and religious leaders to a geographic research center and a hospital. The Palestinians maintain that these have no links to the authority.

In a meeting with Yasser Arafat last month, Netanyahu reportedly submitted a l

ist of Palestinian Authority offices in East Jerusalem and demanded that they be closed, and he said later that if they were not shut down, Israel would do so.

"We are going to shut down those offices that are here --period," Netanyahu said Tuesday. "We are not asking the Palestinians to shut them down; WE are shutting them down." #I2PQP#

LOS ANGELES TIMES
Clinton Assails Israeli Housing as Arafat Visits
By Tyler Marshall, Rebecca Trownson, Times Staff Writers
Tuesday, March 4, 1997

WASHINGTON President Clinton waded back into the Mideast peace process

Monday, criticizing Israel's decision to build housing on the outskirts of East Jerusalem as a move that "builds mistrust" and meeting with Palestinian Authority President Yasser Arafat at the White House.

Before starting his meeting with Arafat, Clinton said of the planned Israeli development: "I wish [the decision] had not been made. I don't think it builds confidence, I think it builds mistrust."

While the Clinton administration's opposition to the East Jerusalem housing project was known, these were the president's first comments since the controversial project won Israeli government approval last week.

Clinton's remarks came as tensions mounted in the Middle East, with Palestinians calling a general strike in the West Bank and Gaza Strip to protest the housing project.

Meanwhile, Israeli Prime Minister Benjamin Netanyahu toured East Jerusalem to underline his government's stated commitment to invest in housing and other infrastructure for Palestinians, even as Israel builds 6,500 homes for Jews on a hill on the city's southeastern boundary.

"What we are doing today is making . . . Jerusalem one city for Jews and Arabs alike," the prime minister said. "We are serious about it. It's not a ploy."

But the housing project Netanyahu describes as a simple step toward making Jerusalem a single, integrated city is seen by Palestinians as an attempt to preempt negotiations on the final status of the city, which is viewed as holy by both

Palestinians and Jews claimed by both as their capital. As such, the city's fate is one of the most emotional issues of the peace process.

Clinton likened the darkened mood caused by Israel's decision to build the housing for Jews to a period last fall when he invited Netanyahu, Arafat and Jordan's King Hussein to an emergency White House summit to breathe new life into the peace process. That process had stalled over the terms of Israel's withdrawal from the West Bank city of Hebron. "This is also a difficult moment, but I think we can work through it and go forward," Clinton said.

After his session with Clinton, Arafat met with Secretary of State Madeleine Albright. The two agreed to form a joint U.S. Palestinian committee that will meet several times a year. State Department officials said the committee, chaired by Albright and Arafat, is patterned after existing panels established to monitor America's relations with Russia, South Africa and Egypt.

Arafat's itinerary which also included meetings Monday with Treasury Secretary Robert E. Rubin and the director of U.S. foreign aid efforts, Brian Atwood, and today with congressional leaders reflected just how much the political dynamics have changed since the current peace initiative began 3 1/2 years ago.

Previously, Arafat was widely viewed in the United States as an unprincipled leader who supported terrorism; a meeting with the president would have been politically unthinkable then.

At a briefing for reporters after Arafat's session with Clinton, White House Press Secretary Mike McCurry praised Arafat for his efforts to keep Palestinian anger at the proposed housing project from boiling over. "He's been very careful about that, and his restraint is admirable," McCurry said. Overall, Palestinian reaction to the Israeli announcement has been relatively muted. Arafat and other Palestinian leaders have issued angry but fairly predictable denunciations of the move as a violation of the peace agreements, but they have made certain that the few demonstrations so far have been carefully controlled.

The real test, Palestinian and U.S. officials in Jerusalem say, will come later, after Arafat's U.S. visit, on the still unspecified day when bulldozers begin to clear ground on the hill known in Hebrew as Har Homa and in Arabic as Jabal Abu Ghneim.

At least 75 Palestinians and Israelis were killed in September in rioting that broke out when the Israeli government cut a new door to a Jerusalem tourist tunnel near sites in the Old City holy to Muslims and Jews. The difference between that incident and the current situation, several of those interviewed said, is that nothing has yet occurred on the ground. * * *

"The Palestinian people differentiate between the decision and the execution," said Saeb Erekat, a member of Arafat's Cabinet and a key negotiator with the Israelis. "Right now, everyone is concentrating on the diplomatic efforts we're making to urge the Israeli government to revoke this decision. But, honestly, who knows what will be the reaction if they go forward?"

Marshall reported from Washington and Trounson from Jerusalem.

CHICAGO TRIBUNE
Arafat Crusades Before Clinton And Larry King
By William Neikirk And David Cloud, Washington Bureau
Tuesday, March 4, 1997

Washington From the White House to the Larry King show, Palestinian leader Yasser Arafat wielded the weapons of diplomacy and celebrity Monday to fight new Israeli settlements in East Jerusalem.

Dressed in his familiar olive uniform and Palestinian headdress, Arafat began his crusade with President Clinton in the imposing setting of the Oval Office and continued on the brightly lit set of King's talk show, where O.J. Simpson and entertainment are usual topics.

In an America where many people have tuned out foreign policy issues, the diminutive Palestinian leader used his international star status to turn to the airwaves and build support for his case.

In his interview on Larry King Live, Arafat called on Israel to halt the settlement plan and warned that Palestinians would not accept the settlement.

But he attributed Israeli Prime Minister Benjamin Netanyahu's support for the plan as a way to placate rightwing members of Netanyahu's coalition, and avoided incendiary rhetoric.

"I know that he (Netanyahu) is facing many troubles," Arafat said, adding that "If there is a will, there is a way. . . . And I

am sure that there is a will
."

Palestinians view the Israeli decision last week to develop a new Jewish settlement as a deliberate effort to encircle Jerusalem, thereby precluding future division of the city. Its status is to be decided in future talks between Israel and the Palestinians.

While Israelis argue that a united Jerusalem will remain in their hands, the Palestinian Authority wants to see the old eastern section of the capital, which Israel captured from Jordan during the 1967 war, become a capital of the independent state it hopes to create.

"Their target is to squeeze and isolate Jerusalem," said Arafat, whom administration officials described as "very emotional" in denouncing the move in separate meetings with Clinton and Secretary of State Madeleine Albright.

The Israelis' move also has upset the White House, coming just before Arafat's visit and two weeks after Netanyahu came to Washington to discuss advancing the peace talks.

Clinton gave Arafat a vote of confidence in a brief photo session before their one-hour and 20-minute meeting, saying the Israeli decision to erect new settlements "builds mistrust. And I wish that it had not been made." But the administration's response was carefully calibrated, designed to show its displeasure with Israel without producing a rift that could further complicate the peace talks.

For example, State Department spokesman Nicholas Burns refused to call publicly on Israel to reverse the settlement decision.

Burns said the housing decision "risks undercutting a lot of the progress that has been made so far" and added that administration officials will hold private discussions with Israeli and Palestinian officials in coming weeks "to try to restore that sense of trust and confidence."

Speaking in halting English in front of the Oval Office fireplace, Arafat called the president "his excellency" and said he was sure Clinton would try to prevent the new construction, although the president came up with no plan to do so, other than to continue to express his opposition over the settlements to Israel.

"The important thing is for these people on both sides to be building confidence and working together," Clinton said. "And so I would have preferred the decision not have been made, because I don't think it builds confidence."

Arafat came primarily as part of Clinton's initiative to reenergize the Middle East peace process and to push for economic assistance. The State Department announced formation of a committee headed jointly by Arafat and Albright that will meet several times a year to promote commercial ties and discuss political issues.

The committee is modeled on similar arrangements headed by Vice President Al Gore with Russia, South Africa and Egypt.

The U.S. has appropriated \$500 million in aid for the Palestinian-controlled areas of the West Bank and the Gaza Strip, and \$220 million already has been delivered, Burns said.

After a one-on-one meeting with Albright that centered on the housing dispute, Albright and Arafat were joined by Treasury Secretary Robert Rubin and J. Brian Atwood, administrator of the Agency for International Development, for a lunch discussion on what Palestinians can do to attract foreign capital for projects.

Israel's decision last month to remove troops from Hebron seemed to be a breakthrough that would move the peace talks forward, but the settlement issue has thrown up a new obstacle.

In the Oval Office with Clinton, where he and the president talked the last 20 minutes alone, Arafat was "clearly very concerned and emotional" about the settlements, White House press secretary Mike McCurry said. McCurry praised Arafat's discretion in not threatening bloodshed.

Netanyahu has indicated that Israel can unilaterally move to change the character of Jerusalem before negotiating with the Palestinian Authority, but Clinton and Arafat disagree. Arafat and U.S. officials have rejected Netanyahu's portrayal of the housing decision as benign, balanced by the proposed construction of new housing for Arabs.

The plan calls for building 2,500 of a planned 6,500 housing units.

#K2PP# CHRISTIAN SCIENCE MONITOR

Editorial: Spotlight on Jerusalem

Wednesday March 5, 1997 Edition

Jerusalem's future is the diciest problem facing peace negotiators in the Midd
le East. Common ground is elusive, because
the sides are poles apart. For most

Israelis, there is no issue: The city will stay united as their country's cap
ital.

Palestinians view East Jerusalem, the older, mostly Arab section capture
d by Israel in the 1967 war, as their future
capital.

So when the city is forced into the spotlight of regional politics, as by the
Israeli decision to push ahead with a building
project in East Jerusalem, emoti
ons flare - and the peace process shudders. Such actions short-circuit the neg
otiating
process, as President Clinton acknowledged March 3 in the course of
Washington talks with Palestinian leader Yasser
Arafat.

What can the American administration do to deter Israeli building plans and al
lay the threat to peace? Mr. Clinton's rebuketo the policies of Israeli Prime
Minister Benjamin Netanyahu was relatively mild, a calm "I prefer the decision
not have
been made." He would do well to make it clearer that his words were
in line with the long-held US view that settlement
building in territories oc
cupied by Israel - including East Jerusalem - is a barrier to peace, violating
the UN resolutions that
serve as a basis for negotiations.

In the past, such US rebukes have sometimes been accompanied by more forceful
actions, such as cutting off loan
guarantees to Israel. At the least, the admi
nistration should turn up the volume on its criticism. Mr. Netanyahu faces an
influence-buying scandal and rancor in his ranks. He doesn't need the added bu
rden of a possible falling-out with the US.

This is not a matter of taking sides. It's a matter of protecting a peace proc
ess manifestly in the interest of both sides.

CHRISTIAN SCIENCE MONITOR

Iraq Survives Sanctions With 'Cowboy' Capitalism

Barbara Nimri Aziz, Special to The Christian Science Monitor

Wednesday March 5, 1997 Edition

BAGHDAD, IRAQ-- Facing economic hardship, Iraq is turning toward free enterpris
e.

In the six years since his defeat in the Gulf war, Iraqi leader Saddam Hussein
has withstood United Nations sanctions

aimed at forcing him to disarm. And despite near-total isolation, his regime is steady.

One key to Iraq's survival has been an economic shift. Once largely state-controlled, the economy is now bolstered by an emerging capitalism.

Government officials, for instance, once had an ample fleet of cars at their disposal. But last year, many received sudden notice that car privileges were gone. The government sold not only its vehicles, but warehouses of grain, auto parts, and other hardware. Even some factories were put up for sale to private Iraqi investors.

"This was to compete with private suppliers who were hoarding and forcing prices up," says an official with a nonprofit organization in Baghdad.

On the streets of Iraq, the trend toward free enterprise is obvious. From hospitals to banks, citizens have sought out alternatives to crumbling government services.

After the Gulf war, the Iraqi currency lost its value, and illegal money changers flourished. They competed with state-run banks for scarce foreign exchange. But in 1995, the government began to allow money changers to operate freely. Soon several private banks were created.

Private hospitals have sprung up, too. Before the war, most Iraqis used free government health care. But without medicines or other supplies due to the embargo, these centers had to turn patients away.

In their stead came new partnerships of senior doctors with the capital to invest and reputations to attract paying patients.

One such facility in a Baghdad suburb, with just 45 beds, is where young doctors like Moyed Khairy are now employed.

He has a part-time job in a state hospital. But by working afternoons in the private facility, he supplements his monthly government salary of 3,500 dinars (\$3.50) by 15,000 dinars.

But other former government workers don't have these options. Iraqis from all walks of life say they left government service when their salaries couldn't keep up with inflation.

Even a teacher like Ali, fluent in English, is a small-time merchant now. He stands beside a makeshift cart piled with small

vials of fragrant oil. "I can earn more selling than teaching," he says. "One bottle costs 200 dinars. Maybe I can sell four a day. Before I had a car, a house, and money.... After the Gulf war, I could not support my family on a teacher's salary."

But while some former civil servants are barely more than peddlers, a few Iraqis are profiting greatly from the economic isolation.

The regime has actively encouraged private enterprise by large-scale producers and traders. This more-open policy began in the 1980-88 Iran-Iraq war, but it has surged ahead under the strains of the embargo, which was extended by the United Nations last week as a part of its regular 60-day review. [The UN claims Iraq is still hiding chemical, biological, and ballistic weapons.]

In Baghdad, merchants and farmers now have a freer hand to furnish the nation with badly needed goods such as food, textiles, and machine parts.

"Many farmers are rich," says a Baghdad resident who gets government food rations. "They deserve what they have. They worked hard these years when we could not import."

But the richest of the new entrepreneurs are smugglers bringing goods across Iraq's borders.

"These profiteers were needed to do what the government could not do - import and export," says Khalid Amin Abdullah, a professor of finance at the Jordan University for Women in Amman.

"They work with the government's support, because they are doing its work."

Many observers agree that these free-enterprise efforts relieve the government of the burden of getting food to the people. In return, these merchants are well rewarded.

Omar, an Iraqi exile in Jordan, was once a businessman himself. He calls these traders "cowboys."

"They crossed the borders and took chances," he says. "We could not manage what they did."

And now that these new rich have begun accumulating capital, they are able to buy up the factories and other former government institutions.

They could become a class of industrialists unlike anything Iraq has ever seen.

But the shifting economic status quo doesn't appear to threaten the government's political control. "They do what Saddam tells them," says an observer with extensive experience in Iraq before the war.

"These new rich are rewarded with wealth," says a Jordanian merchant. "As long as they do [Saddam's] work, they can continue. They get material benefits, and that's all they want."

Some observers think Iraqi traders have to pay protection money to Saddam's clan members, who hold top positions throughout the nation.

But it's a price the newly rich seem willing to pay, especially as the state starts auctioning off more enterprises.

Besides selling certain factories outright, in December the government announced a new measure to auction off half of the shares in government-private companies to employees of the firms.

But privatization can only go so far. Could oil ever be put on the open market?

"No," says Mustafa al-Mukthar, a Baghdad economic consultant.

"State ownership of our oil is a principle. Changing this is out of the question."

WASHINGTON POST
China Raises Spending For Military
By Steven Mufson
Wednesday, March 5 1997; Page A12

BEIJING, March 5--China will boost official military spending by 12.7 percent this year and set aside \$3.6 billion to help find jobs for people laid off during the restructuring of state-owned industries.

The budget allocations, revealed during the annual two-week session of the National People's Congress, reflect shifting priorities as China's leaders attempt to pacify soldiers and state workers--two powerful, and potentially disruptive, constituencies that depend on government support.

The sentiments of those groups will be crucial as China's leaders seek to maintain political and social stability following the death last month of senior leader Deng Xiaoping and in the run-up to an important Communist Party congress this fall.

The workers in particular could be sorely tested by state-owned firms seeking to lay off up to a third of their employees. During the first nine months of last year, the losses at state firms soared 45 percent.

"China's state-owned enterprises control the lifeline of the national economy and play a dominant role in national economic development," the People's Daily today quoted Communist Party chief and President Jiang Zemin as telling legislators in the National People's Congress.

But he added: "The traditional industrial structure and the traditional product mix are no longer suited for the change from a sellers' to a buyers' market. This has become an outstanding issue in our economic life."

The increase in China's official military spending, to \$9.7 billion, will easily outstrip the inflation rate, which dropped to 6 percent last year and which Premier Li Peng has vowed to drive down even further. The allocation would put China's military spending at about 10 percent of state spending and about 1.5 percent of the country's gross national product.

"That is in line with past increases," said David Shambaugh, director of the S. Olin Center of East Asian Studies at George Washington University. "Since 1988, Chinese military spending has been increasing at double-digit percentages. That's significant because it comes at a time when other militaries are building down after the end of the Cold War." But the amount still pales beside the size of the U.S. military budget, which is \$256.6 billion for the current fiscal year.

Shambaugh and other analysts say the change in China's actual military spending is difficult to measure because so much of it is kept outside the official budget. They estimate that China's military spending runs four to five times as high as the official budget figure.

While the official budget mostly goes to pay for salaries, food, housing and fuel requirements, the hidden military budget covers the bulk of research and development as well as weapons procurement. Shambaugh estimates that as much as

75 percent of the Chinese military's research and development program is conducted through the state science and technology commission and government-run research institutes.

Shambaugh estimates that other money covers about 75 percent of the military budget for weapons purchases. These funds come from five companies that once were part of the Ministry of Machine Building Industry but now are incorporated as separate enterprises. Despite their corporate names, the entities still fall under the supervision of the State Council, or cabinet. The companies deal with electronics, ordnance, nuclear technology, shipbuilding, and aeronautics and astronautics.

"It's a bureaucratic sleight of hand," Shambaugh said. Shambaugh estimated that actual spending on the armed forces is about \$36 billion. The International Institute of Strategic Studies estimates the real military budget to be \$32 billion.

