

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. cable	re: Congress Notified. (4 pages)	01/15/1999	P1/b(1)
002. cable	re: The Deputy Secretary's Meeting with Congress. (4 pages)	02/10/1999	P1/b(1)
003. cable	re: MAC Chairman Su Chi Provides. (5 pages)	07/25/1999	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Cables
Jan 1999-Dec 2000 ([Jesse Helms or Senator Helms])
OA/Box Number: 530000

FOLDER TITLE:

[01/04/1999-09/29/1999]

2006-1363-F

vz5592

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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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]

Cable

PREC: PRIORITY
CLASS: UNCLASSIFIED
LINE1: PATUZYUW RUCWAAA5225 0042023-UUUU--RHEHOND.
LINE2: ZNR UUUUU
LINE3: P 042023Z JAN 99
LINE4: FM FBIS RESTON VA
OSRI: RUCWAAA
DTG: 042023Z JAN 99
ORIG: FBIS RESTON VA
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RUCBAIC/AIC NORFOLK VA
RUEHAC/AMEMBASSY ASUNCION
RUEHBO/AMEMBASSY BOGOTA
RUEHME/AMEMBASSY MEXICO
RUDKDA/BUDAPESTBETA
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RUWMEGA/CDR 1ST BDE 228TH AVN BN FT KOBBE
RUCMACC/CDR 4THPSYOPGP FT BRAGG NC//AOC-P-G-SB//
RUWMEGA/CDR 5-87 INF FT KOBBE PM
RUCMACC/CDR PSYOPGP FT BRAGG NC//ASOF-P-G-SB//
RUERFCP/CDR THEATER SPT BDE FT CLAYTON PM//SOTS-S2//
RUERFCP/CDR USARSO FT CLAYTON PM//TCC//
RUERFCP/CDRUSARSO FT CLAYTON PM//SOCS-PA//
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RUHBABA/CG III MEF//G-2//
RUCXGRD/COGARD INTELCOORDCEN WASHINGTON DC
RUDPHMS/COLMGTOFC82DABNDIV
RUDPTUT/COLMGTOFCXVIIIABNCORPS
RUWGTCG/COMPACAREA COGARD ALAMEDA CA//PI//
RUDPWDC/DA AMHS WASHINGTON DC
RUWMBPA/DAICC MARCH AFB CA//INT//
RUEKDIA/DIA WASHINGTON DC
RHEHOND/DIR ONDCP//OR//
RUANJTF/DIRJIATF EAST//J2//
RUDHNIS/DIRNAVCRIMINSERV WASHINGTON DC
RUEJDCA/DISA ADNET IMHS WASHINGTON DC
RUEABND/DRUG ENFORCEMENT ADMIN HQ WASHINGTON DC//NARC//
RUEABND/DRUG ENFORCEMENT ADMIN HQ WASHINGTON DC//POL//
RUEABNE/EPIC EL PASO TX
RUDPMAX/FAISA FT BRAGG NC
RUESFB/FBIS ASUNCION PA
RUCWAAB/FBIS RESTON VA
RUCKMEA/II MEF MARFOR UNITAS//S-2//
RUWGTC/JIATF WEST
RHHJJAA/JICPAC HONOLULU HI
RUEOGHS/JWAC DAHLGREN VA
RUDMQAN/MARCORINTACT QUANTICO VA
RUWMJAB/MARFORSOUTH LN ELEM PM//G-2//
RUCTFOA/MARINCEN MIAMI FL

RUETIAB/MPC FT GEORGE G MEADE MD
RUEDAEA/NAIC WRIGHT PATTERSON AFB OH
RULSADT/NATIONAL DRUG INTELLIGENCE CENTER JOHNSTOWN PA
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RUCXONI/ONI WASHINGTON DC//2140//
RHHJJPI/PACOM IDHS HONOLULU HI
RUEKJCS/SECDEF WASHINGTON DC
RUEHC/SECSTATE WASHINGTON DC//DS/CM/CI//
RUEHC/SECSTATE WASHINGTON DC//INR//
RUEAII/STORAGE CENTER FBIS RESTON VA
RUWHTW/US CUSTOMS SERVICE CORPUS CHRISTI TX
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RHHMUNA/USCINCPAC HONOLULU HI
RUMIAAA/USCINCSO MIAMI FL//SCJ2//
RUMIAAA/USCINCSO MIAMI FL//SCJ3-PSY//
RUMIAAA/USCINCSO MIAMI FL//SCPA/SCJ2-IW//
RUERFCP/USCINCSO TREATY COROZAL PM
RULGUA/USCOMSOLANT
RHFJUSI/USCS AIU LONG BEACH CA
RHFJUSE/USCS AIU MIAMI FL
RUVOUSA/USCS CNAC OKLAHOMA CITY OK//OPS/INTEL//
RHFJUSH/USCS ERIN BAY ST LOUIS MS
RUEHIA/USIA WASHINGTON DC//R//
ACCT FBWA-EWDK

INFO: ////

SUBJ: Report Views New US Training Program

TEXT:

UNCLAS 60

WARNING: FTS_DOC_ID: FTS19990104001095

WARNING: ASUNCION PASS DEA/POLR

WARNING: TOPIC: DOMESTIC,MILITARY,NARCOTICS,POLITICAL

SERIAL: PA0401195299

COUNTRY: COLOMBIA, UNITED STATES

SUBJ: Report Views New US Training Program

REF: pa0401162799 madrid efe in spanish 0254 gmt 4 jan 99 --
farc: us agents considered 'military targets'

SOURCE: Santa Fe de Bogota El Espectador (Internet version) in
Spanish 3 Jan 99

TEXT:

[Report by Ignacio Gomez G.]

[FBIS Translated Excerpt]

Santa Fe Bogota -- More than 300 US Special Forces instructors and an undetermined number of experts in sophisticated "electronic intelligence" equipment belonging to the CIA will enter the country before the middle of next year [as published] to train an Army mobile counternarcotics brigade, which will also be equipped and will move about in aircraft donated or loaded by the US

Government.

The battle was won by a small but powerful group of US congressmen, who were engineering arms sales to Colombia, when Defense Minister Rodrigo Lloreda and US Secretary of Defense William Cohen, on 1 December signed an agreement in Cartagena. The agreement, however, must remain within the limits set by the Democratic majority and by human rights organizations. Both managed to place limits on this type of aid through the approval of the "Leahy Amendment" to the Foreign Aid Appropriation Law.

Such an amendment, approved in April 1997, prohibited granting any sort of aid (including humanitarian) to military units "reasonably" believed to have been involved in human rights violations. This initially halted the efforts of Republican Jesse Helms to send sophisticated war weapons to the Colombian military.

Initially in August 1997, Juan Carlos Esguerra -- who was ambassador at the time -- signed a "memorandum of understanding" with the State Department to apply the Leahy Amendment. From there on, the search began for an Army brigade in which one could "reasonably" believe had not been involved in violations to human rights. "The Army had to dream one up," an expert on the topic said while explaining that the only recipient with an option for this aid would be the South Unified Command, based in Puerto Leguizano, which changed its previous structure from a special operative unit to that of brigade. [passage omitted on comments by Amnesty International, Washington on Latin America Office (Wola), and The Washington Post on training versus funding]

War Computer [subhead]

US diagnosis on the conflict in Colombia agree in determining that the Army is not trained in locating the enemy or preventing their attacks due to the low capacity to mobilize and the lack of "electronic intelligence" equipment to detect the guerrillas' movements, especially in the south and eastern jungle area where the guerrillas are involved in various ways in the production of illegal drugs.

