

# Withdrawal/Redaction Sheet

## Clinton Library

| DOCUMENT NO.<br>AND TYPE | SUBJECT/TITLE                                                                         | DATE       | RESTRICTION |
|--------------------------|---------------------------------------------------------------------------------------|------------|-------------|
| 001. paper               | re: options paper (5 pages)                                                           | 04/08/1995 | P1/b(1)     |
| 002. paper               | re: Weapons Imports (7 pages)                                                         | 00/00/0000 | P1/b(1)     |
| 003. notes               | re: edits to Firearms memo (2 pages)                                                  | 00/00/0000 | P1/b(1)     |
| 004. notes               | re: thoughts on memorandum (2 pages)                                                  | 00/00/0000 | P1/b(1)     |
| 005. memo                | Robert Dohner et al to Sandy Berger re: imports (6 pages)                             | 00/00/0000 | P1/b(1)     |
| 006. fax                 | Peter Petrihos to Jose Cerda et al re:state comments (5 pages)                        | 02/02/1995 | P1/b(1)     |
| 007. memo                | To the Deputy Secretary re: Joint Initiative to Combat International Crime (19 pages) | 02/17/1995 | P1/b(1)     |
| 008. memo                | Jessica Stern to Sandy Berger re: Imports (7 pages)                                   | 00/00/0000 | P1/b(1)     |
| 009. memo                | Jessica Stern to Sandy Berger re: proposed deputies meeting (7 pages)                 | 00/00/0000 | P1/b(1)     |
| 010. memo                | To the Deputy Secretary re: Joint Initiative to Combat International Crime (19 pages) | 02/17/1995 | P1/b(1)     |
| 011. fax                 | Jessica Stern to Jose Cerda [partial] (1 page)                                        | 01/25/1995 | P3/b(3)     |
| 012. fax                 | Peter Petrihos to Jessica Stern re: Study on Gun Imports (21 pages)                   | 01/04/1995 | P1/b(1)     |

### COLLECTION:

Clinton Presidential Records  
Domestic Policy Council  
Jose Cerda  
OA/Box Number: 5875

### FOLDER TITLE:

Russian/Chinese Guns [1]

2016-0931-S

rc2350

### RESTRICTION CODES

#### Presidential Records Act - [44 U.S.C. 2204(a)]

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P2 Relating to the appointment to Federal office [(a)(2) of the PRA]  
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RR. Document will be reviewed upon request.

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| 013. fax                 | Jessica Stern to Jose Cerda [partial] (1 page)                                  | 01/10/1995 | P3/b(3)     |
| 014. fax                 | Kenneth C. Brill to Leon Panetta re: Munitions Imports (21 pages)               | 01/04/1995 | P1/b(1)     |
| 015. memo                | Eric Newsom to Jose Cerda et al re: Draft Study on Munitions Imports (18 pages) | 11/16/1994 | P1/b(1)     |

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FILES

Jose Cerda

OEOB, Room 222

Domestic Policy Council

January 1993 - May 1995

BOX 4

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Russian Chinese Guns

Sex Offenders/Crime vs. Children

Testing

Three Strikes

Troops-to-Cops

Victims of Crime

Violence vs. Women

Violent Crime/Drug Emergencies

Violent Crime Reduction Trust Fund

Violent Crime & Drug Emergency Areas

Votes

Votes, Vetoes, etc.

Amendments

State Reports

Alabama

Alaska

Arizona

Arkansas

California

Colorado

Connecticut

Delaware

District of Columbia

Florida

ENCLOSURES FILED OVERSIZE ATTACHMENTS

5875

NAM 4139

Georgia  
Hawaii  
Idaho  
Illinois  
Indiana  
Iowa

RUSSIAN / CHINESE /

GUNS

—

94-140805

## United States Senate

WASHINGTON, DC 20510

December 13, 1994

The Honorable Warren Christopher  
Secretary  
U.S. Department of State  
2201 C Street, N.W.  
Washington, D.C. 20520

RE: Importation of firearms from Russia

Dear Secretary Christopher:

We write concerning the Department of State's decision to recommend that the Bureau of Alcohol, Tobacco and Firearms (ATF) deny approval of all pending license requests from American businesses seeking to import firearms and ammunition from Russia and other states of the former Soviet Union. As you know, ATF accepted the Department's recommendations and all pending permits were denied.

The Department of State clearly has the authority to deny license applications for the imports of munitions from proscribed countries, as listed in 22 C.F.R. § 126.1 and 27 C.F.R. § 47.52, and Russia and the other states of the former Soviet Union are currently included on the proscribed countries list. However, in an appropriate response to the close of the Cold War, the Department of State made a policy decision to ease these restrictions and to proceed on a case-by-case review of each application without a presumption of denial. Imports were allowed in under this review process for about six months. The department then suspended this process for nearly ten months, and then announced in October its "study" of the trade relationship in this area.

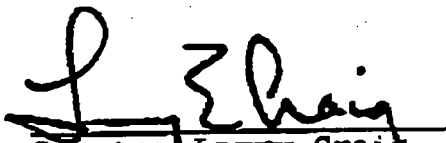
The blanket denial of all pending import applications for Russian firearms and ammunition appears to be a severe policy position, even based on the foreign policy concerns that State has with the Russians in other matters, given our country's desire to expand and encourage trade with former communist countries that are struggling to establish capitalist economies. The firearms and ammunition sought to be imported are not state of the art military or law enforcement equipment, but are arms and ammunition that are well regulated commercial goods suitable for civilian use. Many of the firearms sought are curios and relics for collectors in the U.S. who historically have not had access to collectable firearms from Russia.

page 2

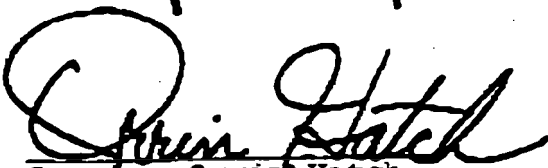
Certainly, the Department of State has the obligation to monitor the import trade of all defense articles. However, most firearms used almost exclusively by sportsmen and target shooters pose no threat to our country's national or domestic security. A decision by the United States to allow sensible levels of trade of such firearms and ammunition with Russia and the states of the former Soviet Union would likely improve their economies and advance our relationships with them. Additionally, this matter is important to the Russians; surely it is prudent to do everything possible to avoid destroying the initial good will developed in this trade area between the Russian and American business communities during the six month period that imports permits were granted.

We respectfully request that your Department provide us a full explanation or briefing on this matter, and that it reconsider its position regarding license applications for the importation of these goods. We also urge the Department to proceed expeditiously with the review of its import policy with these countries in this area. If you should need further information regarding this inquiry, please contact Randy Scheunemann of Senator Dole's staff at 224-6521.

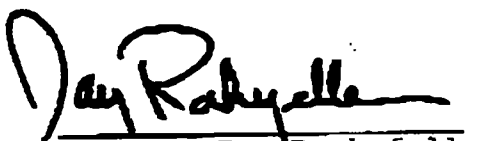
Sincerely,

  
Senator Larry Craig

  
Senator Robert Dole

  
Senator Orrin Hatch

  
Senator Max Baucus

  
Senator Jay Rockefeller

cc: The Honorable Lloyd Bentsen

## SMALL ARMS, BIG TROUBLE

**W**ith about 212 million handguns and rifles in circulation, and mayhem on its streets, the United States might charitably be said to have a gun control problem. With ethnic wars raging across the post-Cold War landscape, analysts are now pondering an equally intractable global gun control problem—fed by a largely unfettered trade in small arms. International arms control typically focuses on the spread of big-ticket conventional arms and weapons of mass destruction. “Instead it is the flow of small arms and light weapons that is most relevant to the incidence of internal conflicts and the outcome of recent wars,” arms researcher Aaron Karp writes in *Lethal Commerce: The Global Trade in Small Arms and Light Weapons*, a collection of papers just published by the American Academy of Arts and Sciences. “Though minor in physical terms, these weapons are major in effect.”

About 200,000 people have been killed by nuclear weapons since 1945, but tens of millions have died in conventional wars in the half-century since the atomic bombings of Hiroshima and Nagasaki. Consider the grisly civil war consuming the former Yugoslavia. Despite the U.N. arms embargo, an estimated \$2 billion worth of small arms flowed into Bosnia in 1993. “Today in the Balkans,” according to *Balkan War Report*, the London-based monthly bulletin of the Institute for War & Peace Reporting, “it is easier to buy a modern machine gun than a bar of Toblerone chocolate. The region is gradually turning into an open ‘flee market,’ where the best business is arms.” Various pegged at \$2 billion-\$10 billion, the true global value of the small-arms business can never be known because much of it is transacted in secrecy.

Last November, the Human Rights Watch Arms Project reported on the arms flowing into war-torn Angola, where about 1,000 people have been dying daily since the civil war resumed in September 1992. From 1987-91, the Angolan government imported \$4.6 billion in arms, 90 per cent of them from the former Soviet Union. Russian arms plants remain a major covert supplier. As the tangled supply lines suggest, the arms “gray market” is a complicated business indeed. Registered in Oldenburg, Germany, but chartered by an Antiguan-registered firm, the cargo ship *Nora Heeren* docked in Vysotsk, Russia, before stopping in January 1994 at Plymouth, England, where it was impounded. Rather than the agricultural gear its captain claimed, the *Nora Heeren* was found to hold \$100 million in artillery pieces, rifle ammunition and such, all destined for the Angolan government.

Russian firms are also now supplying the anti-Communist Angolan rebels. Economic desperation having supplanted ideological competition, Russian troops are even retailing arms to the Chechen rebels they are combating in the Caucasus, where a Kalashnikov assault rifle can be sold for \$300. As for the wholesale trade, Russian small-arms firms are striving for global market share with such innovations as machine guns that can be fired underwater and a variant of the ever-popular Kalashnikov



Richard A. Bloom

designed for women. Former Soviet Bloc states are also busy in the trade. Production at a Czech rifle and pistol company has jumped 15-20 per cent per year since 1990. Bulgaria has supplied assault rifles to Georgia, Syria and other nations.

Formerly embattled and newly liberalized, South Africa has also become a key player in the world's small-arms market, clocking \$187 million in exports in 1993. The bulk of those weapons have been going to such Middle Eastern states as Dubai and Oman. But Pretoria is looking increasingly to garner arms sales revenues from its neighbors, which need to refurbish and replace the arms once supplied by the Soviet Bloc. During the dark days of apartheid, South Africa, too, funneled arms to rebel forces in such “front-line” states as Angola and Mozambique. In what is known as the “boomerang effect,” South Africa has since been plagued by political and criminal violence fueled by light arms flowing back into the country from Mozambique, where a 15-year civil war ended in 1992.

The United States has flung its own share of boomerangs. Thanks to the easy availability of small arms in this country, one of the weapons favored by the drug cartels in Colombia—where as many as five million firearms are in private hands—is the AR-15, a civilian version of the U.S. Army's M-16. Such over-the-counter American weapons also find their way into the former Yugoslavia. Not all such U.S. arms are obtained on the civilian market, though. The Pentagon reported in 1985 that some \$1 billion worth of arms and gear was disappearing from its depots every year.

Most U.S. military transfers are conducted deliberately, however. The civil violence now tearing Pakistan apart is being kindled, in part, by diverted arms that were purchased in China, India, Turkey and elsewhere by the CIA and destined for anti-Soviet guerrillas in Afghanistan. This particular boomerang may already have nicked the U.S. government. “Any country with hard currency can and will get these systems,” Lt. Gen. James R. Clapper Jr., director of the Defense Intelligence Agency, told the Senate Select Intelligence Committee in January. “And while they won't lead to military defeat of U.S. forces, they certainly hold out the prospect of casualties.” U.S.-supplied weapons, in fact, may well have been used to murder two U.S. Embassy workers in Karachi earlier this month.

Given the diffuse and random nature of this deadly trade, easy solutions to the small-arms plague are not readily apparent. The United Nations's recently launched Register of Conventional Arms lists only transactions involving seven categories of major weaponry—tanks, large-caliber artillery, combat aircraft and the like. “It takes but a few countries to supply the small arms and light weapons that can fuel and prolong a war,” researcher Lucy Mathiak concludes in *Lethal Commerce*, “yet it takes a concerted, and expensive, international effort to build a peace.” That said, the prospects of dramatically stemming the small-arms traffic appear about as bleak as those of shutting down the equally booming global trade in narcotics. ■

Date: 05/04/95 Time: 14:36

## Customs Seizes 74.5 Million Rounds of Ammo

SANTA CLARA, Calif. (AP) Federal agents said today they have seized more than 74 million rounds of illegally imported ammunition the largest haul of bullets in the nation's history.

Rollin B. Klink, special agent in charge of the U.S. Customs Office in San Francisco, said the contraband bullets seized Wednesday will fill 40 40-foot truckloads as it is hauled away.

``It's the largest seizure of ammunition ever in the U.S.,'' said Klink.

The ammunition's import documents said the bullets were made in Russia and were imported legally from that country. But the Customs Service said the papers were false and the bullets actually came from China.

A U.S. ban on importing Chinese ammunition was imposed last year.

Michael Donofrio, a supervisory agent with the Customs Service, estimated the value of the seized ammo at \$24.5 million wholesale. The importer, Donald St. Pierre Jr., said the ammunition was worth no more than \$7 million.

``This is absolutely ridiculous,'' Pierre, president of Santa Clara-based Eagle Exim Inc., told the San Francisco Chronicle. ``All you have to do is look at the documents and look at the product to realize this is a Russian product. They don't make this in China.''

The ammunition entered the country through the port of Charleston, S.C. and was shipped by rail to the Port of Oakland, officials said. The investigation began a month ago, after Southern Pacific police learned of the shipments.

It is legal to possess or sell 7.62 mm ammunition, which can be used in legal semiautomatic weapons or illegal assault-type weapons, including the AK-47. But it is illegal to import the ammunition from certain countries.

No arrests were made, but Klink said the investigation is continuing and added that indictments could be handed down as soon as Friday. Charges could include conspiracy, smuggling and false entry of merchandise. If convicted of all charges, individuals could face up to five years in prison and a fine up to the maximum value of the seized goods.

Santa Clara is about 40 miles southeast of San Francisco.  
APNP-05-04-95 1436EDT

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~  
NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

20458

April 8, 1995

MEMORANDUM FOR

MR. LEON FUERTH  
Assistant to the Vice  
President for National  
Security Affairs

MR. KENNETH C. BRILL  
Executive Secretary  
Department of State

MR. BENJAMIN NYE  
Executive Secretary  
Department of Treasury

COL. ROBERT P. MCALEER  
Executive Secretary  
Department of Defense

MR. RICHARD SCRUGGS  
Counsel for Intelligence  
Policy  
Department of Justice

MS. CHERYL M. CARTER  
Acting Executive Secretary  
Department of Commerce

MR. FRED MONTGOMERY  
Executive Director for Policy  
Coordination  
U.S. Trade Representative

MR. W. BOWMAN CUTTER  
Deputy Assistant to the  
President for Economic  
Policy

MR. DOUGLAS GARTHOFF  
Executive Secretary  
Central Intelligence Agency

DR. LAURA D. TYSON  
Chair, President's Council of  
Economic Advisers

MR. BRUCE REED  
Deputy Assistant to the  
President for Domestic  
Policy

SUBJECT: Imports of Russian Munitions

Attached is an options paper on imports of small arms from  
Russia. I would be grateful for your agency position by COB  
April 11, 1995.

*James P. Toman for Andrew Sens*  
Andrew D. Sens  
Executive Secretary

Attachment  
Tab A Options Paper

DECLASSIFIED E.O. 13526  
White House Guidelines,  
September 11, 2006

By RLCR NARA, Date 11/30/17  
2016-0931-S

~~CONFIDENTIAL~~

Declassify on: OADR

~~CONFIDENTIAL~~

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Jose:

Here is the memo we discussed. I will propose to Sandy Berger that he convene a Deputies' Meeting to try to get State and Treasury to agree at that level.

If you want to propose another option related to organized crime, please provide text. Or if you have any comments or concerns, please let me know as soon as possible. Alan Kreczko (our lawyer) has promised input on Option 2 today -- we are still waiting for the Deputy Assistant Attorney General to provide her opinion.

Leave message with Helen at 6-9169 if I don't answer at 69307, or bring your text to Room 373.

Once we get agreement between the agencies, the next stage (according to our Executive Secretariat) would be to send a memo to the President with the proposed Executive Order attached.

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OA/Box Number: 5875

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Russian/Chinese Guns [1]

2016-0931-S  
rc2350

### RESTRICTION CODES

#### Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
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C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

#### Freedom of Information Act - [5 U.S.C. 552(b)]

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WASHFAX RECEIPT  
DEPARTMENT OF STATE

'95 JAN 33 P6:34

**B**URGENT

S/S #

Called 02/900L  
Voice Mail  
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017062

MESSAGE NO. CLASSIFICATION ~~CONFIDENTIAL~~ No. Pages 5FROM: PETER PETRINOS PM 7-1398 7315A  
(Officer name) (Office symbol) (Extension) (Room number)

MESSAGE DESCRIPTION STATE COMMENTS ON NIS EVN IMPACTS OPTIONS PAIR

| TO: (Agency)      | DELIVER TO:   | Extension | Room No. |
|-------------------|---------------|-----------|----------|
| TREASURY          | RICK NEWCOMB  | 622-2510  |          |
| NSC               | JESSICA STERN | 456-9307  |          |
| WHITE HOUSE / DPC | JOSE CERDA    | 456-2564  |          |
|                   |               |           |          |
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REMARKS:

S/S Officer:

UNCLASSIFIED UPON REMOVAL  
OF CLASSIFIED ATTACHMENTS  
Initials: RLL Date: 11/30/17  
2016-0931-5

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| DOCUMENT NO.<br>AND TYPE | SUBJECT/TITLE                                                  | DATE       | RESTRICTION |
|--------------------------|----------------------------------------------------------------|------------|-------------|
| 006. fax                 | Peter Petrihos to Jose Cerda et al re:state comments (5 pages) | 02/02/1995 | P1/b(1)     |

### COLLECTION:

Clinton Presidential Records  
Domestic Policy Council  
Jose Cerda  
OA/Box Number: 5875

### FOLDER TITLE:

Russian/Chinese Guns [1]

2016-0931-S  
rc2350

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C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

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| DOCUMENT NO.<br>AND TYPE | SUBJECT/TITLE                                                                         | DATE       | RESTRICTION |
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| 007. memo                | To the Deputy Secretary re: Joint Initiative to Combat International Crime (19 pages) | 02/17/1995 | P1/b(1)     |

### COLLECTION:

Clinton Presidential Records  
Domestic Policy Council  
Jose Cerda  
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### FOLDER TITLE:

Russian/Chinese Guns [1]

2016-0931-S  
rc2350

### RESTRICTION CODES

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|--------------------------|-----------------------------------------------------|------------|-------------|
| 008. memo                | Jessica Stern to Sandy Berger re: Imports (7 pages) | 00/00/0000 | P1/b(1)     |

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Jose Cerda  
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### FOLDER TITLE:

Russian/Chinese Guns [1]

2016-0931-S  
rc2350

### RESTRICTION CODES

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| 009. memo                | Jessica Stern to Sandy Berger re: proposed deputies meeting (7 pages) | 00/00/0000 | P1/b(1)     |

### COLLECTION:

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Domestic Policy Council  
Jose Cerda  
OA/Box Number: 5875

### FOLDER TITLE:

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| 010. memo | To the Deputy Secretary re: Joint Initiative to Combat International Crime (19 pages) | 02/17/1995 | P1/b(1) |
|-----------|---------------------------------------------------------------------------------------|------------|---------|

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**FACSIMILE COVER SHEET**

**DEPARTMENT OF THE TREASURY**

**OFFICE OF THE UNDER SECRETARY-ENFORCEMENT**

**OFFICE OF POLICY DEVELOPMENT**

FAX NUMBER: 622-7493

TO: José Cerdá

PHONE: \_\_\_\_\_ FAX: 456-7028

FROM: Rebecca Hedlund

TELEPHONE: \_\_\_\_\_

NUMBER OF PAGES 10 w/cover

**MESSAGE/COMMENTS:**

*Per my voice mail to you*

- ① Japanese proposed resolution for U.N. (I just got it, haven't read it, but will - let's talk)*
- ② Brady Q's + A's developed for D.F.*

### **Control of Firearms**

**The Ninth United Nations Congress on the Prevention of Crime and the Treatment of Offenders,**

**Bearing in mind that one of the purposes of the United Nations, as stated in Article 1 of its Charter, is to achieve international cooperation in solving international problems of an economic, social, cultural or humanitarian character, and in promoting and encouraging respect for human rights and for fundamental freedoms for all,**

**Recalling General Assembly resolution 45/152 of 18 December 1991 on the creation of an effective United Nations crime prevention and criminal justice programme,**

**Also recalling Economic and Social Council resolution 1994/19 of 25 July 1994 on the preparations for the Ninth United Nations Congress on the Prevention of Crime and the Treatment of Offenders,**

**Welcoming with appreciation the conclusions of the five regional preparatory meetings for the Ninth United Nations Congress on the Prevention of Crime and the Treatment of Offenders, and taking note, in this connection, with appreciation of the conclusions of the Asia and Pacific Regional Preparatory Meeting, held in Bangkok from 17 to 21 January 1994, and the Western Asia Regional Preparatory Meeting, held in Amman from 20 to 24 March 1994, which called on Member States to promote adequate control of firearms and other high-risk weapons by means of both regulations and law enforcement with a view to diminishing violent criminality,**

**Taking note with appreciation of Commission on Narcotic Drugs resolution 9 (XXXVI) of 7 April 1993 on relationship between the illicit traffic in arms and explosives and illicit drug trafficking, in which it was recommended that States should consider establishing or improving appropriate controls on transfers of explosives, munitions and armaments,**

**Acknowledging with appreciation the work of the United Nations World Ministerial Conference on Organized Transnational Crime, held in Naples from 21 to 23 November 1994,**

- 1. Adopts the Declaration on the Control of Firearms, annexed to the present resolution;**
- 2. Invites the Commission on Crime Prevention and Criminal Justice, at its fourth session, to decide to submit the Declaration on the Control of Firearms to the Economic and Social Council and to recommend that the Economic and Social Council submit the Declaration to the General Assembly for its approval;**
- 3. Also invites the Commission on Crime Prevention and Criminal Justice, at its fifth session, to consider as an individual agenda item, common measures to control firearms, practical to Member States, such as the prevention of transnational illegal trafficking of firearms with a view to suppressing use of firearms in criminal activities;**
- 4. Requests the Secretary-General to establish and maintain close cooperation with Member States, intergovernmental organizations and other entities active in the field of control of firearms, including regular**

exchange of information, inter alia, on the following items listed hereunder, and calls upon these entities to extend their full support to the United Nations crime prevention and criminal justice programme and its relevant activities;

(a) General information on criminal cases in which firearms are used, such as, if available, the number of the cases and the number of the victims and on situations of the control of firearms by the law enforcement authorities;

(b) Situations of transnational illegal trafficking of firearms;

(c) National legislation and regulation relevant to the control of firearms;

(d) Relevant initiatives on the control of firearms at the regional and interregional levels;

5. Also requests the Secretary-General, as a matter of urgency, to implement General Assembly resolutions 46/152, 47/91 and 48/103 and Economic and Social Council resolutions 1982/22, 1993/34 and 1994/16 by strengthening the Crime Prevention and Criminal Justice Branch, by providing it with the resources required for the full implementation of all its mandates, including the action required to implement this resolution, and by upgrading it into a Division, headed by a Director;

6. Further requests the Secretary-General to report to the Commission on Crime Prevention and Criminal Justice, at its fifth session, on the implementation of the present resolution, including recommendations for further concerted action at the global level.

**ANNEX**

**THE DECLARATION ON THE CONTROL OF FIREARMS**

**We, Member States of the United Nations.**

**Assembled in Tunis to consider ways and means of promoting international cooperation in the field of crime prevention and criminal justice, inter alia, of establishing effective crime prevention strategies,**

**Alarmed by the general incidence of crime, and in particular by the scope of criminality and by the dangers posed on public welfare by the new forms of criminal activities which transcend national boundaries,**

**Also alarmed by the high cost of crime in both human and material terms, especially in its new and transnational forms, and aware of the effects of crime both on States' institutions and on individual victims,**

**Conscious that it belongs to States not only to prevent crime and protect human rights, but also to ensure that justice is done wherever in the course of criminal justice,**

**Aware that full enjoyment of human rights can be facilitated through concerted efforts of Member States to ensure security of law-abiding citizens,**

**Deeply concerned over the serious suffering of the international community caused by rampancy of violent crimes using firearms,**

**Also concerned that the incidence of crimes using firearms is closely related with the overflow of firearms in society without appropriate control over their possession and storage, inter alia, their availability without difficulty even for those who are highly likely to use them for criminal activities;**

**Reaffirming that the peace without crimes using firearms is an ultimate goal of humankind,**

**Convinced, in this connection, that the scope of international cooperation in the field of the control of firearms should be enhanced,**

**Declares herewith the following:**

**1. The increase of criminal activities in which firearms are used is brought about by the expansion of both the illicit trafficking of firearms at the national level and the transnational illegal trafficking of firearms which are closely related to each other. With the extending dimensions and scale of the international transportation and with the sophistication of transnational illicit trafficking, no State can be left immune from the effect of the legislative and administrative control of firearms in the rest of the world. The establishment of a common strategy for effective control of firearms at the global level is now urgently required.**

**2. Illegal trafficking of firearms is nowadays a widespread transnational criminal activity frequently involving transnational criminal syndicates. States should take effective actions against it, through exchange of information and coordination of law enforcement activities.**

Dec. 16, 1994 12:21PM

EMBASSY OF JAPAN

3. While the control of firearms rests on the efforts by States, the achievement of the goal depends to a large extent on the confidence of the population, with the understanding and support from the general public. Therefore, States should give due attention to the promotion of public awareness campaigns on the control of firearms.

4. All the United Nations organs, bodies and specialized agencies are urged to take up more seriously the issue of the control of firearms within the framework of their respective mandates. Interested intergovernmental and non-governmental organizations should be actively encouraged to contribute to the promotion of the control of firearms in accordance with its own competence.

5. In order to facilitate the activities of the United Nations in the field of the control of firearms, sufficient resources, in both financial and human terms, should be allocated to the Crime Prevention and Criminal Justice Branch of the United Nations Secretariat.

**1. Can a SKS have a detachable clip?**

SKS rifles were originally designed and manufactured with fixed magazines having a capacity of 10 rounds of ammunition. These "standard" configuration SKS rifles are approved for importation.

Certain U.S. companies have developed large capacity, detachable magazines designed to replace the fixed magazine on SKS rifles. The attachment of one of these large capacity detachable magazines to a standard configuration SKS rifle is a violation of 18 U.S.C. § 922(r). (This section, enacted on November 29, 1990, makes it unlawful to assemble from imported parts a semiautomatic rifle in a configuration that does not qualify for importation as a sporting firearm. In 1989 standard configuration SKS rifles with detachable magazines were determined to be not suitable for importation as sporting firearms)

A "Sporter" version of the SKS rifle was developed in China and imported into the United States. This version has a thumb hole type sporting stock, no bayonet, no bayonet lug and is designed to accept a detachable magazine. The rifles are supplied with 5 round detachable magazines.

A standard SKS rifle fitted with a detachable magazine would not meet the definition of a semiautomatic assault weapon because it does not have two of the specified features.

**2. How similar is the SKS to the AK 47?**

The SKS as originally designed and manufactured is a semiautomatic rifle having a one piece stock and a fixed 10 round magazine. The SKS has a barrel length of approximately 20 1/2 inches and an overall length of approximately 40 inches.

The AK 47 is a semiautomatic copy of a machinegun. The rifle has a separate pistol grip and either a fixed or folding buttstock. The rifle is designed to accept a detachable magazine and was originally supplied with a 30 round detachable magazine. The AK 47 has a barrel length of approximately 16 1/3 inches and an overall length of approximately 34 1/4 inches.

The SKS and AK 47 are both gas operated semiautomatic rifles that fire the 7.62x39mm cartridge. The mechanical designs of the two rifles are different and the dimensions and external appearance are quite different.

3. What are ATF's ongoing efforts to enforce the Assault Weapons Ban?

On the effective date of the ban, September 13, 1994, ATF mobilized teams of inspectors and agents to conduct inventories at each of the 33 locations where semiautomatic assault weapons were being manufactured. In order to establish an initial tracking point, inventories were conducted to determine the number of semiautomatic assault weapons in production at the time of the ban. This action ended the unrestricted domestic manufacture of semiautomatic assault weapons in the United States by the licensed industry.