That would still leave China below Japan's military spending, which runs around \$50 billion a year. "Is that threatening?" asked Shambaugh. "If you're trying to improve housing, salaries, dietary intake and equipment, it isn't much."

NEW YORK TIMES
China Assails Human Rights Record of U.S.
By Seth Faison
March 5, 1997

BEIJING--Each year when the State Department issues its report on the status of human rights in China, officials in Beijing seem to cringe.

Not only are shortcomings of China's authoritarian government spelled out in fine detail. But China's internal politics are also confronted in such a straightforward way that to Chinese officials, it seems deeply disrespectful, like an uninvited guest criticizing the food at a family dinner.

On Tuesday, five weeks after the State Department issued its report, Chinese officials came out with their own version--spelling out human rights violations in the United States.

The Chinese report finds plenty to criticize: racism, inequality of the sexes and money-dominated politics top the list. Above all, Chinese officials seem irritated by what they see as American arrogance in trying to tell the world how to behave.

"The U.S. government, posing as the human rights judge of the world, turned a blind eye again to the serious human rights problems in its own country," said

the official New China News Agency, which issued the report.

Human rights are a perennial sticking point in U.S.-China diplomacy, highlighting the contrast between the American emphasis on individual freedom and the Chinese insistence that the common good transcends personal rights.

(The State Department's spokesman, Nicholas Burns, responded curtly and pointedly to the report, noting the United States' history of democracy and respect for human rights. "We are very confident about our policy and emphasis on human rights," he said, "and we're not going to be deterred, especially by countries that are major violators of human rights.")

The report Tuesday appeared to be timed, in part, to precede a meeting in Geneva this month of the U.N. Commission on Human Rights, where China faces possible censure.

But even if recent efforts by Washington and Beijing to narrow their differences on human rights succeed in avoiding a confrontation in Geneva, the issues are conceived so differently by the two governments that they are likely to complicate diplomacy for years to come.

"Human rights protection provided by the U.S. Constitution is very limited," the Chinese report asserted, noting that the framework for governing the United States does not include a right to "food, clothing, shelter, education, the right to work, rest and reasonable payment."

China's constitution, for the record, does not list all those rights either. Though many scholars agree that it is a first-class constitution, enshrining rights like free speech and freedom of assembly, they cannot always be exercised.

Differences of definition aside, Tuesday's report found plenty to criticize in the United States, and seemed to do so in the hope that it would blunt American criticism of China.

"The whole world is aware of racial discrimination in the United States," the press agency said. "The growing number of incidents against immigrants have clearly demonstrated that discrimination against ethnic minorities remains the darkest abyss in American society."

Then it homed in on the ever-expanding role that cash plays in campaigning for

elective office.

"In the United States, running for office requires large sums of money," the report said. "American politics has become more and more the politics of buying power through money. In the 1996 elections, both the Democrats and the Republicans raised huge amounts of money by auctioning opportunities to meet the president or congressmen.

"Allowing private donations in elections has actually legalized bribery."

NEW YORK TIMES
The Real Chinese Threat
By William Greider
March 5, 1997

WASHINGTON--China casts such a large shadow over the future that it has become the crux of all debate over the risks and rewards of the globalizing economy.

Prevailing wisdom, promoted by multinational conglomerates and embraced by President Clinton, holds that China's middle-class consumers will lift all boats.

The Cassandra school foresees a flood of low-wage exports that will swamp the global system. The argument has taken on greater urgency with the death of Deng Xiaoping and the pending decision on whether China will be allowed to join the World Trade Organization.

The problem with making China the sole focus of the globalization debate is that the inclination to glorify or demonize what Communist leaders call "market socialism with Chinese characteristics" misses the larger point. The real issue should be the flawed nature of the global system itself.

China is best seen as a huge mirror that bluntly magnifies those broader problems. Unfortunately, if it succeeds in becoming a world economic leader, its scale may push the manic logic of global capitalism to predictably dangerous conclusions: increased loss of jobs from higher-paying developed countries to the third world and overproduction of goods relative to demand.

Its Marxist-Leninist dogma notwithstanding, China will do exactly what global capitalism permits and even encourages.

Beijing, one might say, is following the Japanese model of developing sophistic

ated manufacturing but "with Chinese characteristics." It intends to build a world-class industrial base and become a major exporter of technological goods -- cars, chemicals, steel, electronics, even commercial aircraft.

To this end, multinationals from Boeing to Volvo, from Airbus to Mitsubishi, are trading elements of production in order to sell aircraft or cars to the Chinese.

China, like many others before it, demands jobs and technology as the price of entry.

At the huge assembly halls of Xian Aircraft Company, I saw machinists who earn \$50 a month assembling Volvo buses and the tail sections of Boeing 737's. The workers are supervised (and sometimes disciplined) by Communist Party cadres.

"If you want something done," Boeing's plant manager told me, "you go to the party member and it's done--like that."

Rigid control over the work force has always been part of what economists call the "comparative advantage" of manufacturing in very poor countries.

In Indonesia, the ruling ideology is right-wing rather than Marxist, but the suppression of workers' rights is nearly as harsh as in China.

Malaysia's burgeoning electronics industry is based on an explicit promise to American semiconductor companies that workers will be prohibited from unionizing. When Malaysia considered lifting this ban, American companies threatened to move to China or Vietnam.

China's industrial strategy is not secret. It publishes blueprints, industry by industry, elaborating how it intends to focus on certain export markets.

Party bureaucrats envisage a car industry as large as North America's within 15 years --with a capacity way beyond the potential demand at home.

The shoddier cars can be sold domestically; higher-quality models will be exported.

China's vision is not as improbable as many assume.

Volvo now ships assembly kits made in Sweden to its Xian plant, but accepts that its buses will soon be made of at least

90 percent Chinese parts.

A manager of the Xian Aircraft Company, which is run by the military, boasted that it "already has almost the manufacturing level to produce one whole aircraft at the level of the Boeing 737."

Boeing's strategists do not scoff at this claim. China hopes that with the help of international partners it can launch its own "Asian Airbus," modeled after the government-subsidized aircraft consortium in Europe. Why denounce Beijing for copying Bonn and Paris? Boeing wants a piece of the new venture -- a smart strategy for the company, if not for machinists and engineers in Seattle.

The United States is the global system's buyer of last resort. It absorbs China's lopsided trade flows--an astonishing deficit of \$40 billion last year--but the rise of low-wage higher-tech industries there now threatens Japan's domination of Asian markets as well. Thus Tokyo is more worried than Washington.

"China is a horror story for the rest of the world if it simply grows as an exporting nation," Harou Shimada, a Japanese economist who advises the Government, told me.

"If you bring in 1.2 billion workers at those wages, that can destroy the global trading system."

In short, it is China's scale, not its despotism, that threatens the economic system.

Even if China were to collapse tomorrow, the threat of lost jobs would not disappear. Low-wage producers from India to Eastern Europe are vying for the same ground.

With this in mind, people should consider the fundamental contradictions of globalization, particularly that the world is generating production much faster than it is creating consumers. Economists typically dismiss this analysis, saying that supply and demand will always even out.

But consider that the global auto industry will be able to produce 79 million vehicles in 2000, while consumers won't buy more than 58 million. Someone somewhere is going to have to close more car factories --lots of them.

The perverse paradox of globalization is that the very steps companies think they must take to survive fierce new

competition actually end up making the worldwide supply problem worse. Moving production to low-wage economies exchange high-wage workers for very cheap ones. The developing economy enjoys new jobs and rising incomes, but overall consumption power is lost.

As Henry Ford observed in 1913, an industrial system cannot endure if workers cannot buy the things they make. This condition led to 1929, and it is before us again.

To save the system, the United States must take real steps to emphasize the condition of workers and wages at home and abroad.

It should, for example, incorporate labor rights into trade negotiations by imposing tariffs on the goods of the most flagrant abusers of workers and giving preferential trade terms to poor nations with more equitable governments. This wouldn't end the pressures on jobs and wages here, but it would boost global consumption.

It should also use the threat of tariffs to keep countries from developing an export advantage through excess capacity.

We have the leverage to do this: If not us, who will buy China's \$40 billion surplus of goods?

None of this promises to solve the problem of competition from China. But neither will China's growth solve the problems of economic globalization, despite economists' rosy views. Instead of coddling China or depicting it as uniquely evil, the United States should start questioning its own blind faith in the global economy.

William Greider is the author, most recently, of "One World, Ready or Not: The Manic Logic of Global Capitalism." #I2PQP#

LOS ANGELES TIMES
We Need an Enemy: Hey, Here's China!
By Tom Plate
Tuesday, March 4, 1997

Now that Deng Xiaoping's funeral is history, no further deference is necessary and we might just as well say it: "Hey, China! You don't like us and we don't like you. So put up your dukes: We Americans are tired of kowtowing to you." One, two, three, four, isn't it time to start a war?

Oh, come on. What kind of raving is that? Do we really think that the SinoU.S. relationship could come to blows? Well, that's the drift of a major new book, "The Coming Conflict With China." It comes from a well-regarded publisher, Knopf, and is excerpted as the cover story for the latest issue of Foreign Affairs, the journal of the East Coast foreign policy establishment. Did you know that the People's Republic of China is out to get the United States? That we are China's officially designated enemy and long-term adversary? Oh yes, you paranooids of the world: "China is gambling that it can prepare for the coming conflict with the United States even while publicly denying its ultimate objectives." That is the thesis of veteran journalists Richard Bernstein and Ross H. Munroe, the book's authors. They're serious, and they're not alone. Just last fall, Harvard professor Samuel Huntington seriously advocated turning away from Asia and retreating to our Eurocentric womb.

Remember the sizzling 1990 book about Japan titled "Agents of Influence"? According to that gem, there were clever Japanese operatives under almost every U.S. bed (though, not then at least, under the one in the Lincoln Bedroom), and the Japanese were buying or coopting or corrupting all of America. The book sold like rice cakes at a health club.

So here we go again. And why not? Now that the Japanese economy is in trouble and its profile seems less threatening, America needs to develop a new big-time hate. The Asia money scandal provides some grist for the anxiety mill, but this campaign fundraising mess reveals a whole lot more about the ways of Washington than the ways of Asia.

No, America must have China to hate; who else out there can fit the bill? And, to make it all so easy, the Chinese too often seem willing to cooperate. They don't play nice with their political dissidents; they play games with foreign access to their markets; and their anti-West propaganda machine whines on over time, with all the sophistication of a Mao version of Captain Kangaroo.

But serious and thoughtful but sadly misguided books like "The Coming Conflict With China" more likely will heat up domestic passions than advance public enlightenment. Rather than learning how to hate China or even fear Asia, wouldn't America be a lot better off simply learning real truths about the fastest-growing region of the world economy? For we are dumber about Asia than Asians are about us: Nearly 200,000 Asians study here; many Asian public schools offer,

if
not require, English as a second language. How smart they are and how smart we're not: Only 6% of American college kids who study a foreign language are tackling an Asian tongue. Tellingly, U.S. students abroad overwhelmingly go to

Europe. Worse yet, America is eviscerating its diplomatic presence abroad. Aside from military personnel, fewer than 900 foreign affairs officers are posted in Asia, with budgets that have been cut in half over the past 10 years. Thus it's not surprising that America is soft in the head, even a little intimidated, about Asia. As a nation, we haven't committed ourselves to truly trying to understand them.

Sure, China will act in its national interest. What do we expect that it will act in America's interest? And, yes, Beijing will sometimes be a huge pain in the neck unlike Tokyo, not to mention Ottawa or London sometimes and of course Paris, right?

But is building fearsome war scenarios the answer? If we have serious problems with China, let U.S. diplomacy apply pressure at trade and human rights conferences. Or in a real crisis, send gunboats from the U.S. Navy to bob around the

South China Sea, as they did last March to calming effect when China blustered over upping Taiwan. (China is still smarting, but the maneuver worked because it was restrained: The carriers kept a respectful distance from the Taiwan Strait itself.) And we can always organize a boycott of Chinese toys at Christmas: that would really hit China where it hurts.

My worry is that the way things appear to be unfolding, both China and the United States are beginning to need each other in the sickest and most dangerous way. Perhaps the United States believes it can't develop a coherent foreign policy unless it finds a substitute punching bag for the former Evil Empire. And how else can China keep the noses of 1.2 billion people to the communist grindstone without some Occidental Evil Empire to grind against? China did, after all, have a huge bestseller last year with "China Can Say No." If enough people on both sides work hard to stir the poison, maybe a coming conflict with China indeed will be in our future.

Don't both countries have better things to do with their sons and daughters than to get sucked into a devastating arms

buildup and potential world calamity?

Times columnist Tom Plate also teaches in UCLA's Policy Studies and Communication Studies programs.#K2PP#

WASHINGTON POST

North and South Korean Delegations Are to Meet in New York Today

By R. Jeffrey Smith

Wednesday, March 5 1997; Page A02

When four North Korean bombs were detonated by remote control at the Martyr's Museum in Rangoon in 1983, killing 17 visiting members of the South Korean leadership, one of those lucky enough to survive was a political counselor at the South Korean Embassy named Song Young Shik.

Song recalls the bedlam and subsequent trauma vividly. But it is a memory that he will be doing his best to keep buried today as the head of a South Korean delegation to the first direct talks his country has held with senior North Korean diplomats in nearly three years.

The aim of the day-long meeting at a New York hotel is to lay the groundwork for eventual full-fledged negotiations that would produce a formal cease-fire to the 1950-53 Korean War. The challenge for both North and South Korean officials at the meeting will be to set aside some of the bitter antagonism produced by a lengthy history of occasional aggression and boundless paranoia.

Representatives of the two governments agreed to attend today's meeting only after months of U.S. diplomatic labor and some intense bickering over everything from where the talks would be held to the shape of the tables.

In recent months, their icy relationship has thawed a bit. North Korea's communist regime issued an unprecedented statement of regret about the incursion of one of its spy submarines into South Korean waters last year, and Seoul agreed to join the United States in providing a small amount of emergency food aid to the North's increasingly starving populace.

The meeting today falls short of a real peace negotiation; it is instead a U.S.-South Korean briefing for the North on what the negotiation would be like if North Korea agreed to take part. "Talks about talks," as a senior U.S. diplomat said, adding that nonetheless he thinks the North Korean leadership has alr

eady jumped "the highest hurdle" merely by agreeing to send its diplomats to a hotel conference room where South Koreans will speak.

The isolated North Korean regime has been induced to participate partly by its growing recognition that it will need substantial foreign help to solve its serious economic problems and deal with what some experts say is an imminent famine that could rival Ethiopia's in the mid-1980s. Washington and Seoul have made clear that the kinds of relief that would make a dent in these crises will not be forthcoming without a substantial relaxation of tensions.

"We will do our best to tell our northern brethren about all the benefits that can accrue" if the armistice signed in 1953 is replaced by a permanent treaty, Song said in a telephone interview. Referring to the bombs in Rangoon, he said, "the past is past. . . . We should look forward to the future."

The senior U.S. official, who briefed reporters on the meeting on condition he not be identified, said he was guardedly optimistic that North Korea eventually will agree to join peace talks. But he said that response--if it comes -- will likely be delayed until after the third anniversary in July of the death of long-time North Korean leader Kim Il-Sung. That's when his son, Kim Jong-Il, is widely expected to assume the title of president and Communist Party chairman.

In the meantime, the United States and North Korea plan to hold more intensive bilateral discussions beginning Friday on such issues as North Korean missile exports, a possible lifting of some U.S. sanctions on trade and investment in North Korea, and the opening of low-level diplomatic offices in each capital.

"We would consider further sanctions-easing measures as North Korea made progress on issues of concern to us," such as curbing its missile sales, said Charles Kartman, the acting assistant secretary of state for East Asian and Pacific affairs.

The U.S. delegation to the meeting will include officials from the National Security Council and the Pentagon. But the North Korean delegation will include only foreign ministry officials, led by vice minister Kim Gye Kwang. Officials from the North Korean military, which some U.S. experts say remains an influential bastion of hard-line views toward the South, will

not be present, providing yet another reason why no quick results are expected.

NEW YORK TIMES
Trade vs. Rights: A U.S. Debate With a Burmese Focus
By Steven Lee Myers
March 5, 1997

WASHINGTON--Despite pressure on Capitol Hill and a new appeal by a Nobel Prize-winning dissident, senior members of the Clinton administration are sharply divided over whether a new law requires the United States to impose tougher sanctions on Burma, administration officials say. The law, signed by President Clinton five months ago, states that the administration must ban all new American investment in Burma if its military steps up repression of the democratic opposition, particularly the dissident Daw Aung San Suu Kyi.

The law has forced the administration to confront the issue of whether concern for human rights is outweighed by economic ties.

If the administration imposes sanctions, it risks criticism that it is singling out Burma while ignoring others, including China.

If the administration does not impose sanctions, it becomes vulnerable to accusations that its policy of economic engagement supersedes its concern for rights.

One faction--including the new U.S. representative to the United Nations, Bill Richardson--has concluded that the conditions requiring sanctions have been met. But an equally influential group argues that sanctions would have little effect on the military government.

This latter group--including the president's economic and trade advisers and Defense Secretary William Cohen, who as a senator was one of two sponsors of the law--has recommended instead that the United States continue to apply diplomatic pressure.

The divisions reflect a larger debate over sanctions as a tool of foreign policy. In the case of China, for example, the administration has argued that economic engagement will lead to greater political freedom. And just last week, the administration appeared to sidestep sanctions against Mexico in connection with the drug trade because of its economic

importance.