The new military aid package (although formally known as counternarcotics) includes the use of spy planes and satellite surveillance in the Orinoco and Amazon jungles, which could provide heat and infrared images to immediately detect groups of FARC [Revolutionary Armed Forces of Colombia] guerrillas and monitor their communications, including their location.

The basic list of trainable people comprise current members of the South Joint Task Force, based in the recovered Tres Esquinas military base (in the Orteguaza River, Caqueta). There, an intelligence command will be built with receivers to capture signals from satellites, airplanes, and ground troops, to provide immediate information for and about the development of operations.

However, according to experts consulted by El Espectador in Colombia, the training will be aimed at configuring a military unit capable of protecting from the ground air operations to do with the spraying of illegal crops and drug interdiction. This involves consolidating positions in the jungles' innermost locations and consolidating the Army's military control on river movements in the Amazon, currently under FARC control.

In a typical operation, as planned, troops will have the guerrillas' exact location in the jungle, but the troops will face the guerrillas in ground combat when they seek to regroup or flee through the rivers prior to the attack by OV-10 Bronco planes or Black Hawk helicopter gunships and will be met in the river by US

gunboats.

Nonetheless, the retraining proposed for this new brigade goes further that way to plan attacks and operate sophisticated war equipment. According to the diagnosis by General Charles Wilhelm, commander of the Army's Southern Command, delivered to his country's Congress, the Colombian military lack leadership, have no morale, and face permanent discipline problems among its ranks.

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(endall)

SECT: SECTION: 01 OF 01

SSN: 5225

TOR: 990104152114 M3630915

DIST:

SIT: NSC

Cable

PREC: IMMEDIATE
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LINE3: O 090441Z JAN 99
LINE4: FM FBIS RESTON VA
OSRI: RUCWAAA
DTG: 090441Z JAN 99
ORIG: FBIS RESTON VA
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RUEDADA/AFISA AMHS BOLLING AFB DC
RUQVKEW/AFIWC KELLY AFB TX//OSKC//
RUCBAIC/AIC NORFOLK VA
RUEHME/AMEMBASSY MEXICO
RUCMACC/CDR 4THPSYOPGP FT BRAGG NC//AOC-P-POG-SB//
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RUERFCP/CDRUSARSO FT CLAYTON PM//SOCS-PA//
RUDHSIC/CDRUSASOIC WASH DC//DIS//
RUCXGRD/COGARD INTELCOORDCEN WASHINGTON DC
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RUDPTUT/COLMGTOFCXVIIIABNCORPS
RUWGTCG/COMPACAREA COGARD ALAMEDA CA//PI//
RUDPWDC/DA AMHS WASHINGTON DC
RUEKDIA/DIA WASHINGTON DC
RHEHOND/DIR ONDCP//OR//
RUDHNS/DIRNAVCRIMINSERV WASHINGTON DC
RUDPMAX/FAISA FT BRAGG NC
RUESFB/FBIS ASUNCION PA
RUDKMKE/FBIS LONDON UK
RUEOGHS/JWAC DAHLGREN VA
RUDMQAN/MARCORINTACT QUANTICO VA
RUWMJAB/MARFORSOUTH LN ELEM PM//G-2//
RUETIAB/MPC FT GEORGE G MEADE MD
RUEDAEA/NAIC WRIGHT PATTERSON AFB OH
RHFJFGI/NAVCRIMINSERVFO MAYPORT FL//05MP//
RUCXONI/ONI WASHINGTON DC//2140//
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RUEHC/SECSTATE WASHINGTON DC//INR//
RUEHC/SECSTATE WASHINGTON DC//STR//
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RUMIAAA/USCINCSO MIAMI FL//SCPA/SCJ2-IW//
RUEHIA/USIA WASHINGTON DC//R//
RUEHUB/USINT HAVANA
ACCT FBWA-EWDK
INFO: ////
SUBJ: TAKE 1 OF 2--Alarcon on US Measures, Part I
TEXT:

UNCLAS 6A

WARNING: FTS_DOC_ID: FTS19990108001573

WARNING: TOPIC: DOMESTIC, ECONOMIC, INTERNATIONAL, LEADER

SERIAL: PA0901043199

COUNTRY: CUBA, UNITED STATES

SUBJ: TAKE 1 OF 2--Alarcon on US Measures, Part I

REF: 1. pa0901035199 fyi -- alarcon interviewed on us measures
2. pa0901012899 service -- acknowledging interest in alarcon remarks
3. wa0901002699 service -- interest in alarcon's statement
4. pa0801130999 fyi -- alarcon on us announcement

SOURCE: Havana Radio and Television Networks in Spanish 0230 GMT
9 Jan 99

TEXT:

[Part I of interview with Ricardo Alarcon de Quesada, president of the Cuban National Assembly of the People's Government, ANPP, by journalist Hector Rodriguez, host of the "This Very Day" program; at the television studio in Havana -- live]

[FBIS Translated Text]

[Rodriguez] Good evening, Alarcon.

[Alarcon] Good evening, Hector.

[Rodriguez] It is a pleasure to have you here.

[Alarcon] It is my pleasure, and good evening too to all the comrades who are watching this program. Hector, I want to talk about the issue you mentioned with the necessary extent it deserves. I believe that our people are educated people, reasonable people, people who know how to reason and who have a long experience in this revolutionary phase, when more than once we have had to face maneuvers and tricks from the other side, which require [two-second break in reception] to think, which require for us to get informed. I have been here with you more than once, talking about another aspect of the same issue. I would want to list some background facts; I think it is important to understand the announcement made on 5 January and place it within its adequate context.

Before anything else, we have to say that many people have rejected the US blockade, or rather the ferocious economic, commercial, and financial war that, as part of an all-out war against our country: foreign opposition; numerous governments that have said many things; the UN General Assembly resolutions, which year after year show the increasing isolation of the United States; and many other expressions that show that Cuba has a very strong international position, an increasingly strong position, that it is a respected country, a country that maintains cordial relations with most nations in the world. Not only has the opposition to this US policy grown abroad, but also, lately -- and this is something I would want us to think about -- lately, criticisms against and opposition to this policy is growing by the day within the United States itself.

I am going to list in a chronological order a number of events that took place in 1998: On 13 January, the creation of a broad

coalition of US personalities and groups was made public; it was sponsored by the Chamber of Commerce. In other words, this institution supported it. This coalition has been dubbed Americans for Humanitarian Trade with Cuba [previous six words broadcast in English] or American for Humanitarian Trade with Cuba. This group has been doing an educational and publication work; it has chapters practically everywhere in the United States. It has been supporting certain legislative initiatives that reportedly seek to eliminate some restrictions of the blockade, particularly those aspects dealing with foodstuffs and medicines. If these two aspects of the blockade were eliminated, the problems the blockade brings forth would certainly remain unresolved, because, given the conditions of the economic war Cuba is facing, exempting these two aspects from the blockade would not really resolve anything.