ATF maintains a working relationship with the U.S. Customs Service in an effort to enforce the Assault Weapons Ban. ATF assists U.S. Customs in ensuring that the ban on the importation of semiautomatic assault weapons is not circumvented. ATF also supports U.S. Customs in performing additional checks on imports of firearms as a normal part of its firearms compliance program.

4. Where would you expand your efforts if you could?

ATF believes its current efforts are effective in enforcing the crime control initiatives. ATF will continue to conduct compliance inspections at 33 manufacturing locations. In addition, ATF will continue to work with U.S. Customs in performing additional checks on the importation of firearms.

5. The number of assault weapons out there--how were they calculated?

There are about 200 million firearms in circulation in the U.S., of which an estimated 1.5 to 2 million are assault weapons in the inventories of federal firearms licensees--manufacturers, importers, wholesalers, and retailers--or in the hands of U.S. citizens. These estimates are based on the Congressional testimony of Dr. Edward Ezell (former Curator of the Small Arms Collections at the Smithsonian Institute) in 1989 or 1990. ATF concurred with Dr. Ezell's estimates as being reasonable.

6. How were numbers of grandfathered assault weapons under the assembly clause calculated?

ATF inspectors conducted an inventory of assault weapons on the premises of manufacturers. The number of grandfathered weapons under assembly was determined by counting each semiautomatic weapon in knockdown (disassembled) condition whose parts were segregated or packaged together. Semiautomatic assault weapons in knockdown condition could only be considered "grandfathered" if all parts were on the premises of the manufacturer on or before September 13, 1994. The number of semiautomatic assault weapons determined to be in the manufacturing process at the time of the ban was 30,538. Serial numbers were noted at the time of inspections.

7. What gun designs were rejected as Assault Weapons and on what basis?

The following firearms were submitted to ATF for classification under the provisions of 18 U.S.C. § 921(a)(30) and found to be semiautomatic assault weapons as defined.

a. Wilkinson Arms Linda pistol. The pistol was classified as an assault weapon due to its features. (semiautomatic pistol having a detachable magazine, a weight in excess of 50 ounces, a shroud that partially or completely encircles the barrel.)

b. Calico Liberty 50 rifle. The rifle was classified as an assault weapon due to its features. (semiautomatic rifle having a detachable magazine, a pistol grip that extends conspicuously beneath the action of the weapon, a telescoping stock.

NOTE: This firearm was later resubmitted without a telescoping stock. The resubmitted sample was classified as not being an assault weapon because it did not have two of the specified features)

c. Olympic Arms M.F.R. rifle. One configuration of the rifle was classified as an assault weapon due to its features. (semiautomatic rifle having a detachable magazine, a pistol grip that protrudes conspicuously beneath the action of the weapon and a flash suppressor. NOTE: another version of this rifle was submitted that did not have a flash suppressor. This version was not classified as an assault weapon because it did not have 2 of the specified features.)

d. Russian SVD rifle, original configuration. The rifle was classified as an assault weapon based on its features. (semiautomatic rifle having a detachable magazine, a pistol grip that protrudes conspicuously beneath the action of the weapon, a bayonet mount, a flash suppressor)

**8. How educated is USCS on these guns?**

**ATF has provided all the technical data to the U.S. Customs Service needed for determining the legality of any firearms importation. Additionally, ATF is in constant communication with Customs and provides continuous support in assessing all firearms eligibility for importation.**

**9. How does ATF communicate with U.S. Customs?**

**ATF communicates with U.S. Customs via face-to face meetings, electronic data exchange, and correspondence. ATF has developed a solid liaison relationship with U.S. Customs with regard to enforcing the assault weapons ban and all laws governing the entry of firearms into the U.S. We continue to provide training to Customs personnel at the ports on entry on specific techniques for identifying firearms types such as assault weapons, machine guns and large capacity magazines.**

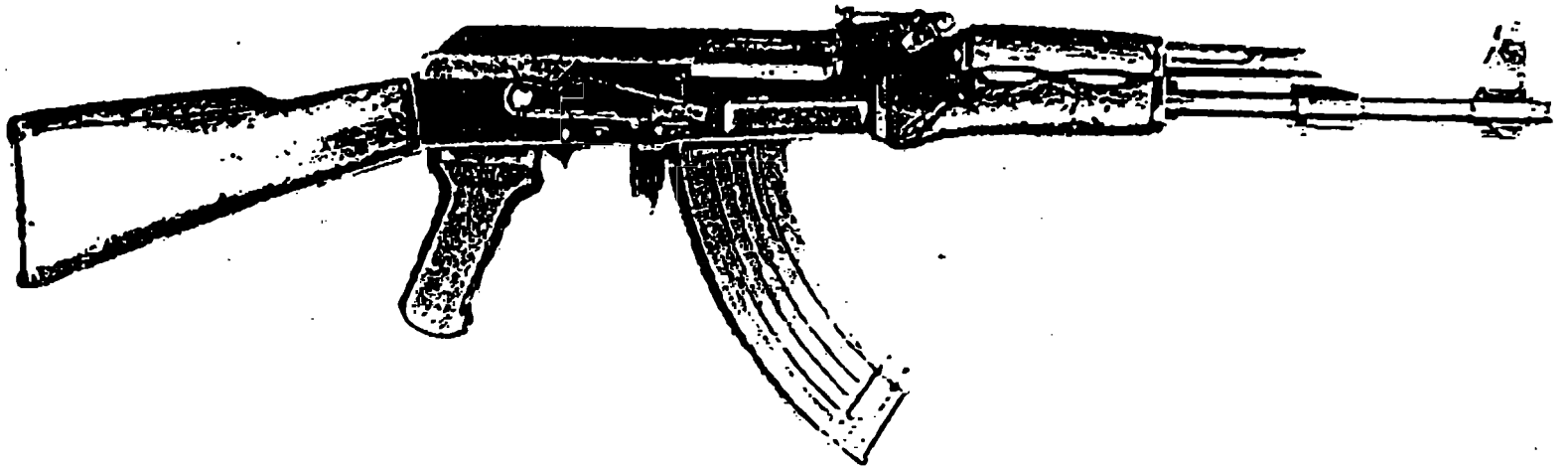
STANDARD CONFIGURATION SKS



SKS SPORTER



AK 47 RIFLE





U.S. Department of Justice

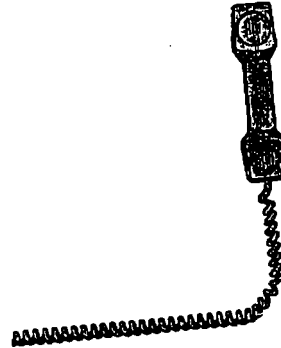
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(202) 514-3750

**FAX TRANSMITTAL**



DATE: 2/21/95

TO: José Cerde

FAX PHONE NO.: 456-7028

OFFICE PHONE NO.:

FROM: Xandir Williams

FAX PHONE NO.: (202)

TOTAL NUMBER OF PAGES: (including cover sheet)

MESSAGE: Sorry this took so long. The database was not cooperating. I have circled the names of those who were on the stage. Let me know if you need anything else.

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| Chief          | Allen         | Dennis      | Silsbee Police Department               | 250 Ernest Avenue                |                             | Silsbee          | TX  | 77656 |
| Chief          | Anthony       | Dave V.     | Industry Borough                        | P.O. Box 249                     |                             | Industry         | PA  | 15052 |
| Chief          | Bardine       | Donald L.   | Beaver Fall Police Department           | 715 15th Street                  |                             | Beaver Falls     | PA  | 15010 |
| Chief          | Black         | Richard     | City of Glendale                        | 424 N. Sappington Road           |                             | Glendale         | MO  | 63122 |
| Acting Chief   | Bledsoe       | John        | Milton Police Department                | 1139 Smith Street                |                             | Milton           | WV  | 25541 |
| Chief          | Kong          | Jerry       | Attalla Police Department               | 302 6th Avenue, N.W.             |                             | Attalla          | AL  | 35954 |
| Chief          | Boykin        | Bob         | Macon Police Dept.                      | P.O. Box 29                      |                             | Macon            | MS  | 39341 |
| Lieutenant     | Burgess, Jr.  | Raymond     | Mount Laurel, Township of               | Acting Director of Public Safety | 100 Mount Laurel Road       | Mount Laurel     | NJ  | 08054 |
| Chief          | Burns         | Michael J.  | Cinnaminson Township Police             | 900 Manor Road                   |                             | Cinnaminson      | NJ  | 08077 |
| Chief          | Chilcote      | Thomas R.   | Lancaster Police Department             | 130 South Broad Street           |                             | Lancaster        | OH  | 43130 |
| CEO/Lt.        | Churchill     | Robert      | Groton Village Police Dept.             | 108 E. Cortland St               |                             | Groton           | NY  | 13073 |
| Chief          | Clemens       | Douglas     | Cross Plains Police Dept.               | 2417 Brewery Rd                  |                             | Cross Plains     | WI  | 53528 |
| Chief          | Conlee        | Kenneth     | Wentville Police Department             | 310 West Allen                   |                             | Wentzville       | MO  | 63385 |
| Chief          | Conti         | Lawrence R. | Monaca, Borough                         | 928 Pennsylvania Avenue          |                             | Monaca           | PA  | 15061 |
| Chief          | Culbertson    | James       | DeForest Village Police Dept.           | 113 S. Durkee St                 | P.O. Box 510                | DeForest         | WI  | 53532 |
| Chief          | Daniels       | Steven P.   | Buckingham Township                     | Box 443                          | 4613 Hughesian Drive        | Buckingham       | PA  | 18912 |
| Chief          | Davenport     | Henry       | Olivette Police Dept.                   | 9473 Olive Blvd.                 |                             | Olivette         | MO  | 63132 |
| Chief          | David         | Fred        | Hopewell Township                       | Municipal Building               | Clark Boulevard             | Aliquippa        | PA  | 15001 |
| Chief          | DeJoseph      | Michael     | Newtown Police Department               | Three Main Street                |                             | Newtown          | CT  | 06470 |
| Chief          | DeLuca        | Felix A.    | Rochester Police Department             | 300 West Park                    |                             | Rochester        | PA  | 15074 |
| Chief          | Dixon         | Larry       | Edwardsville Police Dept.               | 690 S. 4th                       |                             | Edwardsville     | KS  | 66113 |
| Chief          | Doyle         | William     | Village of Granville                    | 141 E. Broadway, PO Box 51       |                             | Granville        | OH  | 43023 |
| Chief          | Duesler       | Thomas      | Coble Skill Police Department           | 77 East Main Street              | P.O. Box 169                | Cobleskill       | NY  | 12043 |
| Chief          | Durrant       | John        | American Fork Police Department         | 98 North Center                  |                             | American Fork    | UT  | 84003 |
| Chief          | Elkins        | James       | Bisbee City Police                      | P.O. Box 132                     |                             | Bisbee           | AZ  | 85603 |
| Director       | Erskine       | John D.     | Department of Public Safety             | 6700 Portland Avenue South       |                             | Richfield        | MN  | 55423 |
| Mr.            | Faniglula     | Robert      | Yorkville Village Police Department     | Officer in Charge                | Municipal Bldg, Sixth Stree | Yorkville        | NY  | 13495 |
| Chief          | Ferre         | Michael     | Pleasant Grove Police Department        | 87 East 100 South                |                             | Pleasant Grove   | UT  | 84062 |
| Chief          | Fields        | James       | Morgan City Police Dept.                | P.O. Box 1670                    |                             | Morgan City      | LA  | 70381 |
| Chief          | Fowler        | Thomas      | Town of Lancaster, New York Police Dept | 525 Pavement Road                |                             | Lancaster        | NY  | 14086 |
| Chief          | Francis       | Kenneth     | Gardener Dept. of Public Safety         | 440 E. Main                      |                             | Gardner          | KS  | 66030 |
| Director       | Freitag       | Ronald      | Surf City                               | 813 Long Beach Boulevard         |                             | Surf City        | NJ  | 08008 |
| Chief          | Garner        | Joe         | Union City Police Department            | 408 South Depot Street           |                             | Union City       | TN  | 38261 |
| Chief          | Gray          | James R.    | Village of South Bloomfield             | 5023 South Union Street          |                             | South Bloomfield | OH  | 43103 |
| Chief          | Grover        | Charles     | Prairie Village Police Dept.            | 7700 Mission Road                |                             | Prairie Village  | KS  | 66208 |
| Chief          | Hansen        | Donna L.    | Fort Myers Police Department            | 2210 Peck Street                 |                             | Fort Myers       | FL  | 33901 |
| Chief          | Harper        | Mark D.     | Enon Police Department                  | PO Box 63                        |                             | Enon             | OH  | 45323 |
| Chief          | Harrison      | W. Lane     | Zion Police Department                  | 2101 Salem Blvd.                 |                             | Zion             | IL  | 60099 |
| Sheriff        | Hass          | Don         | Pittsburg County Sheriff's Department   | 1210 N. West Street              |                             | McAlester        | OK  | 74501 |
| Chief          | Hauptman      | Robert      | Elmira Heights Village Police Dept.     | 215 Elmwood Ave                  |                             | Elmira Heights   | NY  | 14903 |
| Chief          | Hayelden, Jr. | Thomas      | Shawnee Police Department               | 6535 Quivira                     |                             | Shawnee          | KS  | 66216 |
| Chief          | Hemsworth     | Mark E.     | Bremen Police Department                | 132 Mulberry St.                 |                             | Bremen           | OH  | 43107 |
| Superintendent | Hennesey, Sr. | Daniel S.   | Marple Township Police Department       | Springfield and Sproul Roads     |                             | Broomall         | PA  | 19008 |

| CSALUT  | Last Name    | First Name  | Agency Name                           | CADDR                       | CADDR2           | CCITY           | STA | CZIP  |
|---------|--------------|-------------|---------------------------------------|-----------------------------|------------------|-----------------|-----|-------|
| Chief   | Hoover       | Gary E.     | Haverford Township                    | Darby & Manoa Roads         |                  | Havertown       | PA  | 19803 |
| Chief   | Huston       | Warner      | Beavercreek Police Department         | 1368 Research Park Dr.      |                  | Beavercreek     | OH  | 45432 |
| Chief   | Johnson      | Earl L.     | Hopkins Police Department             | 1010 1st Street S.          |                  | Hopkins         | MN  | 55343 |
| Sheriff | Kelly        | Frank       | Miami County Sheriff's Office         | 120 S. Pearl                |                  | Paola           | KS  | 66071 |
| Sheriff | Kelly        | Gene Allen  | Clark County Sheriff's Office         | 120 North Fountain Avenue   |                  | Springfield     | OH  | 45502 |
| Chief   | Kemp         | Ronald      | Wolfpoint Police Dept.                | 201 4th Ave. South          |                  | Wolf Point      | MT  | 59201 |
| Chief   | Kern         | D. Michael  | Berkley Township Police Department    | Pinewald-Keswick Road       | P.O. Box B       | Bayville        | NJ  | 08721 |
| Chief   | Klein        | Michael A.  | Harrison Township                     | P.O. Box 376                | Municipal Drive  | Natrona Heights | PA  | 15065 |
| Chief   | Kunze        | Bradley K.  | Bellfontaine Police Department        | 135 North Detroit           |                  | Bellefontaine   | OH  | 43311 |
| Chief   | Lane         | Carl        | Herkimer Village Police Dept.         | 118 Green Street            |                  | Herkimer        | NY  | 13350 |
| Chief   | Larson       | Kevin       | Blanchardville Police Dept.           | P.O. Box 9                  | 315 S. Main St.  | Blanchardville  | WI  | 53516 |
| Chief   | LaSalle      | Patrick     | Patterson Police Department           | PO Box 89                   | 1308 Main Street | Patterson       | LA  | 70392 |
| Chief   | Leverett     | Martin      | Sour Lake Police Department           | P.O. Drawer 2009            |                  | Sour Lake       | TX  | 77659 |
| Chief   | Lewis        | Perry       | Prince George Police Department       | 6600 Courthouse Road        |                  | Prince George   | VA  | 23875 |
| Sheriff | Loughren     | Thomas J.   | Chenango County Sheriff's Office      | 14 West Park Pl.            |                  | Norwich         | NY  | 13815 |
| Chief   | Matherne     | Clarence    | Jean Lafitte Police Department        | Route 1, Box 1              |                  | Lafitte         | LA  | 70067 |
| Chief   | Mathieson    | Chris       | Florence Police Dept.                 | P.O. Box 340                |                  | Florence        | OR  | 97439 |
| Chief   | Matthews     | Charles W.  | Connelsville Police Department        | 110 North Arch Street       |                  | Connelsville    | PA  | 15425 |
| Chief   | McCaffrey    | James       | Beach Haven Police Department         | 300 Engleside Avenue        |                  | Beach Haven     | NJ  | 08008 |
| Chief   | McCrary      | Michael     | Signal Hill Police Department         | 1800 East Hill Street       |                  | Signal Hill     | CA  | 90806 |
| Chief   | McFadden     | James F.    | Quakertown                            | 15-35 N. Second Street      | PO Box 727       | Quakertown      | PA  | 18951 |
| Sheriff | McGill       | Alvin       | Carbon County Sheriff's Office        | P.O. Box 230                |                  | Red Lodge       | MT  | 59068 |
| Sheriff | McMillin     | Malcolm     | Hinds County Sheriff's Department     | P.O. Box 1452               |                  | Jackson         | MS  | 39215 |
| Chief   | McMillon     | Marvin      | Gretna Police Dept.                   | U.S. Highway 90 West        |                  | Gretna          | FL  | 32332 |
| Chief   | Michalko     | Joseph      | Elmira Police Department              | 317 E. Church Street        |                  | Elmira          | NY  | 14901 |
| Chief   | Miller       | James Elmer | Yellow Springs Police Department      | 100 Dayton Street           |                  | Yellow Springs  | OH  | 45387 |
| Chief   | Miller       | Jeanne A.   | Reynoldsburg Police Department        | 7240 East Main Street       |                  | Reynoldsburg    | OH  | 43068 |
| Chief   | Miskowski    | John        | Town of West Seneca                   | 1250 Union Road             |                  | West Seneca     | NY  | 14224 |
| Chief   | Moyer        | George      | Bordentown Township Police Department | Municipal Drive             |                  | Bordentown      | NJ  | 08505 |
| Sheriff | Nelson       | Billy       | Polk County Sheriff's Office          | 1733 North Washington       |                  | Livingston      | TX  | 77351 |
| Chief   | Neubauer     | Ronald      | City of St. Peters                    | 1020 Kimberly, PO Box 9     |                  | St. Peters      | MO  | 63376 |
| Chief   | Nya          | William     | East Aurora, Village of               | 571 Main Street             |                  | East Aurora     | NY  | 14052 |
| Chief   | Ostrander    | William     | Haddonfield Police Department         | 242 Kings Highway East      |                  | Haddonfield     | NJ  | 08033 |
| Chief   | Parker       | Larry       | Stafford Township Police Department   | 252 East Bay Avenue         |                  | Manahawkin      | NJ  | 08050 |
| Sheriff | Pedley       | Scott       | Lafayette County Sheriff              | 626 North Main Street       |                  | Darlington      | WI  | 53530 |
| Chief   | Pettit       | Douglas     | Oregon                                | 117 Spring Street           |                  | Oregon          | WI  | 53575 |
| Chief   | Reaves       | Michael     | Oakridge Police                       | PO Box 657                  |                  | Oakridge        | OR  | 97463 |
| Chief   | Reynolds     | Norman      | Lumberton Police Department           | 826 N. Main                 |                  | Lumberton       | TX  | 77657 |
| Chief   | Riemensdweid | Robert      | Navasato Police Department            | P.O. Box 910                |                  | Navasota        | TX  | 77868 |
| Chief   | Rini         | Phillip T.  | New Brighton                          | 610 Third Avenue            |                  | New Brighton    | PA  | 15066 |
| Chief   | Rivere       | Richard     | Franklin Police Dept.                 | 508 Second Street           |                  | Franklin        | LA  | 70538 |
| Chief   | Robinson     | Ira James   | Helper City Police Dept.              | 73 South Main, P.O. Box 221 |                  | Helper          | UT  | 84526 |
| Chief   | Rotunda      | Thomas      | Ridgefield Police Department          | 76 East Ridge               |                  | Ridgefield      | CT  | 06877 |

| CSALUT  | Last Name   | First Name | Agency Name                          | CADDR                        | CADDR2             | CCITY           | STA | CZIP  |
|---------|-------------|------------|--------------------------------------|------------------------------|--------------------|-----------------|-----|-------|
| Chief   | Scarfo      | John R.    | Cranberry Township Police Department | 2525 Rochester Road          | Suite 500          | Cranberry Towns | PA  | 16066 |
| Chief   | Schrader    | Robert     | St. Ann Police Department            | 10,405 St. Charles Rock Road |                    | St. Ann         | MO  | 63074 |
| Chief   | Sellan      | Richard    | New Albany Police Department         | 19 E Main Street             |                    | New Albany      | OH  | 43054 |
| Chief   | Skogen      | Michael    | Ft Benton Police Dept.               | P.O. Box 8                   | 1204 Front Street  | Fort Benton     | MT  | 59442 |
| Chief   | Spetch      | John W.    | Robbins Dale Police Department       | 4101 Hubbard Avenue, N       |                    | Robbinsdale     | MN  | 55422 |
| Sheriff | Steed       | Troy       | Attala County Sheriff's Department   | 112 W. Adams Street          |                    | Kosciusko       | MS  | 39090 |
| Chief   | Stuart      | Joe        | Poplarville Police Dept.             | 200 Hwy 26 East              |                    | Poplarville     | MS  | 39470 |
| Chief   | Stumpf      | Daniel B.  | Gahanna Division of Police           | 460 Roaky Fork Boulevard     |                    | Gahanna         | OH  | 43230 |
| Chief   | Sturgell    | Wintfred   | Bellbrook Police Department          | 15 East Franklin St.         |                    | Bellbrook       | OH  | 45305 |
| Chief   | Sturm       | Robert     | Mission Police Dept.                 | 6090 Woodson Road            |                    | Mission         | KS  | 66202 |
| Chief   | Swearingen  | Frederick  | Lavallette Police Department         | 1300 Grand Central Avenue    |                    | Lavallette      | NJ  | 08735 |
| Chief   | Thayer      | Dirk       | Kosciusko Police Dept.               | 209 West Adams Street        |                    | Kosciusko       | MS  | 39090 |
| Chief   | Thompson    | Robert     | Oxford Police Department             | P.O. Box 886                 |                    | Oxford          | NY  | 13830 |
| Chief   | Varnell     | James      | Waveland Police Dept.                | 628 Highway 90 West          |                    | Waveland        | MS  | 39576 |
| Chief   | Vaughn      | Morris A.  | Midland Police Department            | 936 Midland Avenue           |                    | Midland         | PA  | 15059 |
| Chief   | Viverette   | Mary Ann   | Gaithersburg Police Dept.            | 7 East Cedar Avenue          |                    | Gaithersburg    | MD  | 20877 |
| Sheriff | Walker      | Albert     | Noxubee County Sheriff's Department  | 505 South Jefferson Street   |                    | Macon           | MS  | 39341 |
| Chief   | Watson, Sr. | James      | Wolcott Police Department            | 225 Nichols Road             |                    | Wolcott         | CT  | 06716 |
| Chief   | Weatherlow  | Wade       | Dunkirk Police Dept.                 | City Hall                    | 342 Central Avenue | Dunkirk         | NY  | 14048 |
| Chief   | Webb        | Bill       | Genoa Township Police Department     | 7049 Big Walnut Rd.          |                    | Galena          | OH  | 43021 |
| Chief   | Whaley      | Ronald K.  | Norh Hampton Police Department       | PO Box 457                   |                    | North Hampton   | OH  | 45349 |
| Chief   | White       | Stephen J. | Doylestown                           | 425 Wells Road               |                    | Doylestown      | PA  | 18901 |
| Chief   | Wise        | Charles    | Ashville Police Department           | 160 Long Street              |                    | Ashville        | OH  | 43103 |
| Chief   | Wright      | Gill       | Big Sandy Police Department          | 60 Main Street               |                    | Big Sandy       | TN  | 38221 |
| Chief   | Wusinich    | Martin J.  | Media Borough                        | State and Jackson Streets    | PO Box 226         | Media           | PA  | 19063 |
| Chief   | Yannie      | John       | Silver Creek Police Department       | 172 Central Avenue           | P.O. Box 376       | Silver Creek    | NY  | 14136 |

# Withdrawal/Redaction Marker

## Clinton Library

| DOCUMENT NO.<br>AND TYPE | SUBJECT/TITLE                                  | DATE       | RESTRICTION |
|--------------------------|------------------------------------------------|------------|-------------|
| 011. fax                 | Jessica Stern to Jose Cerda [partial] (1 page) | 01/25/1995 | P3/b(3)     |

### COLLECTION:

Clinton Presidential Records  
Domestic Policy Council  
Jose Cerda  
OA/Box Number: 5875

### FOLDER TITLE:

Russian/Chinese Guns [1]

2016-0931-S  
rc2350

### RESTRICTION CODES

#### Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

#### Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

## UNCLASSIFIED

## FAX TRANSMITTAL SHEET

NATIONAL SECURITY COUNCIL  
 OLD EXECUTIVE OFFICE BUILDING  
 ROOM 373  
 WASHINGTON, D.C. 20506

NUMBER OF PAGES 1  
 (INCLUDING COVER SHEET)

## FROM:

JESSICA STERN  
 DIRECTOR FOR RUSSIAN, UKRAINIAN,  
 AND EURASIAN AFFAIRS  
 PHONE: 202-456-9169  
 FAX: 202-456-9160

JOSE CERDA  
 SENIOR POLICY ANALYST  
 DOMESTIC POLICY COUNCIL  
 PHONE: 202-456-2564  
 FAX: 202-456-7028

| TO: | OFFICE | PHONE NUMBER | FAX NUMBER |
|-----|--------|--------------|------------|
|-----|--------|--------------|------------|

|                  |          |              |              |
|------------------|----------|--------------|--------------|
| (b)(3)           |          |              |              |
| NEWCOMB, Richard | TREASURY | 202-622-2510 | 202-622-1759 |
| LIPTON, David    | TREASURY | 202-622-1270 | 202-622-0658 |
| NEWSOM, Eric     | STATE    | 202-647-9023 | 202-647-1346 |
| HERBST, John     | STATE    | 202-647-6729 | 202-647-3506 |
| SGRO, Charles    | JUSTICE  | 202-514-3070 | 202-616-1239 |
| KRECZKO, Alan    | NSC      | 202-456-9111 | 202-456-9110 |
| DARRAGH, Sean    | NSC      | 202-456-9361 | 202-456-9360 |
| DOHNER, Robert   | CEA      | 202-395-3310 | 202-395-6853 |

con ]

## INFO FOR:

|                  |          |              |              |
|------------------|----------|--------------|--------------|
| SUMMERS, Larry   | TREASURY | 202-622-1080 | 202-622-0081 |
| STIGLITZ, Joseph | CEA      | 202-395-5036 | 202-395-6958 |

REMINDERFOR RUSSIAN ARMS STUDY GROUP

Rick Newcomb and Helen Lardner (Treasury) are working on a second draft of the options paper on Russian guns. Agencies must get their comments to Helen Lardner by COB Thursday. Fax: (202) 622-1759; Tel: (202) 622-0724.

UNCLASSIFIED

1-11-95

30 million of which could core in.

# Russian Guns Mfg

- (55 million guns)
- (1/2 not importable)
- (unbold numbers)

pick-up on this

What do we know about curio's accessibility + crime?

State - Rom G's have been resubmitted for 250,000 weapons + 3+ billion rounds.

China this arms exchange

- Surplus - drop in ~~price~~ \$10 increments
- "Keep things cheaper than a big" RN
- efforts to control the market, warehouse + control place - keep inflated for some time.

- Bolt action rifle - \$20
- SKS - \$150

(3) Convergence in Re State context?  
(4) How this reveals the nat'l security issue

→ new importers are in it just for the \$.

- State report - Good info, better understood national security interest
- # of curio's fix - also overall #s.
- Impact on short-term STAR renewal
- Issue of Sub. - how did ask for.
- Ask back about Sub. Organized Crime.

+ Issue of Ammunition

- ① OPA for new production
- ② Anti-dumping for old production.

① Get China Statement

② Get research on nat'l security  
→ base report.