Burma, with relatively little American investment, is a more likely place to take a stand in the name of human rights.

The administration's divisions became clear at a Cabinet-level meeting two weeks ago, according to administration officials who spoke on condition of anonymity. The issue is now expected to be taken up by Clinton.

A spokesman at the White House, David Johnson, declined to discuss the wrangling, except to say, "We are now considering what course of action supports the law and the purposes of the law."

The military Burmese government--the State Law and Order Restoration Council, or SLORC--continues to suppress the political opposition. In the last week, it also intensified its attacks on ethnic Karen rebels and refugees, prompting renewed criticism by the State Department.

"The United States is increasingly frustrated by the policies of the SLORC," said State Department spokesman Nicholas Burns.

Rights organizations and members of Congress see the debate as a test of the administration's willingness to wield sanctions. "The longer they hold off, the more credibility they lose," said Mike Jendrzeczyk, the director in Washington for Human Rights Watch Asia.

The Burmese government, which is dominated by Gen. Khin Nyunt, seized power in 1988. It held elections in 1990 but rejected the results after losing to the National League for Democracy, which is led by Mrs. Suu Kyi, who later won the

Nobel Peace Prize. While she was released in 1995 from six years under house arrest, the government has continued to harass supporters.

The United States has already imposed some sanctions against Burma, not only for its rights policies but also for its lack of cooperation in fighting drugs. In September Clinton also barred the military rulers from entering the United States and banned arms sales.

The United States is one of the largest investors in Burma, after France, Britain, Singapore and Thailand, with most of the investment coming in the oil and gas sector. But investment has declined since 1991, when it was \$80 million, in part

because some American companies have responded to rights protests.

But the largest American company operating there, Unocal Corp., announced in late January that it had signed an accord to explore and develop offshore gas fields.

A bipartisan group of seven senators--led by Daniel Patrick Moynihan, D-N.Y., and Mitch McConnell, R-Ky.--has circulated a letter calling on Clinton to impose the sanctions.

The law calls for a ban on new investment if the Burmese government has "physically harmed, rearrested for political acts or exiled Daw Aung San Suu Kyi or has committed large-scale repression of or violence against the democratic opposition."

The senators cited instances in which Mrs. Suu Kyi had been harassed and detained in her home as recently as December, while members of the National League for Democracy had been arrested.

"Since the bill was signed into law, the situation has gone from bad to worse," the senators wrote.

Last month Mrs. Suu Kyi herself appealed for international sanctions, saying there was a "large-scale repression of the democracy movement" under way. In a rare meeting with reporters Tuesday, she complained of new arrests and intimidation tactics, saying, "The situation is getting worse all the time."

What has made the administration's debate more interesting is the fact that members of Clinton's foreign policy team have been publicly intertwined with Burmese policies.

Richardson and Secretary of State Madeleine Albright have each met with Mrs. Suu Kyi. And Cohen joined Sen. Dianne Feinstein, D-Calif., in drafting the law, which was a compromise that headed off calls last year for immediate sanctions.

Feinstein's office declined repeated requests for comment, but in an interview last month in The Los Angeles Times, she said the conditions laid out in the law had not been met.

Albright has indicated a willingness to impose sanctions but has advocated a third option: giving Burma 60 days to improve conditions.

Marc A. Phiessen, a spokesman for Sen. Jesse Helms, R-N.C., who signed Moynihan

's letter, said the administration should simply follow the law.

"It's mind-boggling," he said, noting that a State Department report on human rights in January showed that the conditions for sanctions had been met by the continued pressure on Mrs. Suu Kyi. "Does she have to be assassinated before they will impose sanctions?"#I2PQP#

BOSTON GLOBE
Exposing Indonesia
By James Carroll, 03/04/97

As the time approached last fall for news of the Nobel Peace Prize, we thought the honor would go to John Hume, architect of hope in Northern Ireland, or perhaps to Richard Holbrooke, who had brokered the truce in Bosnia. When the announcement finally came, much of the world's reaction was who?

The 1996 Nobel Peace Prize was shared by two men of whom few but human rights activists had heard: Dr. Jose Ramos Horta and Bishop Carlos Filipe Ximenes Belo. They were singled out because of their work for the peace and freedom of East Timor, a country slightly larger than Massachusetts that hardly anyone in the West could locate on a map.

Since 1975 East Timor has been brutally occupied by the army of neighboring Indonesia, an acute injustice that the world has steadily ignored.

Last week Dr. Ramos Horta and I sat together at lunch in a crowded restaurant on Beacon Hill. He is a dark, compactly built man of 47. In 1975, at the age of 25, he was named foreign minister of East Timor upon its being granted independence by Portugal. But within days, Indonesia invaded. Ramos Horta has been in exile ever since. The day I met him, he wore a blue shirt and a bow tie. His glasses gave him the air of a professor. He earns a living as a teacher in Australia, but his real work has been one long, unstinted protest to the occupation of his country.

I asked what impact the Nobel Peace Prize has had. "An enormous impact," he replied, "in raising awareness, in opening doors, in forcing governments to change their policy. For example, yesterday. For 20 years I have tried to get a

hearing in Washington without success. But yesterday I met with top State Department officials and with senators on Capitol Hill. The Nobel Prize helps our story to be heard."

The story of East Timor is a leftover tale of the Cold War. Indonesia's President Suharto justified the 1975 takeover by branding East Timor's leaders as Communists. "The US understands Indonesia's position," Henry Kissinger said. But the East Timorese didn't understand. They resisted. By 1979, a third of East Timor's population of 600,000 was dead. That record of brutality puts Suharto in the company of Pol Pot and Joseph Stalin, but with this difference: Most of the firepower unleashed upon the nearly defenseless population came from the United States.

Jose Ramos Horta's sister was killed, and so were two brothers. He traveled the world, trying to draw attention to what was happening. Over the years, 10 United Nations resolutions were passed, all condemning Indonesia and affirming East Timor's right to self-determination, but to no avail. As the Cold War ended, economic interests—Nike's sweat shops, Chevron's oil fields, the Riady family's banks—replaced East-West politics as a reason to ignore the plight of the East Timorese. But they refused to yield. In Dili, the capital, the Roman Catholic Bishop, Carlos Belo, became the leading voice of opposition. He was criticized for mingling in politics. "When the people are beaten and tortured," he said, "I must speak. Sometimes I must speak out loudly."

In 1989, Belo appealed to the United Nations for a supervised referendum. "Let the people vote," he asked in effect, and that has become the rallying cry.

Two years later, the people of East Timor took hope from the surprise that an American presidential candidate knew of their plight. "We have ignored it so far," Bill Clinton said, "in ways that I think are unconscionable." Ramos Horta told me that as president, Clinton has followed through. "More than any other Western leader, Clinton has forcefully and frequently raised the issue of East Timor with Indonesia."

But Bill Clinton is famously ambivalent. The Riadys, his friends who triggered the campaign finance scandal, are intimates of Suharto, and a US deal to sell more than 20 F16s to the dictator is still pending. The United States has so far refused to apply economic pressure on Indonesia, a huge trading partner. Still, Ramos Horta is hopeful, especially after his meetings in Washington. And

now?

"I would like Clinton to unequivocally support a UNSupervised referendum. I believe that President Clinton is actively considering this. But because of the lack of American public opinion on this question, the administration feels no pressure and can continue to ignore human rights in Indonesia and East Timor."

And that is the point, finally, of the Nobel Peace Prize.

When RamosHorta and Belo were named last year, a Globe headline read, "Hope now is that world will listen." That hope brought RamosHorta to Beacon Hill. After our lunch, he went to the State House where he testified in favor of a bill entitled "an act regulating state contracts and investments with companies doing business with or in Indonesia." Its sponsors are Rep. Antonio F.D. Cabral of New Bedford and Sen. Marc R. Pacheco of Taunton, and it already has the support of 50 legislators.

RamosHorta told me he believes that when the American people finally know the story of East Timor, they will respond. A few nights before we met, a record 65 million Americans had watched "Schindler's List" on television, far surpassing expectations. RamosHorta took it as a signal:

"Once Schindler saw, he acted. And he was a businessman! This bill," he said, "is the moral alternative to war. We are not asking the United States to send ships. We are asking American businessmen to follow the example of Schindler, to do your small part to save lives."

James Carroll's column appears regularly in the Globe.

This story ran on page A15 of the Boston Globe on 03/04/97.

#K2PP# NEW YORK TIMES
Editorial: Diplomacy First in Zaire
March 5, 1997

The United Nations Secretary General, Kofi Annan, is asking the Security Council to consider sending armed peacekeepers to Zaire. The suggestion is premature since there is not yet a peace to preserve, and international forces should not be dispatched to separate warring parties by force. But Mr. Annan usefully focuses international attention on the Zairian crisis. The urgent need is a di

plomatic campaign to secure a cease-fire aimed at protecting civilians, including both Zairians and Rwandan Hutu refugees caught up in the conflict.

Zaire, rich in resources but nearly bankrupted by the long dictatorial rule of Mobutu Sese Seko, sprawls across the geographic center of Africa, sharing borders with nine other nations. For the past five months a foreign-backed rebel army has been pressing steadily westward against Mr. Mobutu's poorly disciplined forces, scattering hundreds of thousands of Rwandan Hutu refugees and leaving local civilians to fend for themselves.

The Security Council was prepared to dispatch peacekeepers last fall, but abandoned the plan when most of the refugees appeared to be returning home to Rwanda. Now it is clear that many refugees are trapped by the fighting or fearful of reprisals in Rwanda. Among the Hutu are some who participated in the 1994 mass murder of Rwanda's Tutsi.

Experience in Somalia and elsewhere should have taught the United Nations the dangers of sending international forces into harm's way without a firm cease-fire agreement. Few nations willing to contribute troops to a U.N. force in Zaire would tolerate many casualties.

But Mr. Annan's call can help if it energizes stalled diplomatic efforts by South Africa and the United States to promote peace talks between the Zairian combatants. Zaire's war threatens the lives and livelihoods of millions of people in its path and risks igniting broader conflicts if neighboring nations and foreign mercenaries are drawn in.

WASHINGTON POST

Ivory Coast Set to Bulldoze A More Squalid Washington

By James Rupert

Wednesday, March 5 1997; Page A12

ABIDJAN, Ivory Coast

Last month, Moussa Konfe needed a crowbar and a day to dismantle his family's wood-plank home of 19 years. The shack, which had no running water or toilet, was one of thousands jammed onto a red-clay hillside here in a shantytown called Washington.

Unlike the city it was named after, the neighborhood of Washington harbors no wealth or power. Rotting garbage and raw sewage sour the air. And Konfe was pr

ying apart his home not because his family had another place to live, but because the Ivorian government has sworn to demolish the shantytown.

Africa, where most cities never developed much industry to attract rural job seekers, was slower than other Third World regions to build the vast shantytowns that long have surrounded capitals elsewhere in the developing world. But as

Africa's populations outgrow its economies, and as civil wars uproot villagers in many countries, such neighborhoods have grown large on the urban landscape.

These days, a battle over Washington has demonstrated a particular vulnerability of Abidjan's shantytowns--more than 30 squatter communities that house an estimated 20 percent to 30 percent of the city's 2.5 million people. More than any other West African capital, this is a city with pretensions to middle-class prosperity and an officially cultivated image that excludes the extreme poverty of neighborhoods like Washington.

Also, Abidjan is the seat of a government that has shown some fondness for the bulldozer theory of development. While Ivory Coast has won praise for many development efforts over the years, it also has been noted for spending lavishly on projects while paying scant attention to whether they will prosper -- or even survive.

Washington is a jumble of tin-roofed shacks, built on the kind of hilly wasteland where, in America, kids go to race dirt bikes. One side of the settlement runs along the bottom of a looming escarpment. There, clay mounds half-bury the debris of houses destroyed when seasonal rains brought mudslides.

But Washington persists because there are jobs nearby. Many residents--immigrants from neighboring Burkina Faso, Mali, Ghana and elsewhere--work just over the hill as security guards or servants in Abidjan's wealthiest neighborhood, Cocody.

Typically, a family of four or more pays the equivalent of \$8 a month to entrepreneurs who have taken it upon themselves to erect the makeshift shelters. For their money, the renters get to jam into a tin-roofed shack with thin plank walls that may be lined with newspaper. A man who has strung illegal electric wires through the alleyways charges \$5 a month to supply a flickering light bulb. A few others have run pipes into the neighborhood and offer water for a nic

kel a bucket.

In late December, the government informed residents it would demolish Washington within weeks. Some, like Konfe, decided to flee. He had squeezed his family into the shacks of relatives and a friend in another shantytown, he said. As he demolished his home, he said he would store the planks with friends "until I can find another place to build the house again."

But others insisted that the government should provide unused land for them to build on. "You can't eliminate these neighborhoods by tearing them down," said Dosso Lancina, a youth leader in Washington. "People do have to live somewhere, and they'll build on some other piece of land."

Some said the greatest barrier to improving the shantytowns is their residents' fears of ultimately being forced to abandon them. "We're in limbo. We don't sleep in shacks because we like them. But if you don't know whether you'll be allowed to stay next month, you'll never work to build something really solid," said Mamadou Bamba, imam of a mosque in Washington. "It saps people's energy to live like this."

One afternoon last month, a score of men gathered on benches around Nguessan. A many, one of Washington's oldest residents. Repeated appeals to government officials had failed to halt the demolition plans, they said.

The men discussed their current appeal: a letter to President Clinton expressing their pride at living in a neighborhood called Washington and implying what a shame it would be to have it destroyed. Amany said he was the one who gave the shantytown its name 40 years ago as a tribute to the importance and wealth of the American capital.

"We sent someone with the letter to the U.S. Embassy," Amany said, "but the receptionist would not receive it. . . . He said we should mail it directly" to the White House.

Just before the demolition date, the government relented under pressure - not from Washington's inhabitants, but from the World Bank, according to an official who asked not to be named. A spokesman for Ivory Coast's Construction Ministry said only that the neighborhood's destruction has been postponed until the end of the school year, in June, and that the government will now try to find other land for Washington's residents.

Abidjan's shantytowns "are politically vulnerable because they are composed of immigrants," said Sylvia Schmidt, a German political scientist who is researching the case of Washington. With residents from throughout West Africa, the shantytowns also "are more divided by ethnicity and are unable to unite" to oppose the government, she said.

During his 33-year reign, former president Felix Houphouet-Boigny built strong support for the ruling party among immigrants, who are estimated to form as much as one-third of Ivory Coast's population. But since Houphouet-Boigny's death in 1993, the political elite here has begun to question the presence of so many foreigners. Security Minister Marcel Dibonon Kone has stressed the themes that immigrants are responsible for most crime here, and that shantytowns are nests of bandits.

The government's readiness to bulldoze the shantytowns "is another side of the same old dream of Yamoussoukro," said Schmidt. In the 1980s, with his country drowning in foreign debt, Houphouet-Boigny declared Yamoussoukro, his hometown, 100 miles inland, to be the formal capital of Ivory Coast. He poured hundreds of millions of dollars into building his dream of a monumental, European-style city there.

Now Ivory Coast spends millions of dollars each year to maintain what looks like an abandoned, half-built Disneyland. A lavish Roman Catholic basilica, the world's largest; a web of broad boulevards that go nowhere, and a slick, modern hotel and airport stand eerily empty on the savanna.

Ivorian leaders have similar grand visions for Abidjan. "Abidjan is well planned and prosperous compared to other cities in West Africa," said Joseph Yao, director of the Ivorian Center for Economic and Social Research, and that very success deepens the threat to the shantytowns.

In more impoverished cities, the shantytowns "don't look very remarkable, because even permanently built neighborhoods are so shabby," Yao said. "Here, they stand out more."

Especially Washington. It sits hard by a highway connecting downtown Abidjan to a burgeoning middle-class and wealthy suburbs such as Cocody and Deux Plateaux, where villa walls enclose comfortable houses, garages and gardens. A two-year-

old economic recovery has helped expand those neighborhoods and has given the government enough money to think of clearing away what doesn't fit the plan for Abidjan, Yao said.

NEW YORK TIMES
Christian Rebels Wage War of Terror in Uganda
By James C. McKinley Jr.
March 5, 1997

ITGUM, Uganda--The Lord's Resistance Army strolled into the village of Palabek one recent morning, a ragged bunch of teen-age boys with machine-guns and machetes. They announced that they were looking for three deserters whom they had abducted from the same village a few months earlier, witnesses said.

They did not find them. So they rounded up nine women and a little girl and took them down to a nearby river bank to interrogate them about the missing boys. That afternoon, growing tired of asking questions, they made the women lie face down on the river bank. Then they went down the line, attacking each woman with stones and a bayonet, a survivor said.

"They are just criminals who came from Sudan," said Eveline Achan, a 30-year-old woman who said her wounds had been received in the attack. "They made us lie down. Don't look at them, they said. And then they killed us one at a time. I was the only one who escaped. They thought I was dead."

A year after Ugandan President Yoweri Museveni vowed to wipe out the insurgency in the north of this central African country, the bloodthirsty gangs of self-styled revolutionaries and Christian fundamentalist rebels known as the Lord's

Resistance Army have not only survived, but are stepping up their campaign of terror.

There is a familiar kind of warfare in this part of the world, repeated in different forms in Rwanda, Burundi and eastern Zaire. Though the rebels claim to be fighting to overthrow Museveni, their war consists mainly of killing civilians, sowing terror in the countryside and making it appear to Ugandans and the outside world that the central government cannot control the nation.