However, these people have noble and generous motives; they cannot agree with the criteria and strategies the US Government has implemented against us. This group has been very active and remains so, and it has carried a number of very significant activities throughout the year, which I will mention later on.

As we all recall, in January 1998, His Holiness the Pope visited our country. In this occasion, thousands of reporters and numerous personalities from around the world, especially from the United States, came, including some congressmen, such as Rangel, some congressmen from Massachusetts, and even some members of the team of advisers of none other than Senator Jesse Helms. As everybody recalls, in that occasion, the Pope made a significant statement and said that the blockade was unfair and ethically unacceptable. This directly and partly contributed to making the world see Cuba's reality: it was a civilized, united country; it was a country that progresses despite the difficulties it has had to face and its struggle. This image also reached the United States, many places in the United States, even though, as we may recall too, the Pope's visit to our country coincided with some US events, which I will not mention, events that somewhat distracted people's attention.

On 3 March, the group I mentioned at the beginning organized a rally at the US Congress. Many people went to Washington and the Capitol to talk to congressmen, to voice their opposition to the blockade, and to favor the initiative to which I was referring -- exempting foodstuffs and medicines from the blockade. In order for you to have an idea of the magnitude of this movement, at that occasion in Washington, they presented a document signed by 20,000 people of Cuban origin who live in Florida, by 20,000 Cuban Americans who included their duly notarized signature in the document to demand the end of the blockade policy against Cuba.

(more)

SECT: SECTION: 01 OF 01

SSN: 1892

TOR: 990108233934 M3638454

DIST:

SIT: NSC

Withdrawal/Redaction Marker

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Cable

PREC: PRIORITY
CLASS: UNCLASSIFIED
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LINE2: ZNR UUUUU ZZH
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LINE4: FM SECSTATE WASHDC
OSRI: RUEHC
DTG: 162000Z MAR 99
ORIG: SECSTATE WASHDC
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RUMIAAAA/USCINCSO MIAMI FL
RUCJAAA/USCINCSO MACDILL AFB FL //POLAD
SUBJ: WHA GUIDANCES, MARCH 15, 1999

TEXT:

UNCLAS STATE 047809

ALL POSTS FOR PAO; ROME FOR VATICAN; USSOCOM FOR POLAD

E.O. 12958: N/A

TAGS: OPRC

SUBJECT: WHA GUIDANCES, MARCH 15, 1999

1. FOR IMMEDIATE RELEASE, MARCH 15, 1999:

-- STATEMENT BY SECRETARY OF STATE MADELEINE K. ALBRIGHT
ON THE CONVICTION AND SENTENCING OF CUBA'S DISSIDENT
WORKING GROUP --

THE CUBAN GOVERNMENT'S TRIAL, CONVICTION AND SENTENCING OF
THE FOUR COURAGEOUS LEADERS OF CUBA'S DISSIDENT WORKING
GROUP -- MARTHA BEATRIZ ROQUE, VLADIMIRO ROCA, FELIX BONNE,
AND RENE GOMEZ MANZANO - TOOK PLACE WITHOUT THE MOST
ELEMENTAL FEATURES OF DUE PROCESS. IT VIOLATED THE VERY
CONCEPT OF THE RULE OF LAW.

THE FOUR WERE CONVICTED OF "SEDITION" SIMPLY FOR TRYING TO
EXERCISE THEIR FUNDAMENTAL RIGHT OF FREE SPEECH. THEY
COMMITTED NO ACT OF VIOLENCE; THEY DID NOT SEEK TO INCITE
VIOLENCE; THEY WERE NOT ACCUSED OF PLOTTING VIOLENCE; THEY
SIMPLY CRITICIZED THE ONE-PARTY NATURE OF CUBA'S POLITICAL
SYSTEM AND CALLED FOR PEACEFUL DEMOCRATIC CHANGE.

MARTA BEATRIZ ROQUE WROTE ON FEBRUARY 7: "MY BROTHERS, EVEN
IF WE ARE SENT TO OUR DEATHS, WE HAVE ALREADY MADE A MARK
IN LIFE AND WE WILL ALWAYS BE A SYMBOL TO ALL THE WORLD OF
REPRESSION DESPITE THE LAUGHABLE DEFAMATION WE HAVE BEEN
SUBJECTED TO BY THE REGIME." HER BRAVERY, DEDICATION, AND
PERSEVERANCE ARE SHARED BY HER THREE COMPATRIOTS AND ARE AN
INSPIRATION FOR FREEDOM-LOVING PEOPLE AROUND THE WORLD.

WE URGE ALL NATIONS TO CONDEMN THIS UNJUST DECISION AND TO
URGE CUBA TO MOVE IN THE DIRECTION OF DEMOCRATIC CHANGE.

2. WHA PRESS GUIDANCE, MARCH 15, 1999:

HAITI: ASSISTANCE THROUGH TRADITIONAL PRACTITIONERS
HAITI: DOWNED UN HELICOPTER
ECONOMIC CRISIS IN ECUADOR
CUBA: GAME ANNOUNCED FOR BALTIMORE

-- HAITI: ASSISTANCE THROUGH TRADITIONAL PRACTITIONERS --

Q: WHAT COMMENTS DO YOU HAVE ON SENATOR HELMS' ASSERTION
THAT USAID FUNDING TO THE INTERNATIONAL PLANNED PARENTHOOD
FOUNDATION (IPPF) IN HAITI IS BEING USED TO "ENDORSE OR
LEGITIMIZE WHAT AMOUNTS TO WITCHCRAFT."?

CONTEXT: SENATOR HELMS SENT A LETTER TO THE SECRETARY
FEBRUARY 9 ASSERTING THAT USAID FUNDING TO THE
INTERNATIONAL PLANNED PARENTHOOD FOUNDATION (IPPF) IN HAITI
IS BEING USED TO "ENDORSE OR LEGITIMIZE WHAT AMOUNTS TO
WITCHCRAFT." HE RELATED THAT HE WOULD NOT SUPPORT FUNDING
FOR THE IPPF IN HAITI OR FOR ANY GROUP WHOSE PROGRAMS
INCLUDE PRODUCING MATERIAL INTENDED FOR ANY VODOO
CEREMONY.

HELMS WAS REFERRING TO A USAID-SPONSORED IPPF PROGRAM TO

UTILIZE TRADITIONAL HAITIAN HEALTH PRACTITIONERS FOR DISTRIBUTING INFORMATION ON FAMILY PLANNING. TRADITIONAL PRACTITIONERS ARE THE MOST IMPORTANT SOURCE OF HEALTHCARE FOR MANY RURAL WOMEN IN HAITI; THEY HAVE BEEN ASSOCIATED WITH VODOO. USAID, WHICH HAS PROVIDED ROUGHLY \$295,000 TO IPPF FOR THIS PROGRAM, HAS DISCONTINUED ASSISTANCE PARTIALLY IN LIGHT OF SENATOR HELMS' CONCERNS. USAID DRAFTED A RESPONSE TO THE SENATOR.