WASHFAX RECEIPT  
DEPARTMENT OF STATE**B**

S/S #

Fax  
6221759

C

015772

~~CONFIDENTIAL~~No. Pages 32

MESSAGE NO. \_\_\_\_\_ CLASSIFICATION \_\_\_\_\_

Peter Petrihos

PM

647-1398

FROM: \_\_\_\_\_  
(Officer name) (Office symbol) (Extension) (Room number)MESSAGE DESCRIPTION Study on N19 Gun Imports

TO: (Agency)

DELIVER TO:

Extension

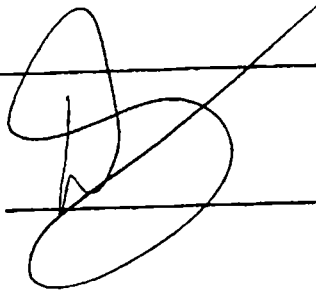
Room No.

NSC

Jessica Stern

456-9307

373 OEOB

FOR: CLEARANCE ☐ INFORMATION ☐ PER REQUEST ☒ COMMENT ☐REMARKS: Sitroom please inform Ms. Stern upon receipt. Thank you.S/S Officer: UNCLASSIFIED UPON REMOVAL  
OF CLASSIFIED ATTACHMENTS  
Initials: RCCP Date: 11/30/17

2016-0931-5

# Withdrawal/Redaction Marker

## Clinton Library

| DOCUMENT NO.<br>AND TYPE | SUBJECT/TITLE                                                       | DATE       | RESTRICTION |
|--------------------------|---------------------------------------------------------------------|------------|-------------|
| 012. fax                 | Peter Petrihos to Jessica Stern re: Study on Gun Imports (21 pages) | 01/04/1995 | P1/b(1)     |

### COLLECTION:

Clinton Presidential Records  
Domestic Policy Council  
Jose Cerda  
OA/Box Number: 5875

### FOLDER TITLE:

Russian/Chinese Guns [1]

2016-0931-S  
rc2350

### RESTRICTION CODES

#### Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
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C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

#### Freedom of Information Act - [5 U.S.C. 552(b)]

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- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]



U. S. Department of Justice  
Office of the Deputy Attorney General

22

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Washington, D.C. 20530

November 8, 1994

**MEMORANDUM**

**FOR:** Nick Rasmussen,  
Office of Political and Military Affairs,  
Department of State

**FROM:** Chip Sgro,  
Special Assistant,  
Office of the Deputy Attorney General

**SUBJECT:** Importation of Russian Munitions to the United States

Annexed for your review are some preliminary thoughts on the Department's position concerning the importation of Russian munitions to the United States. It is my understanding that the attached document will be circulated only among the members of the working group convened by the Secretary of State and will be included in that group's work-product for the Secretary.

If you have any questions, please contact me at 514-3070.

## Importation of Russian Munitions to the United States

The Department of Justice is opposed to the importation into the United States of Russian munitions with armor-piercing capabilities. This memorandum sets forth the statutory and regulatory framework pertinent to the importation of such weaponry.

As will be discussed more fully herein, if Russia is removed from the list of proscribed countries, existing relevant statutes, as currently interpreted, will result in the importation of many Russian munitions with armor piercing capabilities into this country as sporting weapons. It is possible, however, for the President to direct the Secretary of the Treasury to "adjust" the present interpretation of the law, resulting in the use of a more restrictive test when assessing which munitions possess a sporting purpose. If such steps are taken, many munitions capable of piercing armor will be prohibited from importation.

### I. Background

During President Yeltsin's recent visit to the United States, he broached the issue of removing Russia from the list of proscribed countries. The countries which comprise the former Soviet Union (FSU) currently are prohibited from importing munitions into the United States. 27 C.F.R. § 47.52 (a). President Yeltsin's request was prominently reported in the national media and caused somewhat of an uproar based upon projections indicating that a lifting of the ban would result in the introduction of up to 7 million Russian firearms into the United States. Subsequently, the Secretary of State convened an interagency working group to analyze whether Russia should be removed from the list of restricted countries.

### II. Nature and Number of Weapons at Issue

According to ATF, since 1992, 168,879 Russian-made rifles and 149,737 Russian-made handguns have been imported into the United States. ATF estimates that if Russia is removed from the proscribed list, it will result in the importation to the United States of over 1.2 million handguns, 3.1 million rifles, 4.7 million firearm parts, and 8.7 billion rounds of ammunition, solely from Russia. Included in these numbers are many firearms and ammunition which have been proven to, or are suspected to, pierce LevelIIA body vests. This is significant because LevelIIA

*Proven?  
By whom?*

Proscribed country status generally prevents the Bureau of Alcohol, Tobacco and Firearms (ATF) from approving applications for permits to import munitions that were either manufactured in, or are being exported from, the FSU.

body vests are the standard issue for state and federal law enforcement officials.

One variety of Russian ammunition that is of particular concern because of its armor piercing capability is the Tokarev 7.62 x 25 mm pistol round. The Tokarev 7.26 x 25mm pistol round has been proven to penetrate 32 layers of kevlar. Level III body vests are comprised of merely 15 to 18 layers of kevlar.

The Tokarev pistol has been manufactured by the FSU since World War II, and has been copied by numerous other Eastern European countries. Additional firearms capable of firing the 7.26 x 25mm ammunition are manufactured throughout Europe and Asia, including the Czechoslovakian CZ52, the Portuguese and Italian "Broom handle" Mausers, the Hungarian Tokagyt and the Chinese Type 51/54. The Russian-made Makarov 9 x 18mm pistol also is suspected by the FBI to possess armor piercing capabilities, but it has not yet been formally tested. The Makarov will be imported into this country in large numbers if Russia is removed from the proscribed countries list.

### III. Discussion

#### Existing Legislation on the Importation of Munitions<sup>1</sup>

- 1 Statutory prohibition against the importation of armor piercing ammunition.

The manufacture or importation of some armor piercing ammunition is prohibited under existing federal law. 18 U.S.C. § 922(a)(7).<sup>2</sup> The definition of armor piercing ammunition was revised by the recently enacted 1994 Omnibus Crime Control Act. Pursuant to the Crime Control Act, armor piercing ammunition is now defined as follows:

(B) The term "armor piercing ammunition" means-

- (i) a projectile or projectile core which

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<sup>1</sup> The Legal Adviser's Office at State is preparing an analysis of existing foreign affairs legal/regulatory authorities and their ability to limit the importation of munitions.

<sup>2</sup> There are, however, two exceptions to the general prohibition on importation. Armor piercing ammunition may be imported to the United States if the ammunition is: (1) manufactured or imported for the use of the United States or any department or agency thereof; or (2) manufactured or imported for the purposes of testing or experimentation authorized by the Secretary. *Id.* at § 922(a)(7)(A-C). These provisions are applicable solely to ammunition, not firearms, and do not cover all ammunition capable of piercing the type of protective vest worn by most law enforcement officers in the United States.

may be used in a handgun, and which is construed entirely (excluding the presence of traces of other substances) from one or a combination of tungsten alloys, steel, iron, brass, bronze, beryllium copper, or depleted uranium; or

(ii) a full jacketed projectile larger than .22 caliber designed and intended for use in a handgun and whose jacket has a weight of more than 25 percent of the total weight of the projectile.

- (C) The term "armor piercing ammunition" does not include shotgun shot required by Federal or State environmental or game regulations for hunting purposes, a frangible projectile designed for target shooting, a projectile which the Secretary finds is primarily intended to be used for industrial purposes, including a charge used in an oil and gas well perforating device."

18 U.S.C. § 921(a)(17)(B)-(C).

As set forth above, the determination whether ammunition is "armor piercing" turns solely on its composition. Any ammunition that does not meet the physical description set forth in the statute is not considered to be armor piercing and hence is importable under the statute. Accordingly, 7.27 x 25mm ammunition is not classified as armor piercing because it does not meet the statutory description.<sup>4</sup>

<sup>4</sup> This realization has led the FBI, with the support of other law enforcement agencies, to propose that legislation be introduced altering the test for determining whether ammunition is armor piercing from one of composition to one of performance. On October 12, 1994, Director Fresh issued Resolution 10, which calls for the adoption of a performance-based test to determine whether ammunition is armor piercing. The Resolution was issued pursuant to the unanimous recommendation for such testing by the Firearms and Ammunition Working Group and Executive Advisory Board of the Office of Investigative Agency Policies (NIAP).

The call for a shift to performance-based testing strengthened after the FBI tested the Soviet Tokarev 7.62 x 25mm pistol round. As previously noted, the Tokarev pistol and ammunition are manufactured in the FSU and are currently being imported to this country through several former eastern bloc countries. Tests have revealed that the 7.26 x 25mm round penetrates 32 layers of kevlar. Level IIIA vests are currently worn by federal law enforcement officials and possess merely 16 to 18 layers of kevlar.

Munitions experts, however, have determined that many types of ammunition that are not comprised of statutorily proscribed elements are, in fact, armor piercing. Simply stated, the ability to pierce armor is not solely dependent upon the composition of the projectile, but rather is dependent upon the velocity and mass of the projectile. Increased velocity may be achieved through various methods such as casing procedures for the projectile as well as a host of technical alterations which need not be discussed. Suffice it to say, a standard lead projectile will pierce armor if loaded into a cartridge in a manner that enables it to achieve the requisite high velocity.

7.26 x 25mm ammunition is not classified as armor-piercing because: (1) it is not composed of one of the proscribed elements; and (2) its steel jacket is only 17% of the total weight, not 25% as required by statute. Other types of armor piercing ammunition have fallen outside the statutory importation prohibition by utilizing similar construction methods. Therefore, because these types of ammunition do not fall within the narrowly-tailored, composition-based prohibition set forth in 18 U.S.C. § 921(a)(17)(B), despite the fact that they do in fact pierce armor, they cannot be banned from importation.

## 2. General statutory framework governing the importation of firearms.

In 1968, Congress passed the Gun Control Act (the "Act"), 18 U.S.C. § 921 *et seq.*, which was enacted to prohibit individuals based upon age, criminal history, or incompetency, from possessing firearms, and to assist law enforcement in combatting the increasing prevalence of crime. 1968 U.S.C.C.A.N. 2112, 2113-14. The Senate report on the Act provides that the legislation was a response to the realization that "existing Federal controls over interstate and foreign commerce in firearms are not sufficient to enable the states to effectively cope with firearms traffic within their own borders...." Sen. R. No. 119, 90th Cong., 2d Sess. 80, reprinted in 1968 U.S.C.C.A.N. 2112, 2157. In essence, the Act forbids the unlicensed importation of firearms into the United States. 18 U.S.C. at § 922. See also Gun South, Inc. v. Brady, 877 F.2d 858, 861 (11th Cir. 1989). The Act vests the Secretary of the Treasury (the "Secretary") with the power to enforce its provisions. *Id.* at § 923(a).

The Act, however, creates four narrow categories of firearms and ammunition as to which the Secretary is required to grant a license for importation. The provision most often relied upon to import munitions into this country, and the only one which may be relevant here, is the sporting purposes exception.<sup>1</sup> The

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<sup>1</sup> The other three statutory exceptions require a license be issued for the importation of the following munitions: (1) firearms being imported for scientific or research purposes, or for competition or training; (2) unserviceable firearms, other

pertinent language of that exception provides that the Secretary must permit the importation of a firearm which

is generally recognized as particularly suitable for or readily adaptable to sporting purposes, excluding surplus military firearms, except in any case where the Secretary has not authorized the importation of the firearm pursuant to this paragraph, it shall be unlawful to import any frame, receiver, or barrel of such firearm which would be prohibited if assembled.

18 U.S.C. § 925(d)(3) (emphasis added).

As already stated, the Secretary is responsible for determining which munitions are "generally recognized for sporting purposes" and as such, qualify for importation. In discharging this responsibility, the Secretary should be mindful of the fact that the legislative history clearly indicates that Congress intended to "absolutely bar the importation of firearms outside of the narrow statutory exceptions." Gun South, Inc., 877 F.2d at 862. As Senator Dodd, the sponsor of the Act, noted at the time of passage, the Act "prohibits importation of arms which the Secretary determines are not suitable for research, sport, or as museum pieces.... The entire intent of the importation section is to get those kinds of weapons that are used by criminals and that have no sporting purpose." 114 Cong. Rec. S 5556 column 3, S 5582 column 1, S 5585, column 2 (May 14, 1968).

The Secretary has delegated to ATF the responsibility for determining which munitions are generally recognized as possessing a sporting purpose and may be imported. In an effort to formulate objective criteria for determining which firearms possess a "generally recognized sporting purpose," ATF developed, and then adopted, the use of ATF Form 4590. This form is utilized by ATF to evaluate whether a particular handgun possesses a sporting purpose. The form awards points for the length of the firearm, the caliber, safety features, etc.

ATF Form 4590 was developed in the late 1960s and was tailored to address the concern, at that time, with the proliferation of cheaply manufactured Saturday Night Specials. Gilbert Equip. Co. v. Higgins, 709 F. Supp. 1071, 1082 n.3 (S.D. Ala. 1989). Since the late 1960s, however, in order to establish that a handgun possesses a sporting purpose, manufacturers have built larger, heavier, and more sophisticated handguns. Under the existing criteria, many of these more powerful handguns have been found to possess a sporting purpose. ATF has not adopted

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than a machine gun, which are imported as curio or museum pieces; and (3) firearms which were previously taken out of the United States by the individual who is bringing them back into the country.

any fixed criteria for assessing whether rifles or shotguns possess a sporting purpose. Further, only three types of ammunition have been classified by ATF as devoid of a sporting purpose: tracer ammunition, incendiary ammunition, and armor piercing ammunition.

Under these criteria, many of the Russian-made firearms and ammunition will be importable to the United States. For example, the Tokarev and Makarov<sup>6</sup> handguns are presently recognized by ATF as sporting firearms. They are heavier, larger, and more powerful than the smaller, cheaply manufactured handguns which, according to ATF, are the focus of the Act. Further, as already explained, under the existing definition of armor piercing ammunition, 7.26 x 25mm pistol rounds all will be subject to importation.

However, these criteria seem to authorize the importation of sporting weapons of many firearms and types of ammunition that do not, in fact, have a sporting purpose. In the past, presidents have invoked the statute itself to ban the importation of especially deadly munitions. For example, in 1986 President Reagan directed the Secretary to ban the importation of the USAS shotgun. In 1989, President Bush directed the Secretary to ban the importation of assault rifles. Most recently, in 1993, President Clinton directed the Secretary to prohibit the importation of assault pistols. All of these firearms were banned by employing a more restrictive interpretation of the sporting purposes exception in the Act.

Both the Tokarev and Makarov handguns, as well as the 7.26 x 25mm ammunition at issue, do not possess a legitimate sporting purpose. Rather, they were manufactured for use by the Soviet military and "internal security police" solely for killing. These were not weapons made available to Soviet citizens. We have not been presented with any rational argument suggesting that these firearms or ammunition are suitable for sporting purposes under the statute. If ATF were to conduct a rational analysis, many of these firearms and 7.26 x 25mm ammunition would be found to lack a legitimate sporting purpose. However, ATF's existing self-imposed guidelines for reviewing firearms preclude it from conducting such an analysis. Presidential action could remedy this situation.

#### IV. Conclusion

If Russia is removed from the proscribed list, we can

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<sup>6</sup> The FBI and DEA have identified the Russian-made Makarov 9 x 18mm pistol as a weapon which will likely defeat Level III body armor. The weapon, however, has not yet been thoroughly tested by the FBI. The importation of the Makarov also will greatly increase with the removal of Russia from the proscribed list.

anticipate that 7.26 x 25mm ammunition will be imported into the United States at an alarmingly high rate. 7.62 x 25mm ammunition already has had a destabilizing effect upon law enforcement in the United States. The large-scale introduction of the Tokarev 7.62 x 25mm ammunition and handgun into this country will have a measurable detrimental effect on law enforcement efforts and will result in numerous deaths not only to the public, but also to state and federal law enforcement officers.

There are various measures which may be advocated to effectuate a ban on the importation of numerous Russian-made firearms into the United States. First, the President can instruct the Secretary to no longer recognize many specific firearms as possessing a sporting purpose. As already mentioned, there is recent precedent to support such a move. Presidents Reagan, Bush and Clinton already have directed the Secretary to ban the importation of various types of firearms. In each instance, the firearms were banned by employing a more restrictive interpretation of the Act. Similar steps can be taken to ban the importation of certain extremely deadly Russian munitions.

Second, the President may direct ATF to undertake a reevaluation of the Form 4590 and to revise the criteria set forth therein for determining whether a firearms possess a sporting purpose. There also should be criteria in place for banning ammunition which breaches the kevlar vests worn by law enforcement officers. Killing police officers is not sport. Clearly, the existing criteria is outdated and requires revision.

## Memorandum



To : Mr. Mark R. Steinberg  
Associate Deputy Attorney General

Date 11/4/94

From : Robert M. Bryant  
Assistant Director, National Security Division

Subject: IMPORTATION OF FIREARMS AND AMMUNITION FROM THE FORMER  
SOVIET UNION

## INFORMATION MEMORANDUM

Violence associated with the use of firearms continues to be a critical problem for the United States. In 1992, the last year complete figures are available, there were 15,377 reported deaths attributed to firearms in the United States of which 53 were law enforcement officers. These numbers do not include deaths by firearms due to accidental shootings or suicides.

The importation of firearms and ammunition from the former Soviet Union would only add to the capability of Americans to perpetrate, or be the victims of, violence by firearms. Indeed, these weapons are being imported to the United States even now at an alarming pace.

On October 12, 1994, FBI Director Louis J. Freeh signed "Resolution 10" as Director of Investigative Agency Policies (DIAP). That resolution advised of the testing of a Soviet Tokarev 7.62 x 25mm pistol round that penetrated a Level IIA body vest and 12 inches of ballistic gelatin. In another test, the round penetrated 32 layers of kevlar. This is significant for two-fold reasons; Level IIA vests are the current issue for Federal agencies and are constructed with only 16 to 18 layers of kevlar. In effect, the standard issue vest for most law enforcement officers are inadequate to protect officers from that weapon. Further, this particular weapon, and ammunition would be allowed for importation into the United States. As "Resolution 10" notes, this particular ammunition does not meet the definition of "Armor piercing ammunition" as defined in Title 18, U.S. Code, Section 921(a)(17)(B), but easily defeats soft body

Mr. Mark R. Steinberg  
Associate Deputy Attorney General

armor used by law enforcement officers. Clearly, the performance standard of this Russian manufactured ammunition exceeds the legal definition and poses a serious threat to law enforcement personnel. While the standard body armor does indeed protect officers from domestically produced weapons such as .357 magnum and the 9mm pistols, they do not protect officers from weapons produced in the former Soviet Union. This is principally due to the projectiles' high velocity and construction of hard, non-deforming metals.

While the FBI has advocated legislation defining armor piercing ammunition by performance, not projectile construction, at present there are no legal constraints that keeps these weapons from being imported, and cheaply sold in the United States. The Tokarev pistol, for example, is not banned by the recent crime bill.

It should be noted the Tokarev pistol has been manufactured since before World War II. Consequently, it has been copied by other countries, or other countries have in turn produced weapons capable of firing the 7.62 x 25mm projectile. This includes handguns manufactured in Europe and the Peoples Republic of China, to include the Czech CZ52, "Broom handle" Mausers manufactured in Portugal and Italy, the Hungarian Tokagyp, and the Chinese Type 51/54.

The FBI is currently awaiting National Institute of Justice test standards before proceeding with testing of further weapons and ammunition.

But in the interim, the countries of the former Soviet Union and Soviet Bloc are flooding the United States with cheaply produced weapons and ammunition that are particularly lethal.

The deadliness of the weapons is exacerbated by the relative inexpensiveness of these imported weapons. For instance, there are reports of a dealer in Arizona selling the Tokarev pistol, and 1,000 rounds of ammunition for \$100. Also, an FBI employee recently observed a new Russian-made Makarov 9 x 18mm pistol, holster, and two magazines on sale in a Loudon County, Virginia, gunshop for \$200. This weapon will also likely defeat the standard issue body armor used by law enforcement officers.

Mr. Mark R. Steinberg  
Associate Deputy Attorney General

These, and similar weapons from the former Soviet Union, have no sporting purpose and as designed, were for the sole purpose of killing. Certainly, the average Soviet citizen did not have access to the Tokarev pistol. It was manufactured for the specific use by the guardians of an oppressive police state and has no place in a free society.

The FBI strongly supports the banning of weapons and ammunition produced in the former Soviet Union for importation into the United States. As evidenced by the Tokarev pistol, they are a devastating combination of both cheap and deadly weapons, with no sporting purpose, that pose a frightening threat to citizens in law enforcement personnel in the United States.

~~CONFIDENTIAL~~

DRAFT

January 10, 1994

Jose Cerda  
lm 222INFORMATION

TO: DISTRIBUTION

FROM: JESSICA STERN

SUBJECT: Import of Russian Firearms

This paper presents draft options for your consideration. The options are provided as a basis for discussion. They do not represent the universe of possible options; nor is the NSC wedded to this list.

BACKGROUND

Russia is prohibited from selling munitions to the U.S. under ITAR (International Traffic in Arms Regulations). An exception was made in mid-1993 allowing Russia temporarily to export arms to the U.S. The policy was reversed in February 1994, largely because of the dramatic increase in import license requests. Between February and October 1994, we received import license requests for 7.6 million rifles and hand guns, and for 7 billion rounds of ammunition.

U.S. gun importers now claim that many of the requests were duplicates and that these figures exaggerate the actual number of anticipated imports. Most of the license requests were for World War II era rifles and pistols from surplus stockpiles. Russian small arms manufacturers have been retooling production lines to meet new U.S. requirements, however, suggesting that future import requests will include new guns such as Kalashnikovs retooled for the U.S. market.

On October 3, Secretary Christopher denied temporarily all pending import license requests. The Secretary also ordered a study of the impact of gun imports on U.S. domestic and foreign policy interests. The options below are based on this study.

Justifying the denial of the license requests will become more difficult when we remove Russia from the ITAR proscribed list, but we cannot remove Russia from the list until the Iran arms sales issue is resolved.

DECLASSIFIED  
E.O. 13526 5/16/2017  
White House Guidelines, September 11, 2006  
By VL NARA, Date 11/30/2017  
2016-0531-S

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### COMPLAINTS ABOUT OUR POLICY FROM ALL QUARTERS

We are receiving complaints about our policy from many parties. Many in Congress are worried about the potential for a huge influx of guns, but five Senators recently wrote the Secretary of State urging him to allow imports of Russian firearms. Russia is complaining about discriminatory trade practices. And U.S. importers of Russian guns are also irate.

The President has received a number of letters from the Congress urging him not to reward Yeltsin for halting arms sales to Iran by granting approval of the import license requests. Our response to the Congressional letters explains that whatever the outcome of our discussions with Russia on COCOM, all NIS import license requests will be put on hold until we are able to determine how gun imports affect the entire range of our interests -- both domestic and foreign.

Ambassador Vorontsov has written Secretary Christopher complaining that our denial of these import licenses contradicts a 1990 bilateral trade agreement we signed with Russia. This agreement allows both parties to control or deny imports if they affect national security. It is not clear whether such a justification is legitimate in this case.

The Russian government is also concerned that our decision to deny small arms imports may reflect waning USG commitment for removing Moscow from the ITAR proscribed list. We have assured Moscow that this is not the case. We will remove Russia from the proscribed list as soon as the Iran arms sales issue is resolved.

### **NEAR TERM OPTIONS**

We need to be prepared to respond to the next Russian request that we explain our policy. Below are three near term options.

1. **Stall.** Explain to the Russians the domestic pressures we would face if we allow such a large influx of cheap munitions. Explain that we are still studying the issue.

Advantages: Buys us more time to design a policy that both reduces munitions imports and does not discriminate unfairly against Russia.

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Disadvantages: We have been putting the Russians off on this issue for a long time and they expect an answer.

2. **Let the guns in.** Make an exception for Russia (as we did from July 1993 - February 1994), permitting a case-by-case review of munitions imports requests with a presumption of approval.

Advantages: Will satisfy Russia's demand that we practice what we preach by opening our markets. Would satisfy the five Senators' demands that we remove the blanket denial of imports.

Disadvantages: Will drive the price of guns down. Cheap imports may appeal to a broader range of consumers, especially younger ones, including criminals. May hurt domestic manufacturers.

3. **Keep the guns out.** Revert to our pre-1993 policy of denying most license requests, consistent with Russia's ITAR-proscribed-list status. Hold out the prospect that the policy will be reconsidered when Russia ceases selling weapons to Iran.

Advantages: Provides us with more leverage on the Iran arms sales issue. Prevents influx of millions of cheap firearms.

Disadvantages: Only a short term solution. The U.S.-Russian 1990 Bilateral Trade Agreement requires a national security justification for denial of imports, regardless of whether Russia is on the ITAR list. (A reasonable justification is arguably that Russia's continued arms sales to Iran contradict the United States' strong national security interests.)

**My recommendation for the immediate term: option 1 or option 3.**

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## LONGER TERM OPTIONS

1. Impose more stringent requirements for imports than for domestically manufactured small arms. Issue an Executive Order directing the Secretary of the Treasury to employ a more restrictive interpretation of the "sporting purpose" criterion, i.e., to ban import of specific firearms based on their questionable utility in sport. Presidents have exercised this privilege three times in the recent past. President Reagan banned imports of the USAS shotgun; President Bush banned import of assault rifles; and President Clinton banned import of assault pistols.

Advantages: Limitations would be applied to all imports. Would not discriminate against Russia.

Disadvantages: Absent a national security justification, illegal under the GATT. The U.S. has gotten away with precisely this type of discriminatory practice in the past, however.

2. Default Option: remove Russia from ITAR list when the Iran arms sales issue is resolved. Allow unimpeded imports of small arms.

Advantages: Will satisfy Russia's demand that we practice what we preach by opening our markets.

Disadvantages: Will drive the price of guns down. Cheap imports may appeal to a broader range of consumers, especially younger ones, including criminals. May hurt domestic manufacturers.

3. License importers. Remove requirement to license individual imports.

Advantages: Would reduce perceived magnitude of imports by eliminating statistics on import license requests. Collect statistics on actual imports, rather than on import license requests. (Because there is no charge for import license requests, the requests may exceed actual imports by a wide margin.)

Disadvantage: Would not affect actual magnitude of imports.

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4. Negotiate a Voluntary Restraint Agreement (VRA) with Russia, possibly in combination with removing existing U.S. protections on some other sector. For example, the U.S. would agree to buy potash or aluminum if Russia would agree to control guns exports.

Advantages: Would reduce the inflow of cheap imports. Avoids more extreme measures. Allows Russia a higher per unit price on sales in U.S., although total sales would be restricted.

Disadvantages: Given the importance of the U.S. market to the small arms manufacturers in Russia, finding an acceptable ceiling would be difficult. Moreover, setting such a ceiling would discriminate against Russia since the rest of the import market would be open to other importers.

5. Negotiate a VRA with all countries that export guns to the United States.

Advantages: Does not discriminate against Russia. Raises price of guns for U.S. consumers; reduces demand. Helps domestic manufacturers.

Disadvantages: Illegal under the new GATT (?). Voluntary restraint would probably be difficult to achieve; easy to circumvent.

6. Impose heavy tariffs or set a quota for small arms imports from Russia.

Advantages: May be difficult to justify under the bilateral trade agreement. Only legal if justified on the basis of national security or market disruption concerns, each of which may be difficult to demonstrate. Helps domestic manufacturers.

Disadvantages: Discriminates against Russia.

7. Impose heavy tariffs on small arms imports from all sources.

Advantages: Does not discriminate against Russia. Raises price and reduces demand for guns. Helps domestic manufacturers.

Disadvantages: Might be perceived as a tax increase. Exporters would denounce the policy as unfair trade practice. Would be vulnerable to GATT challenge if we

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manufacture and sell domestically the guns we are prohibiting from import.

8. **Tax all guns, both domestic and foreign.**

Advantages: Raises price (and reduces demand) for guns.  
Raises tax revenue to help reduce the budget deficit.

Disadvantage: Hurts domestic manufacturers. Would be perceived as a tax increase or a form of gun-control.

## WHAT WE CAN DO

① USE STAR IN THE SHORT-TERM.

- ↳ This should function as an incentive for Russia to comply w/ our conditions
- ↳ When STAR off, we say we did what we could + move-on.
- ↳ If we force R's to legislatively undo so what.

② Point to Cuvos + Helix Pex as answer

- ↳ Realistically, though, how many guns can we take credit for.

- ↳ Is 49% really the number coming in.

③ Trade doesn't offer much.

④ New legislation not much

⑤ This is not power for ammo.