"It's not what you would call a bona fide rebellion in the traditional sense," a diplomat in Kampala said, speaking on the condition of anonymity. "I would call them terrorists."

Militarily, the rebels lack the resources to topple the president, Western diplomats say. They have little support among the people. They survive mostly on the charity of neighboring Sudan, which arms them to retaliate against Uganda for supporting rebel groups in southern Sudan.

"I don't think their intention is to overthrow the government," said John Bosco Oryem, the chairman of the Kitgum council. "They are just being used as a whip by Sudan."

Since January, the rebels have stepped up their raids, burning farms and schools and killing at least 400 people in the districts of Kitgum and Gulu, local authorities said. They have also abducted hundreds of young men and women, marching them to training camps in the Sudan, where their leader, Joseph Kony, holds court.

The rebel group began in 1986 as the Holy Spirit Movement, a Christian fundamentalist revolt under the leadership of a cult leader, Alice Lakwena, who claimed to give her followers immunity from bullets by anointing them with holy water.

The holy water didn't work, and the movement was crushed by the army. Miss Lakwena fled to Kenya, where she was imprisoned in 1987. But with Sudanese help, Kony revived the revolt and has been plaguing Museveni since 1990.

Kony is a former faith healer who wears white robes and claims to talk directly to God. His followers embrace an eclectic group of beliefs, including prohibitions against riding bicycles, killing pigs and eating white-feathered chickens. Punishment is severe: the rebels have chopped off the feet of young men caught riding bicycles.

The recent attacks have devastated the northern provinces, forcing more than 20,000 people to flee their farms at a time when they would normally be harvesting.

With agriculture grinding to a halt and crowds of displaced people jamming towns and refugee camps, the World Food Program, in a \$6.7 million relief effort, has begun shipping tons of food into the region to avert famine.

"The big question is, will the security situation allow them to go back to their farms before the March rains?" asked Herve Cheuzeville, an emergency coordinator for the World Food Program in Kitgum. "We are really praying they can go back

to the fields in March. If they can't, it will be a disaster. In six months it will be much worse."

All along the main roads leading from Kitgum toward the Sudan one can see the rebels' handiwork. There are burned-out farmhouses every mile or so. Here and there the ruins of churches and schools can be seen. There are few people walking on the normally crowded route, but truckloads of soldiers pass by in a dusty whoosh, on their way to search for the rebels.

On some farms mangoes are rotting on trees and chickens run wild through the ash ruins. Still, few of the people in makeshift camps in the towns and trading centers are brave enough to venture back to their farms to get food.

Gabriel Onen is typical of many of the 4,000 farmers who are now camped out around an old hotel in Kitgum town. He was shot in the leg during a rebel attack last September and still uses a crutch. He stayed in his village, however, until another attack just before Christmas. It was too much, he said. He packed up a few belongings and took his wife and five children to town.

"I am not able to do anything," he said, two dirty children clinging to his good leg. "I don't know when I can go home. The village is empty. They are all in the centers now."

The success of the rebels' tactics has undermined Museveni's standing among Ugandans, even if he won election last May in a landslide and is presiding over an economic boom.

It is a measure of the war's importance to Museveni that he has personally taken charge of the counter-insurgency operation, placing his brother Salim Saleh in command. The president spends weeks at a time in Gulu, overseeing the forces. Heavy artillery and helicopters have been brought into the north.

The attacks persist, however, despite the president's refusal to negotiate with Kony and his boasts that he will trap and execute the rebel leader. Some diplomats suspect the government's effort is half-hearted. "More and more people are leaning to the view that Museveni's people are not serious about it," a diplomat said.

Government officials point out that it is difficult to eradicate a determined terrorist group using hit-and-run tactics over a 7,000-square-mile area.

Still, military officials say they are making progress. Recently, Ugandan soldiers ambushed a column of rebels at Aswa Ranch, near Kitgum, killing two and rescuing more than 20 youths who had been abducted earlier.

One reason Kony's group has continued to find recruits is the strong undercurrent of anger and discontent in the north. Dominated by the Acholi tribe, the north has always been a stronghold of opposition to Museveni, a southerner. It was the northern provinces that produced Uganda's last three dictators -- Idi Amin, Milton Obote and Tito Okello.

When Museveni's rebel army swept to power in January 1986, he defeated not only Obote, but also Tito Okello's mainly Acholi forces. Since then the northern Acholi tribes lost much of their influence in government, and, as a result, the north has lagged behind the south in development. During the elections last May, the Acholi voted overwhelmingly for the opposition candidate, Dr. Paul Ssemogerere.

One of the ugly ironies of the conflict is that most of the victims of the violence are the very people Kony could convert to his cause--impoverished Acholi farmers and merchants.

Victor Oloya, 15, was abducted by the rebels Jan. 11 and taken to Kitwan in the Sudan, where he said he was thrown in with thousands of young men in a training camp, before he ran away. He said Kony addressed the troops on Sundays at outdoor church services.

In his sermons, the leader seemed to want to punish the Acholi for not joining the rebellion, Oloya said. "He says if the Acholi don't accept him, he will kill off them both in Kitgum and Gulu," Oloya said. "People don't like what he's saying, but you can't say anything. You just keep quiet."

Most of Kony's troops are impressionable teen-agers who are told that if they run away they will be killed. "It's mostly young teen-age children," said Sisto Okello, who was abducted by the rebels in January and escaped in February. "The children do these atrocities because they are ordered to do so. If they are told to be ruthless, they are absolutely ruthless, and they can kill."

CHRISTIAN SCIENCE MONITOR
Could Kenya Become the Next Rwanda?
By George Owuor

Wednesday March 5, 1997 Edition

Kenyans have several reasons to feel buoyant. Inflation is stabilizing. Economic liberalization remains on course. The government has reduced school fees.

Yet, despite these positive signs, ordinary citizens, for the most part, aren't happy. And any good feeling will be extinguished, observers say, as the country nears another turbulent event: general elections, to be held sometime this year.

SIGNS OF TROUBLE

Already there are signs of trouble. Violence against opponents of President Daniel arap Moi and against the press has escalated to pre-1988 levels, when the "Big Man" crushed dissent and hand-picked members of parliament. Last November, police opened fire on demonstrating students at Kenyatta and Egerton Universities, killing three. Though the government is investigating, few believe the police will ever find the killers within its ranks.

Last week, a Nairobi University student leader, Solomon Muruli, died from an explosion in his dorm room. The incident was reminiscent of the period following a 1982 coup attempt, when government security forces killed hundreds of students, accusing them of supporting the coup.

Earlier, police reportedly had abducted and tortured Mr. Muruli after he led a group of students in a demonstration against deteriorating services at the university. He recently expressed fear for his life. The incident ignited student riots and condemnation from countries such as the United States and Britain.

The recent killings followed the return of Moi's most trusted aide, Nicholas Biwott, to the Cabinet. Mr. Biwott, who was linked to the unresolved 1990 murder of Foreign Minister Roberto Ouko, was dropped from his ministerial position in 1991 because of pressure from Western aid donors who were unhappy about political violence and official corruption. Over the past few years, the donors also have expressed disappointment over some government expenditures, including a controversial \$85 million international airport in Moi's hometown of Eldoret and his new \$50 million private jet.

Meanwhile, harassment of journalists and the opposition continues, and Moi appears

ears unwilling to implement the constitutional reform program he promised the donors. The opposition, led by paleontologist Richard Leakey and Michael Wamalwa, have taken to the road in search of international support. In the last year alone, Mr. Leakey has made trips to South Africa, London, and the US. Colleagues Raila Odinga, Kenneth Matiba, and Gitobu Imanyara, editor of the influential Nairobi Law Monthly, are also frequent visitors to Washington and Canada.

WILL MOI STEP DOWN?

The question for the opposition is whether it can force Moi to retire before the next ballot. If not, it will have to compete against a trickster president who has mastered the rules of clinging to power despite international condemnation - the only leader known to have openly supported the hanging of Ken Saro-Wiwa by Nigeria's military rulers in 1995.

International observers of Kenya's first multiparty elections in 1992 concluded that it was heavily rigged by Moi's ruling Kanu party. The observers have plenty to worry about this time, judging from the increase in official violence. On a visit to Kenya last fall, I witnessed numerous incidents of abuse of the press. To start a vocational training program for young reporters, I had to get a permit from the intelligence service. I read daily reports about reporters being beaten and detained by police. I saw police confiscate cameras from press photographers for documenting brutality and mob violence.

Before returning to the US in November, I helped my colleagues found a press freedom organization, the Media Institute. I have no idea how long it will continue to operate before my dear friends go to jail or become victims of "stray" bullets fired by police. Another question is whether Moi will agree to leave office should he lose the election. That's unlikely, given the Ouko murder, which remains unresolved. If someone such as Leakey comes to power, the case is likely to be reopened, and Moi knows it. That means the president will work hard to win another term - his last according to the amended Constitution.

OPPOSITION'S STRUGGLE

So where does that leave Leakey and his colleagues? Trying to garner local and international support to force Moi out of

office before the election. Can the
y succeed? I don't know. But, according to my friends in Kenya, "There is no b
etter time
for the the US and other Western nations to help restore decency in
Kenya. It must happen now or we go down the
Rwanda road. And if that happens,
the West might as well say goodbye to Africa."

* George Owuor, a staff writer for Business News New Jersey, recently visited
his native Kenya.#12PQP#

BOSTON GLOBE
Legislating Culture: Merits Of Ban On Genital Mutilation Debated
By David L. Marcus, Globe Staff, 03/04/97

WASHINGTON Seble Dawit was born in Africa, grew up in Africa and has dedicated
much of her life to defending the
rights of African women.

These days, one of the most divisive issues she has faced abroad is confronting
her in the United States, where she runs
a nonprofit group in Boston's Jamaic
a Plain section. A new US law will soon ban the practice known as female genit
al
mutilation the cutting away of girls' genitalia in a ritual that imperils
their health and deprives them of sexual pleasure as
women.

Although few social workers, police, doctors or communities in which the pract
ice is common realize it, the law takes
effect March 29. It calls for up to fi
ve years imprisonment for anyone who carries out female genital mutilation, som
etimes
called female circumcision, on a girl younger than age 18.

In many ways, Dawit has found, fighting the practice in the United States is a
s complicated as it is in Africa. No one can
say how the law will be enforced
or who, if anyone, it will affect. The Centers for Disease Control and Prevent
ion says at
least 150,000 girls and women of African descent in the United Sta
tes risk being cut or have already undergone the
procedure.

Dawit has worked with women's groups and elders in Africa so that communities,
not governments, changed their
customs. She would have preferred to take the s
ame approach in the United States. But last fall, Patricia Schroeder, a
Colorad
o Democrat who was leaving Congress, pushed through a bill outlawing the pract
ice.

"You cannot legislate culture," Dawit said during a visit to Washington last

week. "The idea of hauling people off to jail for practices that are 5,000 years old is counterproductive."

Dawit, a lawyer, says the legislation is rife with ironies and contradictions. It is meant to protect children, yet it could send parents to jail. It is meant to help Africans as they assimilate in the United States, yet it could stereotype them.

Then, too, the US government has barely publicized the law. An early draft of the legislation called for immigration authorities to give pamphlets about the prohibition to all Africans arriving in the United States. But Dawit, who was asked to comment on the draft, objected.

"A lot of African women don't even know about this practice," she said. "You don't go handing out pamphlets about the Mafia to Italians because they come from Italy."

Although female genital mutilation is widely portrayed as a Muslim custom, Dawit stresses that it crosses religious and ethnic boundaries in the 28 African countries where it is practiced. Activists are divided over whether to call the practice "mutilation," "circumcision," or, to avoid a negative connotation, "cutting."

The practice, which dates back hundreds of years and is often performed without anesthesia by a community elder, takes several forms. These range from cutting the clitoral hood to infibulation, which involves removing the clitoris and surrounding genital area and stitching together the vulva. The World Health Organization estimates that 85 million to 114 million girls and women have undergone the procedure.

The reasons for the practice vary from one community to another. For some it has religious significance. For others it is part of a coming-of-age celebration.

For many women, Dawit says, it is a chance to exercise the little control they have, in this case over their daughters.

Dozens of women's rights groups have denounced the practice in Africa. But they disagree about what to do about it in America. They cannot even agree on whether it is even a problem.

Dawit, who was born in Ethiopia and underwent the procedure as an infant, says she has no idea how common it is in the United States. But she does know of im

migrants who straining to hold on to some traditions amid the turbulence of a new country have decided to continue the practice.

But others are skeptical.

“The fact remains that there's not a single case in the United States,” said Nahid Toubia, a surgeon from Sudan who is an associate professor at Columbia University. “I'm not talking about what somebody said in a meeting or a publication. I'm saying show me a single case.”

Susan Rich, a program officer for the Wallace Global Fund, a private foundation in Washington, said, “If there had been cases of [mutilation] here, they could have been prosecuted ... If you cut off your child's hand, can't you be charged with child abuse?”

Schroeder, who now teaches at Princeton University and works with the Institute for a Civil Society in Boston, rejects the criticism.

“The man who used to run my office in Denver used to say the legislation was the stupidest thing,” she said. “Then we went to a school and a teacher pulled us aside and said, ‘Guess what happened to these little girls?’ Boy, did he flip.”

Writing the legislation took months, and it involved debates among advocates of women's rights. Some felt that putting any restrictions on women would open the door to other restrictions, such as legislation against abortions. Others worried that hospitals or police would interpret the law too literally and prosecute women for bodypiercing. For that reason, the law was written so that it covers only minors.

Toubia, the surgeon, has her own doubts about the law.

“We want women to be treated as equals and we want African immigrants to be treated the same as everyone else in the US, which means they have the right to harm themselves if they want to,” she said from her office in New York.

Susan Rich's brother, Dr. Michael Rich, specializes in adolescent medicine at the Children's Hospital in Boston and teaches pediatrics at the Harvard Medical School. He hasn't seen a case of a girl who has had the procedure in the United States. But last year he treated a pregnant 19-year-old Somali immigrant. Before coming to the United States,

she had undergone infibulation. Her birth canal was blocked and he and other doctors realized they would have to undo the procedure.

They faced an ethical, and possibly legal, dilemma: what if the woman insisted on another infibulation after giving birth?

Rich was relieved when she said she did not want to undergo the procedure again. Still, such cases have made Rich wonder how far the new law will reach: "Who should be punished? Is it the performer? Or the parents? Suppose I am the visitor in someone's home and I hear they are going to circumcise a girl. Am I legally to be found guilty for not reporting it?"

Dr. Jo Ivey Boufford, principal deputy assistant secretary at the Department of Health and Human Services, said the Justice Department is reviewing the wording now. "The law is a little unclear and part of it has to be clarified," she said. Others say it applies only to the person who performs the procedure.

Michael Rich has another criticism: many groups have customs that seem unseemly, or even barbaric, to outsiders. The more those groups overlap, the harder it is to draw the line about what is right and wrong.

"Our culture has people injecting collagen into their lips or putting implants into their breasts or doing tummy tucks," he said. "We accept that, and we don't want anyone to even consider floating a bill making breast implants illegal even though there is good medical evidence that silicone has deleterious effects on the immune system."

As the director of Alliances An African Women's Network, Dawit tries to balance these arguments. "We, as activists, are in a predicament," she said. "We are vilified for airing dirty African laundry. But we're saying, 'there's a law coming, you're going to have to be able to deal with it.'"

Dawit rarely talks about her experience with the practice, but she does say that at her mother and stepfather, who live in Virginia, agree with her campaign against its continuation. So does her sister, who is a college student in Toronto, and her brother, a sound engineer in Paris.

Some of her relatives in Ethiopia are not convinced, though. She remembers an aunt telling her that female circumcision needs to continue.

She hears such comments fairly frequently, even in the United States. Not long ago, Dawit was telling a group of women about the ban on female genital mutilation. "One of them said, 'What kind of a lawyer are you. What does this have to do with the law?'"

This story ran on page A1 of the Boston Globe on 03/04/97.

#K2PP# NEW YORK TIMES
U.S. And Mexico Differ Over What They Negotiated on Drugs
By Christopher S. Wren
March 5, 1997

In the days since the Clinton administration certified that Mexico is fully cooperating in the fight against illegal drugs, officials in Mexico City and Washington have offered conflicting accounts of what--if anything -- was agreed to in last-minute talks.

The ambiguity is understandable, and politically useful to both countries. Officials say none of the undertakings were written down, allowing both presidents room to maneuver with their respective legislatures. And in public, U.S. officials have taken pains to avoid clarifying precisely what was decided.

But in extensive interviews in the last few days, administration officials have said their Mexican counterparts made some broad commitments to resolve some longstanding disagreements between the two countries on how to fight drug trafficking. They insisted that the commitments were not tied directly to the certification decision announced last Friday.

Robert Gelbard, the assistant secretary of state for narcotics matters, said Tuesday that "there never was any quid pro quo saying, 'You do this and you get certified.'"

But he acknowledged that Mexican officials understood the need to "demonstrate concrete results from our cooperation." He declined to provide details.

The talks became more intense after the Mexican authorities disclosed that they had arrested Gen. Jesus Gutierrez Rebollo, the country's top anti-drug official, on charges of collaborating with one of Mexico's most notorious drug barons.

One Mexican official spoke of the need to alleviate the "political emotion" created by the general's arrest.

In the days that followed, U.S. officials said Mexico had assured them that it would step up extradition of drug traffickers, make greater use of new laws against money laundering and more carefully review the backgrounds of Mexicans selected for anti-drug operations with the United States.

Mexican officials contend that they were planning to do these things without prodding from Washington.