A: IN THE PAST, USAID HAS SPONSORED IN HAITI AN INTERNATIONAL PLANNED PARENTHOOD FOUNDATION PROGRAM (IPPF) TO UTILIZE TRADITIONAL HAITIAN HEALTH PRACTITIONERS FOR DISTRIBUTING INFORMATION ON FAMILY PLANNING. TRADITIONAL PRACTITIONERS ARE THE FIRST POINT OF CONTACT FOR MANY HAITIANS IN SEEKING HEALTHCARE. MANY SUCCESSFUL PROGRAMS ATTEMPT TO TRAIN THESE PRACTITIONERS IN IDENTIFYING THE SYMPTOMS OF LIFE THREATENING ILLNESSES, INCLUDING COMPLICATIONS OF CHILDBIRTH.

WHILE IT IS POSSIBLE THAT SOME TRADITIONAL PRACTITIONERS HAVE PARTICIPATED IN VODOO CEREMONIES, USAID FUNDING HAS NOT BEEN USED TO SUPPORT THESE PRACTICES. USAID NO LONGER FUNDS THE IPPF LOCAL AFFILIATE IN HAITI.

-- HAITI: DOWNED UN HELICOPTER --

Q: WHAT DO YOU KNOW ABOUT REPORTS THAT A U.S. CONTRACTED UN HELICOPTER WENT DOWN IN HAITI?

CONTEXT: THE AIRCRAFT CONCERNED IS ONE OF TWO U.S. FUNDED RUSSIAN MI-8 HELICOPTERS SUPPORTING THE 300-STRONG UN CIVILIAN POLICE MISSION IN HAITI (MIPONUH). MIPONUH WAS ESTABLISHED BY THE UN SECURITY COUNCIL IN NOVEMBER 1997 TO MENTOR THE HAITIAN NATIONAL POLICE (HNP).

THE HELICOPTERS ARE CHARTERED THROUGH U.S. COMPANY INTERNATIONAL CHARTERS INCORPORATED (ICI) AND MANNED BY RUSSIAN CREWS.

A: CONTACT WAS LOST AT 7:40 PM LAST NIGHT, MARCH 14, WITH ONE OF THE TWO MI-8 HELICOPTERS SUPPORTING THE UN CIVILIAN POLICE MISSION IN HAITI (MIPONUH). THE HELICOPTER WAS EN ROUTE FROM PORT-AU-PRINCE TO CAP HAITIEN. SEVERAL U.S. COAST GUARD AIRCRAFT ARE OVERFLYING HAITI IN SEARCH OF THE HELICOPTER.

ONLY IF PRESSED ON NATIONALITY OF PASSENGERS: WE UNDERSTAND THERE WERE NINE PASSENGERS AND CREW ON THE AIRCRAFT, INCLUDING ONE AMERICAN CITIZEN. FOR PRIVACY REASONS, WE CANNOT PROVIDE THE NAME OF THE AMERICAN CITIZEN AT THIS TIME.

-- ECONOMIC CRISIS IN ECUADOR--

CONTEXT: ECUADOR IS BESET BY A SERIOUS ECONOMIC AND FINANCIAL CRISIS. LAST WEEK THE GOE CLOSED ITS BANKS TO

PREVENT A RUN ON DEPOSITS AND THE COUNTRY'S LABOR UNIONS CALLED A GENERAL STRIKE. PRESIDENT MAHUAD ANNOUNCED EMERGENCY ECONOMIC MEASURES IN A TELEVISED ADDRESS MARCH 11, INCLUDING TAX INCREASES AND OTHER REVENUE MEASURES DESIGNED TO CLOSE THE LARGE GOVERNMENT BUDGET DEFICIT. PUBLIC REACTION TO THE ANNOUNCEMENT HAS BEEN NEGATIVE AND KEY CONGRESSIONAL LEADERS INTRANSIGENTLY OBJECT TO THE PROPOSED MEASURES. BANKS HAVE REOPENED TODAY, BUT WITH SEVERE LIMITS ON WITHDRAWALS. FOREIGN AUDITORS ARE TO EXAMINE THE BANKS DURING THE NEXT TWO TO THREE MONTHS TO DETERMINE THEIR SOLVENCY. MAHUAD HOPES TO CONCLUDE AN IMF ACCORD SOON, BUT THERE ARE UNANSWERED QUESTIONS REGARDING THE GOE'S ABILITY TO IMPLEMENT THE ANNOUNCED MEASURES AND HOW INSOLVENT BANKS WILL BE TREATED. AN IMF PROGRAM IS ESSENTIAL TO PROVIDE SHORT-TERM FUNDS AND UNLOCK ADDITIONAL IFI FINANCING TO DEAL WITH THE BALANCE OF PAYMENTS CRISIS.

THE UNITED STATES IS CONCERNED ABOUT THE POLITICAL AND ECONOMIC SITUATION IN ECUADOR. WE ARE FOLLOWING DEVELOPMENTS CLOSELY. AMBASSADOR ALEXANDER CUT SHORT HIS VACATION TO RETURN TO QUITO.

Q. ANY COMMENTS ON ECUADOR'S ONGOING CRISIS AND THE GOVERNMENT'S DECLARATION OF A NATIONAL STATE OF EMERGENCY?

A. THE UNITED STATES WELCOMES PRESIDENT MAHUAD'S ANNOUNCEMENT LAST WEEK OF NEW POLICY MEASURES DESIGNED TO RESTORE ECONOMIC STABILITY AND SECURE THE FOUNDATION FOR FUTURE PROSPERITY. WE HOPE THAT ALL SECTORS OF SOCIETY COME TOGETHER AND WORK WITH THE DEMOCRATICALLY-ELECTED GOVERNMENT OF ECUADOR TO OVERCOME THE POLITICAL IMPASSE AND SUPPORT PRESIDENT MAHUAD'S EFFORTS TO END THE COUNTRY'S ECONOMIC AND FINANCIAL CRISIS. THIS IS A TIME TO SEEK CONSENSUS, NOT PARTISAN POLITICAL ADVANTAGE. WE ENCOURAGE THE GOVERNMENT OF ECUADOR TO CONTINUE WORKING CLOSELY WITH THE INTERNATIONAL MONETARY FUND IN ORDER TO REACH AN AGREEMENT THAT WILL ADDRESS THE SERIOUS FISCAL, BALANCE OF PAYMENTS, AND FINANCIAL DIFFICULTIES FACING THE COUNTRY.

-- CUBA: GAME ANNOUNCED FOR BALTIMORE --

Q: ANY COMMENT ON THE ORIOLES ANNOUNCEMENT THAT THEY WILL PLAY THE CUBAN NATIONAL TEAM ON MAY 3 IN CAMDEN YARDS?

A: WE UNDERSTAND THAT THE ORIOLES AND THE CUBAN NATIONAL BASEBALL TEAM HAVE DECIDED ON THE DATES FOR THE TWO EXHIBITION GAMES, ONE IN HAVANA, MARCH 28, THE OTHER, A NIGHT GAME, IN BALTIMORE, MAY 3. FOR MORE INFORMATION ON THE GAMES WE REFER YOU TO THE BALTIMORE ORIOLES.