⑥

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| DOCUMENT NO.<br>AND TYPE | SUBJECT/TITLE                                  | DATE       | RESTRICTION |
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| 013. fax                 | Jessica Stern to Jose Cerda [partial] (1 page) | 01/10/1995 | P3/b(3)     |

### COLLECTION:

Clinton Presidential Records  
Domestic Policy Council  
Jose Cerda  
OA/Box Number: 5875

### FOLDER TITLE:

Russian/Chinese Guns [1]

2016-0931-S  
rc2350

### RESTRICTION CODES

#### Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

#### Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
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## FAX TRANSMITTAL SHEET

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NUMBER OF PAGES 1  
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| (b)(3)           |          |              |              |
| NEWCOMB, Richard | TREASURY | 202-622-2510 | 202-622-1759 |
| LIPTON, David    | TREASURY | 202-622-1270 | 202-622-0658 |
| NEWSOM, Eric     | STATE    | 202-647-9023 | 202-647-1346 |
| HERBST, John     | STATE    | 202-647-6729 | 202-647-3506 |
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| STIGLITZ, Joseph | CEA      | 202-395-5036 | 202-395-6958 |

MEETINGPLEASE NOTE TIME CHANGE!!

Draft options paper being washfaxed.

The Russian Arms Study Group will meet on Wednesday, January 11,  
from 4:30-6:00pm in Room 248 of the OEOB.

Agenda: To hear a new assessment of the scope of the problem of imports of Russian firearms; to plan a strategy for refining options for dealing with the problem. A draft options paper will be distributed prior to the meeting for your consideration. Please call Peter Petrihos at State (647-1398) if you require a copy of the State Department's Study on NIS Gun Imports.

Please call Helen Stauffer on (202) 456-9169 with names and birthdates of attendees.

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| DOCUMENT NO.<br>AND TYPE | SUBJECT/TITLE                                                     | DATE       | RESTRICTION |
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| 014. fax                 | Kenneth C. Brill to Leon Panetta re: Munitions Imports (21 pages) | 01/04/1995 | P1/b(1)     |

### COLLECTION:

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Jose Cerda  
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- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]



U. S. Department of Justice  
Office of the Deputy Attorney General

22

Washington, D.C. 20530

November 8, 1994

**MEMORANDUM**

**FOR:** Nick Rasmussen,  
Office of Political and Military Affairs,  
Department of State

**FROM:** Chip Sgro,  
Special Assistant,  
Office of the Deputy Attorney General

**SUBJECT:** Importation of Russian Munitions to the United States

Annexed for your review are some preliminary thoughts on the Department's position concerning the importation of Russian munitions to the United States. It is my understanding that the attached document will be circulated only among the members of the working group convened by the Secretary of State and will be included in that group's work-product for the Secretary.

If you have any questions, please contact me at 514-3070.

## Importation of Russian Munitions to the United States

The Department of Justice is opposed to the importation into the United States of Russian munitions with armor-piercing capabilities. This memorandum sets forth the statutory and regulatory framework pertinent to the importation of such weaponry.

As will be discussed more fully herein, if Russia is removed from the list of proscribed countries, existing relevant statutes, as currently interpreted, will result in the importation of many Russian munitions with armor piercing capabilities into this country as sporting weapons. It is possible, however, for the President to direct the Secretary of the Treasury to "adjust" the present interpretation of the law, resulting in the use of a more restrictive test when assessing which munitions possess a sporting purpose. If such steps are taken, many munitions capable of piercing armor will be prohibited from importation.

### I. Background

During President Yeltsin's recent visit to the United States, he broached the issue of removing Russia from the list of proscribed countries. The countries which comprise the former Soviet Union (FSU) currently are prohibited from importing munitions into the United States. 27 C.F.R. § 47.52 (a). President Yeltsin's request was prominently reported in the national media and caused somewhat of an uproar based upon projections indicating that a lifting of the ban would result in the introduction of up to 7 million Russian firearms into the United States. Subsequently, the Secretary of State convened an interagency working group to analyze whether Russia should be removed from the list of restricted countries.

### II. Nature and Number of Weapons at Issue

According to ATF, since 1992, 168,879 Russian-made rifles and 149,737 Russian-made handguns have been imported into the United States. ATF estimates that if Russia is removed from the proscribed list, it will result in the importation to the United States of over 1.2 million handguns, 3.1 million rifles, 4.7 million firearm parts, and 8.7 billion rounds of ammunition, solely from Russia. Included in these numbers are many firearms and ammunition which have been proven to, or are suspected to, pierce Level IIIA body vests. This is significant because Level IIIA

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Proscribed country status generally prevents the Bureau of Alcohol, Tobacco and Firearms (ATF) from approving applications for permits to import munitions that were either manufactured in, or are being exported from, the FSU.

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Body vests are the standard issue for state and federal law enforcement officials.

One variety of Russian ammunition that is of particular concern because of its armor piercing capability is the Tokarev 7.62 x 25 mm pistol round. The Tokarev 7.26 x 25mm pistol round has been proven to penetrate 32 layers of kevlar. Level III body vests are comprised of merely 16 to 18 layers of kevlar.

The Tokarev pistol has been manufactured by the FSU since World War II, and has been copied by numerous other Eastern European countries. Additional firearms capable of firing the 7.26 x 25mm ammunition are manufactured throughout Europe and Asia, including the Czechoslovakian CZ52, the Portuguese and Italian "Broom handle" Mausers, the Hungarian Tokagyt and the Chinese Type 51/54. The Russian-made Makarov 9 x 18mm pistol also is suspected by the FBI to possess armor piercing capabilities, but it has not yet been formally tested. The Makarov will be imported into this country in large numbers if Russia is removed from the proscribed countries list.

### III. Discussion

#### Existing Legislation on the Importation of Munitions<sup>2</sup>

- 1 Statutory prohibition against the importation of armor piercing ammunition.

The manufacture or importation of some armor piercing ammunition is prohibited under existing federal law. 18 U.S.C. § 922(a)(7).<sup>3</sup> The definition of armor piercing ammunition was revised by the recently enacted 1994 Omnibus Crime Control Act. Pursuant to the Crime Control Act, armor piercing ammunition is now defined as follows:

(B) The term "armor piercing ammunition" means-

- (i) a projectile or projectile core which

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<sup>2</sup> The Legal Adviser's Office at State is preparing an analysis of existing foreign affairs legal/regulatory authorities and their ability to limit the importation of munitions.

<sup>3</sup> There are, however, two exceptions to the general prohibition on importation. Armor piercing ammunition may be imported to the United States if the ammunition is: (1) manufactured or imported for the use of the United States or any department or agency thereof; or (2) manufactured or imported for the purposes of testing or experimentation authorized by the Secretary. *Id.* at § 922(a)(7)(A-C). These provisions are applicable solely to ammunition, not firearms, and do not cover all ammunition capable of piercing the type of protective vest worn by most law enforcement officers in the United States.

may be used in a handgun and which is construed entirely (excluding the presence of traces of other substances) from one or a combination of tungsten alloys, steel, iron, brass, bronze, beryllium copper, or depleted uranium; or

(ii) a full jacketed projectile larger than .22 caliber designed and intended for use in a handgun and whose jacket has a weight of more than 25 percent of the total weight of the projectile.

- (C) The term "armor piercing ammunition" does not include shotgun shot required by Federal or State environmental or game regulations for hunting purposes, a frangible projectile designed for target shooting, a projectile which the Secretary finds is primarily intended to be used for industrial purposes, including a charge used in an oil and gas well perforating device."

18 U.S.C. § 921(a)(17)(B)-(C).

As set forth above, the determination whether ammunition is "armor piercing" turns solely on its composition. Any ammunition that does not meet the physical description set forth in the statute is not considered to be armor piercing and hence is importable under the statute. Accordingly, 7.27 x 25mm ammunition is not classified as armor piercing because it does not meet the statutory description.<sup>4</sup>

This realization has led the FBI, with the support of other law enforcement agencies, to propose that legislation be introduced altering the test for determining whether ammunition is armor piercing from one of composition to one of performance. On October 12, 1994, Director Fresh issued Resolution 10, which calls for the adoption of a performance-based test to determine whether ammunition is armor piercing. The Resolution was issued pursuant to the unanimous recommendation for such testing by the Firearms and Ammunition Working Group and Executive Advisory Board of the Office of Investigative Agency Policies (NIAP).

The call for a shift to performance-based testing strengthened after the FBI tested the Soviet Tokarev 7.62 x 25mm pistol round. As previously noted, the Tokarev pistol and ammunition are manufactured in the FSU and are currently being imported to this country through several former eastern bloc countries. Tests have revealed that the 7.26 x 25mm round penetrates 32 layers of kevlar. Level IIIA vests are currently worn by federal law enforcement officials and possess merely 16 to 18 layers of kevlar.

Munitions experts, however, have determined that many types of ammunition that are not comprised of statutorily proscribed elements are, in fact, armor piercing. Simply stated, the ability to pierce armor is not solely dependent upon the composition of the projectile, but rather is dependent upon the velocity and mass of the projectile. Increased velocity may be achieved through various methods such as casing procedures for the projectile as well as a host of technical alterations which need not be discussed. Suffice it to say, a standard lead projectile will pierce armor if loaded into a cartridge in a manner that enables it to achieve the requisite high velocity.

7.26 x 25mm ammunition is not classified as armor-piercing because: (1) it is not composed of one of the proscribed elements; and (2) its steel jacket is only 17% of the total weight, not 25% as required by statute. Other types of armor piercing ammunition have fallen outside the statutory importation prohibition by utilizing similar construction methods. Therefore, because these types of ammunition do not fall within the narrowly-tailored, composition-based prohibition set forth in 18 U.S.C. § 921(a)(17)(B), despite the fact that they do in fact pierce armor, they cannot be banned from importation.

## 2. General statutory framework governing the importation of firearms.

In 1968, Congress passed the Gun Control Act (the "Act"), 18 U.S.C. § 921 *et seq.*, which was enacted to prohibit individuals based upon age, criminal history, or incompetency, from possessing firearms, and to assist law enforcement in combatting the increasing prevalence of crime. 1968 U.S.C.C.A.N. 2112, 2113-14. The Senate report on the Act provides that the legislation was a response to the realization that "existing Federal controls over interstate and foreign commerce in firearms are not sufficient to enable the states to effectively cope with firearms traffic within their own borders...." Sen. R. No. 109-90th Cong., 2d Sess. 80, reprinted in 1968 U.S.C.C.A.N. 2112, 2157. In essence, the Act forbids the unlicensed importation of firearms into the United States. 18 U.S.C. at § 922. See also Gun South, Inc. v. Brady, 877 F.2d 958, 861 (11th Cir. 1989). The Act vests the Secretary of the Treasury (the "Secretary") with the power to enforce its provisions. *Id.* at § 923(a).

The Act, however, creates four narrow categories of firearms and ammunition as to which the Secretary is required to grant a license for importation. The provision most often relied upon to import munitions into this country, and the only one which may be relevant here, is the sporting purposes exception.<sup>1</sup> The

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<sup>1</sup> The other three statutory exceptions require a license be issued for the importation of the following munitions: (1) firearms being imported for scientific or research purposes, or for competition or training; (2) unserviceable firearms, other

pertinent language of that exception provides that the Secretary must permit the importation of a firearm which

is generally recognized as particularly suitable for or readily adaptable to sporting purposes, excluding surplus military firearms, except in any case where the Secretary has not authorized the importation of the firearm pursuant to this paragraph, it shall be unlawful to import any frame, receiver, or barrel of such firearm which would be prohibited if assembled.

18 U.S.C. § 925(d)(3) (emphasis added).

As already stated, the Secretary is responsible for determining which munitions are "generally recognized for sporting purposes" and as such, qualify for importation. In discharging this responsibility, the Secretary should be mindful of the fact that the legislative history clearly indicates that Congress intended to "absolutely bar the importation of firearms outside of the narrow statutory exceptions." Gun South, Inc., 877 F.2d at 862. As Senator Dodd, the sponsor of the Act, noted at the time of passage, the Act "prohibits importation of arms which the Secretary determines are not suitable for research, sport, or as museum pieces.... The entire intent of the importation section is to get those kinds of weapons that are used by criminals and that have no sporting purpose." 114 Cong. Rec. S 5556 column 3, S 5582 column 1, S 5583, column 2 (May 14, 1968).

The Secretary has delegated to ATF the responsibility for determining which munitions are generally recognized as possessing a sporting purpose and may be imported. In an effort to formulate objective criteria for determining which firearms possess a "generally recognized sporting purpose," ATF developed, and then adopted, the use of ATF Form 4590. This form is utilized by ATF to evaluate whether a particular handgun possesses a sporting purpose. The form awards points for the length of the firearm, the caliber, safety features, etc.

ATF Form 4590 was developed in the late 1960s and was tailored to address the concern, at that time, with the proliferation of cheaply manufactured Saturday Night Specials. Gilbert Equip. Co. v. Higgins, 709 F. Supp. 1071, 1082 n.5 (S.D. Ala. 1989). Since the late 1960s, however, in order to establish that a handgun possesses a sporting purpose, manufacturers have built larger, heavier, and more sophisticated handguns. Under the existing criteria, many of these more powerful handguns have been found to possess a sporting purpose. ATF has not adopted

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than a machine gun, which are imported as curio or museum pieces; and (3) firearms which were previously taken out of the United States by the individual who is bringing them back into the country.

any fixed criteria for assessing whether rifles or shotguns possess a sporting purpose. Further, only three types of ammunition have been classified by ATF as devoid of a sporting purpose: tracer ammunition, incendiary ammunition, and armor piercing ammunition.

Under these criteria, many of the Russian-made firearms and ammunition will be importable to the United States. For example, the Tokarev and Makarov handguns are presently recognized by ATF as sporting firearms. They are heavier, larger, and more powerful than the smaller, cheaply manufactured handguns which, according to ATF, are the focus of the Act. Further, as already explained, under the existing definition of armor piercing ammunition, 7.26 x 25mm pistol rounds all will be subject to importation.

However, these criteria seem to authorize the importation as sporting weapons of many firearms and types of ammunition that do not, in fact, have a sporting purpose. In the past, presidents have invoked the statute itself to ban the importation of especially deadly munitions. For example, in 1986 President Reagan directed the Secretary to ban the importation of the USAS shotgun. In 1989, President Bush directed the Secretary to ban the importation of assault rifles. Most recently, in 1993, President Clinton directed the Secretary to prohibit the importation of assault pistols. All of these firearms were banned by employing a more restrictive interpretation of the sporting purposes exception in the Act.

Both the Tokarev and Makarov handguns, as well as the 7.26 x 25mm ammunition at issue, do not possess a legitimate sporting purpose. Rather, they were manufactured for use by the Soviet military and "internal security police" solely for killing. These were not weapons made available to Soviet citizens. We have not been presented with any rational argument suggesting that these firearms or ammunition are suitable for sporting purposes under the statute. If ATF were to conduct a rational analysis, many of these firearms and 7.26 x 25mm ammunition would be found to lack a legitimate sporting purpose. However, ATF's existing self-imposed guidelines for reviewing firearms prohibit it from conducting such an analysis. Presidential action could remedy this situation.

#### IV. Conclusion

If Russia is removed from the proscribed list, we can

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<sup>6</sup> The FBI and DEA have identified the Russian-made Makarov 9 x 18mm pistol as a weapon which will likely defeat Level II body armor. The weapon, however, has not yet been thoroughly tested by the FBI. The importation of the Makarov also will greatly increase with the removal of Russia from the proscribed list.

anticipate that 7.62 x 25mm ammunition will be imported into the United States at an alarmingly high rate. 7.62 x 25mm ammunition already has had a destabilizing effect upon law enforcement in the United States. The large-scale introduction of the Tokarev 7.62 x 25mm ammunition and handgun into this country will have a measurable detrimental effect on law enforcement efforts and will result in numerous deaths not only to the public, but also to state and federal law enforcement officers.

There are various measures which may be advocated to effectuate a ban on the importation of numerous Russian-made firearms into the United States. First, the President can instruct the Secretary to no longer recognize many specific firearms as possessing a sporting purpose. As already mentioned, there is recent precedent to support such a move. Presidents Reagan, Bush and Clinton already have directed the Secretary to ban the importation of various types of firearms. In each instance, the firearms were banned by employing a more restrictive interpretation of the Act. Similar steps can be taken to ban the importation of certain extremely deadly Russian munitions.

Second, the President may direct ATF to undertake a reevaluation of the Form 4590 and to revise the criteria set forth therein for determining whether a firearms possess a sporting purpose. There also should be criteria in place for banning ammunition which breaches the kevlar vests worn by law enforcement officers. Killing police officers is not sport. Clearly, the existing criteria is outdated and requires revision.

## Memorandum



To : Mr. Mark R. Steinberg  
Associate Deputy Attorney General

Date 11/4/94

From : Robert M. Bryant  
Assistant Director, National Security Division

Subject: IMPORTATION OF FIREARMS AND AMMUNITION FROM THE FORMER  
SOVIET UNION

## INFORMATION MEMORANDUM

Violence associated with the use of firearms continues to be a critical problem for the United States. In 1992, the last year complete figures are available, there were 15,377 reported deaths attributed to firearms in the United States of which 53 were law enforcement officers. These numbers do not include deaths by firearms due to accidental shootings or suicides.

The importation of firearms and ammunition from the former Soviet Union would only add to the capability of Americans to perpetrate, or be the victims of, violence by firearms. Indeed, these weapons are being imported to the United States even now at an alarming pace.

On October 12, 1994, FBI Director Louis J. Freeh signed "Resolution 10" as Director of Investigative Agency Policies (DIAP). That resolution advised of the testing of a Soviet Tokarev 7.62 x 25mm pistol round that penetrated a Level IIA body vest and 12 inches of ballistic gelatin. In another test, the round penetrated 33 layers of kevlar. This is significant for two-fold reasons; Level IIA vests are the current issue for Federal agencies and are constructed with only 16 to 18 layers of kevlar. In effect, the standard issue vest for most law enforcement officers are inadequate to protect officers from that weapon. Further, this particular weapon, and ammunition would be allowed for importation into the United States. As "Resolution 10" notes, this particular ammunition does not meet the definition of "Armor piercing ammunition" as defined in Title 18, U.S. Code, Section 921(a)(17)(B), but easily defeats soft body

Mr. Mark R. Steinberg  
Associate Deputy Attorney General

armor used by law enforcement officers. Clearly, the performance standard of this Russian manufactured ammunition exceeds the legal definition and poses a serious threat to law enforcement personnel. While the standard body armor does indeed protect officers from domestically produced weapons such as .357 magnum and the 9mm pistols, they do not protect officers from weapons produced in the former Soviet Union. This is principally due to the projectiles' high velocity and construction of hard, non-deforming metals.

While the FBI has advocated legislation defining armor piercing ammunition by performance, not projectile construction, at present there are no legal constraints that keeps these weapons from being imported, and cheaply sold in the United States. The Tokarev pistol, for example, is not banned by the recent crime bill.

It should be noted the Tokarev pistol has been manufactured since before World War II. Consequently, it has been copied by other countries, or other countries have in turn produced weapons capable of firing the 7.62 x 25mm projectile. This includes handguns manufactured in Europe and the Peoples Republic of China, to include the Czech CZ52, "Broom handle" Mausers manufactured in Portugal and Italy, the Hungarian Tokagypt, and the Chinese Type 51/54.

The FBI is currently awaiting National Institute of Justice test standards before proceeding with testing of further weapons and ammunition.

But in the interim, the countries of the former Soviet Union and Soviet Bloc are flooding the United States with cheaply produced weapons and ammunition that are particularly lethal.

The deadliness of the weapons is exacerbated by the relative inexpensiveness of these imported weapons. For instance, there are reports of a dealer in Arizona selling the Tokarev pistol, and 1,000 rounds of ammunition for \$100. Also, an FBI employee recently observed a new Russian-made Makarov 9 x 18mm pistol, holster, and two magazines on sale in a Loudon County, Virginia, gunshop for \$200. This weapon will also likely defeat the standard issue body armor used by law enforcement officers.

Mr. Mark R. Steinberg  
Associate Deputy Attorney General

These, and similar weapons from the former Soviet Union, have no sporting purpose and as designed, were for the sole purpose of killing. Certainly, the average Soviet citizen did not have access to the Tokarev pistol. It was manufactured for the specific use by the guardians of an oppressive police state and has no place in a free society.

The FBI strongly supports the banning of weapons and ammunition produced in the former Soviet Union for importation into the United States. As evidenced by the Tokarev pistol, they are a devastating combination of both cheap and deadly weapons, with no sporting purpose, that pose a frightening threat to citizens in law enforcement personnel in the United States.

THE WHITE HOUSE  
WASHINGTON

Joe -

I spoke to Da  
about - Drugs & Summit  
he thinks it makes  
sense to include

I hope this is what  
you want

J.

Nick Rasmussen  
647-1003

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**OFFICE OF DAVID GERGEN  
SPECIAL ADVISOR TO THE PRESIDENT AND  
TO THE SECRETARY OF STATE**

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TO: Jose CerdasFROM: Jody GreenstoneFAX #: 456-7028  
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COMMENTS:

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This fax is confidential and meant for the addressee only. If there is any problem with this transmission, please call David Gergen's office at 202-647-5527.



United States Department of State

*Assistant Secretary of State  
for Political-Military Affairs*

Washington, D.C. 20520

December 23, 1994

Dr. Richard W. Rahn  
President  
Novecon, LTD  
1020 16th Street, N.W., Suite 200  
Washington, D.C. 20036

**COPY FOR YOUR  
INFORMATION**

Dear Dr. Rahn,

I am writing in response to your recent letters to Deputy Secretary Talbott, David Gergen, me and others in the Department, inquiring into the processing of the munitions import permit applications from Russia and the other states of the former Soviet Union (FSU).

As you may already know, these countries have been proscribed from exporting defense articles and defense services to the United States for many years. The ammunition for "nonautomatic and semiautomatic firearms, to caliber .50 inclusive,..." you addressed in your letters are listed among the "defense items and defense services" in the U.S. Munitions Import List covered by this proscription.

All applications for munitions import permits, processed by the Treasury Department's Bureau of Alcohol, Tobacco, and Firearms (ATF) for proscribed countries, are submitted to the Department of State for a foreign policy review. ATF has the statutory responsibility to grant or deny licenses and permits for permanent imports of munitions. In carrying out this function, ATF is guided by the views of the Secretary of State on matters affecting world peace and the external security and foreign policy of the United States.

Until July 1993 these referrals, almost always, resulted in a recommendation for denial. Briefly, from July 1993 until early 1994, the Department modified this policy and recommended the approval of many of the import permit applications from Russia and former FSU states. This exception to policy was made in an environment of improving relations with those countries and an expectation of imminent removal from the proscribed list.

However, by February 1994 removal was not imminent and the situation had changed enough that a review was warranted. Department processing of ATF licenses for FSU countries was put on hold.

In October, the Secretary of State returned all pending applications to import munitions from the FSU to ATF with our recommendation that ATF deny them.

Date: 10/03/94 Time: 15:14

## Christopher Requests Delay In Weapon Imports From Former Soviet

WASHINGTON (AP) Secretary of State Warren Christopher is asking the Treasury Department to hold up requests by American firms to import \$1 billion in weapons and ammunition from the former Soviet Union.

He wants to see first whether the huge increase in trade would affect the foreign policy and security interests of the United States, the State Department spokesman said Monday.

More than 250 requests for licenses to import 7 billion rounds of ammunition and 7.6 million rifles and pistols are involved, Michael McCurry said in announcing the State Department would conduct a review.

In 1993, 18,000 rifles and pistols were legally imported, and in 1992, 1,000 were approved by the Treasury.

Russia and other former Soviet republics have been looking for ways to boost trade and acquire capital for their weak economies. The once extensive Soviet weapons industry is a rich resource.

Treasury's munitions department has primary authority over American contracts to purchase weapons from abroad. But the law gives the State Department a major voice in framing decisions.

Christopher asked Treasury to deny all pending requests until the review is concluded, McCurry said.

Last week, President Clinton elicited a promise from Russian President Boris Yeltsin not to sign any new contracts to provide weapons to Iran.

However, Yeltsin insisted on fulfilling existing contracts. Administration officials said they did not know how many submarines and other major weapons were ``in the pipeline.''

Russia's trade with Tehran is worth an estimated \$1 billion.

McCurry said there was no connection to the review announced Monday on U.S. imports of weapons and ammunition. ``At no point did we consider the idea of compensating Russia for halting arms sales to Iran by approving these licenses,' ' he said.

APNP-10-03-94 1515EDT

THE WHITE HOUSE  
WASHINGTON

May 5, 1994

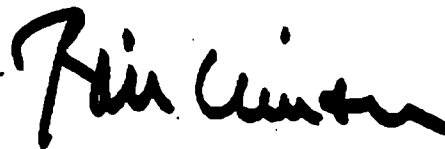
Dear Ed:

Thank you for the letter from you and your colleagues expressing concern about the importation of cheap semi-automatic weapons (specifically, the MAK-90) from China. This is indeed an unacceptable situation and I share your commitment to stopping it. In fact, we already have taken concrete steps to eliminate this problem.

On March 8, the Bureau of Alcohol, Tobacco and Firearms issued a recall of MAK-90 rifles, notifying the public that the weapon may violate standards of the Gun Control Act and National Firearms Act. Those who have purchased these weapons have been advised to return them to the suppliers. In the future, such weapons will be subject to seizure and forfeiture and owners liable to criminal prosecution. All import permits for the MAK-90 have been suspended, and the U.S. Customs Service is making an effort to stop any shipments in transit from China.

We shall continue to follow up, both with our own regulatory agencies, and with the Chinese, to ensure that this problem is solved. Thank you again for bringing it to my attention. I hope I can count on you to support these and other steps we are taking against crime.

Sincerely,



The Honorable Edward J. Markey  
House of Representatives  
Washington, D.C. 20515

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

November 22, 1994

JOINT STATEMENT  
BY THE PRESIDENT OF THE UNITED STATES OF AMERICA  
AND  
THE PRESIDENT OF UKRAINE

ON COOPERATION IN PROMOTING THE RULE OF LAW  
AND COMBATING CRIME

President William Clinton and President Leonid Kuchma, during their meeting in Washington on November 22, reaffirmed the fundamental importance of the rule of law in safeguarding the civil and human rights of citizens in a democratic society. The two Presidents agreed that the establishment and maintenance of sound legal and judicial institutions are essential to fulfilling the promise of democracy and a market economy.

The two Presidents discussed the threat which crime poses to American and Ukrainian societies and to the international community. Of particular concern to the Presidents was the rise in nuclear materials smuggling, organized crime, financial crime, and drug trafficking. They agreed that bilateral and international cooperative efforts would be necessary to combat this growing threat to international peace and prosperity and to reform in the New Independent States. The Presidents noted that bilateral legal and law enforcement agreements could help to address the problem of crime and agreed to explore the possibility of negotiating such agreements between the United States and Ukraine.

President Clinton also announced the intention of the United States to offer an expanded program of assistance to help Ukraine in its transition to a society based upon the rule of law and in its fight against the forces of crime. The two Presidents agreed that the program should include technical assistance and training to support criminal justice reform and law enforcement cooperation.

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## United States Senate

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September 28, 1994

The President  
The White House  
Washington, DC 20500

Dear Mr. President:

I was shocked to read in this morning's Los Angeles Times that this administration is considering allowing the importation of up to 7 million Russian-made firearms. I am writing to urge you in the strongest possible terms not to allow this dangerous handgun proliferation.

I understand the need to strengthen the Russian economy by improving exports, but this is not the way.

I hope that your administration will come to see the folly of allowing mass gun imports. However, should the pending import application be approved, I feel a responsibility to notify you that I will do all in my power to stop this senseless policy.

I look forward to your reply.

Sincerely,

Barbara Boxer  
United States Senate

cc: The Honorable Warren Christopher  
The Honorable Lloyd Bentsen  
The Honorable Leon Panetta

THE WHITE HOUSE  
Office of the Press Secretary

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For Immediate Release

November 14, 1994

TEXT OF A LETTER FROM  
THE PRESIDENT TO THE SPEAKER OF  
THE HOUSE OF REPRESENTATIVES AND  
THE PRESIDENT OF THE SENATE

November 14, 1994

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to section 204(b) of the International Emergency Economic Powers Act (50 U.S.C. 1703(b)) and section 201 of the National Emergencies Act (50 U.S.C. 1631), I hereby report to the Congress that I have exercised my statutory authority to declare a national emergency and to issue an Executive order that consolidates the functions of two existing Executive orders, eliminates provisions that have been superseded by legislation, and expands certain existing authorizations in order to enhance our ability to respond to the threat of weapons of mass destruction-related proliferation activities around the world.