Since the decision was announced Friday, the Clinton administration has been stung by accusations by some in Congress that it gave Mexico a free ride without extracting enough concessions in return.

"This is not a game where you tally up the points, OK?" Nicholas Burns, the State Department spokesman, said Tuesday.

"What we're trying to do is enhance the cooperation between the Mexicans and the Americans, Mexico and the United States." Another senior administration official said Mexico's certification was based on the belief that President Ernesto Zedillo truly wanted to reduce drug trafficking.

Officials on both sides concur on a rough chronology of events.

About a week before the March 1 deadline for certification, the Americans presented the Mexicans with a list of drug-related issues on which the United States wanted commitments. Those issues ranged from extradition of drug traffickers to more Mexican prosecutions under the country's new money-laundering and organized crime laws.

Officials said extradition was at the top of the administration's list of about a half-dozen issues. Attorney General Janet Reno felt so strongly about it that, by one account, she threatened to recommend that Mexico not be certified unless more Mexican traffickers were sent to the United States for trial.

Mexican law does not allow Mexican citizens to be extradited to other countries, except in "special circumstances." A senior Mexican official said that policy was quietly changed last year, when the government decided to cite "special circumstance" to begin extraditing Mexicans to the United States. Mexican officials have not previously acknowledged changing their extradition policy.

"It would be wrong to say that there has been no change," the official said. "There has been no change in our law, but there has been change in our use of it." He said that last week, Foreign Minister Jose Angel Gurria and Reno exchanged

ged
new lists of "about a dozen" people that each country wanted extradited by the other.

American officials say that of some 150 Mexicans requested by the United States, Mexico has extradited only 3. The most notorious, Juan Garcia Abrego, a drug baron who headed the so-called Gulf syndicate, was handed over early last year, tried in Houston and sentenced to 11 life sentences in a United States prison.

But Garcia was actually deported on grounds that he held dual citizenship. One of the remaining Mexicans extradited last year was wanted for serial murders and the other for sexual abuse.

Mexico's policy against law enforcement officials from the United States carrying sidearms while in Mexico remains in force, but U.S. officials expressed hope that it might soon be relaxed. Since 1992, Mexico has refused to let U.S. drug agents travel armed in Mexico, even though one such agent was kidnapped, viciously tortured and killed by traffickers in 1985.

In testimony on Capitol Hill last Tuesday, Thomas Constantine, the head of the Drug Enforcement Administration, said that because of an increase in threats against his agents working in Mexico, he had suspended their participation in drug investigations across the border.

Gelbard told the same House subcommittee that letting U.S. drug agents carry weapons "was one of the very top issues" raised by Peter Tarnoff, state department official, and by Reno when Gurria visited Washington two weeks ago.

"We consider this one of our very top priorities," Gelbard told the subcommittee. "We were given assurances that this will be resolved urgently."

A senior Mexican official confirmed that the ban remained in place. "So far, the rules have stayed exactly where they are," the official said. "We are concerned about the security of DEA agents working in Mexico, but we don't believe that the way to protect them is for them to carry guns."

Some other issues remain unresolved. The United States has long requested that Navy and Coast Guard vessels be permitted to detain boats suspected of carrying drugs in Mexican waters and turn them over to the Mexican Navy. U.S. and Mexico

xican officials said this matter had not been discussed in the talks before certification. #I2PQP#

LOS ANGELES TIMES
Smuggler May Shed Light on Level of Corruption
By Mark Fineman, Times Staff Writer
Tuesday, March 4, 1997

MEXICO CITY To friends and neighbors along the affluent stretch of Santa Rosa Road in El Centro, Calif., where Magdalena Ruiz Pelayo lived in 1991 in a \$250,000 home, the 39-year-old mother of two was noteworthy for her business acumen and, especially, her contacts with Mexico's ruling elite.

Charlie Johnson, a lawyer and businessman who lived down the street, would later testify as a character witness that he knew Ruiz Pelayo and her family. He would say that her family was religious, that his son and hers were close friends, that their families vacationed together and that he was impressed with her political contacts south of the border.

Johnson said he worked unsuccessfully with Ruiz Pelayo and her partner the cousin of then President Carlos Salinas de Gortari on legitimate, multimillion-dollar Mexican government export-import contracts for food and fertilizer.

What Johnson didn't know was that, at the same time, Ruiz Pelayo was smuggling millions of dollars of Colombian cocaine through Mexico into Southern California activities that led to her November 1992 drug conviction in a Newark, N.J., federal court.

Court documents in San Diego show that she was helped by a U.S. immigration officer from El Centro who pleaded guilty last year to accepting more than \$350,000 in bribes from 1990 to 1992. He waved at least 40 of Ruiz Pelayo's drug shipments through his inspection lane at the nearby Calexico border crossing.

But the story of Magdalena Ruiz Pelayo now appears to go beyond showing how low-level corruption has frustrated efforts to halt the flow of billions of dollars of narcotics from Mexico into Southern California.

Two weeks ago, her name surfaced in Mexico City as part of an unfolding saga of alleged drug corruption at the highest levels of Mexico's government during Salinas' term as president.

Documents leaked to Proceso, a Mexico City weekly magazine, suggested that Ruiz Pelayo may be a key witness,

testifying to millions of dollars in alleged drug payoffs to members of Salinas' family and top officials of his government.

These allegations, many analysts here expect, will emerge more fully in a U.S. case, a federal civil trial involving one of those former top Mexican officials. It is scheduled to begin in Houston next week.

Several other potential witnesses in the upcoming trial also were identified in the leaked documents.

And although U.S. prosecutors have refused to discuss their witnesses, other than to express grave concern about their safety and their willingness now to testify, Mexicans, in the days since the Proceso story, have expressed a great hunger to know more about them.

There is considerable information about Ruiz Pelayo in thousands of pages of court testimony in San Diego, Houston and Newark in U.S. criminal cases dating to 1992 against Mexican drug trafficking organizations and their members.

In her case, for example, records reviewed by The Times show that Ruiz Pelayo boasted in testimony four years ago of her close ties to the Salinas family. Her attorney said in court in Newark that she started cooperating with U.S. federal agents soon after she was convicted on drug conspiracy charges there in November 1992.

Ruiz Pelayo testified that she had worked as "private secretary" to the then president's father, Raul Salinas Lozano, for a decade until 1989 and that she was friends with him and other members of the Salinas family.

In the leaked documents, published by Proceso, Ruiz Pelayo also was quoted as telling federal agents that Raul Salinas Lozano and other family members were linked to the drug trade. The former president's father, however, denied those allegations and told The Times that he does not even know Ruiz Pelayo.

Records show she was convicted in the Newark case with her brother and the former president's cousin Carlos Enrique Cervantes de Gortari. The cousin testified in 1992 that Ruiz Pelayo often had spoken of her friendship with other members of the Salinas family. * * *

The U.S. Drug Enforcement Administration undercover agent in charge of the investigation that led to Ruiz Pelayo's arrest testified that she and Cervantes de Gortari explained in detail how their highlevel contacts in the Mexican police,

military and government protected their large shipments of Colombian cocaine.

Next

Monday, federal prosecutors in Houston are scheduled to open a civil case involving Mario Ruiz Massieu, formerly Mexico's deputy attorney general. They will seek to prove that Ruiz Massieu, who has been detained in New Jersey on immigration matters, amassed a \$9 million fortune, which was deposited in Texas accounts, from drug payoffs not from a legitimate family business, as he claims.

The documents published by Proceso suggest that Ruiz Pelayo may play a key role in Ruiz Massieu's trial, because the magazine said she has told FBI investigators that she witnessed millions of dollars in drug payoffs to him during the years she was smuggling cocaine into the U.S.

A federal jury in Newark convicted her of conspiring to smuggle hundreds of pounds of cocaine from Mexico into the United States. Documents in San Diego federal court show that U.S. immigration agent Ricardo Nunez Felix helped her in that criminal enterprise. He was convicted on narcotics and bribery charges in December 1992.

Nunez Felix's conviction was overturned on appeal, but he pleaded guilty to similar charges in November, acknowledging then that he had received more than \$350,000 in two years from Ruiz Pelayo the "proceeds of bribery and narcotics activities."

In his original February 1992 confession, Nunez Felix, who had worked for the Immigration and Naturalization Service for a decade, explained how the operation worked: "I allowed 40 to 50 loaded cars containing narcotics marijuana or cocaine to enter the United States through my inspection lane." Each time, he said, Ruiz Pelayo called him in advance with a detailed description of the drug laden car. She later paid him in cash at least \$5,000 per vehicle after each successful entry into the United States.

According to testimony in his trial, on a single day in early 1992, the border agent allowed four vehicles to pass during a half-hour period. The vehicles contained more than a ton of cocaine.

"I agreed to accept payoffs in return for allowing narcotics to enter the U.S.," Nunez Felix said in his confession. "I am very

sorry for what I have done."

Nunez Felix is serving a 6 1/2 year sentence in federal prison; Ruiz Pelayo is serving a 17 year term.

CHICAGO TRIBUNE

Editorial: The Military Is No Answer For Mexico

Tuesday, March 04, 1997

Highlighting the rampant corruption in the country, Mexico this weekend disclosed that a drug kingpin had "inexplicably" vanished from a jail in Mexico City.

And the government's mendacity in handling the news was particularly galling: It delayed the announcement until several hours after Washington had made public its decision to once again certify Mexico as a bona fide ally in the drug war.

The incident follows the equally astonishing arrest a week ago of Mexican Army Gen. Jesus Gutierrez Rebollo, President Ernesto Zedillo's point person in the war against drugs, after it was revealed that he was collaborating with one of the major drug syndicates.

His arrest in turn points to the growing corruption of the Mexican armed forces by the drug trade during the past few years, even as their role in the nation's civilian affairs continues to grow. Both trends bode ill for the future of Mexico's democratic institutions and for our relationship with our closest neighbor and third largest trade partner.

Narcotrafficking seems to be rapidly corroding everything it touches in Mexican society: police departments, politicians and now the army with the irresistible lure of hundreds of millions of dollars in either bribes or profits.

And perhaps in a desperate move to deal with the problem, Zedillo with the encouragement of the U.S. is relying more and more on the armed forces and on military solutions to the problem, including replacing thousands of policemen in the capital with army regulars, following similar moves elsewhere in the country. It's not hard to understand why Zedillo and the U.S. are frustrated with the endemic corruption and ineptitude of Mexico's underpaid and untrained police and judiciary, while Colombian-style drug cartels proliferate.

But President Zedillo's military response could be a fateful move for one of t

he few Latin American countries where the army has been, with few exceptions, exemplary in its respect for constitutional authority. For its part, the U.S. seems to be tacitly endorsing the military solution. Just two weeks before Gutierrez was arrested, Barry R. McCaffrey, our own drug czar and himself a retired army general, had praised him as a person of "impeccable integrity" and a "forceful and focused commander."

One also suspects that bringing out the troops symbolizes a "get tough" policy regarding narcotraffickers.

The problem is, however, that military answers to the drug problem have been a dismal failure in Mexico and in other Latin American countries.

They have only led to the corruption of the armed forces and the blurring of the divisions between different branches of government that is so essential in a democracy and for the protection of individual rights.

Trying to defuse an expected barrage of criticism for the decision to recertify Mexico as an ally in the drug war, President Clinton this weekend promised Mexico additional aid in its antidrug campaign.

A good place to start would be for the U.S. to help Mexico retrain its underpaid antidrug police units, or better still, create a specially trained law enforcement apparatus to deal with the drug problem. Recreating a police force is admittedly a difficult and longrange, but not impossible, undertaking. It has been done before in Central America and in Eastern Europe, with financial or technical assistance or both from the U.S.

Along with the only ultimate solution to the problem curbing the insatiable appetite for drugs in the United States we should encourage democratic and judicial answers to the drug crisis in Latin America. Military quick fixes clearly don't work and only threaten to undermine the current flowering of democratic governments throughout the region.

BOSTON GLOBE

Mexico Certification Facing Backlash: Congress Nears Action Against Clinton Move

By David L. Marcus, Globe Staff, 03/04/97

WASHINGTON Sentiment is growing in Congress for a vote to reject or at least reword President Clinton's decision to certify that Mexico is fully cooperati

ng in the fight against drugs.

House members introduced at least three resolutions yesterday to reverse Clinton's decision of last week. At the same time, several senators offered three different resolutions, ranging from a mild rebuke of Mexico to a condemnation that would add Mexico to a list of six countries thwarting the drug fight. In that unlikely case, Mexico would lose aid from the United States as well as important backing to obtain international loans.

Even if the moves fall short, they represent a dramatic change for Congress, which has made Mexico's drug war one of the key foreign policy issues this year.

Already, 39 members of the Senate and dozens in the House have signed a letter demanding that the United States publicly rebuke Mexico. Congressional aides who monitor antidrug legislation said both houses might be able to muster a majority to pass a resolution rejecting the president's decision.

"We're all over this," said David Sandretti, communications director for Senator Barbara Boxer, a California Democrat who has condemned Clinton's decision. "We're still very concerned about our relationship with Mexico and we need to respect that relationship. However, they have been woefully inadequate."

Like Boxer, Senator John F. Kerry of Massachusetts has called on Clinton to decertify Mexico, then to waive all penalties because maintaining relations with Mexico is in America's interest.

And Judd Gregg of New Hampshire, who chairs the Senate subcommittee that oversees the Drug Enforcement Administration, stood by a letter he sent to Secretary of State Madeleine K. Albright last week saying that Mexico cannot be certified because of "repeated instances of high-level law enforcement corruption."

Under the certification law, Congress has 30 days to pass a resolution after Clinton makes his decision. The president is likely to veto anything that chastises Mexico because he doesn't want to jeopardize the anticorruption campaign of President Ernesto Zedillo, aides said.

A Senate staff member said: "We have very few precedents with this, but we definitely have the votes to pass it. Whether we have the votes to override a veto is another question."

A White House aide said Clinton started defending his position yesterday in a talk with Senator Daniel Patrick Moynihan of New York, who has not been active in the debate. In a few days, White House staff members will fan out to Congress ``to show this is something we can justify, we can sell on the Hill," the aide said.

Congress still has to agree on the wording of a resolution. Members have disagreed about how far they should go. Complicating matters, there is a dispute about whether they can even take the middle ground and demand the so-called ``vit al national interest waiver" or whether that option is open only to the president.

Last year, a majority in the Senate passed a resolution rebuking Mexico for its drug policies, but a similar resolution lost steam in the House.

#K2PP# WASHINGTON POST
Guatemalan Rebels Exchange Weapons for Dreams
By John Ward Anderson
Wednesday, March 5 1997; Page A16

CAMP CLAUDIA, Guatemala--Hector Ramirez Perez, 17, wants to move to the city and get a job. Veronica Galiano, 18, has completed only six years of schooling and wants to finish her education, perhaps go to college. Oscar Galicia, 22, would like to be a nurse.

"We have a peace, but we have to work to make it succeed," said Modesto, a 49-year-old former baker and would-be politician who would only give his battle name. "We're going to study how to form a political party, and all the land here that belongs to the rich, we're going to return it to the poor."

As leftist rebels gathered at this remote farm to turn in weapons they used during Guatemala's 36-year civil war and start their return to civilian life, they talked of aspirations as numerous and varied as the paths this battle-scared country faces for the future.

Until recently, these rebels were fighting Central America's longest and bloodiest war, which left 140,000 people dead or missing in a country with a population of 10.7 million. The conflict officially ended with the signing of a final armistice on Dec. 29.

On Monday, as part of the peace accords, rebels from the Guatemalan National Revolutionary Unity guerrilla group began trickling into demobilization camps, where they are to surrender their arms and begin vocational and educational programs to help integrate them into mainstream society. It is the beginning of what is expected to be a long, bumpy effort to transform war-hardened rebels into peaceful, productive citizens, unite a people deeply divided along racial and economic lines, and steer the country onto a path toward economic and social development.

Rebel leader Jorge Soto, known during the war as Commander Pablo Monsanto, said the demobilization marked the "ending [of] the internal armed conflict" and the beginning of the "construction of a new nation . . . and a better future." The success of the effort, Soto said, would depend on the government following through on promises to improve education, end discrimination and implement other changes agreed to over six years of negotiations.

Independent observers said they were impressed with the level of preparation, even if plans for specific educational and vocational programs seemed vague.

"In El Salvador, they got to the cease-fire, and the international community was not ready to help with the logistics," said David Holiday, a Latin America analyst living in Guatemala. "But here, the negotiations dragged on for so long that when D-Day came, everything was set up, so it's going a lot smoother. This is also a much smaller group of guerrillas to demobilize."

There are eight demobilization camps in six locations around Guatemala that officially opened Monday, although training programs will not begin for about three weeks. The disarming of the guerrillas is being overseen by 155 unarmed U.N. observers, who also are ensuring that government troops do not penetrate a seven-mile security perimeter around the camps without permission.

Officials expect about 3,600 rebels to enter the camps, turn in their weapons, undergo medical exams and enter 60-day courses to assess their skills and design a longer-range, individualized program to place them on a chosen career path.

"If it works as designed, they should do a better job of integrating demobilized guerrillas into the economy than they do of integrating average Guatemalans into it," said an international observer here. "The guerrillas are coming out of this more

privileged than the rest of society because they have a very directed program . . . to bring them into a [higher level] of society."

The Guatemala City newspaper Siglo Veintiuno said government officials expect the guerrillas to surrender 1,818 weapons, more than 200 pounds of explosives and 409 land mines. Observers said they are concerned that some rebels might keep their weapons to sell on the black market or to use in crimes.