3. EB PRESS GUIDANCE, MARCH 15, 1999:

-- CANADA MAGAZINES CONTROVERSY - BILL C-55 --

CONTEXT: CANADA IS POISED TO PASS A NEW BILL (C-55) THAT

SEVERELY LIMITS ADVERTISING TO THE CANADIAN MARKET FOR FOREIGN (READ U.S.) MAGAZINES DISTRIBUTED IN CANADA - MAKING IT A CRIME FOR A FOREIGN PUBLISHER NOT ALREADY IN THE CANADIAN MARKET TO CARRY ADVERTISING PLACED BY A CANADIAN, DIRECTED AT CANADIANS.

CANADA HAS MAINTAINED TRADE BARRIERS TO PROTECT ITS MAGAZINE INDUSTRY SINCE 1965. IN THE EARLY 1990S, SPORTS ILLUSTRATED BEGAN TRANSMITTING DATA FROM THE UNITED STATES INTO CANADA SO THAT ITS MAGAZINE COULD BE PRINTED IN CANADA WITH CANADIAN ADVERTISING. THE GOC DECLARED THESE "SPLIT-RUN" EDITIONS ILLEGAL.

IN 1996, THE UNITED STATES CHALLENGED CANADA IN THE WTO AND WON. AN APPEAL FILED BY CANADA FAILED. C-55 PROMULGATES NEW PROTECTIONIST MEASURES, NULLIFYING THE RELIEF THE U.S. WON IN THE WTO PANEL DECISION. AS IN THE EU BANANAS CASE, THE BILL FUELS DOUBTS IN SOME QUARTERS ABOUT THE WTO DISPUTE SETTLEMENT PROCESS.

CANADA'S HOUSE OF COMMONS IS EXPECTED TO PASS THE BILL ON MARCH 15 OR 16, BUT THERE IS THE POSSIBILITY OF CONSIDERABLE AMENDMENT AFTER THE BILL MOVES TO THE SENATE O/A MARCH 16TH. OFFICIALS FROM THE TWO COUNTRIES (INCLUDING STATE DEPARTMENT) HAVE MET FOUR TIMES, MOST RECENTLY ON MARCH 12, TO TRY TO FIND A SOLUTION. THE NEXT NEGOTIATION SESSION WILL TAKE PLACE IN OTTAWA ON MARCH 19.

WE DO NOT WANT TO GET INTO A PUBLIC DISCUSSION ABOUT RETALIATION OPTIONS OR OTHER FUTURE STEPS.

Q: WHAT CAN YOU SAY ABOUT THE MEETING HERE IN WASHINGTON ON MARCH 12TH ON BILL C-55?

A: U.S. AND CANADIAN OFFICIALS ENGAGED IN SUBSTANTIVE DISCUSSIONS, WHICH WERE CONSTRUCTIVE AND USEFUL. THE TALKS WERE A CONTINUATION OF THE DISCUSSIONS THAT HAVE BEEN GOING ON FOR SOME WEEKS.

Q: WHAT KIND OF OFFERS ARE ON THE TABLE?

A: THE TALKS ARE NOT AT THE POINT WHERE WE CAN ENGAGE IN PUBLIC DISCUSSION OF SPECIFICS.

Q: IS THE U.S. PREPARED TO RETALIATE NOW THAT THE HOUSE OF COMMONS IS ABOUT TO PASS/HAS PASSED THE BILL?

A: BOTH GOVERNMENTS REMAIN HOPEFUL THAT WE CAN FIND A BILATERAL SOLUTION AND WILL WORK HARD TO DO SO. AT THE SAME TIME, IT WOULD NOT BE HELPFUL TO COMMENT ON HOW AND WHEN THE UNITED STATES MIGHT RESPOND.

Q: DOES THE U.S. OPPOSE CANADIAN EFFORTS TO PROTECT ITS CULTURE?

A: WE STRONGLY SUPPORT CANADA'S EFFORTS TO PROMOTE ITS CULTURAL IDENTITY, BUT OPPOSE ANY MEASURES THAT ARE INCONSISTENT WITH INTERNATIONAL TRADE COMMITMENTS. THAT IS

WHY WE ARE ENGAGED WITH THE GOVERNMENT OF CANADA IN AN
INTENSIVE EFFORT TO BRING ABOUT A MUTUALLY SATISFACTORY
RESOLUTION.

I REFER YOU TO THE OFFICE OF THE UNITED STATES TRADE
REPRESENTATIVE FOR ADDITIONAL DETAILS.
ALBRIGHT

SECT: SECTION: 01 OF 01

SSN: 7809

TOR: 990316150808 M3746262

DIST:

SIT: ARMSTRONG AVERY DENNISTON GALLUCCI MILLER ORFINI
SIT: NSC

Cable

PREC: IMMEDIATE
CLASS: UNCLASSIFIED
LINE1: OAAUZYUW RUEHNEA2153 0761107-UUUU--RHEHAAX.
LINE2: ZNR UUUUU ZZH
LINE3: O 171107Z MAR 99
LINE4: FM AMEMBASSY NEW DELHI
OSRI: RUEHNE
DTG: 171107Z MAR 99
ORIG: AMEMBASSY NEW DELHI
TO: RUEHIA/USIA WASHDC IMMEDIATE 3493
INFO: RUEHC/SECSTATE WASHDC IMMEDIATE 1942
RUCPDOG/USDOC WASHDC
RHHMHAH/CINCPACFLT PEARL HARBOR HI
RHHMUNA/USCINCPAC HONOLULU HI//USIA//
RUESFG/FBIS BANGKOK TH
RUEHRC/USDA FAS WASHDC
RUEHLM/AMEMBASSY COLOMBO 3436
RUEHKA/AMEMBASSY DHAKA 3525
RUEHHK/AMCONSUL HONG KONG 2416
RUEHIL/AMEMBASSY ISLAMABAD 4046
RUEHKT/AMEMBASSY KATHMANDU 3564
RUEHKP/AMCONSUL KARACHI 0863
RUEHCG/AMCONSUL CHENNAI 6773
RUEHMO/AMEMBASSY MOSCOW 2344
RUEHKO/AMEMBASSY TOKYO 2395
RUEHGV/USMISSION GENEVA 2745
RUHPOAA/COMSEVENTHFLT
SUBJ: MEDIA REACTION U"S.-CHINA U.S.-EU INDO-PAK
RELATIONS

SUBJECTS COVERED IN THIS REPORT

TEXT:

UNCLAS NEW DELHI 002153

USIA FOR NEA, R, R/MR, I/TGI, I/RF, I/TIC, I/GNEA,
I/REC, I/RW,
STATE FOR SA/INS, PM/CBM, PM/PRO T AND ACDA
STATE FOR NSC
STATE FOR AID/APRE-A
STATE PASS USDA FOR FAS/ITP/PURDY
USDOC FOR 4530/IEP/ANESA/OSA
USIS FOR BILL MURPHY
USUN ALSO FOR CHUCK MAST