The new Executive order consolidates the functions of Executive Order No. 12735 of November 16, 1990, that declared a national emergency with respect to the proliferation of chemical and biological weapons, and Executive Order No. 12930 of September 29, 1994, that declared a national emergency with respect to nuclear, biological, and chemical weapons and of the means of delivering such weapons. This new order includes all of the authorities in Executive Order No. 12930 and, with the exception discussed below, continues the authorities previously in Executive Order No. 12735.

The new order eliminates certain redundant authorities and other authorities that will be rendered unnecessary in the wake of congressional or multilateral action. The order eliminates obsolete provisions relating to the negotiation of a global convention relating to chemical weapons (CW) because the Chemical Weapons Convention has already been negotiated, signed, and is now in the ratification process. The order also eliminates an obsolete requirement to develop a list of items for CW-related controls. Such a list and the controls in question have already been implemented.

Finally, the new order provides additional authorization to further important nonproliferation goals that are not present in existing legislation or the other Executive orders. First, the order expands previous provisions on the imposition of export controls by referring to weapons of mass destruction and missiles rather than to chemical and biological weapons. Second, the order provides for the imposition of sanctions on foreign persons for proliferation activity contributing to chemical and biological weapons programs in any country. Existing sanctions legislation is limited, absent Presidential

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action, to activity that contributes to chemical and biological weapons programs in the countries on the terrorist list. This provision closes a loophole in the existing sanctions legislation and comports with the global requirement of the Chemical Weapons Convention not to assist CW programs anywhere in the world.

I have authorized these actions in view of the danger posed to the national security, foreign policy, and economy of the United States by the continuing proliferation of weapons of mass destruction and their means of delivery.

The Secretary of State, the Secretary of the Treasury, and the Secretary of Commerce are authorized to take such actions and to issue any regulations necessary to implement these requirements. These actions shall be implemented in accordance with procedures established under Executive Order No. 12851 of June 11, 1993. I am enclosing a copy of the Executive order that I have issued exercising these authorities.

My Administration continues to believe that the harmonized proliferation sanctions legislation it included as part of the proposed new Export Administration Act represents the best means of maximizing the effectiveness of sanctions as a tool of U.S. nonproliferation policy while minimizing adverse economic impacts on U.S. exporters. Until such harmonized sanctions legislation is enacted, however, I believe that it is appropriate as an interim measure to take the steps described above to consolidate and streamline the restrictions of the former nonproliferation Executive orders.

Sincerely,

WILLIAM J. CLINTON

# # #

THE WHITE HOUSE  
Office of the Press Secretary

For Immediate Release

November 18, 1994

TEXT OF A LETTER FROM THE PRESIDENT  
TO THE SPEAKER OF THE  
HOUSE OF REPRESENTATIVES AND  
THE PRESIDENT OF THE SENATE

November 18, 1994

Dear Mr. Speaker: (Dear Mr. President:)

I hereby report to the Congress on developments since the last Presidential report on May 14, 1994, concerning the national emergency with respect to Iran that was declared in Executive Order No. 12170 of November 14, 1979, and matters relating to Executive Order No. 12613 of October 29, 1987. This report is submitted pursuant to section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa-9(c). This report covers events through October 18, 1994. My last report, dated May 14, 1994, covered events through March 31, 1994.

1. There have been no amendments to the Iranian Transactions Regulations, 31 CFR Part 560, or to the Iranian Assets Control Regulations, 31 CFR Part 535, since the last report.

2. The Office of Foreign Assets Control (FAC) of the Department of the Treasury continues to process applications for import licenses under the Iranian Transactions Regulations. However, a substantial majority of such applications are determined to be ineligible for licensing and, consequently, are denied.

During the reporting period, the U.S. Customs Service has continued to effect numerous seizures of Iranian-origin merchandise, primarily carpets, for violation of the import prohibitions of the Iranian Transactions Regulations. The FAC and Customs Service investigations of these violations have resulted in forfeiture actions and the imposition of civil monetary penalties. Additional forfeiture and civil penalty actions are under review.

3. The Iran-United States Claims Tribunal (the "Tribunal"), established at The Hague pursuant to the Algiers Accords, continues to make progress in arbitrating the claims before it. Since my last report, the Tribunal has rendered 6 awards, bringing the total number to 557. Of this total, 373 have been awards in favor of American claimants. Two hundred twenty-five of these were awards on agreed terms, authorizing and approving payment of settlements negotiated by the parties, and 150 were decisions adjudicated on the merits. The Tribunal has issued 38 decisions dismissing claims on the merits and 85 decisions dismissing claims for jurisdictional reasons. Of the 59 remaining awards, 3 approved the withdrawal of cases and 56 were in favor of Iranian claimants. As of October 18, 1994, the Federal Reserve Bank of New York reported that the value of awards to successful American claimants from the Security Account held by the NV Settlement Bank stood at \$2,353,030,872.61.

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The Security Account has fallen below the required balance of \$500 million almost 50 times. Until October 1992, Iran periodically replenished the account, as required by the Algiers Accords. This was accomplished first by transfers from the separate account held by the NV Settlement Bank in which interest on the Security Account is deposited. The aggregate amount transferred from the Interest Account to the Security Account was \$874,472,986.47. Iran then replenished the account with the proceeds from the sale of Iranian-origin oil imported into the United States, pursuant to transactions licensed on a case-by-case basis by FAC. Iran has not, however, replenished the account since the last oil sale deposit on October 8, 1992, although the balance fell below \$500 million on November 5, 1992. As of October 18, 1994, the total amount in the Security Account was \$203,349,297.01 and the total amount in the Interest Account was \$20,160,414.78.

The United States continues to pursue Case A/28, filed last year, to require Iran to meet its financial obligations under the Algiers Accords to replenish the Security Account.

4. Since my last report, the Tribunal has issued two significant awards in favor of U.S. citizens who are dual nationals, for their respective shares of corporations expropriated by Iran. The Tribunal awarded members of the Khosrowshahi family \$2,484,746.31 plus interest. The Tribunal awarded members of the Ebrahimi family \$5,265,697.00 plus interest.

5. The Department of State continues to present United States Government claims against Iran, in coordination with concerned government agencies, and to respond to claims brought against the United States by Iran. In July 1994, the United States filed a new case, Number A/29, seeking to compel Iran to make its payments for Tribunal expenses in a timely manner. Over the past 2 years, Iran has failed repeatedly to make its payments for extended periods of time, until pressed by the United States in Cases A/28 and A/29.

The United States also recently filed its Rejoinders in, respectively, Case A/15 (I:D and I:H), a claim brought by Iran for the return of certain amounts held in U.S. banks, and Case A/27, a claim brought by Iran for the alleged failure of the United States to enforce a Tribunal award in its favor against a U.S. national.

In August, the United States filed a Production Request in Case B/1, a case in which Iran alleges the United States is liable for termination costs and the nondelivery of goods and services under contracts through the Foreign Military Sales (FMS) program. The United States is seeking the return of FMS documents that remained in U.S. military offices in Iran after the Revolution.

6. United States arbitrator Howard Holtzmann, one of the original members of the Tribunal, resigned July 31, 1994, after 13 years of service. To replace him, the United States appointed Charles T. Duncan, who assumed his duties on August 1, 1994. Until his appointment, Mr. Duncan was Senior Counsel to the law firm of Reid & Priest.

7. As anticipated by the May 13, 1990, agreement settling the claims of U.S. nationals against Iran for less than \$250,000, the Foreign Claims Settlement Commission (FCSC) has continued its review of 3,112 claims. As of October 18, 1994, the FCSC has issued decisions in 3,066 claims, for total awards of more than \$68 million. The FCSC expects to complete its adjudication of the remaining claims this year.

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8. The situation reviewed above continues to implicate important diplomatic, financial, and legal interests of the United States and its nationals and presents an unusual challenge to the national security and foreign policy of the United States. The Iranian Assets Control Regulations issued pursuant to Executive Order No. 12170 continue to play an important role in structuring our relationship with Iran and in enabling the United States to implement properly the Algiers Accords. Similarly, the Iranian Transactions Regulations issued pursuant to Executive Order No. 12613 continue to advance important objectives in combatting international terrorism. I shall continue to exercise the powers at my disposal to deal with these problems and will continue to report periodically to the Congress on significant developments.

Sincerely,

WILLIAM J. CLINTON

# # #

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

November 14, 1994

EXECUTIVE ORDER

- - - - -

PROLIFERATION OF WEAPONS OF MASS DESTRUCTION

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), the National Emergencies Act (50 U.S.C. 1601 et seq.), the Arms Export Control Act, as amended (22 U.S.C. 2751 et seq.), Executive Orders Nos. 12851 and 12924, and section 301 of title 3, United States Code,

I, WILLIAM J. CLINTON, President of the United States of America, find that the proliferation of nuclear, biological, and chemical weapons ("weapons of mass destruction") and of the means of delivering such weapons, constitutes an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States, and hereby declare a national emergency to deal with that threat.

Accordingly, I hereby order:

Section 1. International Negotiations. It is the policy of the United States to lead and seek multilaterally coordinated efforts with other countries to control the proliferation of weapons of mass destruction and the means of delivering such weapons. Accordingly, the Secretary of State shall cooperate in and lead multilateral efforts to stop the proliferation of weapons of mass destruction and their means of delivery.

Sec. 2. Imposition of Controls. As provided herein, the Secretary of State and the Secretary of Commerce shall use their respective authorities, including the Arms Export Control Act and the International Emergency Economic Powers Act, to control any exports, to the extent they are not already controlled by the Department of Energy and the Nuclear Regulatory Commission, that either Secretary determines would assist a country in acquiring the capability to develop, produce, stockpile, deliver, or use weapons of mass destruction or their means of delivery. The Secretary of State shall pursue early negotiations with foreign governments to adopt effective measures comparable to those imposed under this order.

Sec. 3. Department of Commerce Controls. (a) The Secretary of Commerce shall prohibit the export of any goods, technology, or services subject to the Secretary's export jurisdiction that the Secretary of Commerce determines, in consultation with the Secretary of State, the Secretary of Defense, and other appropriate officials, would assist a foreign country in acquiring the capability to develop, produce,

stockpile, deliver, or use weapons of mass destruction or their means of delivery. The Secretary of State shall pursue early negotiations with foreign governments to adopt effective measures comparable to those imposed under this section.

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(b) Subsection (a) of this section will not apply to exports relating to a particular category of weapons of mass destruction (i.e., nuclear, chemical, or biological weapons) if their destination is a country with whose government the United States has entered into a bilateral or multilateral arrangement for the control of that category of weapons of mass destruction-related goods (including delivery systems) and technology, or maintains domestic export controls comparable to controls that are imposed by the United States with respect to that category of goods and technology, or that are otherwise deemed adequate by the Secretary of State.

(c) The Secretary of Commerce shall require validated licenses to implement this order and shall coordinate any license applications with the Secretary of State and the Secretary of Defense.

(d) The Secretary of Commerce, in consultation with the Secretary of State, shall take such actions, including the promulgation of rules, regulations, and amendments thereto, as may be necessary to continue to regulate the activities of United States persons in order to prevent their participation in activities that could contribute to the proliferation of weapons of mass destruction or their means of delivery, as provided in the Export Administration Regulations, set forth in Title 15, Chapter VII, Subchapter C, of the Code of Federal Regulations, Parts 768 to 799 inclusive.

Sec. 4. Sanctions Against Foreign Persons. (a) In addition to the sanctions imposed on foreign persons as provided in the National Defense Authorization Act for Fiscal Year 1991 and the Chemical and Biological Weapons Control and Warfare Elimination Act of 1991, sanctions also shall be imposed on a foreign person with respect to chemical and biological weapons proliferation if the Secretary of State determines that the foreign person on or after the effective date of this order or its predecessor, Executive Order No. 12735 of November 16, 1990, knowingly and materially contributed to the efforts of any foreign country, project, or entity to use, develop, produce, stockpile, or otherwise acquire chemical or biological weapons.

(b) No department or agency of the United States Government may procure, or enter into any contract for the procurement of, any goods or services from any foreign person described in subsection (a) of this section. The Secretary of the Treasury shall prohibit the importation into the United States of products produced by that foreign person.

(c) Sanctions pursuant to this section may be terminated or not imposed against foreign persons if the Secretary of State determines that there is reliable evidence that the foreign person concerned has ceased all activities referred to in subsection (a).

(d) The Secretary of State and the Secretary of the Treasury may provide appropriate exemptions for procurement contracts necessary to meet U.S. operational military requirements or requirements under defense production agreements, sole source suppliers, spare parts, components,

routine servicing and maintenance of products, and medical and humanitarian items. They may provide exemptions for contracts in existence on the date of this order under appropriate circumstances.

Sec. 5. Sanctions Against Foreign Countries. (a) In addition to the sanctions imposed on foreign countries as provided in the Chemical and Biological Weapons Control and

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Warfare Elimination Act of 1991, sanctions also shall be imposed on a foreign country as specified in subsection (b) of this section, if the Secretary of State determines that the foreign country has, on or after the effective date of this order or its predecessor, Executive Order No. 12735 of November 16, 1990, (1) used chemical or biological weapons in violation of international law; (2) made substantial preparations to use chemical or biological weapons in violation of international law; or (3) developed, produced, stockpiled, or otherwise acquired chemical or biological weapons in violation of international law.

(b) The following sanctions shall be imposed on any foreign country identified in subsection (a)(1) of this section unless the Secretary of State determines, on grounds of significant foreign policy or national security, that any individual sanction should not be applied. The sanctions specified in this section may be made applicable to the countries identified in subsections (a)(2) or (a)(3) when the Secretary of State determines that such action will further the objectives of this order pertaining to proliferation. The sanctions specified in subsection (b)(2) below shall be imposed with the concurrence of the Secretary of the Treasury.

(1) Foreign Assistance. No assistance shall be provided to that country under the Foreign Assistance Act of 1961, or any successor act, or the Arms Export Control Act, other than assistance that is intended to benefit the people of that country directly and that is not channeled through governmental agencies or entities of that country.

(2) Multilateral Development Bank Assistance. The United States shall oppose any loan or financial or technical assistance to that country by international financial institutions in accordance with section 701 of the International Financial Institutions Act (22 U.S.C. 262d).

(3) Denial of Credit or Other Financial Assistance. The United States shall deny to that country any credit or financial assistance by any department, agency, or instrumentality of the United States Government.

(4) Prohibition of Arms Sales. The United States Government shall not, under the Arms Export Control Act, sell to that country any defense articles or defense services or issue any license for the export of items on the United States Munitions List.

(5) Exports of National Security-Sensitive Goods and Technology. No exports shall be permitted of any goods or technologies controlled for national security reasons under the Export Administration Regulations.

(6) Further Export Restrictions. The Secretary of Commerce shall prohibit or otherwise substantially restrict exports to that country of goods, technology, and services (excluding agricultural commodities and products otherwise subject to control).

(7) Import Restrictions. Restrictions shall be imposed on the importation into the United States of articles (that may

include petroleum or any petroleum product) that are the growth, product, or manufacture of that country.

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(8) Landing Rights. At the earliest practicable date, the Secretary of State shall terminate, in a manner consistent with international law, the authority of any air carrier that is controlled in fact by the government of that country to engage in air transportation (as defined in section 101(10) of the Federal Aviation Act of 1958 (49 U.S.C. App. 1301(10))).

Sec. 6. Duration. Any sanctions imposed pursuant to sections 4 or 5 of this order shall remain in force until the Secretary of State determines that lifting any sanction is in the foreign policy or national security interests of the United States or, as to sanctions under section 4 of this order, until the Secretary has made the determination under section 4(c).

Sec. 7. Implementation. The Secretary of State, the Secretary of the Treasury, and the Secretary of Commerce are hereby authorized and directed to take such actions, including the promulgation of rules and regulations, as may be necessary to carry out the purposes of this order. These actions, and in particular those in sections 4 and 5 of this order, shall be made in consultation with the Secretary of Defense and, as appropriate, other agency heads and shall be implemented in accordance with procedures established pursuant to Executive Order No. 12851. The Secretary concerned may redelegate any of these functions to other officers in agencies of the Federal Government. All heads of departments and agencies of the United States Government are directed to take all appropriate measures within their authority to carry out the provisions of this order, including the suspension or termination of licenses or other authorizations.

Sec. 8. Preservation of Authorities. Nothing in this order is intended to affect the continued effectiveness of any rules, regulations, orders, licenses, or other forms of administrative action issued, taken, or continued in effect heretofore or hereafter under the authority of the International Economic Emergency Powers Act, the Export Administration Act, the Arms Export Control Act, the Nuclear Non-proliferation Act, Executive Order No. 12730 of September 30, 1990, Executive Order No. 12735 of November 16, 1990, Executive Order No. 12924 of August 18, 1994, and Executive Order No. 12930 of September 29, 1994.

Sec. 9. Judicial Review. This order is not intended to create, nor does it create, any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, officers, or any other person.

Sec. 10. Revocation of Executive Orders Nos. 12735 and 12930. Executive Order No. 12735 of November 16, 1990, and Executive Order No. 12930 of September 29, 1994, are hereby revoked.

Sec. 11. Effective Date. This order is effective immediately.

This order shall be transmitted to the Congress and published in the Federal Register.

**OFFICE OF DAVID GERGEN  
SPECIAL ADVISOR TO THE PRESIDENT AND  
TO THE SECRETARY OF STATE**

Phone# 202-647-5527

Fax# 202-647-5573

TO: José CendaFROM: Tody GreenstoneFAX #: 456-7028# OF PAGES: 3 + cover

## COMMENTS:

I have attached Richard Palm's most recent letter. As I have discussed with some of you, I think it would be a good idea to set up a "policy" meeting with the appropriate people. Also, given David's coming departure who should Richard contact in the future?

This fax is confidential and meant for the addressee only. If there is any problem with this transmission, please call David Gergen's office at 202-647-5527.

Also - A written response from State correctly some of the misstatements would make sense - I will follow up with this

**Novecon**  
Suite 200  
1020 16th Street, N.W.  
Washington, D.C. 20036

**Dr. Richard W. Rahn**  
President

Tel. (202) 659-3200  
Fax. (202) 659-3215

November 22, 1994

**Hon. David Gergen**  
Special Advisor to President & Secretary of State  
U.S. Department of State  
2201 C St., NW  
Washington, DC 20520

Dear David:

It is my belief that the U.S. Government has the responsibility to adopt policies which increase the economic well-being of the American people and that of our friends, such as Russians, and the responsibility to be truthful with both Americans and our foreign friends. Unfortunately the actions of the Clinton Administration are:

- A. Costing us (Novecon) markets and profits;
- B. Costing our U.S. partners markets and profits;
- C. Reducing Novecon's and my personal credibility, as well as the Clinton Administration's credibility with the Russian officials;
- D. Costing the U.S. jobs;
- E. Costing the Russians jobs that they desperately need during their economic transition;
- F. Reducing trade between the U.S. and Russia;
- G. Reinforcing the belief of many Russians that President Clinton was not forthright with President Yeltsin; and
- H. Impeding the peaceful economic transition in Russia.

NOV-22-94 TUE 10:14

NOVECON

FAX NO. 2026593215

P. 03

I consider the lack of corrective action on the problem that I brought to your attention as well as other high officials of the Clinton Administration a "breach of faith" with not only Novecon, but with our U.S. and Russian partners, the Russian government, and other U.S. firms in a similar position.

No one in the Administration that I have talked with, including high officials of Commerce, Treasury and State, has claimed there is any public policy justification for denying our clients' import permit. In fact, everyone admits the products we are seeking to have imported should never have been lumped in with the other items on the "hold list" to begin with. The products our clients wish to import are currently being imported from many countries from around the world, including former communist ones, and no one that I am aware of has seriously advocated prohibiting such imports.

We have done everything the Administration has requested including giving some pro bono assistance on Russian related projects. I don't expect much from my government, but I do expect honest and reasonable non-destructive actions on the part of Administration officials.

I am tired of the endless delays in getting approval for trade that should have never been delayed in the first place. I am tired of losing my credibility and working relationships with my Russian partners because people in the Administration refuse to carry out their promises and take timely and responsible action. I am tired of waiting in Russia for three weeks, as I just did, for approvals from an Administration that claims to be in favor of free trade and economic transition for Russia, but acts in the opposite manner.

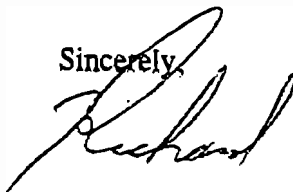
We have waited well beyond the time we were told the problems in the Administration would be worked out, at considerable cost to ourselves. If Administration officials cannot figure out how to be constructive, they ought at least "first do no harm."

It makes no political or economic sense for the Administration to pick a fight with us. (It seems to be they have enough problems, and given their screw ups on this one, it can only be a lose-lose situation). I have tried to be helpful to the Administration, and I have spent considerable amounts of my own time and money assisting the economic transition of Russia. Our companies have always acted in a way that would support U.S. policy, and we have consulted with appropriate officials on all sensitive matters. In exchange, I have been misled by officials representing this Administration, at considerable cost to our stockholders and our U.S. and Russian partners. I am quite sure that most of the officials I spoke with were being honest with me, but they in turn appear to have had the rug pulled out from them by irresponsible action at the highest levels in the Administration.

I shall not let this lie, for I have a fiduciary responsibility to my stockholders to protect their interest, and a broader duty to help insure that America is a constructive force and not a destructive force in the Russian economic transition. Given that the Administration appears unwilling to correct their mistake in this manner in a timely and responsible fashion, I have no choice but to go to the Congress and the media.

David, I appreciate the efforts you have made to be helpful and constructive in this manner. If I am in error with any of my statements please let me know immediately so that I do not misrepresent the Administration in public. Also, I am always prepared to meet, assist, and work with serious Administration officials who are genuinely interested in solving problems. If you think that corrective action may be taken, please let us know before we act. Otherwise, I shall not be quiet any longer and accept the unacceptable.

Sincerely,

A handwritten signature in cursive script, appearing to read "Richard W. Rahn".

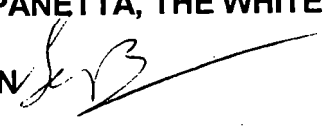
Richard W. Rahn



**EXECUTIVE OFFICE OF THE PRESIDENT**  
**OFFICE OF NATIONAL DRUG CONTROL POLICY**  
Washington, D.C. 20500

November 22, 1994

**MEMORANDUM TO LEON PANETTA, THE WHITE HOUSE**

**FROM: LEE P. BROWN** 

**SUBJECT: Counternarcotics and the Summit of the Americas -**  
**Recommended Action**

**Purpose**

This memorandum is to request your assistance in assuring that the issue of Narcotics receives proper consideration at the forthcoming Summit of the Americas.

**Background**

As early as July the President indicated his interest and concern in highlighting counternarcotics at the Summit of the Americas.

Last month the President and I discussed the importance of this issue for the entire hemisphere. As requested, I followed up with a memo that outlined the activities that would underscore the President's commitment to the drug control issue.

While I am told that the President's remarks in Miami will reflect his interest in the topic, it is important to reinforce his commitment beyond a "declaration of principles." The President's detractors, particularly the Republicans, already have an abundance of ammunition to allege a lack of conviction by the Administration on drugs -- from reducing staff at ONDCP, to remarks by the Surgeon General, to increases in adolescent drug use and a rise in emergency room episodes by addicts.

The Miami Herald recently published an editorial stating the need to address drugs at the Summit. Alvah Chapman, the retired owner and publisher of the Herald, discussed the President's commitment to anti-drug efforts with him in July when the President was in Miami. Jim Burke and Alvah Chapman as part of the Community Anti-Drug Coalitions of America, had expected the President to address their group in October but the speech was canceled.

Information has been provided to me that outlines the arguments the Republicans will use on the drug issue to embarrass our President. One area of criticism is that the President is not sufficiently engaged in addressing the drug problem as a top priority.

The Interdiction Community recently held two conferences to address the international supply issue. At both conferences the importance of addressing narcotics at the Summit was discussed. Today, Admiral Kramek, Coast Guard Commandant and our Interdiction Coordinator, called to convey to me the request of the Interdiction Committee (Coast Guard, Customs, Defense and the Drug Enforcement Administration) that I advise the President of the Committee's strong feeling that addressing narcotics at the Summit is essential to our efforts in the Source Countries.

Representative Ben Gilman will now head the Foreign Affairs Committee. He urged Secretary Christopher to highlight counternarcotics at the Summit in a communication this past fall. Clearly, how narcotics are addressed at the Summit will have an impact on future Congressional hearings and our counter-narcotics budget requests.

I must underscore the acute nature of fortifying the President against any more unnecessary disapproval and criticism.

Enclosed are documents that point out the information that I have referenced above as well as press clippings that magnify the issue.

### **Action**

I am moving forward in addressing opportunities to promote the President's message, however I have not been successful in accomplishing the President's directive about counternarcotics within the framework of the plans for the Summit of the Americas.

The Summit of the Americas provides a unique opportunity to show the steadfast commitment of the United States to work with other countries in this hemisphere, to not only reduce illicit supplies, but also eliminate the demand for drugs. The other countries are looking to the United States to lead in these endeavors, to support them, and to demonstrate an appreciation for their efforts.

One demonstrable approach would be to formalize the Mexico City Plan which outlines the mutual counternarcotics efforts of Latin American countries and the United States in a significant ceremony, or at the least, publicize and highlight the document beyond being an aside to the Summit.

89-0083-1007  
On March 10, 1987

**Congress of the United States**  
**Committee on Foreign Affairs**  
**House of Representatives**  
**Washington, DC 20515**  
**August 4, 1994**

ALABAMA  
ALASKA  
ARIZONA  
ARKANSAS  
CALIFORNIA  
CONNECTICUT  
DELAWARE  
FLORIDA  
GEORGIA  
HAWAII  
ILLINOIS  
INDIANA  
IOWA  
KANSAS  
KENTUCKY  
LOUISIANA  
MAINE  
MARYLAND  
MASSACHUSETTS  
MICHIGAN  
MINNESOTA  
MISSISSIPPI  
MISSOURI  
MONTANA  
NEBRASKA  
NEVADA  
NEW HAMPSHIRE  
NEW JERSEY  
NEW MEXICO  
NEW YORK  
NORTH CAROLINA  
NORTH DAKOTA  
OHIO  
OKLAHOMA  
OREGON  
PENNSYLVANIA  
RHODE ISLAND  
SOUTH CAROLINA  
SOUTH DAKOTA  
Tennessee  
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DONN CLARK, Kentucky  
CHRISTOPHER A. BENTLEY, New York  
JAN SHUTZ, Illinois  
JAN SCHUTZ, Kansas  
ELTON GALLAGHER, Oklahoma  
LEAH ROSENBERG, Florida  
CARL LINDER, North Carolina  
DANA ROSENBERG, California  
DAVID LUTY, New York  
DONALD A. MARSHALL, Texas  
LINCOLN DODD, Connecticut  
EDWARD A. BYRNE, New York

RONALD A. SANDS  
Republican Chief of Staff

The Honorable Warren M. Christopher  
Secretary of State  
Washington, D.C. 20520

e-mail

Dear Mr. Secretary:

Following your testimony July 27 before the Committee on Foreign Affairs in which you mentioned planning for the Summit of the Americas, I would like to reiterate my view that narcotics control will be a priority on the Summit's formal agenda.

For the first time since the Carter Administration, drug use is up, according to a recently released Department of Health and Human Services household survey. It is my hope that the Administration will incorporate the following issues into the Summit and report to me before that meeting on the profile that these items will be accorded:

- o enhancing the sharing of intelligence to help fight drug production and trafficking;
- o enacting existing money laundering model codes, including increased civil penalties and reporting requirements on the movement of domestic and foreign currencies;
- o stopping the production and importation of precursor chemicals used in the production of illegal drugs;
- o increasing the substitution and eradication of illegal crops and our cooperative interdiction efforts;
- o seizing and forfeiting assets obtained directly through, or in support of, the illegal narcotics trade;
- o improving border and customs detection and cooperation for both passengers and cargo at ports of entry; and,

9400-7699

- o enhancing education efforts and increase public awareness of the dangers of narcotics use.

These objectives are not new; they have been the subject of regional dialogue and cooperation for years. The Summit offers an opportunity to invigorate the Hemisphere in the battle against the destructive effects of the illegal drug trade. It is my hope that the Summit not duplicate existing instruments of cooperation -- such as the Inter-American Drug Abuse Control Commission or UNDCP -- but rather bolster the commitment of participating countries to follow through with real action.

Given the alarming report on rising drug use which I cited earlier, we cannot pass up any opportunity to improve our strategy, particularly in terms of regional cooperation.