On Monday morning, 30 guerrillas at this lush farm about 45 miles south of Guatemala City, in the coastal foothills leading down to the Pacific, turned in 17 AK-47 assault rifles, a heavy machine gun and a shoulder-fired rocket-propelled grenade launcher. Many rebels were in the surrounding hillsides, their comrades said, waiting to see how things proceed before coming to the camp and relinquishing their arms.

Galacia, who wants to be a nurse, said many of the rebels want to move to new communities composed only of former guerrillas. Such communities, he said, would be better able to keep pressure on the government to abide by the promises made in the accords and target aid to the former combatants.

Veronica Galiano, the 18-year-old who hopes to finish her education, said many people in her nearby community of Santa Rosa were forced into the war because they were cut off from Guatemalan society by the barriers of poverty and lack of education. Cradling her 3-month old daughter, Josalin, whose father also is a rebel, Galiano said she hopes much of the work at the camp will revolve around "forming a political party, developing a political base" that would give the demobilized rebels a stronger voice.

"The land reforms, more jobs, education, economic and social development -- we fought for all of this," said Lima, a 10-year veteran of the guerrilla force, as he watched a U.N. official unload an AK-47 clip, bullet by bullet. "But we can't say yet if we're going to get it."

NEW YORK TIMES
Rebels Holding Hostages in Peru Don't Rule Out Cuba Asylum
By Calvin Sims
March 5, 1997

LIMA, Peru--The leader of the guerrillas who are holding 72 hostages inside the Japanese diplomatic residence in Lima

said Tuesday that he had not ruled out the possibility of accepting asylum in Cuba, which has offered to receive the rebels.

By not rejecting Cuba's offer of a safe haven outright, the rebel commander, Nestor Cerpa Cartolini, left the door open for the rebels to leave Peru safely and thus raised hopes that the 77-day-old hostage crisis can be resolved without bloodshed.

But Cerpa said in a two-way radio conversation with local journalists that the first priority of his Tupac Amaru Revolutionary Movement was to remain in Peru and win the release of hundreds of its jailed compatriots.

Cerpa's comments came as Peruvian President Alberto Fujimori returned from a surprise visit to Havana where he met with President Fidel Castro on Monday. The Cuban leader said that his country was willing to give sanctuary to the guerrillas, who seized the Japanese residence during a party on Dec. 17.

Cerpa responded by saying, "Regarding Cuba's proposal to accept us, we prefer not to make a statement in favor or against this offer now because of the respect we have for Commandante Fidel Castro, the Cuban government, his people, and his revolution."

The Japanese government, which from the beginning has called for a peaceful resolution to the crisis, applauded Fujimori's trip to Cuba. "We highly appreciate President Fujimori's initiatives, and we think this is a very effective method of resolving the crisis," Chief Cabinet Secretary Seiroku Kajiyama said at a meeting with reporters in Tokyo.

But government officials and foreign diplomats based in Lima, speaking on condition of anonymity, said that while the offer of exile in Cuba was a significant advance toward resolving the hostage crisis, much remained to be done at the negotiating table before there was a clear end in sight.

Both sides still appear adamant over the issue of releasing jailed Tupac Amaru members.

"The problem now is not where this group of Tupac Amaru rebels is going to take asylum," Cerpa said. "The problem is what we have said over and over again at the negotiating table and that is our main demand for the liberation of prisoners."

It remains unclear exactly where the negotiations are headed after Monday's talks ended with no movement on the prisoner issue. But mediators are said to be encouraged that at least one major hurdle--where the rebels will take sanctuary--has apparently been overcome.

After accompanying Fujimori to the airport in Havana on Tuesday, Castro said that Cuba had agreed to accept the Tupac Amaru rebels because his country "wanted to make a modest contribution to resolving the problem."

"It's a moral duty, not a question of convenience, one has to be valiant," Castro told reporters at the airport. "What are we meant to do, stop helping when there are dozens of people's lives in danger?"

But Castro made clear that Cuba would accept the guerrillas only if they agreed to go. "It's their decision; we have nothing to do with this," he said. "If a country is needed to receive them, then we will receive."

While rumors had circulated that the Dominican Republic might be a place the rebels could seek refuge, Cerpa said that his group had no intention of seeking exile there or "in any country that is an oppressor of their people and for which we have no affinity or solidarity."

"Our first priority is to stay in our homeland and in this way we chose to fight beside our people," Cerpa said.

Speaking to reporters at the presidential palace, Fujimori declined to comment on Cerpa's statements, except to say, "There are not many countries in the world who would accept those rebels."

With the negotiations between the government and guerrillas scheduled to continue on Wednesday, the rebels seem to be relishing the fact that they forced the government to sit down with them face to face, a move that Fujimori had said his administration would never take.

"We believe that an organization, political and military like ours, needs not only military actions in the jungles and cities, and slogans and speeches, but for us it's a very important experience to be at a negotiating table with the government," Cerpa said.

RECORD TYPE: FEDERAL (TRP NOTES MAIL)

CREATOR: Tonya_James (Tonya_James/R__MR/WASHDC/USIA/GOV.USIA@notes1.usia.gov@INET@LNGTWY [UNKNOWN])

CREATION DATE/TIME: 7-APR-1997 12:10:00.00

SUBJECT: Daily Digest 4/7: ALBANIA: INT'L FORCE FACING 'RISKS,' 'DANGERS

TO: Doris O. Matsui (Doris O. Matsui@eop [UNKNOWN])
READ:UNKNOWN

TEXT:

As an international "peacekeeping" force prepares to leave for Albania,

now

scheduled for April 14, commentators in Europe, Asia, Africa and Latin

America

continued to register many concerns about the still "chaotic" situation in

the

Balkan country and worries that the conflagration could spread in the

region. A

majority of observers expressed doubts about the international force's

prospects for a successful mission and they were not optimistic that a

solution

aimed at quelling the crisis would be forthcoming.

The Italian-led international force was the main focus in a majority of

editorials and commentaries. A few media voices welcomed the

"intervention" as

necessary and "vital." Madrid's liberal El Pais, for example, asserted

that

"given the current situation in Albania in which the state has ceased to

exist...the mere presence of an international military force will have a

stabilizing effect." The majority view, however, was distinctly skeptical about the prospects for success, with pundits enumerating the many possible "risks" and "dangers" the troops would encounter. London's independent Times summed it up thusly: "The international force now being hastily assembled with the lukewarm blessing of the UN appears to have learned nothing from the last European attempt to enforce peace in the Balkans. As in Bosnia, there is no clear mandate, no chain of command or division of duties, no properly defined military task and no exit strategy. Unlike Bosnia, there is not even the pretext of international aggression: The force is wading into the Albanian imbroglio to confront not a political challenge or civil war but thieves, gangsters, and opportunists." Italy's up-front role in leading the mission had a few admirers. Most journalists, however, had reservations about Rome's ability to "play such a leading role," and some questioned its motives. A British paper maintained that "Rome's truer motive is self-interest...terrified at the prospect of an uncontrolled flood of Albanians." In Italy itself, editorialists emphasized the importance of the international mission--not only for the humanitarian aspects, but also for Italy's prestige. There was very

little comment on the role of the U.S. Italian dailies maintained, however, that the U.S. is a "de facto" participant in the international force, reporting that the U.S.--via its satellites--would have an "information-gathering" role. A number of commentators looked at the current situation in Albania in broader, post-Cold War terms. Some lamented that the Tirana leaders, after the end of the "Stalinist dictatorship" five years ago, have left Albania with "literally nothing." Many agreed that for Albania to be saved from further disorder, the current leadership must step down. Others decried the policies of the West and the great powers. Rome's centrist La Stampa asserted that the West denied many post-communist countries "any help which would truly strengthen them, that would protect them from aggression, that would make them part of the democratic West.... Western Europe regrets yesterday's order, and lives in a sort of post-political panic. " Critics charged that the "international community continues to mount makeshift operations combining humanitarian action and force" and that in the end, this multilateral framework "fails to act." Center-right O Estado de Sao Paulo ran this condemning conclusion: "Sometimes busy with former Yugoslavia, sometimes with

itself,

Europe practically ignored the Albanian...crisis."

This survey is based on 36 reports from 15 countries, March 18-April 7.

EDITOR: Diana McCaffrey

EUROPE

ITALY: "America Will Help With Satellites And Spy Planes"

A report in left-leaning, influential La Repubblica noted (4/6):

"Officially,

the international military mission to Albania will be carried out by

eight

nations--Italy, France, Greece, Turkey, Romania, Spain, Austria and

Denmark.

They could become ten were Bulgaria and Slovenia to decide to

participate.

But the United States is de facto also participating in the operation,

albeit

in an unofficial role. While U.S. armed forces will not be part of the

'international protection force,' it is rather difficult to believe that

the

almost 5,000 men under the command of Italian General Luciano Forlani

will be

able to proceed without the information gathered by the Americans."

"A Matter Of Credibility--Italy Seeking High-Profile Foreign Policy"

An analysis by Alessandro Corneli in leading, business Il Sole-24 Ore (4/4):

"Italy's increased presence in peacekeeping or peace-enforcing missions reflects its desire to seek a higher international profile, but remains linked to a foreign policy tradition characterized by strong emotive and bitter disputes among political forces each time a decision has to be made.... The Albanian crisis has brought to light again the contradictions of Italian foreign policy, which is inspired on one side by humanitarian principles...and on the other side is moved by unspoken geopolitical considerations concerning this 'elusive protectorate,' with the usual side dish of domestic disputes which limit our international credibility."

"Berisha: 'U.S. Hates Me Because It Wants To Colonize Us'"

Under the headline above, a dispatch from Tirana in centrist, top-circulation

Corriere della Sera (4/4) commented, "It is the end of a love story, the one

between President Berisha and the Americans. For three days dozens of people

have been holding the U.S. Embassy under siege. Obviously an organized siege. By whom? Says President Berisha: 'Since the beginning of my first mandate, in 1991, I tried to establish a good relationship with the Americans. And I offered full collaboration.... I can say that I accept all differences of opinion and that I am ready for dialogue. But, so long as I am here, I will defend the national sovereignty of my country.'... That is to say, there is a strong difference between collaboration and colonization. The fact is that, for at least one year, there has been only one obstacle to stabilization in Albania according to Washington: Berisha. But perhaps at this point they have already realized at the State Department that Berisha does not forgive."

"Italy Under Examination"

Stefano Silvestri wrote in leading business-oriented *Il Sole 24-Ore* (4/2):

"The international mission to Albania is necessary and urgent. Italy strongly wanted it and is still in the most adequate position to lead it.... This is a test for Italy, no less important than the one for monetary union..... In

Albania...we should prevent the dissolution of a European state..... The lack of enthusiasm by the United States, Germany and the UK forced the decision of having an 'ad hoc' group, focused around the Mediterranean NATO countries....

This does not mean that NATO or other allied countries are not committed to ensuring the success of the mission, but that there will be a different degree of responsibility and decision making power.... The aim is to maintain a substantial political neutrality in Albania."

"Leaving Italy Alone With Its Devils"

Barbara Spinelli commented in centrist La Stampa (3/30): "To the nations which have emerged from the collapse of communism we offered money, not in order to favor the democratic process as was the case with the Marshall Plan, but in order to enrich mafia groups and the post-Communist nomenclature. We denied them any help which would truly strengthen them, that would protect them from aggression, that would make them part of the democratic West

the way West Germany did with East Germany. The European disasters in the former Yugoslavia and Albania stem from this lack of preparation and this desire for impotence.... Western Europe regrets yesterday's order, and lives in a sort of post-political panic.... It is leaving Italy alone to deal with the refugee drama. It is leaving it alone with its devils."

GERMANY: "Guerrilla War Looming In The Horizon"

Left-of-center Die Tageszeitung of Berlin (4/4) said in an editorial by Ulrich Enzensberger, "The EU's regional league, which does not want to miss the Euro-train--Italy, Greece and Spain--as well as Turkey and Romania, which are striving for EU membership, want to show the Albanians what Europe is.... The great power Germany wants to have the chestnuts pulled out of the fire that it lighted with the failed attempt to install an obedient autocratic system (la Croatia. The continuation of this kind of policy through other means will however meet with fierce resistance among the Albanians.

"The intervention of Turkish, Greek and Italian troops in a country which

for

decades has been fighting against the Ottoman Empire and which due to its minority has been bitterly at enmity with Greece, goes beyond the framework of

comparable 'humanitarian' police actions. A guerrilla war that might spread

like a regional conflagration is looming on the horizon. There is no alternative to the deposition of Berisha, which the south is demanding:

This

is the only way to encourage the internal opposition within his

Democratic

Party and to contribute to working cooperation with the socialists

through the

help of the Democratic Alliance. This is the only way to form an independent

Albanian government which might also be capable of defusing the explosive

situation in Kosovo."

"Elections In Total Anarchy?"

According to an editorial in left-of-center Frankfurter Rundschau (4/4),

"In

the south of Albania, there is still total anarchy. The soldiers of the planned multinational protection force may succeed in protecting the harbors

and the important streets, but whether under these circumstances it will

be

possible to distribute the urgently needed relief remains questionable.

The

police and the army, which are nearly dissolved anyway, seem to be

powerless.... But how can there be an election campaign and free

elections in

view of the permanent chaos?... After the end of Stalinist dictatorship

five

years ago there were at least the structures of a state, the police, the

judiciary and the armed forces left. But now, Albania is literally left

with

nothing."

"There Should Be Concerns"

Ludwigshafen's Die Rheinpfalz commented (4/3), "There should be concerns

about

the multinational force in Albania, especially since some of the Albanians

do

not support it. Armed gangs are raging, which is the reason why the

planned

mission...poses many risks. The Italian government plans to send 2,000

soldiers, but not to the south, where the disaster ship capsized on Good

Friday

and where many relatives of the 83 casualties swore to take revenge on the

Italians. Many citizens in Rome, Milan and Brindisi fear that their sons

will r

risk their lives in Albania. The fear is not unfounded that this Balkan country might become another Somalia."

"Ambitious, Extensive OSCE Mission"

Bayerischer Rundfunk aired the following commentary (4/1): "The aims of the OSCE mission in Albania are as ambitious as they are extensive.... There are no objections to the humanitarian or the political dimension of the OSCE mission. On the contrary, one has to welcome it, again for humanitarian and political, but also for unselfish and selfish reasons. The problem needs to be solved where it emerged--in Albania, and not in the European countries. But the putting into practice of good intentions meets with considerable risks.... Especially now, when the building of a new order requires a strong government, it will lose power because of party politics before election campaigns. All this against the background that the Albania mission of the OSCE reminds us already now of the UN disaster in Somalia. Here and there the

foreigners have to deal with a country that is split into fractions....

Possibly the greatest danger for the OSCE mission emanates from these political power plays and intrigues. How should the helpers help if the population does not join forces in the planned reconstruction? The finding

that the political opponent is not an enemy, that change in power is normal

and revives democracy must first of all spread in Albania. Whether Friday's

ship catastrophe will burden the operation with additional risks cannot be assessed."

"Dangers In Albania"

Boris Kalnoky commented in right-of-center Die Welt of Berlin (4/1):

"After the

tragedy on the Adria [where Albanian refugees died after colliding with an Italian ship], Albania's Prime Minister Bashkim Fino practically had no choice

but to find accusing words for Italy--a guilt that Rome rejects.

However, the

question is hardly, who is right, but what effects this incident will have on

the planned OSCE mission.... The majority of the casualties on the refugee ship came from Vlora. There, the leaders of the rebels announced in front of

thousands of people...that nobody could guarantee the safety of the 'security forces.' In a country where every child has a gun and where honor commands one to wash off disgrace with blood, this means a massive security risk.

"Therefore, the humanitarian action must be protected militarily. The preconditions would be a bit more favorable if the well-liked Americans or Germans would take the leadership. The decisive question remains whether it will be possible to have democratic elections without collecting the guns.

Because only elections could somehow solve the crisis. However, should there be fights between the peace troops and the Albania's, the chances for a solution would be lower than ever."

"Realistic Threats"

Centrist Sueddeutsche Zeitung of Munich editorialized (4/1): "The first leftist Italian government after the war has not been hostile toward Albania at all, just the contrary: It was the first to voice a warning and due to its initiative the upcoming food and medication aid will be delivered. The patrolling of the Adriatic Sea derives from two realistic threats: the

exodus

of an entire people and dealings of the Albanian-Italian mafia to ship out

refugees, among them also criminals. The refugees need to be protected against

accusations as they were voiced by the 'Liga Nord,' but they are not an object of idealization either.... If Italian citizens become victims,

Rome

will be pressured to act. It is hard to imagine what this additional isolation

would mean for the Albanians."

BRITAIN: "Doubts About Italy's Albania Mission"

The independent Financial Times pointed out from Rome (4/3): "Doubts about Italy's ability to play such a leading role began to circulate in the aftermath

of last Friday's sinking of an Albanian boat with heavy loss of life after collision with an Italian corvette.... Doubts about Italy were fed by poor

government handling of the incident, accompanied by cynical attempts among the

Italian opposition and in Albania to exploit the tragedy."

"A Rethink For Rome"

The conservative Times commented (4/2): "Italy's proposal for military

intervention in Albania has all the makings of a disaster. The

international

force now being hastily assembled with the lukewarm blessing of the UN

appears

to have learned nothing from the last European attempt to enforce peace in

the

Balkans. As in Bosnia, there is no clear mandate, no chain of command or

division of duties, no properly defined military task and no exit

strategy.