E.O. 12958: N/A

TAGS: OPRC, PGOV, PREL, IN

SUBJECT: MEDIA REACTION U"S.-CHINA U.S.-EU INDO-PAK
RELATIONS

SUBJECTS COVERED IN THIS REPORT

1. U.S.-CHINA
2. U.S.-EU
3. INDO-PAK RELATIONS

PAGE ONE SUMMARY

1. U.S. DETAINED VITAL INDIAN EQUIPMENT AFTER NUCLEAR BLASTS:

THE TIMES OF INDIA REPORTED FROM MUMBAI THAT THE U.S. REFUSED INDIAN AEROSPACE SCIENTISTS PERMISSION TO TAKE BACK WITH THEM VITAL AERONAUTICAL EQUIPMENT DESIGNED AND DEVELOPED IN INDIA WHEN THE CLINTON ADMINISTRATION ORDERED THEM TO LEAVE THE COUNTRY AFTER THE POKHRAN TESTS LAST MAY. THE EQUIPMENT IN QUESTION--A DIGITAL FLIGHT CONTROL COMPUTER (DFCC)--IS CONNECTED WITH THE LIGHT COMBAT AIRCRAFT (LCA) PROJECT. THE DFCC WAS DESIGNED AT THE BANGALORE-BASED AERONAUTICAL DEVELOPMENT ESTABLISHMENT (ADE) AND IS USED MAINLY FOR "TESTING IMPLEMENTATION OF THE FIGHTER'S SOFTWARE." THE STORY QUOTED "INFORMED SOURCES" STATING THAT THE INDIAN SCIENTISTS HAD TAKEN THE EQUIPMENT TO LOCKHEED-MARTIN TO CARRY OUT TESTS A FEW MONTHS BEFORE THE POKHRAN NUCLEAR TESTS. IMMEDIATELY AFTER THE TESTS, THE SCIENTISTS WERE ORDERED TO LEAVE THE U.S. THEIR REPEATED REQUESTS TO TAKE THE DFCC WITH THEM WERE "FIRMLY REJECTED BY THE AMERICANS."

THE STORY SAYS THAT FOR THE LAST FEW MONTHS, THE ADE HAS BEEN IN TOUCH WITH THE PENTAGON AND LOCKHEED-MARTIN IN AN EFFORT TO "SALVAGE" THE COMPUTER, BUT TO NO AVAIL. "THE AMERICANS ARE SIMPLY REFUSING TO PART WITH IT. IT IS A SERIOUS SITUATION. WHEN IT COMES TO ETHICAL PRACTICES, THE U.S. IS USING SANCTIONS TO FLOUT ALL NORMS," SAID ONE SCIENTIST REQUESTING ANONYMITY. MEANWHILE, THE LCA PROGRAM DIRECTOR KOTA HARINARAYANA REPORTEDLY SAID IN BANGALORE THAT THE INDIGENOUS FIGHTER HAS UNDERGONE FOUR SUCCESSFUL LOW-SPEED TAXI TRIALS SINCE THE MIDDLE OF FEBRUARY.

MEANWHILE, REPORTS FROM ISLAMABAD SAY THAT A TEAM OF U.S. EXPERTS OPENED TALKS WITH PAKISTANI OFFICIALS ON CURBING EXPORTS OF SENSITIVE NUCLEAR MATERIAL TO THIRD COUNTRIES. DUANE P- LONG, SENIOR SPECIAL AGENT IN THE U.S. EXPORT CONTROL AUTHORITY, IS HEADING THE VISITING THREE-MEMBER DELEGATION.

2. REMOVAL OF SANCTIONS WILL BE CONDUCTIVE TO CLINTON VISIT:

AT LEAST TWO LEADING PAPERS CARRIED AN INDIA ABROAD NEWS SERVICE (IANS) STORY STATING THAT INDIA FEELS THAT THE LIFTING OF SANCTIONS WILL CREATE A POSITIVE ENVIRONMENT FOR NEW DELHI TO SIGN THE CTBT AND FACILITATE A SUCCESSFUL VISIT TO NEW DELHI BY PRESIDENT BILL CLINTON. "I WOULD SAY A POSITIVE ENVIRONMENT WILL BE

CONDUCTIVE TO TRANSFORMING PUBLIC ATTITUDES TOWARDS THE CTBT AND BUILDING A CONSENSUS IN FAVOR OF ADHERENCE," PRIME MINISTER ATAL BEHARI VAJPAYEE TOLD IANS IN AN EXCLUSIVE INTERVIEW. HE SAID PRESIDENT CLINTON WOULD GET A WARM WELCOME WHENEVER HE VISITS INDIA BUT ADDED THAT HE HAD NO DOUBT THAT THE REMOVAL OF UNILATERAL RESTRICTIONS WAS AN "INTEGRAL PART" OF A PROCESS TO RAPIDLY DEVELOP THE

KIND OF RELATIONSHIP BOTH COUNTRIES SOUGHT.

3. COLOMBO TALKS TO FOCUS ON LAHORE SUMMIT FOLLOW-UP:

THE HINDU REPORTED FROM ISLAMABAD THAT THE FOLLOW-UP TO THE DECISIONS TAKEN AT THE LAHORE SUMMIT IN FEBRUARY WILL BE THE "FOCUS" OF DISCUSSIONS BETWEEN THE INDIAN AND PAKISTANI FOREIGN MINISTERS. IN A STATEMENT BEFORE

LEAVING FOR COLOMBO, PAKISTANI FOREIGN MINISTER SARTAJ AZIZ SAID THE KASHMIR ISSUE, "THE ROOT CAUSE OF TENSIONS IN THE REGION," WOULD BE AT THE CENTER OF HIS TALKS WITH JASWANT SINGH. CORRESPONDENT AMIT BARUAH NOTED THAT THE JASWANT SINGH-SARTAJ AZIZ MEETING WOULD LIKELY SHOW WHETHER THE MUCH TOUTED "SPIRIT" OF LAHORE HAD TOUCHED THE ESTABLISHMENTS OF PAKISTAN AND INDIA. BY INSTITUTIONALIZING THE MEETINGS OF THE FOREIGN MINISTERS, BARUAH SAID THAT AN ENTIRELY NEW DIMENSION OF STRUCTURED POLITICAL DIALOGUE HAD BEEN INTRODUCED BETWEEN THE TWO COUNTRIES. MEANWHILE, A PTI REPORT FROM NUWARA ELIY (SRI LANKA) SAID THAT INDIA AND PAKISTAN WERE UNABLE TO FINALIZE THE AGENDA FOR THE TALKS DUE TO NON-ARRIVAL OF PAKISTAN FOREIGN SECRETARY SHAMSHAD AHMED.

4. DELHI-LAHORE-DELHI BUS SERVICE BEGINS:

ALL MAJOR DAILIES GAVE PROMINENT PAGE ONE ATTENTION TO REPORTS ON THE ARRIVAL OF TUESDAY EVENING OF THE FIRST COMMERCIAL BUS FROM LAHORE CARRYING 23 PAKISTANI PASSENGERS. EARLIER ON TUESDAY, THE FIRST COMMERCIAL BUS FROM DELHI TO LAHORE, WITH 29 PASSENGERS, WAS FLAGGED OFF FROM THE SAME TERMINUS AMID FLASHES OF GAIETY AND EXCITEMENT. REPORTS NOTED THAT FOR THE TRIP WAS MORE "EMOTIONAL" FOR PASSENGERS GOING TO LAHORE AS MOST INDIANS WERE MAKING EITHER A FIRST VISIT OR ONE AFTER MANY YEARS WHEREAS THE INCOMING PAKISTANI PASSENGERS HAD VISITED INDIA BEFORE, SOME ON MORE THAN ONE OCCASION.