On narcotics and all other issues taken up at the Summit, I believe it is vital that the President designate a single agency that will be responsible for coordinating and tracking the implementation of the diverse initiatives expected to be advanced at the Summit.

*Summit Coordinating Office*

With best wishes,

Sincerely,



**BENJAMIN A. GILMAN**  
Ranking Republican Member

**BAG/rfn**

bcc: Dr. Richard Feinberg, National Security Council  
Amb. Michael Skol, Department of State  
Amb. Tony Gillespie, Department of State ✓

THE WHITE HOUSE

Office of the Press Secretary  
(Boston, Massachusetts)

Internal Transcript  
1994

July 18,

REMARKS BY THE PRESIDENT  
IN MEETING WITH THE MIAMI HERALD  
EDITORIAL BOARD

Sheraton Bal Harbour  
Miami, Florida

10:05 A.M. EDT

Q Mr. President, this community is very grateful to you and to Secretary Cisneros for recognizing and supporting our homeless initiative. And we're very grateful for that. I want to switch to another subject, though, and to ask you to think about the front-line people who are involved in the drug war in our country. The people in the community antidrug coalitions who are dealing with prevention, who are helping with education in the schools and drug-free workplaces -- that whole range of programs -- those people applauded your appointment of Lee Brown as the Director of the Office of National Drug Control Policy, and especially making that position a Cabinet post.

We've been concerned, however, because of a lack of visibility of Mr. Brown in that position and the lack of articulation of a clear policy with respect to prevention and strengthening that whole area of our war against the demand for drugs. Do you have any comments on your administration's position in that regard?

THE PRESIDENT: Yes. When we issued the new drug policy I went out to Maryland to a kind of a boot camp-like facility, or an alternative imprisonment facility, and attempted to make it a very large national event, along with Lee Brown. And we have tried to do two things that I think are quite important, and we've been subject to some criticism for both. But let me say what they are and defend them.

The first is that even in this very tough budget that I have sent up to Congress, which, when it passes, will give us three years of deficit reduction in a row for the first time since Truman was President, and which has the first aggregate reduction in domestic

discretionary spending -- that's everything but Medicare and Medicaid, Social Security and veterans' benefits and smaller entitlements -- we reduced everything else, there is a substantial increase in drug treatment and prevention funds.

Secondly, in the crime bill itself, which I hope and believe will pass before the August recess, there is for the first time \$8 billion in prevention funds, which can be used both for drug education and prevention programs and for things that basically engage the energies of our young people in a constructive way -- things like job-training programs, summer job programs, after-school programs, midnight basketball programs, a whole range of other community activities which, by definition, help to keep people away from drugs. And this is the largest federal commitment in history by far to the antidrug effort.

So I think those two things really show that we have changed the priorities of the country and we're going to be working very hard on it.

It is a serious problem. There is a -- the drug statistics are mixed, but cocaine use is back up among the American people, and drug use is back up among some young people --

Q -- by young people is reduced.

THE PRESIDENT: That's right. And we've got to turn it up again. And I do think we need to raise Lee Brown's visibility. He's, interestingly enough -- when he was -- I talked to him about this the other day -- when he was a police chief he had visibility by virtue of his job and what he did, so that when he instituted community policing, for example, in New York City and the crime rate went down in all the major boroughs, that spoke for itself. He was given that he could be a low-key person and put these things in, and the power of the action spoke for themselves.

In the drug job I think it's much more of an advocacy job. And one of the things that he's trying to do now -- he just got back from a trip to Asia, working on some of our other strategy, which is to stop more drugs at the source rather than just pick them up in transit. I think he's beginning to get a feel for that, and I think I need to work on that to make sure he gets the visibility he needs because there has been an erosion of the fear factor among our younger people which we need to get back.

SECRETARY CISNEROS: Mr. President, I just

might add to that that your making Lee a member of the Cabinet gives that office standing so that when we work together as Cabinet officers, the Department of Labor, and Education, and Housing, and Health and Human Services, and the Justice Department on crime issues, Lee Brown is the sixth person in that team. It wasn't ever the case before where the drug effort was that intricately involved with the other Cabinet efforts. And we're doing that now in communities across the country as a team. It's never been done before, and Lee Brown is part of that effort.

THE PRESIDENT: But I do think, to close the circle here, the public feeling has to be reignited again. It's become more -- there's a very high level of concern today about crime and violence and guns. And that has changed the public debate there. For example, if it hadn't been for the public's shift, I don't think we could have prevailed, for example, in that showdown battle over assault weapons in the House of Representatives.

But I think the centrality of drug use itself to the whole crime issue has kind of gotten in the background, and I agree with you, sir, we need to do more to lift it up.

Q There are some great allies out there for Secretary Brown and for your administration in the form of thousands of communities that have organized coalitions to really do the grass roots work. And they would be very supportive of Mr. Brown and his endeavors.

SECRETARY CISNEROS: Mr. President, I saw an analysis the other day that shows the Coalition For a Drug-Free America was sponsoring television advertisements, newspaper efforts and so forth across the country. And you could chart the volume and amount of what they were doing, and chart in opinion polling young people's perceptions of drugs as it impacted them with that. In other words, the higher the visibility, the lower the use because they had it bombarded on them all the time.

So national coalitions that involve, Alvah, people like yourself, Knight-Ridder, and your colleagues in the news business across the country -- TV networks and so forth -- is a very positive thing; very important and useful thing.

## PARTNERSHIP FOR A DRUG-FREE AMERICA

JAMES E. BURKE  
Chairman

September 30, 1994

Mr. Leon E. Panetta  
White House Chief of Staff  
The White House  
1600 Pennsylvania Avenue, N.W.  
First Floor, West Wing  
Washington, D.C. 20500

Dear Leon:

In reference to my letter of September 14th, it has come to my attention that the Partnership's event with the media cannot be held until after the election which is unfortunate, but I am pleased to learn that the President has been tentatively scheduled to speak at CADCA (Community Anti-Drug Coalitions of America) on Friday, October 28th. This group is terribly important in re-establishing progress against the drug problem.

In looking forward to possible dates for the media event, I would suggest the following in order of priority:

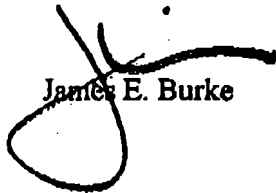
Thursday, November 17th  
Wednesday, November 16th  
Tuesday, November 15th

Quite frankly we have been attempting to schedule this event since February 1st when the President indicated to me that he agreed with our recommendation to meet with the top media people on this important issue. Again, I want to suggest that we ideally need six weeks advance notice to maximize attendance by the media. If it cannot be scheduled on any of these dates it will be impossible to have the event in this calendar year because of the upcoming holidays.

I would also like to take this opportunity to again remind everyone of the importance of the Miami Story (attached) which the President may wish to refer to if he speaks to CADCA and/or has another opportunity to discuss the drug problem.

In addition to copying Carol Rasco and Lee Brown, I am taking the liberty of copying William Webster as it is my understanding that he will be the incoming scheduler at the White House.

Sincerely,



James E. Burke

JEB:dmp  
Attachments/Enclosure

cc: L. Brown  
C. Rasco  
W. Webster

P.S. I know how busy you are but you might find the enclosed 2 minute and 48 second tape by Peter Jennings instructive. It is going to be sent out to thousands of schools and community organizations like those that belong to CADCA with an up-to-date reel of our Public Service Announcements.

## THE MIAMI STORY

The Miami Coalition for a Safe and Drug-Free Community was founded in 1988, and was one of the earliest anti-substance abuse coalitions to be formed on a broad base in a major city. This coalition has become a model for many other communities in this country and, increasingly, abroad.

The Miami Coalition has been very successful in organizing the community to launch and operate a wide variety of substance abuse programs. And, with assistance from the Broward County Commission, they have been extremely successful in generating high levels of support from the media in the Miami/Ft. Lauderdale market, particularly from the television stations.

Miami has been participating in the Partnership campaign since its inception and has always been one of our stronger markets. As a result of the combined coalition efforts, this community became the Partnership's number one television market in 1993. As such, it has become a dramatic example of the validity of our premise that when community coalitions employ the powerful tool of the media, they can make changes happen faster.

Attached is an illustration of Miami's media performance and the incidence of any illicit past 30-day drug use (SAMHSA Household Survey) compared to the U.S. for 1991-1993. The highlights of this are as follows:

| <u>Area</u> | <u>Past 30-Day Use</u><br>% Chg | <u>PDFA Media Value</u><br>%Chg |
|-------------|---------------------------------|---------------------------------|
| Miami       | -56                             | +308                            |
| Tot. U.S.   | -21                             | +33 *                           |

\*Average, top 75 markets.

MIAMI HERALD

NOV 13 1994

# Vital summit topic: Drugs

2M

**E**ver since Vice President Albert Gore announced that Washington was convening a Summit of the Americas, there was no doubt that trade and environmental issues would figure prominently on the meeting's agenda. Even so, Congress's unwillingness to ratify a new global free trade pact has dampened prospects for making meaningful progress on hemispheric free trade at the summit.

Now most participants rightly want to put illegal drugs on the summit agenda. They should. The discussion ought to include both the insatiable U.S. demand for illicit drugs and an examination of the hemispheric drug trade in countries besides Colombia.

One way or the other, the summit is a fitting venue for reviewing policies that often seem driven by Washington's obsession with capturing the kingpins of Colombia's Cali Cartel. But this cartel is merely the best-known enterprise in a corrupting Latin American drug trade that reaches into governments and law enforcement agencies in several nations.

In the last few months, for instance, ruthless drug traffickers have been linked to the murders of the secretary general of Mexico's ruling Revolutionary Institutional Party, Jose Francisco Ruiz Massieu, and of Paraguayan Gen. Ramon Sosa Rodriguez.

Much of the heroin entering the United States comes from Mexico, which has a burgeoning drug trade. Yet you wouldn't know this from most accounts of Latin American drug trafficking. The Clinton administration is mostly preoccupied with pressuring Colombia's alleged "narcodemocracy"

**A HEMISPHERIC PERIL**  
Colombia is not the only Latin American country menaced by drugs. The Summit of the Americas ought to unite the hemisphere's nations in one anti-drug strategy.

into taking out the Cali Cartel chiefs.

All the while, next door, Mexico is bedeviled by a drug mafia known as the Gulf Cartel, which exports tons of cocaine to the United States. This outfit has been tied to Mr. Ruiz Massieu's murder, and one of its alleged leaders was arrested two weeks

ago. A U.S. court requested the extradition of this dual national. Washington should press Mexico to comply.

Some Mexican politicians even have linked drug traffickers to the Chiapas uprising and to the murder of PRI presidential candidate Luis Donaldo Colosio. Alarming, Mexican "narcos" have penetrated the ranks of Mexico's national and local law enforcement officials, politicians, and businessmen.

Moreover, sources say, Latin drug traffickers have bought off high-level government officials in Central America, Venezuela, Brazil, Paraguay, Peru, and elsewhere. In short, Colombia's not the hemisphere's only nation in peril of becoming a "narcodemocracy."

Luckily, the United States and Latin America have demonstrated their capacity to implement effective joint anti-drug policies. Last month, for example, five Latin American countries working with the Drug Enforcement Administration began to dismantle a huge drug money laundering operation with branches in several Latin American capitals and in the United States. More than 30 arrests were made.

Such multinational operations must take place more frequently. The Summit of the Americas is just the occasion for working out an enduring and viable hemispheric anti-drug strategy.

DANIEL JAMES

# Narcodemocracy menace?

The assassinations of two top Mexican leaders only six months apart has spurred speculation that hard-line politicians and drug traffickers, accused of being involved in both acts, are acting in tandem to derail the deep-going reforms of outgoing President Carlos Salinas de Gortari. With the druglords' influence said to reach into the presidency itself, Mexicans fear the growth of a "narcodemocracy."

The former personal assistant to Mexico's attorney general, Eduardo Valle Espinosa, has in fact used the word "narcodemocracy" to describe what is happening. In May, he resigned his job, charging that pervasive official corruption blocked his investigation of the drug mafia. Subsequently, in an interview with a leading Mexican weekly, *Proceso*, he made revelations that shook the country's establishment. Then, fearing for his life, he fled to the United States.

In Washington, on Aug. 25, Mr. Valle charged in sworn testimony before Mexican law enforcement officials and legislators, who had come here solely for that purpose, that the Mexican drug mafia directed the assassination of Luis Donaldo Colosio, presidential candidate of the ruling Institutional Revolutionary Party (PRI) last March 23. He accused Colosio foes inside the PRI of being accomplices.

His political enemies wanted to eliminate Mr. Colosio, Mr. Valle explained, because he had pledged to continue President Salinas' economic reforms, which they regarded as a threat to the party's 65-year hold on power and thus their own power. Mr. Colosio likely would have become Mexico's next president had he lived.

On Sept. 28, still another high PRI leader and reformer, party Secretary General Jose Francisco Ruiz Massieu, was murdered outside a Mexico City hotel. Again,

the same tacit alliance between the PRI's hard-liners and the druglords were allegedly the culprits.

Subsequently, two officeholding members of the PRI were identified by an aide to one of them as being involved in the assassination plot. They were determined, the aide said, to undo Mr. Salinas' reforms "regardless of the means they

*DEA officials here point to the thriving partnership between Colombia's Cali cartel and two Mexican cartels.*

would have to use." He also revealed the existence of a death list including other PRI officials.

These revelations were broadcast on television by Deputy Attorney General Mario Ruiz Massieu, brother of the assassinated PRI secretary general, who runs the government's anti-drug campaign. The main figures in the assassination, including 14 persons now under arrest, are from the border state of Tamaulipas, believed to be the headquarters of Mexico's No. 1 suspected druglord. This narcotics empire, which stretches over a dozen states along the Gulf of Mexico from Southernmost Chiapas to the Texas border, would be endangered if the PRI reformers continued Mr. Salinas' program. His newly elected successor and Colosio replacement, Ernesto Zedillo, who takes office on Dec. 1, has pledged to do just that.

Mr. Valle showed me, during an interview, a 37-page list of names, phone numbers, and frequency of calls to high Mexican officials made by Gulf cartel members, which

were intercepted by the DEA.

The impact of the Mexican drug mafia on the United States is incalculable. Mexico, according to a State Department narcotics report in April, is "the principal transit route for cocaine entering the U.S.," with "at least 50 percent of the cocaine entering the U.S. ... transshipped through Mexico."

After offloading at the 50 druglord-controlled airports in Tamaulipas, the cocaine is usually moved across the border in tanker trucks, since they can carry huge payloads. Under the North American Free Trade Agreement, the first inspection point is no longer at the border itself but about 25 miles to the north. But before reaching that point, vehicles carrying cocaine are already moving across the United States to places such as Washington.

DEA officials here point to the thriving partnership between Colombia's Cali cartel and two Mexican cartels. They have more than once warned the Mexican government of the "Colombianization" of their country. The State Department reports that Mexican authorities seized 46 metric tons of cocaine and 50 kilograms of heroin — a major haul. But, it adds, "the flow of illegal drugs from Mexico to the U.S. remains undiminished."

Thus Mexico's emerging narcodemocracy is present on our own streets.

As President Clinton prepares for a December summit in Miami with his Latin American counterparts, he might include on his agenda a meeting with those whose "narcodemocracies" threaten the genuine democracies he seeks to encourage.

*Daniel James, who was based in Mexico as a foreign correspondent for more than 20 years, revisited the country in August to cover its presidential election.*

The New York Times SUNDAY NOVEMBER 20, 1994

# Troops Enter Rio Slums In Drug War

## Army Joins the Drive Against Traffickers

By JAMES BROOKE

Special to The New York Times

RIO DE JANEIRO, Nov. 19 — Joining drug enforcement efforts for the first time, heavily armed Brazilian Army soldiers occupied two densely populated hillside shantytowns here today, setting up sandbag gun positions for a campaign against powerful trafficking gangs.

The soldiers arrived in olive green helicopters and small tanks under a driving tropical rain. On Friday night, the troops had set up checkpoints at entry points to five other shantytowns in Rio's beachfront area. Installed without warning, the barriers cut off weekend drug users from their suppliers in this resort city.

The deployment was the greatest show of army force here since the Brazilian military relinquished power to civilians in 1985. Today, 80 people were detained in the shantytowns, most of them because they lacked legal documents or were suspected of drug purchases or trafficking, the authorities said. One soldier was slightly wounded, apparently by a trafficker.

Normally, criminal sweeps in the shantytowns are handled by the state Military Police, who answer only to state governors and are widely feared by residents for their tactics of extortion, intimidation and violence.

Twenty years ago, the army was also deeply feared because it repressed urban guerrilla movements with torture and assassinations. Though such memories have faded for many people, the civilian leadership's decision to call out army troops underscores an impression that drug trafficking in Brazil is spiraling out of control.

President Itamar Franco announced the army would intervene three weeks ago, as a rise in crime threatened the image of the country's traditional tourist capital.

In the first 16 months of this year, Brazil's Federal Police seized 11.5 tons of cocaine, five times as much as in all of 1992. Since June, the police have confiscated the two largest shipments on record here — 7.5 tons on June 5 and half a ton two weeks ago. The June shipment, apparently coordinated by the Cali cartel in Colombia, was destined for New York, and this month's shipment was bound for Japan.

"A few years ago, grams or kilos of cocaine were seized in Brazil; today, tons are seized," read a statement issued in August by a Brazilian drug prevention conference.

The deployment has also coincided with a visit by the American Defense Secretary, William J. Perry, who described international drug enforcement as a top priority in a speech on Friday.

"Challenge No. 1 is the criminal drug trade," Mr. Perry said in a speech in Brasilia to about 80 senior Brazilian military officers. Without referring directly to the army's intervention in Rio, Mr. Perry expressed satisfaction "that both the United States and Brazil have assigned a role to their military in supporting the civilian law enforcement agencies in fighting the drug trade."

After a day of meetings, Mr. Perry flew from here to Buenos Aires today, the last leg of a six-day trip to Brazil and Argentina.

Brazil shares virtually unpatrolled Amazon borders with the world's three major cocaine producers: Colombia, Peru and Bolivia. As international attention has increased police pressure on smuggling networks in those three Andean nations, traffickers have increasingly turned to Brazil as a shipping route.

Brazil's traditional smuggling gangs fell on hard times after the nation slashed import tariffs in 1990. Today, fleets of small planes that once smuggled in electronics and whisky from Paraguay now carry cocaine.

To help Brazil fight drug trafficking, the United States has approved \$15 million in aid for computers, vehicles and communications equipment. In July, Brazil's Government awarded a \$1.4 billion contract to Raytheon Company of Lexington, Mass., to build an air traffic control radar system in the Amazon region.

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Date: \_\_\_\_\_

## Colombia Tries To Renew Ban On Drug Usage

page A1

Special to The New York Times

BOGOTA, Colombia, Nov. 1 — The Colombian Government announced today that it would submit legislation to Congress that would modify the Constitution to forbid drug consumption, which was legalized by a high court last May.

Vice President Humberto de la Calle said the Government had decided to back away from its original proposal to hold a nationwide referendum on decriminalization of drug use because of the high costs of conducting the vote and because a referendum might be interpreted as a form of contempt for the court's ruling.

Colombians, long accustomed to constant judicial review and labyrinthine legislation, were only moderately surprised in May when the Constitutional Court ruled that making drug consumption a crime was unconstitutional. The court said it violated "the fundamental right that each person has to the free development of his personality."

The President at the time, César Gaviria, said he disagreed with the ruling and called for either a referendum or a constitutional amendment that would limit the definition of fundamental rights. In a nation where 97 percent of murders go unpunished, the court lashed back at Mr. Gaviria, accusing him of a lack of respect for the ruling and of demeaning the court.

Two and a half months later, the Government issued a decree banning drug use in public places and forbidding consumption by minors, pregnant women and government employees.

Colombia is said to be the world's largest cocaine exporter, but domestic drug consumption is believed to be low. In an anonymous poll of 305 people conducted by the newspaper El Tiempo in May, more than 90 percent said they had never used illicit drugs. By contrast, in a New York Times/CBS News poll in the United States in September 1989, 71 percent of those polled said they had never tried any illegal drugs. Polls involving potentially illegal behavior can be unreliable.

In a second question in the Colombia poll, over 72 percent of those questioned opposed legalization of drug use.

Estimates by the National Drug Council show that drug consumption has increased only moderately since the ruling in May.

# Zedillo Must Get Mexico's Drug Lords Before They Get Him

fa 13

Almost six years ago, outgoing Mexican President Carlos Salinas de Gortari faced a problem remarkably similar to one now confronting President-elect Ernesto Zedillo Ponce de Leon. Just as a powerful band of union thugs sought to scare President Salinas off their turf then, narcotraffickers and their political allies are attempting to convey a similar message to Mr. Zedillo today. Their last missive was the Sept. 28 slaying of Francisco Ruiz Massieu, secretary-general of the ruling Institutional Revolutionary Party (PRI).

President Salinas's bold response to the unions in early 1989—just two months after he took office—provides a lesson for

union renowned for charging the state oil company huge amounts for drilling phantom wells.

After Mr. Salinas's disputed victory, La Quina paid a "courtesy" call on the youthful president in Los Pinos palace. No record exists of their exchange, but La Quina reportedly warned Mr. Salinas against imposing his vaunted modernization program on the petroleum sector, lest aged pipelines explode and refineries catch fire. Mr. Salinas responded to those clumsy threats by pledging to launch a no-holds-barred attack on corruption.

La Quina walked out of the meeting with a smirk on his face. But the 66-year-old labor chief badly misjudged his adversary. Rather than quail at La Quina's threat, President Salinas dispatched crack, bazooka-wielding military units to La Quina's heavily guarded home in Ciudad Madero, whisked the maffioso off to Mexico City, and had him tried and convicted for illegal arms possession, smuggling, and resisting arrest. Hernandez Galicia still languishes in Mexico City's Reclusorio Oriente prison.

The guts that Mr. Salinas displayed in taking on La Quina—a combination of Jimmy Hoffa and Al Capone—set the tone for his six-year administration. The affair lofted the president's standing and paved the way for implementing one dramatic reform after another.

Still, attacking La Quina posed much less of a challenge for President Salinas than dispatching the drug lords does for Mr. Zedillo: Hernandez Galicia had concentrated his activities in only several states; his union, the STPRM, had not corrupted the judicial system; few senior politicians were caught in La Quina's web; and imprisoning Hernandez Galicia effectively decapitated his union.

In contrast, there are a half-dozen or more big-league drug dealers; their activities extend over at least nine states; they make a bee-line for the U.S. border when pursued; and they have bought off judges and politicians, possibly some at the cabinet level.

Such obstacles must not prevent Mr. Zedillo's striking against Mexico's narcotics criminals soon after he takes office, when his political stock will be the highest. Among other steps, he should:

- Use the hard-as-nails, loyal Airborne Brigade to break the back of the five drug cartels (Gulf, Tijuana, Sinaloa, Jalisco, Juarez) by seizing assets, arresting their protectors, and systematically pursuing their leaders.

- Reorganize and professionalize the Attorney General's Office (PGR), which has had five incumbents under President Salinas. This revolving-door agency mishandled the investigation of the March 23 assassination of presidential candidate Luis Donaldo Colosio, arriving at its conclusion that a lone gunman was responsible only after first claiming a conspiracy. The current archbishop of Guadalajara, whose predecessor was gunned down in May 1993, insists that 40% of PGR personnel are "involved" in drug trafficking.

- Work with the Royal Canadian Mounted Police, Interpol, and European authorities to replace bad actors within the 3,063-member Federal Judicial Police (PJF) with loyal professionals integrated into a career civil service. The PJF constitutes a "corruption mattress," protecting drug bosses, according to deputy At-



Ernesto Zedillo

torney General Mario Ruiz Massieu, brother-in-law of PRI leader. Mexico is now trying to extradite from Texas former PJF Commander Guillermo Gonzalez Calderon, who stands accused of torture and drug dealing.

- Draw on technical assistance from the Organization of American States, the World Bank, and the Spanish and Italian governments to raise the standards of judges, who too often succumb to payoffs. The latest federal district judge to be investigated is Abraham Calderon of Monterrey. He released Cmdr. Calderon and suspected underground figure Raul Calladarez.

Several of these points will raise the hackles of knee-jerk nationalists. But President Salinas's free-trade policies, which leftist intellectuals predicted would spark widespread popular disapproval, instead enjoyed enormous support by a population eager to integrate with the world commercial market. And even vociferous defenders of Mexican sovereignty must realize that drug trafficking is a global enterprise requiring an international effort.

What if attacking the narcos proves embarrassing, especially if it uncovers links to big shots close to the current government? Such a risk exists, but even the revelation of some bad apples within the current administration would not markedly damage President Salinas's image as one of this century's great reformers. Beyond that, Mr. Zedillo must show that he's not the pawn of old-line politicians, while bolstering the legitimacy of a brand-new administration and the party whose banner he carries.

Mr. Grayson, who teaches government at William & Mary, has just written "The North American Free Trade Agreement: Regional Community and the New World Order" (University Press of America).

## The Americas

By George W. Grayson

Mr. Zedillo, who dons the red, white and green sash of office on Dec. 1.

President Salinas became chief executive under a cloud of electoral fraud. To make matters worse, he was a diminutive, Harvard-educated technocrat who incurred the wrath of hardline "dinosaurs" within the PRI. The dinosaurs yearned for a candidate who could slap backs in union halls and bring in the boodle and patronage used to lubricate their 59-year-old party's creaky machinery.

The most aggressive of the old guard was Joaquin "La Quina" Hernandez Galicia, chief of the obscenely wealthy and venal Oil Workers' Union (STPRM). As secretary of planning and budget, Mr. Salinas had deprived the 210,000-member STPRM of millions of dollars of petroleum-related construction and service contracts, which they had viewed as their birthright. He also halted the award of drilling work to a

Date: NOV 11 1994

# Bolivia needs \$2bn to stem cocaine output

p4

Bolivia needs at least \$2bn in foreign aid to begin eradicating its illegal but lucrative cocaine industry, the country's president said yesterday, AP reports from La Paz.

President Gonzalo Sanchez de Lozada said at a news conference that the government had a plan to replace coca leaf production - the raw material processed into cocaine - with other cash crops and industry.

"We cannot wait for the demand side of cocaine to be resolved; it is important that we deal with the production side," he said.

"It is more convenient to invest \$1m in development and substituting coca fields than \$1m in reducing demand and combating drug traffickers."

The success of the government's plan is dependent on foreign aid of at least \$2bn and the consensus of Bolivian society, Mr Sanchez de Lozada said. The plan would convert the main coca leaf producing region of Chapare into an industrial park to be developed with the active participation of private business.

A meeting of the country's top political leaders is set for next week to discuss and reach a consensus on this plan.

At least 300,000 people in the Chapare region depend on coca cultivation for their livelihood. Coca leaf has been grown for centuries in Bolivia; it is used as a tea for religious rites and

chewed by farmers and miners to help combat the effects of high altitude and hunger.

Most of the leaf devoted to traditional uses is grown on the eastern slopes of the Andes, while the coca for cocaine - about 40,000 hectares - is grown in the Chapare, a

## Farmers say no other crop provides the income and assured markets

lush sub-tropical region in the middle of the country.

Coca leaf farmers say that no other crop provides the income and assured markets and have resisted switching from coca to other crops until they are convinced they can earn the same.

The plan includes converting fields to other crops, relocating farmers to other regions of the country and establishing industrial plants in areas not suitable for farming. The government has begun negotiations with the Inter-American Development Bank, the World Bank and the United Nations to finance this programme.

Bolivia, an impoverished country of 7m people, produces an estimated quarter of the world's coca leaf that is processed into cocaine.

THE NEW YORK TIMES SUNDAY AUGUST 7, 1994

# Mexico's Drug Fight Lagging, With Graft Given as a Cause

By TIM GOLDEN

Special to The New York Times

GUADALAJARA, Mexico, Aug. 3 — More than a year after the Government vowed to redouble its fight against illegal drugs following the killing of a Roman Catholic Cardinal here by suspected traffickers, American officials and some of their Mexican counterparts say that those efforts have faltered and that the trade is thriving as much as ever.

While Mexican drug-control agencies still trumpet occasional blows to the mafias that smuggle most of Colombia's cocaine into the United States, the violence of the traffickers and their corruption of the authorities have burst back into view, forcing the issue into the campaign for the presidential election on Aug. 21.

Like President Carlos Salinas de Gortari before him, the presidential candidate of the long-governing Institutional Revolutionary Party, Ernesto Zedillo Ponce de León, has called the drug trade the most serious



The New York Times

Efforts to clean up the drug trade in Guadalajara have faltered.

national security threat Mexico faces. But neither he nor any of the other leading candidates has offered much by way of solutions to the problem, adding to the questions that American officials ask privately about Mexico's resolve.