Unlike Bosnia, there is not even the pretext of international aggression:

The

force is wading into the Albanian imbroglio to confront not a political

challenge or civil war but thieves, gangsters, and opportunists.

"Rome's truer motive is self-interest...terrified at the prospect of an

uncontrolled flood of Albanians."

RUSSIA: "Peace Mission: It May Or May Not Work"

Sergei Gavrilov noted in reformist, business-oriented Kommersant Daily

(4/1):

"It's hard to tell how bringing in an international force will affect the

situation in Albania. It may put an end to the abortive revolution of

'hapless

investors,' but it may also backfire."

"Security Force Vital"

Sergei Startsev reported from Rome for centrist Nezavisimaya Gazeta

(3/28):

"Without a multinational security force, the EU humanitarian mission is doomed to fail."

BELGIUM: "A Makeshift Operation"

Conservative Catholic La Libre Belgique commented (4/2): "Contrary to the UNPROFOR, the force which will be deployed in Albania within ten days is not a

UN operation. This multilateral force will be under Italian command and will

comprise forces coming mainly from Southern Europe.... In the case of Albania,

the international community is innovating again. The force has neither NATO

military management nor UN logistical support. On the political level, the

European Union gave up, yielding the baptism of fire to the OSCE....

Unable to

set up a standing force, be it at the UN or at the European level, the

international community continues to mount makeshift operations combining

humanitarian action and force. The real tragedy is that the big powers

and

other smaller countries put up with those selective military

interventions.

Their sovereignty is not threatened. You come and go. Under those conditions, NATO, this heritage of the Cold War, becomes ever more valuable."

"Multilateral Framework Fails To Act"

Foreign editor Axel Buyse wrote in independent Catholic De Standaard (4/1):

"The major European countries' gunboat diplomacy of last century undoubtedly had disadvantages. The unilateral intervention in other countries was a result of the right of the strongest in a period in which striving for a balance of power seemed to be the only workable instrument to keep Europe stable. On the threshold of the 21st century, we always talk about multilateral cooperation.

Europe is constrained by a knot of supra-national institutions which are to make a return to 19th century situations impossible. However, when things go really wrong on Europe's flanks--as was the case earlier in the former Yugoslavia and today in Albania--that multilateral framework fails to act. (It is) discouraging."

HUNGARY: "Hungary Is Right Not To Send Soldiers"

Influential Magyar Hirlap concluded (4/3), "The government of Hungary was right

when it decided not to send Hungarian soldiers to Albania, a country characterized by chaos and anarchy.... Hungary's membership in NATO will not

depend on whether we participate in the international military operation.

Hungary has already proved its competence in other military actions, including

the Bosnia mission and Cyprus, just to name a few.... The Albanian mission is

very dangerous, utterly unpredictable and very costly. The question immediately

arises why the international community does not consider terminating the reasons leading to the conflict. At the moment it seems that instead of getting involved in this dangerous military mission, it would make more sense

to pay the victims of the pyramid schemes. "

SPAIN: "Entering Albania"

Liberal El Pais editorialized (4/1): "International military forces are finally going to be deployed to Albania, the United Nation's Security Council

has decided.... Even though the mission isn't peacekeeping but rather to ensure the arrival of humanitarian aid to its destinations, the presence of a contingent of 2,500-5,000 men can contribute to ending the current chaotic situation. It will be a complex operation but very necessary and one has to acknowledge the urgency with which the (United Nations in) New York and the other countries participating in the force have understood the situation.... The mission is limited in terms of time and scope.... Notwithstanding, experience shows that in a mission of this kind it is practically impossible to establish how and when it will conclude. The mission does not include the task of establishing public order. However, given the current situation in Albania in which the state has ceased to exist in large portions of the country, it is foreseeable that in the best of cases, the mere presence of an international military force will have a stabilizing effect. In the worst of cases, the force could put an end to the abuses and violence of the numerous armed gangs. This is exactly what Albania most needs at this time."

TURKEY: "Turkey Should Embrace Albania"

Necati Ozfatura said in conservative, religious Turkiye (4/4): "The Republic of Albania is surrounded by old and new enemies. Greece, Serbia and Macedonia are the main ones. Besides these enemy countries, the number of Catholic and Orthodox missionaries in Albania has increased immensely since 1992. The civil war situation in Albania will definitely affect the whole region. If the current civil war situation continues, Turkey will find itself in a serious war. Therefore, Turkey should provide financial aid to Albania, first of all because of its own interests, but also because Albania is Turkey's natural ally."

"Albania: Going Where?"

Turgut Tarhanli wrote in intellectual Radikal (4/3): "It is now considered normal to talk about an international intervention when a country does not have a powerful enough national authority. That's exactly the scene in Albania.

According to the current UN plan, a multinational force will help Albania to

overcome its difficulties. However, Albania's main problem lies with the political authority. The Berisha administration, and, in particular, Berisha himself, did nothing but ruin the country. Even if the election takes place in June as projected, we will not see a breakthrough in the country. It will probably be the beginning of a new transition period. In the meantime, there are enough incidents to muddy the waters. Italy, which will be in charge of the multinational force, is suspected of the boat accident in which 80 Albanians died. Greece, on the other hand, is claiming rights over the southern part of Albania."

EAST ASIA

INDONESIA: "Albania: Archaic Armed Rebellion Or 'Revolution'?"

Nationalistic Merdeka commented (4/5): "What is going on in Albania? An archaic armed rebellion or a revolution by the 'new generation'?... It is too early to label it a 'revolution,' as a revolution requires the decay of a political system and mass brutality. Revolution...must have an ideology and follow economic crisis and distrust in the leadership, as well as clear thinking...which we have not yet seen in Albania. We cannot expect too much

truth as, among other things, the international press is controlled by a Western press which tends to support capitalism. The Balkans are not the only source of tension, as Western Europe becomes increasingly vulnerable as the Albanian crisis is protracted. It should be noted that Italy is a principal NATO base.... Can we find a scapegoat...in Thomas Jefferson? Isn't it he who stated that a government which does not come from the people, by the people and for the people, must vanish from the earth?"

SOUTH ASIA

BANGLADESH: "Albanians Should Resolve Their Problems Themselves"

Pro-Awami League Banglar Bani opined (4/2): "Albania is the latest example of how the lack of initiative and efforts of a ruling government can make the external presence in a country inevitable. The Albanian rulers should be aware of the consequences of hosting foreign peacemakers and engage their initiative to resolve their problems themselves."

INDIA: "Innocent Victims"

The centrist Hindu observed (3/31): "Two countries which are experiencing social unrest that threaten to unravel them are Albania and Zaire. There are a number of similarities in the experiences of the two, both of which have had to endure intolerable dictatorships. The one major difference seems to be that Albania, being in Europe, gets the world's focus on its travails, while Zaire, with its misfortune of being in Africa, does not.... Albania's is the problem of transition to democracy.... For Albania to be saved from further disorder, the current leadership must go back to the people and regain their confidence. The European Union has made a guarded entry and mercifully the situation already looks to have stabilized, the eruptions subsiding as fast they took place."

PAKISTAN: "Take Care In Aiding Albania"

The centrist News held (3/31): "The situation in Albania can get out of hand if the European peace force is given a partisan role--to ensure President

Sali

Berisha's continuity in power--a prospect that is strongly opposed....

The

incumbent Albanian president is seen by the West as its answer to the

growing

communist popularity in a country where the replacing socialism by

capitalism

has spelt disaster. The failed financial pyramid schemes which

proliferated in

the market economy represent the ugly face of capitalism. Albanians

evidently

have had enough and would prefer to return to an austere Marxist system

which

at least ensured social welfare from birth to death. "

SRI LANKA: "Could Albania Prove Another Yugoslavia On A Smaller Scale?"

Mervyn de Silva wrote in the English-language, independent Sunday Times

(3/6):

"The United States, the sole superpower, seized the opportunity to send

Europe

a simple message. The EU has the men, the money and the experience to

clean

up the mess in Albania. But things do not move that easily-- or

neatly--in

'the New World Order.' Conflict resolution, mediation, negotiated

settlement, restore peace and stability, before it becomes a regional

problem

to de-stabilize the whole area--that certainly was what the United States would like to see. Europe not only has the men, the money and resources to

clean up its backyard, but also it knows the rules of the game, the post Cold-War 'order.' And so the clear signal to the European Union. After Stalin's death, Albania invited international attention as the 'loner.'

The international community may agree that it is best to leave Albania alone, or let the 'Reds' have it."

AFRICA

NIGERIA: "Zaire And Albania Crises Are Lessons In Bad Governance"

The independent Post Express commented (4/4): "In a number of countries the

world over, from Africa to Europe and beyond, the state is suffering a legitimacy crisis.... Albania and Zaire are, in their respective ways, examples

of where low institutionalization or excessive personalization of the power of

the state has so corrupted the state that it is no longer able to discharge

its traditional functions nor assert enough moral authority to sustain it in

the face of poor material performance. The two countries are at one and the same time examples of bad governance.... Both Zaire and Albania teach the lesson that leaders who personalize state power rather than use it to promote the public good, and who continue to be insensitive to the complaints of the victims of their misrule end up destroying the very state in whose name they seek to justify their hold on to power."

LATIN AMERICA

BRAZIL: "The Price Of Abandonment"

Center-right O Estado de Sao Paulo commented (3/31): "If Europe had helped Albania on time it would have avoided the [present] difficult operation of providing humanitarian assistance. At the moment when Europe prepares to help Albania with humanitarian and economic assistance, it is impossible not to consider how much cheaper this support would have been, thereby avoiding violence and damages--including to Europe's image--if it had occurred at

the
right time. The Albanians are deeply disappointed with the mockery of
capitalism that is installed in their country and also with the European
Union, which ignored their appeal for economic and technical assistance in
the
difficult transition from communism to a market economy.... Both in its
communist stage and its new savage 'capitalistic' phase, Albania is
suffering
from the same sickness: the lack of legitimacy and the artificiality of
its
institutions.... The European assistance could have helped to prevent
the
current degeneration. The explosive potential of the Albanian situation
has
not been duly evaluated by international analysts. Sometimes busy with
former
Yugoslavia, sometimes with itself, Europe practically ignored the
Albanian...crisis."

===== ATTACHMENT 1 =====
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:
RFC-822-headers:
Return-path: Tonya_James/R__MR/WASHDC/USIA/GOV.USIA@notes1.usia.gov
Received: from conversion.pmdf.eop.gov by PMDF.EOP.GOV (PMDF V5.0-4 #6879)
id <01IHFE6QL79C012GQY@PMDF.EOP.GOV> for Matsui_d@a1.eop.gov; Mon,
07 Apr 1997 14:30:53 -0400 (EDT)
Received: from storm.eop.gov (storm.eop.gov)
by PMDF.EOP.GOV (PMDF V5.0-4 #6879) id <01IHFE6NJMFK005F6Q@PMDF.EOP.GOV> for
Matsui_d@a1.eop.gov; Mon, 07 Apr 1997 14:30:49 -0400 (EDT)
Received: from notes1.usia.gov ([198.67.64.251])
by STORM.EOP.GOV (PMDF V5.1-7 #6879)
with SMTP id <01IHFE6JY6YU000K5T@STORM.EOP.GOV> for Matsui_d@A1.EOP.GOV; Mon,

07 Apr 1997 14:30:45 -0400 (EDT)
Received: by notes1.usia.gov (IBM OS/2 SENDMAIL VERSION 1.3.2)
/1.0) id AA3588; Mon, 07 Apr 1997 13:29:18 -0700
Received: from USIA with "Lotus Notes Mail Gateway for SMTP" id
89E885827763C35285256472004C37DB; Mon, 07 Apr 1997 13:28:54 +0000
X-Lotus-Type: Daily Digest
===== END ATTACHMENT 1 =====

===== ATTACHMENT 2 =====
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:
WPC
2BPV' Courier 10cpi|x?xxx,kx6X@8;X@ 3'
3' 3'
3' X' hp x X XX 3'
3' 3'
3'

XX X' hp x (##Xx\ P6QyXP#
X' hp x (#%O
ddx
XxX<O
#:x2PkCXP#

FOREIGN MEDIA REACTION
#:,2PkCP#DAILY DIGEST #XX\ P6QyP#USIA #:Z2PkCP#U.S. INFORMATION AGENCY, WASHIN
GTON DC 20547 OFFICE OF RESEARCH AND MEDIA REACTIONOO
#XP\ P6QyP#Patricia McArdle, Branch Chief Media Reaction (R/MR), #:x2PkCXP#
#XP\ P6QyP#mcardle@usia.gov, (202) 6196511 Ann
Pincus, Directo
r, (202) 6196511

X' hp x (##Xn\ P6Qy&P#Monday, April 7, 1997
X' hp x (#%
ALBANIA: INTERNATIONAL FORCE FACING 'RISKS,' 'DANGERS'

X' hp x (#As an international "peacekeeping" force prepares to leave for Alban
ia, now
scheduled for April 14, commentators in Europe, Asia, Africa and Latin
America continued to register many concerns about the still "chaotic"
situation
in the Balkan country and worries that the conflagration could
spread in the r
egion. A majority of observers expressed doubts about the
international force's
prospects for a successful mission and they were not
optimistic that a solutio
n aimed at quelling the crisis would be forthcoming.

The Italianled international force was the main focus in a majority of
editoria
ls and commentaries. A few media voices welcomed the "intervention"
as necessa

ry and "vital." Madrid's liberal El Pais, for example, asserted that "given the current situation in Albania in which the state has ceased to exist...the mere presence of an international military force will have a stabilizing effect."

The majority view, however, was distinctly skeptical about the prospects for success, with pundits enumerating the many possible "risks" and "dangers" the troops would encounter. London's independent Times summed it up thusly: "The international force now being hastily assembled with the lukewarm blessing of the UN appears to have learned nothing from the last European attempt to enforce peace in the Balkans. As in Bosnia, there is no clear mandate, no chain of command or division of duties, no properly defined military task and no exit strategy. Unlike Bosnia, there is not even the pretext of international aggression: The force is wading into the Albanian imbroglio to confront not a political challenge or civil war but thieves, gangsters, and opportunists." Italy's upfront role in leading the mission had a few admirers. Most journalists, however, had reservations about Rome's ability to "play such a leading role," and some questioned its motives. A British paper maintained that "Rome's truer motive is self-interest...terrified at the prospect of an uncontrolled flood of Albanians."

In Italy itself, editorialists emphasized the importance of the international mission not only for the humanitarian aspects, but also for Italy's prestige.

There was very little comment on the role of the U.S. Italian dailies maintained, however, that the U.S. is a "de facto" participant in the international force, reporting that the U.S. via its satellites would have an "information gathering" role. A number of commentators looked at the current situation in Albania in broader, post-Cold War terms. Some lamented that the Tirana leaders, after the end of the "Stalinist dictatorship" five years ago, have left Albania with "literally nothing." Many agreed that for Albania to be saved from further disorder, the current leadership must step down. Others decried the policies of the

he
West and the great powers. Rome's centrist La Stampa asserted that the West
denied many postcommunist countries "any help which would truly strengthen
the
m, that would protect them from aggression, that would make them part of
the d
emocratic West.... Western Europe regrets yesterday's order, and lives
in a s
ort of postpolitical panic. " Critics charged that the "international
communit
y continues to mount makeshift operations combining humanitarian
action and for
ce" and that in the end, this multilateral framework "fails to
act." Centerri
ght O Estado de Sao Paulo ran this condemning conclusion:
"Sometimes busy with
former Yugoslavia, sometimes with itself, Europe
practically ignored the Alba
nian...crisis."

This survey is based on 36 reports from 15 countries, March 18-April 7.
EDITOR: Diana McCaffrey

EUROPE

ITALY: "America Will Help With Satellites And Spy Planes"

A report in left-leaning, influential La Repubblica noted (4/6):
"Officially,
the international military mission to Albania will be carried
out by eight na
tions Italy, France, Greece, Turkey, Romania, Spain, Austria
and Denmark. They
could become ten were Bulgaria and Slovenia to decide to
participate. But th
e United States is de facto also participating in the
operation, albeit in an
unofficial role. While U.S. armed forces will not
be part of the 'internation
al protection force,' it is rather difficult to
believe that the almost 5,000
men under the command of Italian General
Luciano Forlani will be able to proce
ed without the information gathered by
the Americans."

X' hp x (# "A Matter Of Credibility Italy Seeking High Profile Foreign Policy"
X' hp x (#

An analysis by Alessandro Corneli in leading, business Il Sole 24 Ore (4/4):
"I
taly's increased presence in peacekeeping or peaceenforcing missions
reflects i
ts desire to seek a higher international profile, but remains

linked to a foreign policy tradition characterized by strong emotive and bitter disputes among political forces each time a decision has to be made.... The Albanian crisis has brought to light again the contradictions of Italian foreign policy, which is inspired on one side by humanitarian principles...and on the other side is moved by unspoken geopolitical considerations concerning this 'elusive protectorate,' with the usual side dish of domestic disputes which limit international credibility."

"Berisha: 'U.S. Hates Me Because It Wants To Colonize Us'"

Under the headline above, a dispatch from Tirana in centrist, topcirculation Corriere della Sera (4/4) commented, "It is the end of a love story, the one between President Berisha and the Americans. For three days dozens of people have been holding the U.S. Embassy under siege. Obviously an organized siege. By whom? Says President Berisha: 'Since the beginning of my first mandate, in 1991, I tried to establish a good relationship with the Americans. And I offered full collaboration.... I can say that I accept all differences of opinion and that I am ready for dialogue. But, so long as I am here, I will defend the national sovereignty of my country.'... That is to say, there is a strong difference between collaboration and colonization. The fact is that, for at least one year, there has been only one obstacle to stabilization in Albania according to Washington: Berisha. But perhaps at this point they have already realized at the State Department that Berisha does not forgive."