5. 12 CHRISTIAN HOUSES TORCHED IN ORISSA:

ALL MAJOR NATIONAL DAILIES CARRIED REPORTS FROM BHUBANESWAR THAT VIOLENCE AGAINST THE CHRISTIAN COMMUNITY ROCKED ORISSA STATE ONCE AGAIN AS 12 HOUSES BELONGING TO CHRISTIANS WERE TORCHED IN GAJAPATI DISTRICT. ACCORDING TO ORISSA HOME SECRETARY AJIT TRIPATHY, TWO CHRISTIANS SUSTAINED BULLET INJURIES WHEN THE ATTACKERS OPENED FIRE FROM COUNTRY-MADE PISTOLS. IRONICALLY, REPORTS NOTED THAT THE INCIDENT OCCURRED WHEN GOVERNMENT OFFICIALS, INCLUDING THE BLOCK DEVELOPMENT OFFICER (BDO), WERE PERSUADING VILLAGERS TO MAINTAIN RESTRAINT. THE ANGRY

VILLAGERS SUDDENLY TURNED VIOLENT DAMAGED THE BDO'S VEHICLE AND TORCHED THE THATCHED HUTS.

6. CABINET CAPS FOREIGN EQUITY IN INSURANCE AT 26 PERCENT:

ALL PAPERS HIGHLIGHTED REPORTS THAT THE UNION CABINET APPROVED A DILUTED INSURANCE REGULATORY AUTHORITY BILL WHICH REDUCED THE FOREIGN EQUITY STAKE TO 26 PERCENT FROM THE 40 PERCENT ORIGINALLY RECOMMENDED BY THE GOVERNMENT. AFTER A 2-1/2 HOUR MEETING, THE CABINET ACCEPTED THE RECOMMENDATIONS OF THE STANDING COMMITTEE ON FINANCE TO LIMIT FOREIGN PARTICIPATION AT 26 PERCENT. THE AMENDED IRA BILL IS EXPECTED TO BE TABLED IN PARLIAMENT IN THE CURRENT BUDGET SESSION.

1. U.S.-CHINA

--"NOT SO SIMPLE," EDITORIAL IN MARCH 17 CENTRIST THE STATESMAN:

"JAMES RUBIN...SET THE RECORD STRAIGHT ON POSSIBLE CHINESE THEFT OF NUCLEAR TECHNOLOGY RELATED TO W-88 MINIATURIZED WARHEADS: THEY CAN STEAL BUT WE STILL REMAIN FRIENDS. WHITE HOUSE SPOKESMAN JOE LOCKHART SAYS THAT THE ADMINISTRATION TOOK STEPS TO 'SAFEGUARD ILLEGAL TRANSFERS OF TECHNOLOGY' WHEN INFORMATION WAS FIRST RECEIVED IN 1997, BUT, ONE, IT IS NOT CLEAR WHETHER HE IS REFERRING TO THIS PARTICULAR CASE IN WHICH A CHINESE-AMERICAN SCIENTIST IS ACCUSED OF SELLING SENSITIVE WARHEAD TECHNOLOGY TO CHINA, AND TWO, OTHER REPORTS SUGGEST THAT THE ADMINISTRATION SAT ON A SECRET CONGRESSIONAL REPORT...FOR MONTHS....

"THE AMERICANS NEEDN'T BE SO COMPLACENT. CHINA WANTS TO ESTABLISH PARITY WITH OTHER BIG POWERS, OR WHAT REMAINS OF THEM, AND ESPECIALLY WITH THE U.S., PERCEIVED TO BE A THREAT. TO WHAT? TERRITORIAL SOVEREIGNTY, THAT IS, MAINLY TAIWAN... IN THE LONG RUN THE U.S. WILL HAVE A VERY DIFFERENT CHINA ON ITS HANDS, NOT ONLY TOUGH AND MEAN, BUT ALSO TECHNOLOGY-SOPHISTICATED AND, THEREFORE, MAYBE, LESS WILLING TO TALK OVER THINGS.... THE BOTTOMLINE IS THAT GIVEN ITS SIZE AND RESOURCES, THE PACE AT WHICH ITS ECONOMY IS GROWING--GREATER CHINA (INCLUDING HONG KONG AND TAIWAN

) ALREADY BOASTS MORE FOREIGN EXCHANGE RESERVES THAN JAPAN--AND THE RAPID MODERNIZATION OF ITS INDUSTRIAL-MILITARY COMPLEX, CHINA IS WELL ON ITS WAY TO GENUINE SUPERPOWER STATUS.... THE BLIND SPOT THE U.S. HAS DEVELOPED COULD JEOPARDIZE AMERICAN INTERESTS IN A MANNER WASHINGTON DOES NOT SEE FOR THE DOLLARS."

--"GOING TO THE UNITED STATES," ANALYSIS IN MARCH 17 RIGHT-OF-CENTER THE INDIAN EXPRESS BY WASHINGTON CORRESPONDENT CHIDANAND RAJGHATTA:

"WHEN SECRETARY OF STATE MADELEINE ALBRIGHT GAVE THE CHINESE LEADERSHIP THE MANDATORY LECTURE ON HUMAN RIGHTS

DURING HER VISIT TO BEIJING LAST MONTH, WHAT SHE GOT WAS NOT A RESPECTFUL HEARING, BUT AN EARFUL OF TOXIC RETORTS. CHINESE PREMIER ZHU RONGJI TOLD HER BLUNTLY THAT WHEN SHE WAS STILL IN HIGH SCHOOL, HE WAS ALREADY RISKING HIS LIFE, FIGHTING FOR HUMAN RIGHTS AGAINST THE CHINESE NATIONALIST GOVERNMENT. 'IS THAT SO?' ALBRIGHT COUNTERED ICILY. THE FROSTY EXCHANGE, RECOUNTED BY ZHU HIMSELF IN A MEETING WITH REPORTERS IN BEIJING ON MONDAY, IS INDICATIVE OF THE SUDDEN CHILL IN TIES BETWEEN CHINA AND THE U.S. FOLLOWING THE REVELATIONS ABOUT BEIJING ALLEGEDLY HAVING STOLEN NUCLEAR TECHNOLOGY FROM THE U.S.... AND IT COULD GET WORSE. AFTER YEARS OF SPORADIC ATTENTION TO WHAT THEY SAY ARE CHINA'S AGGRESSIVE DESIGNS, U.S. LAWMAKERS ARE FINALLY WAKING UP TO THE 'THREAT FROM BEIJING'--FROM ITS NUCLEAR ESPIONAGE TO ITS GROWING BALLISTIC REACH TO ITS BELLIGERENT OUTLOOK IN ASIA AND EVEN OUTSIDE. IN RECENT DAYS, SEVERAL INFLUENTIAL LEGISLATORS HAVE COME OUT IN THE OPEN AGAINST THE CLINTON ADMINISTRATION'S LARGELY ACQUIESCENT POLICIES....