"Particularly over the course of 1994, we have seen a dramatic deterioration," a senior United States official said of Mexico's drug-control efforts. "They have really done a very poor job of going after and capturing major traffickers, who have continued to operate with tremendous impunity."

## Nuncio Meets Hunted Men

That impunity was made shockingly clear in late July when it was confirmed that the country's two most-wanted men, cocaine-trafficking brothers who are sought in the murder here of Juan Jesús Cardinal Posadas Ocampo, had both pleaded their innocence in separate meetings with the Papal Nuncio at his residence in Mexico City. The disclosure brought angry criticism of the Vatican envoy, Jerónimo Prigione, by politicians and clerics. It also raised new doubts about the effectiveness of the Government's pursuit of leading traffickers.

American officials attribute part of the problem to a shift in Government attention to other security concerns since the peasant rebellion in southern Mexico this year. They criticize

the replacement of key counternarcotics officials by others they consider less capable or honest, and a seeming reluctance to confront the traffickers as the Government's power wanes in its last year and political tensions rise with the impending elections.

Yet according to some of those officials and a former aide to the Mexican Attorney General who abandoned the drug fight in frustration this year, the overriding impediment to capturing major traffickers is drug-related corruption at all levels of the Mexican state.

"The problem is their political penetration not only of the Attorney General's office, but of the rest of the federal Government and state governments and local governments," said the former official, Eduardo Valle Espinosa. "That problem is obviously also in certain parts of the armed forces."

In a letter to President Salinas that he made public on July 31, Mr. Valle told of being blocked by other law-enforcement officials, of raids not undertaken, of important traffickers being allowed to go free. He also raised questions about Mr. Salinas's Secretary of Communications and Transportation, Emilio Gamboa Patrón.

## Critical to the Drug War

Mr. Gamboa, 43, one of the more powerful and conservative young officials in the Cabinet, holds a portfolio critical to the drug war because it includes the administration of airports, seaports, highways, communication links and the federal highway police.

But Government intelligence intercepts cited by Mr. Valle indicate that Mr. Gamboa and one of his aides also met late last year with a 31-year-old woman who some federal investigators believe is a representative of one of Mexico's most powerful drug traffickers, Juan García Abrego.

Senior Government officials confirmed the intercepts, which allude to a Nov. 8 meeting between Mr. Gamboa and the woman, and to her contact with at least one federal police commander. At the same time, the officials denied that the information showed any wrongdoing by Mr. Gamboa, whose secretary said the woman had dropped by his office to show him a painting she was selling.

"She is being investigated just as 100 other people are being investigated," Mario Ruiz Massieu, the Deputy Attorney General in charge of the Government's antinarcotics efforts, said of the woman. "Is the Secretary of Communications and Transportation responsible for knowing who all of the representatives of García Abrego might be?"

As for the broader complaint that drug traffickers are buying protection at all levels of the Government, Mr. Ruiz Massieu argued that Mr. Valle — a former student leader and leftist politician who makes his living as a journalist — was hardly an unbiased source.

"He proves absolutely nothing of what he says," Mr. Ruiz Massieu said. "I would never have named him as an investigator. He has no experience."

## 'Honest and Brave'

By contrast, the Mexican interior minister, Jorge Carpizo MacGregor, has continued to speak highly of Mr. Valle, whom Mr. MacGregor initially

**BURRELLE'S**

NEWS EXPRESS

hired as an adviser after becoming Attorney General early in 1993. Even after Mr. Valle resigned on May 1, complaining that Mexico had become a "narco democracy," Mr. Carpizo described him as "an honest and brave man."

Though hundreds of federal police officials have been dismissed over the last several years for failed drug tests, ties to drug traffickers or other corruption or abuse, Mr. Valle's accusations represent one of the rare times that senior officials outside the army or the police have been publicly linked to drugs.

United States officials say the only instance in which such ties have been seriously explored was after the murder in Guadalajara of an American drug-enforcement agent, Enrique S. Camarena, in 1985. In that case, the United States concluded that the traffickers were being protected by a host of senior federal and state police officials, officials of the Jalisco state government, and the brother-in-law of a former President.

After Humberto Benítez Treviño took over in May as Mr. Salinas's fifth Attorney General in little more than five years, his deputy, Mr. Ruiz Massieu, publicly warned federal police commanders that they would have 30 days to arrest the most important traffickers in their regions or face charges of complicity.

Only 19 suspects were captured over the period, nearly all of them minor characters. In western Sinaloa State, one trafficker escaped from the federal police in a caravan of armored cars backed by gunmen in a helicopter flying overhead. A relatively paltry 1.2 metric tons of cocaine was seized. Through July, the Government reported the seizure of 9.4 metric tons of cocaine, compared with more than 37 metric tons in the

first 10 months of last year.

This year's biggest bust was a 220-acre marijuana plantation that Mexican officials said was discovered this week in the Chihuahua desert after an anonymous tip. Two officials said it had been located by the United States Drug Enforcement Administration, which gave aerial photographs of the plantation to the Mexican police.

As radar-monitoring has grown more effective, Mexican traffickers have taken to transporting more of their cocaine from Central America and southern Mexico by land and sea, rather than by air. An increasingly popular method is to pack the drugs in the hollowed-out chassis of large trucks, which are then easily lost among the thousands crossing the border each day. Mr. García Abrego, Clemente Soto Peña and other major traffickers have built up big trucking companies, apparently for this purpose.



Paul Heston/The New York Times

**Eduardo Valle Espinosa, a former aide to Mexico's Attorney General, says enforcement officials have in many cases blocked drug investigations, balked at drug raids and allowed major traffickers to go free.**

While the development could have ominous implications given the certainty of greater cross-border commerce under the North American Free Trade Agreement, some Mexicans question the extent to which the United States is prepared to pursue the corruption that makes it possible.

Mr. Valle, who has fled Mexico for Washington, fearing reprisals, said he had been interviewed several times by United States Customs officials but had not been called by the Drug Enforcement Administration. He said he had concluded that, given its concern for the Mexican Government's stability, the Clinton Administration had no interest in looking further into the question of high-level corruption in its ranks.

"What really worries me is not my safety," he said. "It is that the Clinton Administration does not want to know a thing about this."

**BURRELLE'S**

NEWS EXPRESS

PAGE 5 OF 8

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12

THE GLOBE AND MAIL  
TORONTO, CANADA

OCT 28 1994

# Military presence sought in Rio

Brazil's president aims  
to end drug violence

BY ISABEL VINCENT  
South America Bureau

**RIO DE JANEIRO** — President Itamar Franco is calling for full-scale military intervention in Rio's shantytowns to combat drug-related violence that has left 32 dead in the past two weeks.

The proposal calls for up to 20,000 troops to intervene in 400 shantytowns controlled by 1,800 drug traffickers who regularly battle police and rival gangs for control of their territory.

Mr. Franco will meet Rio de Janeiro State Governor Nilo Batista on Monday to co-ordinate the operation. Under the federal constitution, the president must get the authorization of the state governor to mount a military operation. If Mr. Franco fails to persuade Mr. Batista, who is said to be against military intervention, he says he will consider declaring a state of emergency and unilaterally moving in the troops.

"Rio is living a state of non-declared civil war," said president-elect Fernando Henrique Cardoso, who is visiting the Czech Republic. "It's time to act."

Last year, civil police investigated 6,290 homicides in greater Rio de Janeiro, a city of more than 12 million people. Two weeks ago, a shootout between rival drug traffickers in a suburban shantytown, which left five people dead, forced police

to close down one of the city's main highways for several hours. On Wednesday, more than 1,000 students at Rio de Janeiro's State University abandoned their classrooms in suburban Rio because of frequent shootouts nearby between rival drug gangs.

A spokesperson for the presidential palace in Brasilia said Mr. Franco's biggest worry is that a military intervention could provoke an even bigger urban war in one of Brazil's largest cities. Federal police officials in Rio say that in some cases, the city's drug traffickers have more sophisticated weapons than the authorities. On Wednesday federal police in Rio seized a cache of arms belonging to drug traffickers, including machine guns and rocket-propelled grenades.

It's not the first time Brazilian politicians have resorted to military intervention to stem the problems with violence in Rio. Last year, soldiers were sent to patrol a shantytown in downtown Rio after a soldier in a nearby barracks was killed by a stray bullet from a shootout between rival traffickers.

But despite the growing violence in the city, military and social analysts say calling in the troops will do little to combat the city's multi-million-dollar drug trade.

"You're not going to wipe out drug trafficking in this city by climbing a favela and killing the small-time traffickers," said a high-level military official based in Brasilia, who did not want to be named.

Two weeks ago, Rio police killed 13 drug traffickers in the Nova Brasilia shantytown in suburban Rio. Revolted by the police invasion, more than 200 of the shantytown's residents staged a violent protest.

THE WHITE HOUSE  
WASHINGTON

September 27, 1994

*Handwritten signature: "H. Rahm" with a question mark above it.*

MEMORANDUM FOR MARK GEARAN  
RAHM EMANUEL

FROM: MACK McLARTY

SUBJECT: DEA ACTION

In keeping with the President's comments about international law and making government work, I think the DEA's action in Columbia is something we would want to highlight, coordinating with Lee Brown and possibly with Janet Reno and the President.

I simply wanted to pass this along for your consideration in your communications planning.

*Handwritten signature: "Mack" with a horizontal line underneath.*

Attachment  
cc: Leon Panetta

# DEA cuts deep into coke cartel

## 2-year effort nets 166 Cali workers

By Jerry Seper  
THE WASHINGTON TIMES

U.S. Drug Enforcement Administration agents yesterday dealt a "crippling blow" to a \$60 million-a-week cocaine smuggling operation involving Colombia's Cali cartel with the arrest of 166 cartel members and the seizure of \$13 million in cash and 6 tons of cocaine.

The two-year investigation, known as Operation Foxhunt, was described by DEA Administrator Thomas Constantine as the "most comprehensive and coordinated law enforcement effort" ever against the Cali cartel — targeting distributors in Los Angeles; New York City; Miami; Chicago; San Francisco; New Orleans; Newark, N.J.; San Antonio; St. Louis; and Washington.

The Cali cartel is responsible for most of the cocaine distributed in the United States, estimated by the DEA as involving a ton of the white powder every week. Operating out of Cali, the cartel controls and monitors cocaine trade from production to transport to retail sales.

"The cartels are not bound by territorial concerns," said Mr. Constantine. "They operate across international lines, across state lines

see DEA, page A11

WASH. TIMES

9/27/94

# **DRAFT MEMORANDUM**

**October ??, 1994**

## **MEMORANDUM FOR THE CHIEF OF STAFF**

**FROM: MARTHA FOLEY  
RAHM EMANUEL**

**SUBJECT: Initial Options on Russian Firearms Imports**

As you requested, we have met internally to begin discussing how to approach the Russian firearms issue, and this memorandum identifies a series of short-term strategies that will temporarily restrict Russian gun imports and allow the Administration more time to gather information and explore long-term policy options.

Frankly, the gaps between our foreign, trade and domestic gun policy can not be easily bridged, and -- if the Administration is to develop an effective and politically tenable long-term solution to this problem -- some creative policy-making is warranted. This memorandum also includes a brief discussion of some of these issues.

### **I. Short-Term Strategies**

The short-term strategies outlined below will temporarily delay the import of millions of firearms and rounds of ammunition -- most at cheap prices -- from flooding our markets over the next few months. Equally important, these options will allow the Administration more time in its search for a long-term solution, without committing to any specific long-term policy from the outset.

**1. Prolong -- and then supervise -- the State Department's Study.** Currently, the State Department is about two weeks into its internal review process, but we fear they are already headed down the wrong path and need to be reeled in somewhat. There are several reasons for this. First, State is on a fast track. With the recently-revoked Russian permits sure to be resubmitted for consideration any time soon, State will be under considerable pressure to complete its study and quickly take some sort of action. From our perspective, with no clearly workable long-term policy options at our fingertips, there is absolutely no reason to expedite State's study and quickly commit the Administration to an unknown course of action. We would propose taking months, not weeks, to complete an in-depth study on the imports issue.

Second, our notion is that a fast-track, State-controlled review will conclude that the worldwide proliferation of firearms has no national security significance or foreign policy relevance, and that the matter is best dealt with by amending our gun control laws. This has been the State Department's strongly held position for almost a year now -- and despite our best efforts to encourage them to approach the firearms proliferation issue more creatively.

We have no reason to believe that State's thinking on the issue has changed. Thus, we would recommend that White House staff help supervise State's study to ensure that other agencies' options are considered -- and to make sure that the White House is not too surprised with the study's final recommendations.

**2. Enforce Russia's proscribed country status for as long as possible.** As you know, since 1992 the State Department has allowed Russia to import firearms and ammunition on a "presumptive approval" basis -- despite Russia still being listed as a proscribed country ineligible to import munitions. Put simply, for trade purposes, we grant Russia a blanket exemption from its prohibited status under the AECA. Overturning this "presumptive approval" would keep Russian guns out of the country until Russia was dropped from the proscribed list for legitimate foreign policy reasons (i.e., when they quit selling arms to Iran). State speculates that this might occur sometime within the next year. However, without a long-term solution, when Russia is dropped from the proscribed list we will be unable to continue to restrict the import of their munitions.

This is precisely how the Administration succeeded in stemming the flow of cheap Chinese gun imports. China -- though still on the proscribed list -- had been allowed to import firearms since 1989. By 1993, the number of imports had jumped into the millions and Treasury, Members on Congress and the press were taking note. We wanted to enforce China's status as a proscribed country, but State insisted that there simply was no good foreign policy reason for doing so, and several good trade reasons for not doing so. In the end, even as he extended Most Favored Nation trading status to China, the President chose to keep these guns out.

**3. Make arms proliferation an international crime issue.** Another way to pursue the search for long-term solutions to this problem is to make arm proliferation an international crime issue and hand it off to three of the Administration's prominent crime fighters -- FBI Director Louis Freeh, Treasury Undersecretary Ron Noble and Assistant Secretary of State Robert Gelbard. Freeh-Noble-Gelbard are a particularly adept trio to take on this project, and together they represent the three major agencies with interest in this issue. Freeh, who has traveled to Russia and other Former Soviet Union countries, has made internal crime a top priority. He has promised to send agents to these countries and to establish a Eastern European law enforcement center. And perhaps most importantly, his credentials -- both domestically and abroad -- are beyond reproach. Noble has also traveled to the Former Soviet Union, and -- as the law enforcement official that oversees money laundering, gun policy, etc. -- he is very active in international crime circles (he was recently elected to be an INTERPOL board member). Noble is also close to White House staff, and his involvement would allow us to stay informed and, if necessary, have some input into the process. Finally, Gelbard, who oversees international crime and drug accounts for State, is the perhaps the only individual at State with an overall interests in crime and drug policy. By making State work through him, we may have more success in getting State to consider some creative options.

Clearly, with Freeh, Noble and Gelbard leading this effort, the Administration will be somewhat insulated from the criticisms of the press, Members of Congress and our friends overseas. And, while we are foregoing direct control of the process, we can retain the right

to distance ourselves from the final product if necessary.

**4. Enforce the Iran-Iraq Proliferation Act of 1992.** In writing this memorandum, we learned that in July, 1993, the Russians shipped some 300 surface-to-air missiles to Iran -- a clear violation of the Iran-Iraq Proliferation Act. Under this Act, any destabilizing shipment of arms requires the United States to impose sanctions against the offender country. The President can invoke the mandatory sanctions listed in the Act, which are quite extreme, or he can waive the sanctions if he notifies Congress that it is not in the U.S.'s foreign policy interest to impose them. Alternatively, there are various discretionary sanctions at the President's disposal, including those authorized in the International Emergency Economic Powers Act (IEEPA). It is our understanding that under IEEPA, the President would be able to impose a one-year sanction on the import of Russian munitions. While we still need more information about the feasibility of this option, it should remain one of the short-term actions we consider.

## **II. Long-Term Policy Issues**

The three policy areas that we need to be approached creatively over the next few months in order to resolve the gun imports issue are: (1) more gun control legislation; (2) a new foreign policy rationale to limit the flow of guns; and (3) bilateral trade agreements to limit firearms imports. Although all three of these areas require further study and substantial White House prodding of the agencies before any long-term solution can be developed, we thought it worthwhile to give you an early indication of what awaits our study group.

**1. Amend the Gun Control Act of 1968 (GCA).** From a pure legislative standpoint, the most obvious way to cut-off firearms imports is to amend the GCA, which bans the import of all surplus military and "non-sporting" weapons, to include additional firearms. From a political perspective, this is not likely to occur. In fact, the last time Congress amended the GCA (1986) it made the law weaker, not stronger. In any case, additional import restrictions would not be considered GATT legal unless domestic production of the same products was also banned. That is to say, to make further import restrictions GATT legal, we would have to ban legitimate sporting weapons at home -- some of which are explicitly protected by the recently-passed ban on assault weapons.

It may also be possible to amend the Gun Control Act of 1968, or maybe even the sporting purposes test, so as to keep out the firearms that cause the Administration the greatest angst -- cheap guns that are likely to make their way to the street (\$100 or less). For instance, based on the fact that higher quality guns cost more to produce, we could amend the GCA to allow Treasury to ban the import of firearms that do not meet certain quality standards. Treasury has been very skeptical about the possibility of limiting gun imports by amending the GCA, but perhaps we can get them to consider such limited amendments.

**2. Develop a foreign policy rationale to limit the worldwide proliferation of firearms.** If, as a matter of foreign policy and pursuant to the Arms Export and Control Act, we were to develop a foreign policy rationale for limiting the worldwide proliferation of small arms, we could restrict the importation of munitions from Russia and other countries. This is consistent with the arguments made by the Administration's law enforcement officials (i.e.,

Louis Freeh, Ron Noble, Lee Brown and Tom Constantine) that organized crime and drug trafficking are national security issues. Moreover, if the national security threat posed by organized crime and drug trafficking is serious enough to warrant our giving foreign anti-crime and anti-drug assistance, constructing an Eastern European law enforcement center, etc., we should be able to include the impact of more countries engaging in the worldwide sale of firearms.

The State Department is strongly opposed to this policy direction. Justice and Treasury believe it holds the most promise for a long-term solution, and we agree.

**3. Pursue Bilateral Trade Agreements.** Several sections of the Trade Expansion Act of 1962 allow the U.S. Government to restrict imports for national security purposes and other purposes. These measures have been used in the past to protect our nation's industrial base -- specifically machine tools and oil. There may not be sufficient grounds to invoke any of these authorities unilaterally, but it is our understanding that threatening to invoke these authorities could be used as leverage to negotiate a Voluntary Restraining Agreement (VRA) of some sort with Russia and other countries. If not, we need to investigate what other authorities or government monies could be used to help leverage a VRA.

To date, USTR and other key trade staff have not seriously considered the gun imports issue. They need to be brought into the process soon.

BP Dec. meeting w/ Rossini

>

- 
- ① Complete Study + get into larger effort
  - ② STABL: not imminent
  - ③ ATF Training Ctr. Sourcing Rese guns for street use - develop information base

José - Jodeg says Rahn  
says he is going to Russia on Monday  
evening. He says if WH has not  
responded positively by then  
"there will be serious discussions."  
There is someone at DoS - Nick  
Kasmetz who Jodeg has been  
talking calls with who may know  
something - 647-1003. Can you  
try to call him - re BC "promise"  
at summit? — MCF

Copy

797-8333

THE WHITE HOUSE  
WASHINGTON

Marta,

I have attached information  
from Richard Rahn. As we discussed,  
his interest in importing the  
heavy ammunition is tied to the  
sales of US goods to Russia  
(He is selling helicopters to Russia -  
they want him to buy some  
Russian goods to offset the  
"balance of payments"). Rahn  
said if the ammunition deal  
does not go through, the helicopter  
sales are endangered and that  
will cost US jobs. He also  
points to the hypocrisy of the US  
pump up trade with Russia on the one  
hand while restricting the export  
of otherwise unrestricted goods.

THE WHITE HOUSE  
WASHINGTON

He is on a very tight  
time line and originally  
asked for an answer  
this week.

I am leaving for a  
funeral in NY and will  
be back Mon night.

I think it is important for  
Leon etc. to know that  
Rabin may decide to go public  
if his deal falls through.  
I will call him and let  
him know we are working on  
it and will check in with  
you. You can reach me  
through the State Dept. 647-5527  
or my home machine 797-8333

Thank you  
Linda

Narration

KARAT Ammunition Transaction

Because of the success of Novecopter and other Novecon ventures in Russia, a substantial trade surplus is being developed. In an effort to equalize this, and because of the opportunity presented by one of Novecon's other clients, Novecon was able to help bring together these parties.

VWM, Inc of Virginia (C. Davila, President), a federally licensed firearm importer, and their partner, General Arms Corporation, U.S.A. of Idaho ( M. Standley, President), a sporting goods broker, have signed a contract to import \$8 million of hunting ammunition from Russia, and subsequently amended this contract for an additional \$16 million.

The seller is "Karat", which is variously translated as the "Association of Business Cooperation" or the "Industrial Commerce and Credit Association".

VWM applied to ATF for the transaction specific "End User Certificate" (also known more correctly as the ATF Form 6, or the Import Permit) on August 22, 1994. They listed the seller address as the address of Novecon in Moscow, and the manufacturer as a state arsenal.

On August 27, 1994, VWM filed the second application for the additional order, this time listing the actual street address of Karat. Also known and listed by that time was the specific arsenal from which these orders will be filled.

A third application for the balance of the order is being filed this week.

The ammunition being produced is new production hunting ammunition for rifles only (there is no handgun in the world made to use this ammunition). Although smaller in size, it is comparable in power to a 30-30 Winchester cartridge ( as used since 1894 in their deer hunting carbines). It is virtually identical in size to the US made .223, but is not interchangeable. It is estimated that there are over 1 million rifles in this country that use this cartridge.

This cartridge is widely imported from Korea, Germany, Bulgaria, and numerous other countries, but is not believed to be made in this country, or certainly not in any quantity.

The usual processing time for the issuance of a permit is three weeks or so, and the permit is virtually never denied unless from an outcast country (such as Cuba). The physical process is that ATF passes the paperwork to the State Department's Office of Defense Trade Control (under the Assistant Secretary for

315-4790

→ in last 3 weeks b/c  
of  
Unwilling when  
Sean, first  
Lady

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Mortimer  
Street  
NSC  
refuse  
↓  
not  
going  
by  
permit  
from  
Russia  
or  
former  
S.U.

Cellery  
P-M  
McNamm  
↓  
Ken  
Collins  
brid

Politico-Military Affairs). State has total discretion whether or not to grant this approval. For example, they do not permit imports from Libya. Once State grants clearance, the paperwork is returned to ATF, where, if the applicant is otherwise qualified ( e.g. has a license), the End User Certificate permit (ATF Form 6) is automatically granted.

VWM called ATF about the status of their permits in early September, and was told that State was "quietly" ( and without announcement ) holding all applications for guns and ammunition from CIS since late spring, except in a few cases for special applicants.

Novecon did some inquiry to confirm this, and additionally was told at State that State is completing (within a week or so) a policy review of whether to allow any imports from CIS. Apparently Russia knew of this "review" already, and the matter was raised in June by the Russian Prime Minister with the Vice President, and last week between Mr. Yeltsin and Mr. Clinton.

Russia does not intend to shut down its production facilities. It is willing to sell hunting ammunition to hunters and sportsmen in the U.S., but absent that option, will sell military ammunition to about any buyer, such as Iran . The same production lines that make the hunting ammunition can be reconverted to military ammunition. Conversely, if this order had been from Poland or Germany, it would have been approved routinely in three weeks.

In summary, it is requested that the applications of VWM for the import of hunting ammunition from the Russian company Karat (Association of Business Cooperation or Industrial Commerce and Credit Association) be granted. (The applications are not given numbers, but are filed by name of applicant--here it is VWM). There is no valid business or political reason that these applications should be denied or delayed any longer.

**Novecon**

Suite 200

1020 16th Street, N.W.

Washington, D.C. 20036

Dr. Richard W. Rahn  
President

Tel. (202) 659-3200  
Fax. (202) 659-3215

24 October, 1994

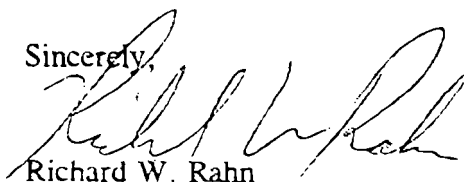
Ms. Jody Greenstone  
Deputy to the Special Advisor to the President and the Secretary of State  
U.S. Department of State  
2201 C St. NW, Room 75091  
Washington, D.C. 20520

Dear Ms. Greenstone,

Thank you for meeting with me on Friday. We have prepared nine "bullet points" to address some of the questions you raised during our meeting. Please find these attached, along with a copy of a letter sent to the Hon. Ed Knight, General Counsel to the Department of the Treasury, which reviews the situation. Also attached is a translated article which appeared in the Moscow News, October 9th issue. The article suggests that during President Yeltsin's visit to the States, President Clinton promised he would take care of this matter.

We most appreciate anything you can do to ensure that President Clinton's promise to President Yeltsin is fulfilled, and that we obtain our necessary permits. Thank you.

Sincerely,



Richard W. Rahn

out

1. Requests for issuance of ATF-6 permits to import are not filed by number or date, but by name of applicant. The application we request to be granted is made by applicant VWM, Inc. to import hunting ammunition from the Russian firm KARAT in the amount of 300 million rounds. VWM has several applications for various things pending, but this is the specific application for which we seek immediate approval.
2. We do not know what segment of the total U.S. yearly demand this order might represent, but the entire order was readily resold by VWM to the U.S. wholesale sporting goods industry.
3. We have been told that there are nearly 2 million legal guns in the U.S. that shoot this type of ammunition. Shooters usually shoot a couple of boxes of 50 rounds each time they go to a practice range. Therefore, one could calculate that this would supply enough cartridges for each shooter to go to one practice session.
4. There are no pistols now or in the past that shoot this size cartridges (the bullet is about the size of a 22, but the shell casing is different), so this cannot possibly be used in handguns. Also, it is made in a new way that makes it to deform when shot, so that it is not a "cop killer" bullet, or likely to penetrate a bulletproof vest (but do understand that all rifle shells do have more energy than handguns).
5. You ask if this cartridge can be used in an "assault rifle". Assault rifle is a political term, and they do not take a particular size round. Said a different way, virtually every size cartridge sold in the U.S. will fit one or another of the "assault rifles" defined in the new law, as will this cartridge. This cartridge however also fits nearly two million non assault rifles.
6. The attached letter to General Counsel Knight of the Treasury Department express the economic, diplomatic, and practical reasons for the issuance of the permit.
7. It is generally now accepted in Moscow that President Clinton promised President Yeltsin that these permits will be issued. We are told this often. The attached translation of an article from last week's Moscow newspaper summarize that feeling.
8. Approving this permit is not a "new" or first time matter. For several years now, these cartridges have been imported from Russia, and even now can be bought from almost any hunting or shooters supply store. What is new is the delay for the issuance of the permit.
9. To deny this permit does not stop the production or distribution of this cartridge in the U.S. Every day, these cartridges are still being imported from Korea, Bulgaria, Germany, and other countries. Further, there is no law or regulation that would prohibit an American company from beginning to manufacture these tomorrow.

**Novecon**

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President

Tel. (202) 659-3200  
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October 14, 1994

Hon. Ed Knight  
General Counsel  
Department of the Treasury  
Washington, D.C.  
By Fax: 622-0073

Dear Mr. Knight:

Perhaps it has come to your attention that our client, VWM, Inc. of Virginia, has made application to import hunting ammunition from Russia, but that his contract has been jeopardized by a delay in the issuance of an ATF Form 6.

Novecon represents numerous U.S. businesses in their efforts to sell products in the Eastern European and Russian markets. Likewise, Novecon itself has formed and operates its own companies that sell in Russia, including U. S. made helicopters.

The collapse of the ruble this week again illustrates the importance of helping the Russians find export markets for the limited number of competitive goods they produce. Allowing the Russians to sell hunting ammunition in this country on the same basis that other countries already do would help them to strengthen their economy and aid in the economic transition.

Our successful efforts, on behalf of ourselves and others, have resulted in an increasing trade imbalance in favor of the U.S. Understandably, some of our Russian associates seek our services in an effort to fairly sell to the American market as well. In August, we negotiated the ammunition deal for VWM and the Karat Association in Moscow. VWM has already contracted to resell this ammunition to the U.S. retail sporting goods market.