Xhp x (# "Italy Under Examination"
Xhp x (#

Stefano Silvestri wrote in leading business-oriented Il Sole 24Ore (4/2): "The international mission to Albania is necessary and urgent. Italy strongly wants it and is still in the most adequate position to lead it.... This is a test for Italy, no less important than the one for monetary union..... In Albania...

we should prevent the dissolution of a European state..... The lack of enthusiasm by the United States, Germany and the UK forced the decision of having an 'ad hoc' group, focused around the Mediterranean NATO countries.... This does not mean that NATO or other allied countries are not committed to ensuring the success of the mission, but that there will be a different degree of responsibility and decision making power.... The aim is to maintain a substantial political neutrality in Albania."

"Leaving Italy Alone With Its Devils"

Barbara Spinelli commented in centrist La Stampa (3/30): "To the nations which have emerged from the collapse of communism we offered money, not in order to favor the democratic process as was the case with the Marshall Plan, but in order to enrich mafia groups and the postCommunist nomenclature. We denied them any help which would truly strengthen them, that would protect them from aggression, that would make them part of the democratic West

the way West Germany did with East Germany. The European disasters in the former Yugoslavia and Albania stem from this lack of preparation and this desire for impotence.... Western Europe regrets yesterday's order, and lives in a sort of postpolitical panic.... It is leaving Italy alone to deal with the refugee drama. It is leaving it alone with its devils."

GERMANY: "Guerrilla War Looming In The Horizon"

Leftofcenter Die Tageszeitung of Berlin (4/4) said in an editorial by Ulrich Enzensberger, "The EU's regional league, which does not want to miss the Eurotrip in Italy, Greece and Spain as well as Turkey and Romania, which are striving for

EU membership, want to show the Albanians what Europe is.... The great power

Germany wants to have the chestnuts pulled out of the fire that it lighted with the failed attempt to install an obedient autocratic system in Croatia. T

the continuation of this kind of policy through other means will however meet with fierce resistance among the Albanians.

"The intervention of Turkish, Greek and Italian troops in a country which for decades has been fighting against the Ottoman Empire and which due to its minority has been bitterly at enmity with Greece, goes beyond the framework of comparable 'humanitarian' police actions. A guerrilla war that might spread like a regional conflagration is looming on the horizon. There is no alternative to the deposition of Berisha, which the south is demanding: This is the only way to encourage the internal opposition within his Democratic Party and to contribute to working cooperation with the socialists through the help of the Democratic Alliance. This is the only way to form an independent Albanian government which might also be capable of defusing the explosive situation in Kosovo."

X` hp x (#

"Elections In Total Anarchy?"

According to an editorial in leftofcenter Frankfurter Rundschau (4/4), "In the south of Albania, there is still total anarchy. The soldiers of the planned multinational protection force may succeed in protecting the harbors and the important streets, but whether under these circumstances it will be possible to distribute the urgently needed relief remains questionable. The police and the army, which are nearly dissolved anyway, seem to be powerless.... But how can there be an election campaign and free elections in view of the permanent chaos?... After the end of Stalinist dictatorship five years ago there were at least the structures of a state, the police, the judiciary and the armed forces left. But now, Albania is literally left with nothing."

X` hp x (#

"There Should Be Concerns"

Ludwigshafen's Die Rheinpfalz commented (4/3), "There should be concerns about

the multinational force in Albania, especially since some of the Albanians do not support it. Armed gangs are raging, which is the reason why the planned mission...poses many risks. The Italian government plans to send 2,000 soldiers, but not to the south, where the disaster ship capsized on Good Friday and where many relatives of the 83 casualties swore to take revenge on the Italians. Many citizens in Rome, Milan and Brindisi fear that their sons will risk their lives in Albania. The fear is not unfounded that this Balkan country might become another Somalia."

"Ambitious, Extensive OSCE Mission"

Bayerischer Rundfunk aired the following commentary (4/1): "The aims of the OSCE mission in Albania are as ambitious as they are extensive.... There are no objections to the humanitarian or the political dimension of the OSCE mission. On the contrary, one has to welcome it, again for humanitarian and political, but also for unselfish and selfish reasons. The problem needs to be solved where it emerged in Albania, and not in the European countries. But the putting into practice of good intentions meets with considerable risks.... Especially now, when the building of a new order requires a strong government, it will lose power because of party politics before election campaigns. All this against the background that the Albania mission of the OSCE

reminds us already now of the UN disaster in Somalia. Here and there the designers have to deal with a country that is split into fractions.... Possibly the greatest danger for the OSCE mission emanates from these political power plays and intrigues. How should the helpers help if the population does not join forces in the planned reconstruction? The finding that the political opponent is not an enemy, that change in power is normal and revives democracy must first of all spread in Albania. Whether Friday's ship catastrophe will burden the operation with additional risks cannot be

assessed."

"Dangers In Albania"

Boris Kalnoky commented in rightofcenter Die Welt of Berlin (4/1): "After the tragedy on the Adria [where Albanian refugees died after colliding with an Italian ship], Albania's Prime Minister Bashkim Fino practically had no choice but to find accusing words for Italy's guilt that Rome rejects. However, the question is hardly, who is right, but what effects this incident will have on the planned OSCE mission.... The majority of the casualties on the refugee ship came from Vlora. There, the leaders of the rebels announced in front of thousands of people...that nobody could guarantee the safety of the 'security forces.' In a country where every child has a gun and where honor commands one to wash off disgrace with blood, this means a massive security risk.

"Therefore, the humanitarian action must be protected militarily. The preconditions would be a bit more favorable if the well-liked Americans or Germans would take the leadership. The decisive question remains whether it will be possible to have democratic elections without collecting the guns. Because only elections could somehow solve the crisis. However, should there be fights between the peace troops and the Albanians, the chances for a solution would be lower than ever."

"Realistic Threats"

Centrist Sueddeutsche Zeitung of Munich editorialized (4/1): "The first left Italian government after the war has not been hostile toward Albania at all, just the contrary: It was the first to voice a warning and due to its initiative the upcoming food and medication aid will be delivered. The patrolling of the Adriatic Sea derives from two realistic threats: the exodus of an entire people and dealings of the Albanian-Italian mafia to ship out refugees, among them also criminals. The refugees need to be

protected against accusations
as they were voiced by the 'Liga Nord,' but
they are not an object of idealization either.... If Italian citizens
become victims, Rome will be pressured
to act. It is hard to imagine what
this additional isolation would mean for the
Albanians."

BRITAIN: "Doubts About Italy's Albania Mission"

The independent Financial Times pointed out from Rome (4/3): "Doubts about
Italy's ability to play such a leading role began to circulate in the
aftermath of
last Friday's sinking of an Albanian boat with heavy loss of
life after collision with an Italian corvette.... Doubts about Italy were
fed by poor government handling of the incident, accompanied by cynical
attempts among the Italian opposition and in Albania to exploit the tragedy."

"A Rethink For Rome"

The conservative Times commented (4/2): "Italy's proposal for military
intervention in Albania has all the makings of a disaster. The international
force now being hastily assembled with the lukewarm blessing of the UN
appears to have
learned nothing from the last European attempt to enforce
peace in the Balkans
. As in Bosnia, there is no clear mandate, no chain of
command or division of
duties, no properly defined military task and no exit
strategy. Unlike Bosnia,
there is not even the pretext of international
aggression: The force is wading
into the Albanian imbroglio to confront not
a political challenge or civil war
but thieves, gangsters, and opportunists.

"Rome's truer motive is self-interest...terrified at the prospect of an
uncontrolled flood of Albanians."

RUSSIA: "Peace Mission: It May Or May Not Work"

Sergei Gavrilov noted in reformist, business-oriented Kommersant Daily (4/1):
"It's hard to tell how bringing in an international force will affect the
situation in Albania. It may put an end to the abortive revolution of

'hapless investors,' but it may also backfire."

"Security Force Vital"

Sergei Startsev reported from Rome for centrist Nezavisimaya Gazeta (3/28):

"Without a multinational security force, the EU humanitarian mission is doomed to fail."

BELGIUM: "A Makeshift Operation"

Conservative Catholic La Libre Belgique commented (4/2): "Contrary to the UNPR OFOR, the force which will be deployed in Albania within ten days is not a UN operation. This multilateral force will be under Italian command and will comprise forces coming mainly from Southern Europe.... In the case of Albania, the international community is innovating again. The force has neither NATO military management nor UN logistical support. On the political level, the European Union gave up, yielding the baptism of fire to the OSCE.... Unable to set up a standing force, be it at the UN or at the European level, the international community continues to mount makeshift operations combining humanitarian action and force. The real tragedy is that the big powers and other smaller countries put up with those selective military interventions. Their sovereignty is not threatened. You come and go. Under those conditions, NATO, this heritage of the Cold War, becomes ever more valuable."

"Multilateral Framework Fails To Act"

Foreign editor Axel Buyse wrote in independent Catholic De Standaard (4/1): "The major European countries' gunboat diplomacy of last century undoubtedly had disadvantages. The unilateral intervention in other countries was a result of the right of the strongest in a period in which striving for a balance of power seemed to be the only workable instrument to keep Europe stable. On the threshold of the 21st century, we always talk about multilateral cooperation. Europe is constrained by a knot of supranational

institutions which are to make a return to 19th century situations impossible. However, when things go really wrong on Europe's flanks as was the case earlier in the former Yugoslavia and today in Albania that multilateral framework fails to act. (It is) discouraging."

HUNGARY: "Hungary Is Right Not To Send Soldiers"

Influential Magyar Hirlap concluded (4/3), "The government of Hungary was right when it decided not to send Hungarian soldiers to Albania, a country characterized by chaos and anarchy.... Hungary's membership in NATO will not depend on whether we participate in the international military operation. Hungary has already proved its competence in other military actions, including the Bosnia mission and Cyprus, just to name a few.... The Albanian mission is very dangerous, utterly unpredictable and very costly. The question immediately arises why the international community does not consider terminating the reasons leading to the conflict. At the moment it seems that instead of getting involved in this dangerous military mission, it would make more sense to pay the victims of the pyramid schemes. "

SPAIN: "Entering Albania"

Liberal El Pais editorialized (4/1): "International military forces are finally going to be deployed to Albania, the United Nation's Security Council has decided.... Even though the mission isn't peacekeeping but rather to ensure the arrival of humanitarian aid to its destinations, the presence of a contingent of 2,500 men can contribute to ending the current chaotic situation. It will be a complex operation but very necessary and one has to acknowledge the urgency with which the (United Nations in) New York and the other countries participating in the force have understood the situation The mission is limited in terms of time and scope.... Notwithstanding, experience shows that in a mission of this kind it is practically impossible to

o establish how and when it will conclude. The mission does not include the task of establishing public order. However, given the current situation in Albania in which the state has ceased to exist in large portions of the country, it is foreseeable that in the best of cases, the mere presence of an international military force will have a stabilizing effect. In the worst of cases, the force could put an end to the abuses and violence of the numerous armed gangs. This is exactly what Albania most needs at this time."

TURKEY: "Turkey Should Embrace Albania"

Necati Ozfatura said in conservative, religious Turkiye (4/4): "The Republic of Albania is surrounded by old and new enemies. Greece, Serbia and Macedonia are the main ones. Besides these enemy countries, the number of Catholic and Orthodox missionaries in Albania has increased immensely since 1992. The civil war situation in Albania will definitely affect the whole region. If the current civil war situation continues, Turkey will find itself in a serious war. Therefore, Turkey should provide financial aid to Albania, first of all because of its own interests, but also because Albania is Turkey's natural ally."

"Albania: Going Where?"

Turgut Tarhanli wrote in intellectual Radikal (4/3): "It is now considered normal to talk about an international intervention when a country does not have a powerful enough national authority. That's exactly the scene in Albania. According to the current UN plan, a multinational force will help Albania to overcome its difficulties. However, Albania's main problem lies with the political authority. The Berisha administration, and, in particular, Berisha himself, did nothing but ruin the country. Even if the election takes place in June as projected, we will not see a breakthrough in the country. It will probably be the beginning of a new transition period. In the meantime, there are enough inci

dents to muddy the waters. Italy, which will be in charge of the multinational force, is suspected of the boat accident in which 80 Albanians died. Greece, on the other hand, is claiming rights over the southern part of Albania."

EAST ASIA

INDONESIA: "Albania: Archaic Armed Rebellion Or 'Revolution'?"

Nationalistic Merdeka commented (4/5): "What is going on in Albania? An archaic armed rebellion or a revolution by the 'new generation'?... It is too early to label it a 'revolution,' as a revolution requires the decay of a political system and mass brutality. Revolution...must have an ideology and follow economic crisis and distrust in the leadership, as well as clear thinking...which we have not yet seen in Albania. We cannot expect too much truth as, among other things, the international press is controlled by a Western press which tends to support capitalism. The Balkans are not the only source of tension, as Western Europe becomes increasingly vulnerable as the Albanian crisis is projected. It should be noted that Italy is a principal NATO base.... Can we find a scapegoat...in Thomas Jefferson? Isn't it he who stated that a government which does not come from the people, by the people and for the people, must vanish from the earth?"

X` hp x (#

SOUTH ASIA

X` hp x (#

BANGLADESH: "Albanians Should Resolve Their Problems Themselves"

ProAwami League Banglar Bani opined (4/2): "Albania is the latest example of how the lack of initiative and efforts of a ruling government can make the external presence in a country

inevitable. The Albanian rulers should be aware of the consequences of hosting foreign peacemakers and engage their initiative to resolve their problems themselves."

INDIA: "Innocent Victims"

The centrist Hindu observed (3/31): "Two countries which are experiencing social unrest that threaten to unravel them are Albania and Zaire. There are a number of similarities in the experiences of the two, both of which have had to endure intolerable dictatorships. The one major difference seems to be that Albania, being in Europe, gets the world's focus on its travails, while Zaire, with its misfortune of being in Africa, does not.... Albania's is the problem of transition to democracy.... For Albania to be saved from further disorder, the current leadership must go back to the people and regain their confidence. The European Union has made a guarded entry and mercifully the situation already looks to have stabilized, the eruptions subsiding as fast they took place."

PAKISTAN: "Take Care In Aiding Albania"

The centrist News held (3/31): "The situation in Albania can get out of hand if the European peace force is given a partisan role to ensure President Sali Berisha's continuity in power a prospect that is strongly opposed.... The incumbent Albanian president is seen by the West as its answer to the growing communist popularity in a country where the replacing socialism by capitalism has spelt disaster. The failed financial pyramid schemes which proliferated in the market economy represent the ugly face of capitalism. Albanians evidently have had enough and would prefer to return to an austere Marxist system which at least ensured social welfare from birth to death. "

SRI LANKA: "Could Albania Prove Another Yugoslavia On A Smaller Scale?"

Mervyn de Silva wrote in the English language, independent Sunday Times (3/6):

"The United States, the sole superpower, seized the opportunity to send Europe a simple message. The EU has the men, the money and the experience to clean up the mess in Albania. But things do not move that easily or neatly in 'the New World Order.' Conflict resolution, mediation, negotiated settlement, resto

re peace and stability, before it becomes a regional problem to destabilize the whole area that certainly was what the United States would like to see. Europe not only has the men, the money and resources to clean up its backyard, but also it knows the rules of the game, the post Cold War 'order.' And so the clear signal to the European Union. After Stalin's death, Albania invited international attention as the 'loner.' The international community may agree that it is best to leave Albania alone, or let the 'Reds' have it."

X hp x (#

AFRICA

X hp x (#

NIGERIA: "Zaire And Albania Crises Are Lessons In Bad Governance"

The independent Post Express commented (4/4): "In a number of countries the world over, from Africa to Europe and beyond, the state is suffering a legitimacy crisis.... Albania and Zaire are, in their respective ways, examples of where low institutionalization or excessive personalization of the power of the state has so corrupted the state that it is no longer able to discharge its traditional functions nor assert enough moral authority to sustain it in the face of poor material performance. The two countries are at one and the same time examples of bad governance.... Both Zaire and Albania teach the lesson that leaders who personalize state power rather than use it to promote the public good, and who continue to be insensitive to the complaints of the victims of their misrule end up destroying the very state in whose name they seek to justify their hold on to power."

LATIN AMERICA

BRAZIL: "The Price Of Abandonment"

Centerright O Estado de Sao Paulo commented (3/31): "If Europe had helped Albania on time it would have avoided the [present] difficult operation of providing

ng humanitarian assistance. At the moment when Europe prepares to help Albani
a with humanitarian and economic assistance, it is impossible not to consider
how much cheaper this support would have been, thereby avoiding violence and
damagesincluding to Europe's imageif it had occurred at the right time. The
Albanians are deeply disappointed with the mockery of capitalism that is insta
lled in their country and also with the European Union, which ignored their app
eal for economic and technical assistance in the difficult transition from com
munism to a market economy.... Both in its communist stage and its new savage
'capitalistic' phase, Albania is suffering from the same sickness: the lack o
f legitimacy and the artificiality of its institutions.... The European assis
tance could have helped to prevent the current degeneration. The explosive po
tential of the Albanian situation has not been duly evaluated by international
analysts. Sometimes busy with former Yugoslavia, sometimes with itself, Eur
ope practically ignored the Albanian...crisis."

##

X` hp x (#%#Xx\ P6QyXP#

===== END ATTACHMENT 2 =====