This seems to us a perfectly normal and straightforward transaction. Karat has converted military production to civilian purposes, in conformance with the policies of both countries and with the encouragement of the U.S. Government. The ammunition to be manufactured is legal in the U.S., cannot be fired from a handgun, is new production "lead core" rather than surplus military "steel core", and is designed

specifically for hunting purposes. The shells are even smaller than a 30-30 hunting cartridge, and are not "armor piercing". It is my information that there are nearly two million rifles in the U.S. that can use this cartridge, but that there is virtually no U.S. production.

Last Friday, I bought a box of these type cartridges, labeled "Made in Russia", at a sporting goods store in Fairfax. We are told that currently these same type cartridges are being imported from South Korea and numerous other countries, but that only Russian import permits (and those from such pariah countries as Cuba and Libya) are being delayed.

Russia is our new friend and ally. It seems unjust that these same products can be imported from other sources but not Russia. What sort of message does that send to them? What are we to tell our Russian business associates when we seek to sell into their market? What will the U.S. say if Russia, instead of converting to civilian production, sells cartridges to Iran because they have no peaceful market here?

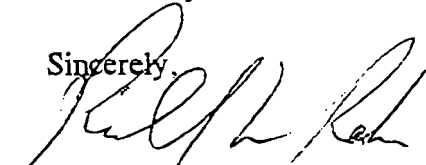
I have served as an economic advisor to senior officials in the Russian government. In this case, they have done exactly what the U.S. government has encouraged them to do. Action like this - to deny the Russians legitimate exports markets - alienates them and may result in a loss of U.S. jobs because of reduced exports to Russia.

The delay of this permit to VWM makes no sense: not economically, diplomatically, politically, functionally, nor militarily.

I urge you to expedite the approval of the three applications of VWM, Inc. to import ammunition from the Karat company in Russia.

Thank you for your consideration of this matter. I am available at your convenience to meet with you to discuss this matter.

Sincerely,



Richard W. Rahn

Date: Mon, 17 Oct 94 10:34:43 +0200  
From: Irina Grechenko <irina@ig.ivano-frankivsk.ua>  
To: novecon@access.digex.net  
Subject: An article in Moscow News FYI

Dear Richard:

Enclosed is the article which appeared in the weekly Moscow News # 46 from October 9-16, 1994. I think it might be interesting for you and Brad to read it (FYI).

#### WE WILL ARM AND REARM AMERICA

Russia is planning to renew deliveries of sporting and hunting rifles to the American market. It is declared by ECOTASS in the Ministry of International Economic Relations of Russian Federation. In 1994 American Administration did not give Russia the appropriate license on delivery of these goods, pleading a carrying out in the USA of a new policy concerning selling sport firearms. At the same time according to the Russian data there were done the deliveries by other countries. The negotiations, which were held during Boris Eltsin, president of RF, visit to the USA, give the grounds to consider that Russian shooting arms for hunting and sport will be suitably introduced at the American market.

Earlier Russia delivered annually hunting and sport rifles to the USA on a sum that is in average equal to 100 mln dollars

P.S. On Friday I spoke with Bonnie. She told me that Mr. Norris and his people do not focus their attention on such programs, sorry to say

Best regards,  
Irina

--  
- Irina Grechenko -- Executive Assistant, Translator and Interpreter --  
-- Novecon Company --- 1020 16th Street, N.W., Washington, D.C., 20036 --  
-- E-Mail: irina@ig.ivano-frankivsk.ua Phone/Fax: +7-03422-48145 --

DEPARTMENT OF THE TREASURY - BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

APPLICATION AND PERMIT FOR IMPORTATION OF FIREARMS,  
AMMUNITION AND IMPLEMENTS OF WAR

NOT FOR USE BY MEMBERS OF THE UNITED STATES ARMED FORCES

(Submit in triplicate)

FOR ATF USE ONLY

PERMIT NO.

PERMIT EXPIRES AFTER

## SECTION I - APPLICATION

1. FEDERAL FIREARMS LICENSE (If Any)

LICENSE NO.

EXPIRATION DATE

2. TELEPHONE NO.

3. COUNTRY OF EXPORTATION

1-54-020-08-4L-3566

Nov 94

703

803-7622

Russia

4. RETURN APPROVED PERMIT TO (Enter Name, address and ZIP Code if different  
from applicant's)

5. APPLICANT'S NAME AND ADDRESS (Including ZIP Code)

14301-C SULLYFIELD CIRCLE  
CHANTILLY, VA 2202114301-C SULLYFIELD CIRCLE  
CHANTILLY, VA 22021

6. NAME AND ADDRESS OF FOREIGN SELLER

Association of Business Corporation (KARAT)  
42 Shopkina Street  
Moscow 129857- Russia

7. NAME AND ADDRESS OF FOREIGN SHIPPER

Same as 6 (KARAT)

8. DESCRIPTION OF FIREARMS AND AMMUNITION (For Firearms, enter (SC)-Shotgun; (RI)-Rifle; (PI)-Pistol; (RE)-Revolver)

| NAME AND ADDRESS OF MANUFACTURER                                        | TYPE<br>(SC),<br>(RI), (PI),<br>(RE)    | CALIBER<br>GAUGE<br>OR SIZE    | MODEL<br>(MFR.)<br>DESIGN. | LENGTH<br>OF<br>BARREL | OVERALL<br>LENGTH<br>(Inches) | SERIAL<br>NO. | NEW<br>(N)<br>OR<br>USED<br>(U) | QUANTITY<br>(Each<br>Type) | UNIT<br>COST |
|-------------------------------------------------------------------------|-----------------------------------------|--------------------------------|----------------------------|------------------------|-------------------------------|---------------|---------------------------------|----------------------------|--------------|
|                                                                         |                                         |                                |                            |                        |                               |               |                                 |                            |              |
| ULJANOVSK Munition Plant<br>Uljanovsk, Russia                           | (Ball<br>Wad,<br>Shot,<br>etc.)<br>Ball | 7.62<br>x 39mm<br>Lead<br>Core |                            |                        |                               |               |                                 | 300<br>million             | \$80/1000    |
| 9. SPECIFIC PURPOSE OF IMPORTATION (Use additional sheet, if necessary) |                                         |                                |                            |                        |                               |               |                                 |                            |              |

9. SPECIFIC PURPOSE OF IMPORTATION (Use additional sheet, if necessary)

Resale to wholesalers

10. ARE YOU REGISTERED PURSUANT TO THE ARMS  
EXPORT CONTROL ACT OF 1979☒ YES☐ NO

11. IF "YES", GIVE REGISTRATION NO.

A-45-296-0831

Under the penalties provided by law, I declare that I have examined this application, including the documents submitted in support of it, and, to the best of my knowledge and belief, it is true, correct, and complete.

12. SIGNATURE OF APPLICANT

13. TITLE

President

14. DATE

10/20/94

## SECTION II - FOR ATF USE ONLY (Please make no entries in this section)

15. THIS APPLICATION HAS BEEN EXAMINED AND THE IMPORTATION OF THE FIREARMS, AMMUNITION, AND IMPLEMENTS OF WAR DESCRIBED HEREIN IS:

☐ APPROVED☐ PARTIALLY APPROVED FOR THE REASON  
INDICATED HERE OR ON ATTACHED LETTER☐ DISAPPROVED FOR THE REASON INDICATED  
HERE OR ON ATTACHED LETTER

16. SIGNATURE OF THE DIRECTOR, BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

17. DATE

**IMPORTED FIREARMS  
BY COUNTRY AND TYPE  
FISCAL YEARS 1989 - 1993**

| Country of Exportation | Shotguns       | Rifles           | Handguns         | Total<br>Firearms |
|------------------------|----------------|------------------|------------------|-------------------|
| AUSTRIA                | 12,419         | 22,067           | 403,042          | 437,528           |
| BELGIUM                | 21,080         | 1,558            | 106,224          | 128,862           |
| BRAZIL                 | 97,637         | 192,604          | 315,771          | 606,012           |
| CANADA                 | 47,298         | 57,804           | 51,288           | 156,390           |
| CHINA (P.R.C.)         | 8,317          | 1,145,762        | 130,014          | 1,284,093         |
| CZECHOSLOVAKIA *       | -              | 36,900           | 35,087           | 71,987            |
| FINLAND                | 79,569         | 30,760           | 38,283           | 148,612           |
| FRANCE                 | 2,545          | 16,183           | 56               | 18,784            |
| HUNGARY *              | -              | 7,850            | 35,110           | 42,960            |
| ISRAEL                 | 79             | 33,212           | 61,086           | 94,377            |
| ITALY                  | 210,257        | 104,770          | 376,448          | 691,475           |
| JAPAN                  | 233,940        | 210,705          | 55,179           | 499,824           |
| KOREA *                | 17,235         | -                | 35,053           | 52,288            |
| MEXICO                 | 9              | 1,418            | 12               | 1,439             |
| POLAND *               | 1              | 7,500            | 20               | 7,521             |
| PORTUGAL               | 204,095        | 22,764           | 76,810           | 303,669           |
| RUSSIA *               | 6,230          | 2,895            | 8,921            | 18,046            |
| SCOTLAND               | 12             | 14               | 1                | 27                |
| SPAIN                  | 27,152         | 116,423          | 231,798          | 375,373           |
| SWEDEN                 | 125            | 95,558           | 61,485           | 157,166           |
| SWITZERLAND            | 203            | 25,436           | 53,889           | 79,528            |
| UNITED KINGDOM         | 13,660         | 145,594          | 420              | 159,674           |
| WEST GERMANY           | 6,431          | 78,622           | 406,097          | 490,150           |
| <b>TOTALS</b>          | <b>988,294</b> | <b>2,356,397</b> | <b>2,481,094</b> | <b>5,825,785</b>  |

\* -- Figures provided for fiscal year 1992 only

-3/29/94 DRAFT-

## EXECUTIVE ORDER

### IMPORTATION OF DEFENSE ARTICLES

By virtue of the authority vested in me by the Constitution and the laws of the United States, including section 38 of the Arms Export Control Act (22 U.S.C. 2778), it is hereby ordered as follows:

#### Section 1. Findings and Purpose.

(a) Section 38 of the Arms Export Control Act authorizes the President to regulate the importation of defense articles in the furtherance of world peace and the security and foreign policy of the United States.

(b) The United States is the major consumer nation in the world for firearms and ammunition classified as defense articles on the United States Munitions List. Opening the United States market to such items has a significant impact on arms production and trafficking throughout the world. Just as military arms production capacity can be converted to civilian arms production, civilian arms production capacity can easily be converted to military arms. This flourishing production and distribution network is then also available to supply arms and other defense articles in areas of war and unrest around the world. Accordingly, decisions about the importation of arms into the United States can have the potential effect of subsidizing arms industries and arms trafficking enterprises.

(c) Historically, defense articles were not eligible for importation, but as part of the process of removing trade restrictions generally, these restrictions have been lifted. With the collapse of the Soviet Union, and the Eastern bloc alliance, and improved relations with the Peoples Republic of China, the number of firearms being imported in the United States has increased dramatically. Imports of these weapons into the United States totalled almost 6 million in the last two years, compared to a historical average of approximately 700,000 per year. The likelihood is that these numbers will continue to increase.

(d) The changing context of world affairs, then, has led to an identifiable increase in the deadly flow of firearms into the United States and provided the market support for the dangerous build up of businesses in other countries dedicated to arms manufacturing and trafficking. These changes raise new foreign policy issues and may also implicate world peace and security concerns of the United States. This is sufficient to warrant a complete analysis of this country's importation policy regarding defense articles and its potential impact on world peace or the security and foreign policy of the United States. Therefore,

before we continue to fuel this massive arms production and trafficking build up, a study of the consequences of changes in our importation policies must be conducted.

## Sec. 2. Temporary Importation Restrictions.

(a) The Secretary of the Treasury, together with the Secretary of State and the Secretary of Defense [National Security Council?] shall reexamine the United States firearms importation policy in terms of its impact on world peace, and the security and foreign policy of the United States, and provide me with recommendations.

(b) Pending the completion of this study and the adoption of new policies on the importation of defense articles, the Secretary of the Treasury shall, after consultation with the Secretary of State as necessary, immediately suspend the issuance of importation permits for these articles. This action shall include, to the extent permitted by law, suspension of permits for surplus military firearms, parts for such firearms, semiautomatic military type firearms and firearms that represent a sporting reconfiguration of military firearms, or other firearms that in consultation with the Secretary of Defense, are determined to be the product of converted military arms production capacity created by the end of the cold war.

(c) The State Department shall immediately:

(1) suspend approval of all requests for reimport into the United States of firearms originally exported from the United States or produced with technology or components for which a United States export license or approval was required.

(2) suspend approval of all requests for import into the United States of firearms originally taken from the United States by U.S. Armed Forces and that later fell under foreign control.

(3) initiate the process of amending the ITAR [**spell this out International Trade . . . ?**] to eliminate exemptions from licensing requirements for temporary imports of firearms to and from Canada, and from any country for repair and return.

(4) institute procedures to ensure that firearms brought into the United States under temporary import licenses are not retained in this country without the approval of the Departments of State and Treasury.

(d) The Departments of Treasury and State are further directed to reexamine any other rules or regulations, practices or policies under which the importation of defense or military-type weapons into this country occurs and to determine if further steps are warranted. Attention shall be given to identifying rules or regulations, practices or policies that may lead to results inconsistent with the objectives of this order.

### Sec. 3. Exceptions.

The importation restrictions of this directive shall not apply to:

(a) a permit for the importation of defense articles for or on behalf of the United States or any State or political subdivision thereof;

(b) a permit where the Secretary of the Treasury, in consultation with the Secretary of State, makes an affirmative determination that the importation would be in furtherance of world peace, or the security or foreign policy of the United States; or

(c) a permit to import firearms for personal use and not for resale.

Nothing herein shall be construed to require actions contrary to applicable provision of law.

[Do we want a judicial review section?]

[Do we want to make this a Presidential Memorandum?]

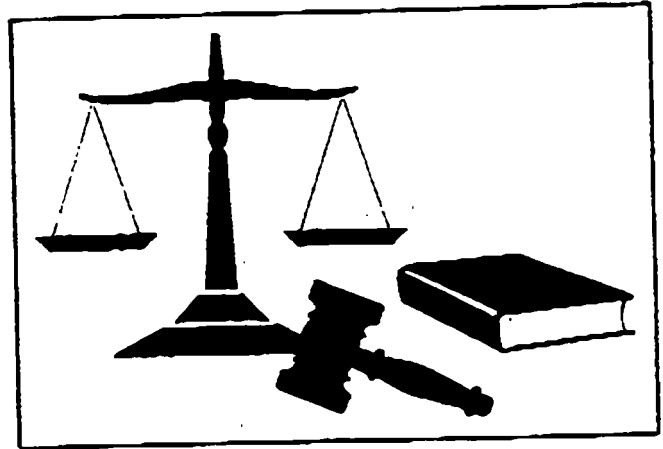
[Do we want to have a different title -- one that more clearly refers to firearms?]

WILLIAM J. CLINTON

## FAX COVER SHEET

OFFICE OF CHIEF  
COUNSELBUREAU OF ALCOHOL, TOBACCO  
AND FIREARMS

Washington, D.C. 20226

TO: Jose CerdaFax Number: 456-7028FROM: Brad BucklesPhone Number: (202) 927-Fax Number: (202) 927-8673

Number of Pages to Follow: \_\_\_\_\_

Comments: Jose - here is a draft of the letter  
to State. It is being circulated <sup>in ATF</sup> and should  
go to the Director for signature today or  
tomorrow.

BZ.

CC-42,648 FE:JBP

Mr. Robert L. Gallucci  
Assistant Secretary of State  
Bureau of Political-Military Affairs  
U.S. Department of State  
2201 C Street, NW.  
Washington, DC 20520

Dear Mr. Gallucci:

This is in response to a proposal by your staff which was made at a meeting in your offices on December 9, 1993. Specifically, it was proposed that the State Department approve the sale of "curio or relic" firearms, which had been furnished to a foreign government under a military assistance program of the United States, for importation into the United States. Your staff invited comments of the Bureau of Alcohol, Tobacco and Firearms (ATF) on the proposal.

From a law enforcement perspective, we have serious concerns with the proposal. Its adoption would enable licensed importers to lawfully import and distribute in commercial channels large quantities of surplus military rifles and handguns. The availability of the weapons in such quantities would make them relatively inexpensive, and, therefore, attractive to the criminal element. To date, the handgun has generally been the criminal's weapon of choice because of its concealability. Significantly, adoption of the proposal would open the door to lawful importation of large quantities of handguns such as Models 1911 and 1911A1 .45ACP caliber semiautomatic pistols and Smith & Wesson .38 caliber revolvers which we believe were previously furnished to Great Britain, China, and other countries. Since weapons of this type are frequently involved in crime, adoption of the proposal would most certainly aggravate the Nation's crime problem.

Our concern about the importation of surplus military firearms of U.S. origin is actually part of a larger concern with respect to the importation of surplus military firearms

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Mr. Robert L. Gallucci

generally and certain other firearms and ordnance. The President has frequently expressed concern with the ease with which criminals, the mentally deranged, and even children can acquire firearms. The major contributing factor is the staggering quantity of weapons currently available in the United States. Continuing to allow the United States to serve as the world's dumping ground for firearms only exacerbates this problem. To the extent that the State Department has foreign policy powers that can be invoked to reduce the flow of arms into the United States, we recommend that it do so to the fullest extent possible.

As discussed in detail below, legislative amendments weakening the controls over the importation of surplus military curio or relic firearms, coupled with the removal of restrictions on the importation of defense articles from former communist bloc countries, are flooding the domestic market with inexpensive guns susceptible to criminal misuse.

One of the principal reasons for enactment of the Gun Control Act of 1968 (GCA), 18 U.S.C. Chapter 44, was to prohibit the importation of surplus military firearms and relatively inexpensive pistols and revolvers. The Congress specifically found that the United States had become the dumping ground for firearms of other countries and that these imports had contributed greatly to lawlessness and to the Nation's law enforcement problems. The GCA addressed these problems by banning the importation of firearms not particularly suitable for or readily adaptable to sporting purposes. 18 U.S.C. §§ 922(l) and 925(d)(3). Surplus military firearms were expressly precluded from importation under the sporting purposes test.

The GCA was effective in curbing the importation of these firearms until 1984 when Congress amended the law to authorize the importation of firearms classified as "curios or relics" by federally licensed importers. 18 U.S.C. § 925(e). While the 1984 amendment was intended to allow the importation of a limited number of firearms described as "fine works of art and other valuable weapons," the amendment, coupled with lifting the ban on imports from formerly proscribed countries, had the effect of permitting the importation of millions of surplus military firearms, including cheap handguns. This is because curio or relic firearms include all firearms manufactured at least 50 years ago, as well as firearms associated with a historical figure, period, or event. Thus, virtually all military bolt

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Mr. Robert L. Gallucci

action and semiautomatic rifles and semiautomatic handguns of World War II vintage and earlier are now importable as curios or relics.

The State Department's removal of the restriction on the importation of defense articles from China and other former communist bloc countries has exacerbated the problem with respect to the importation of curio or relic firearms. The problem will be further aggravated if the State Department removes other countries from its list of proscribed countries or follows through with its current proposal. In an effort to bolster their economies, China and the newly formed countries succeeding former communist regimes are selling their defense articles at low prices on the world market. Some of these countries, such as China, Russia, and the Ukraine, hold large quantities of surplus military firearms of other countries. As a consequence of lifting the ban on imports from these countries, millions of World War II era firearms are now eligible for importation into the United States as curios or relics. During the past 6 months, almost 95,000 surplus military firearms were imported, and firearms covered by outstanding permits issued by ATF number in the hundreds of thousands.

Most surplus military curio or relic firearms were classified as such during the period between enactment of the GCA in 1968 and the GCA amendment in 1984. During this period, these weapons were relatively scarce and their value relatively high. However, the proliferation of these weapons in the country as a result of the 1984 amendment and the lifting of the restriction on imports from proscribed countries have caused a dramatic fall in the prices of these firearms. The diminished price of these weapons makes them readily available in this country to persons who would use them for criminal purposes. For example, Enfield rifles have gone from a pre-1968 price of \$10 to \$50, to a 1969-1984 price of \$250 to \$500, to a 1993 price of \$50 to \$100. In general, the majority of surplus military bolt action rifles on the market are now priced under \$100. The majority of the surplus military handguns currently being imported are now priced between \$100 and \$350.

We are also concerned about firearms other than surplus military which are being imported from previously proscribed countries in large quantities. Specifically, these are semiautomatic rifles and handguns. The rifles are importable because they have been modified to meet the sporting purpose

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Mr. Robert L. Gallucci

test for imports under 18 U.S.C. § 925(d)(3). The handguns meet the same sporting purpose test under administrative "factoring criteria" applied to handguns. As in the case of surplus military firearms, these weapons are susceptible to criminal misuse in the United States because of their availability at low cost. For example, the Chinese are producing and exporting to the United States inexpensive yet powerful semiautomatic handguns which are modeled after weapons used by their military forces. The prices of these weapons are generally under \$100. During the past 6 months, almost 25,000 of these cheap handguns have been imported and pending permits may cover as many as 100,000. We would also note that semiautomatic rifles imported from formerly proscribed countries are selling at prices of less than \$100. Semiautomatic SKS rifles previously allowed to be imported from Russia are now selling in this country for less than \$130.

We also anticipate serious law enforcement problems with respect to lifting the import restriction on destructive device components which are listed under Category IV of the U.S. Munitions List, 27 C.F.R. § 47.21. While the National Firearms Act, 26 U.S.C. Chapter 53, generally precludes the importation of destructive devices such as grenades, mines, and other explosive ordnance, as well as unassembled components from which such devices may be assembled, that Act does not cover individual destructive device components or incomplete parts kits. Indeed, except for the import restriction imposed on proscribed countries under the Arms Export Control Act, no provision of Federal firearms laws precludes the importation of these components from formerly proscribed countries. Subsequent to importation, these items are not subject to further Federal regulation. Moreover, they may lawfully be imported and subsequently distributed intact (in contrast, the surplus components of the Defense Department are "demilitarized", or virtually destroyed, prior to distribution). Because these incomplete devices are not subject to regulation under the GCA as "firearms," no Federal license is required to deal in such items and no required records exist from which their chain of custody may be traced. These items serve no legitimate purpose in the hands of the public and present an extreme hazard to the public safety because of the ease with which they may be reassembled into operable destructive devices.

Since ATF's primary goal is to protect the public from the criminal misuse of firearms, we would ask the State Department to retain its current restrictions on surplus

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Mr. Robert L. Gallucci

military firearms of U.S. origin. We also ask the State Department to consider reimposing a restriction on the importation of firearms and destructive device components from those countries previously removed from the list of proscribed countries. We would be glad to provide technical assistance in defining the particular types of firearms upon which we believe the import restriction should remain.

We appreciate the opportunity to express our views on this matter and look forward to hearing from you regarding our comments.

Sincerely yours,

Director

Joint Announcement by Treasury and State:

Control of the Import of Firearms

Today the Departments of Treasury and State are announcing a series of actions designed to deal more effectively with the increasingly dangerous flow of firearms into the United States. [MATERIAL ON SCOPE OF PROBLEM, INCLUDING SOME CONSPICUOUS EXAMPLES.]

A fundamental cause of this dangerous trade in firearms is the inadequacy of the statutory authority of the Executive Branch to control the importation of these items. [MATERIAL ON LOOPHOLES IN GUN CONTROL ACT.]

The President has therefore directed that the Department of Treasury develop specific proposals for amendments to the Gun Control Act for the purpose of narrowing the scope and effect of these exceptions. [MATERIAL GENERALLY DESCRIBING LEGISLATIVE PROPOSALS.]

As soon as the details of these proposals have been coordinated within the Executive Branch, they will be provided to the President for his review and submission to Congress. When enacted, these amendments will enable the Department of Treasury to control effectively all aspects of the import of firearms into the United States and to protect our citizens from the dangers inherent in this trade.

In the meantime, the President has directed the Departments of Treasury and State to take immediate steps within their current statutory authorities to restrict and control firearms imports into the United States. The Department of Treasury will: [DESCRIPTION OF REGULATORY AND OTHER ACTIONS.]

The Department of State will:

(1) Suspend approval of all requests for reimport into the United States of firearms originally exported from the United States or produced with technology or components for which a U.S. export license or approval was required. [This would cover U.S.-origin firearms previously exported commercially or under U.S. security assistance programs, such as in the case of Korea.]

(2) Suspend approval of all requests for import into the United States of firearms originally taken from the United States by U.S. Armed Forces and that later fell under foreign control. [This would cover U.S. firearms left behind in Southeast Asia.]

(3) Initiate the process of amending the ITAR to eliminate the current exemptions from licensing requirements for temporary imports of firearms to and from Canada, and from any country for repair and return.

(4) Institute procedures to ensure that firearms brought into the United States under temporary import licenses are not retained in this country without the approval of the State and Treasury Departments. [This might involve addition of language to the temporary import license requiring such approval.]

(5) Request the Treasury Department to refer all applications for firearms imports to the State Department for review of foreign policy and national security implications.

(6) Intensify the foreign policy and national security review of firearms import applications, with particular attention in each case to the policy and behavior of the country of export concerning nonproliferation and other areas of foreign policy and national security concern. This would apply, for example, in cases where exports of arms from the United States are currently denied for such reasons. [This would cover foreign-origin items from China, Indonesia and Vietnam. It would also enable us to consider possible action in other specific problem cases, such as countries which have exported arms to Iran or exported U.S.-origin arms or technology without our consent.]

These steps are explained in greater detail in a paper which is now available for distribution. (Attached.)

It is our hope and expectation that the actions announced today will enable our agencies to exercise more effective control over the dangerous volume of firearms imports into the United States, both for the protection of American citizens and for the enhancement of important foreign policy and national security interests.

**DRAFT**

**Executive Order xxxxxx -- Importation of Defense Articles  
Under the Arms Export Control Act.**

By virtue of the authority vested in me by the Constitution and section 38 of the Arms Export Control Act (22 U.S.C. 2778), it is hereby ordered as follows:

**Section 1. Findings and Purpose.**

(a) Section 38 of the Arms Export Control Act authorizes the President to regulate the importation of defense article in the furtherance of world peace and the security and foreign policy of the United States.

(b) The United States is the major consumer nation in the world for firearms and ammunition covered as defense articles on the United States Munitions List. Decisions to open U.S. markets to such items has a significant impact on arms production and trafficking throughout the world. Just as military arms production capacity can be converted to civilian arms production, civilian arms production capacity can easily be converted to military arms. Accordingly, decisions about the importation of arms into the United States can have the potential effect of subsidizing arms industries and arms trafficking enterprises. This flourishing production and distribution network is then also available to supply arms and other defense articles in areas of war and unrest around the world.

(c) The collapse of the Soviet Union, and the Eastern bloc alliance, and improved relations with the Peoples Republic of China, have had an impact on firearms being imported into the United States. Historically, defense articles originating in these countries were not eligible for importation. As part of the process of removing trade restrictions generally, restrictions on the importation of defense articles have been removed. This action, however, has been taken without a complete analysis of the potential impact on world peace or the security and foreign policy of the United States.

(d) Firearms imports into the United States have totalled almost 6 million in the last two years, compared to a historical average of approximately 700,000 per year. There is every reason to believe that these numbers will continue to increase. Before we continue to fuel this massive arms production and trafficking build up, a study of the consequences of changes in our importations policies must be conducted.

**Section 2. Temporary Importation Restrictions.**

(a) The Secretary of the Treasury, together with the Secretary of State and the Secretary of Defense [National

**DRAFT**

Security Council?], are directed to reexamine the United State firearms importation policy in terms of its impact on world peace, and the security and foreign policy of the United States, and provide me with recommendations.

(b) Pending the completion of this study and the adoption of new policies on the importation of defense articles, the Secretary of the Treasury shall immediately suspend the issuance of importations permits for surplus military firearms, parts for such firearms, semiautomatic military type firearms and firearms that represent a sporting reconfiguration of military firearms, or other firearms that, in consultation with the Secretary of Defense, are determined to be the product of converted military arms production capacity created by the end of the cold war.

### Section 3. Exceptions.

The importation restrictions of section 2(b) shall not apply to -

(a) a permit for the importation of defense articles for or on behalf of the United States or any State or political subdivision thereof;

(b) a permit where the Secretary of the Treasury, in consultation with the Secretary of State, makes an affirmative determination that the importation would be in furtherance of world peace, or the security or foreign policy of the United States; or

(c) a permit to import firearms for personal use and not for resale.