"BY FAR THE MOST SERIOUS MOVES CAME FROM THE WEIGHTY REPUBLICAN SENATOR JESSE HELMS...SAID (HE) WOULD BLOCK ANY EFFORT BY THE WHITE HOUSE TO HELP CHINA BECOME A MEMBER OF THE WTO THIS YEAR.... THE U.S. MEDIA TOO HAS BEGUN TO ADOPT A CRITICAL TONE IN ITS EVALUATION OF SINO-AMERICAN TIES, SOMETHING THE CHINESE LEADERSHIP APPEARS TO HAVE NOTICED."

--"U.S. ORDERS CHINA SPY PROBE," DISPATCH IN MARCH 17 CENTRIST THE TELEGRAPH BY WASHINGTON CORRESPONDENT SEEMA SIROHI:

"THE PILFERAGE (BY CHINA) OF U.S. NUCLEAR SECRETS FROM A GOVERNMENT LABORATORY...IS ON THE VERGE OF BECOMING A FULL-BLOWN HEADACHE FOR THE WHITE HOUSE.-... THE SPECIAL U.S.-CHINA RELATIONSHIP PURSUED BY PRESIDENT CLINTON AFTER HE DENOUNCED...GEORGE BUSH FOR 'CODDLING CHINESE DICTATORS' IS BEING EXAMINED CLOSELY BY HIS POLITICAL RIVALS. AS THE ELECTION RACE FOR 2000 HEATS UP, REPUBLICANS WILL TRY TO USE ANY SENSATIONAL DISCOVERY THEY CAN AGAINST CLINTON WHO SLIPPED THROUGH THEIR HANDS EVEN AFTER THEY IMPEACHED HIM. THE SENATE, SIGHTING RED MEAT IN THE SHAPE OF A MINOR RED SCARE, (DEMANDED) AN IMMEDIATE END TO SCIENTIFIC EXCHANGES WITH CHINA, AN IRON CURTAIN ON ALL MAJOR U-S. LABS,---AND OTHER SUNDRY PUNISHMENTS. FOR BEIJING TO SHOW THAT CLINTON'S EMBRACE OF CHINA WAS FRAUGHT WITH DANGER.... (C)ONSERVATIVE SENATORS ARE DETERMINED TO DENY CHINA AT LEAST TWO PRIZES ENTRY INTO THE WTO AND THE ANNUAL GRANT OF MFN TRADING STATUS.... THE CHANGING MOOD OF THE CONGRESS...COULD PLACE A MAJOR HURDLE IN CLINTON'S PATH AS HE TRIES TO WORK ON THE WTO ENTRY FOR CHINA...."

--"CHINA'S DUBIOUS DESIGNS," EDITORIAL IN MARCH 16 CENTRIST NAVBHARAT TIMES HINDI DAILY:

"IT WAS HOPED THAT THE VISIT OF SECRETARY OF STATE

ALBRIGHT TO CHINA WOULD HELP IMPROVE SINO-AMERICAN RELATIONS, BUT IT SEEMS THAT THE OPPOSITE IS HAPPENING. DEEP FISSURES HAVE APPEARED--..FOLLOWING THE CIA REPORT ON CHINA'S NUCLEAR WARHEADS AS WELL AS THE EXPLOSIVE NEW YORK TIMES STORY ABOUT THE CHINESE BALLISTIC MISSILES WHICH MAY BECOME A THREAT TO THE U.S.... THE NYT STORY VINDICATES INDIA'S STAND ON ITS THREAT PERCEPTION.... IT IS TIME THE INTERNATIONAL COMMUNITY STOOD BEHIND INDIA AND PAID HEED TO ITS CONCERNS: CHINA IS RAPIDLY GRADUATING FROM AN ARMS COLLECTOR TO A POTENTIAL AGGRESSOR...--"

2. U.S.-EU

--"BANANA REPUBLICS," EDITORIAL IN MARCH 17 C ENTRIST THE TIMES OF INDIA:

"VEGETABLES AND FRUITS MIGHT SEEM INNOCUOUS, BUT REVEAL AN EXPLOSIVE POWER ON OCCASION.... THE (U.S.-EU) DISPUTE MAY PROVIDE THE PROVERBIAL BANANA PEEL OVER WHICH THE MIGHTY... (WTO) MAY SLIP BECAUSE FEELINGS RUN SO HIGH ON EITHER SIDE.... EARLIER IN THIS CENTURY, THE FOUR CENTRAL AMERICAN NATIONS OF HONDURAS, COSTA RICA, GUATEMALA AND EL SALVADOR CAME TO BE CALLED 'BANANA REPUBLICS' BECAUSE OF THEIR ECONOMIC OVER-DEPENDENCE ON THIS PRODUCT. THE ECONOMIC TIDES SINCE 1945 HAVE CHANGED THAT.--.. IF TRADE IS WAR BY OTHER MEANS, THE BANANA IS STILL CAUSING IT WITH THE DIFFERENCE THAT THE LEAGUE OF BANANA REPUBLICS HAS NOW BEEN JOINED BY THE U.S. AND EUROPE--

3: INDO-PAK RELATIONS

--"KASHMIR FIXATION," EDITORIAL IN MARCH 17 RIGHT-OF-CENTER THE PIONEER:

"THE MOST FAVORABLE INTERPRETATION ONE CAN PUT ON THE REMARKS WHICH PAKISTANI AMBASSADOR TO INDIA ASHRAF JEHangir QAZI MADE ABOUT JAMMU AND KASHMIR DURING HIS RECENT INTERVIEW TO THIS PAPER IS THAT THESE WERE ADDRESSED MORE TO THE HARDLINERS IN HIS OWN COUNTRY THAN TO PEOPLE IN INDIA. HIS ASSERTION THAT THE ISSUE OF SELF-DETERMINATION IN KASHMIR CANNOT BE PUSHED UNDER THE CARPET IN THE CURRENT ATMOSPHERE OF 'NOSTALGIA AND BONHOMIE' IS PRECISELY WHAT THESE ELEMENTS WILL LIKE TO HEAR.

"PRIME MINISTER NAWAZ SHARIF IS STILL IN NO POSITION TO TAKE ON THE (MILITARY), THE ISI AND THE MULLAHS WHO CONSTITUTE THE HARDLINE AXIS. IN FACT, IT IS THE AXIS WHICH CAN OUST HIM FROM POWER SHOULD THERE BE A NO-HOLDS-BARRED CONFRONTATION.... THE HARSH REALITY, WHICH SOMEHOW ALWAYS SEEM TO ELUDE MEMBERS OF THE LAHORE NOSTALGIA CLUB, IS THAT THERE IS NO EASY ROAD TO THE KIND OF IMPROVEMENT IN... RELATIONS WHICH THE LAHORE

DECLARATION ENVISIONS....

"IT WILL NOT HELP TO DENY THE WAGING OF THE PROXY WAR AND CLAIM, AS QAZI HAS DONE, THAT THE SITUATION IN J AND K IS A RESULT OF 'THE REPRESSION AND SUPPRESSION OF HUMAN AND POLITICAL RIGHTS' WHICH HAS LEFT THE PEOPLE OF THE STATE 'WITH NO OTHER OPTION BUT TO RESORT TO ARMED STRUGGLE.'... EVEN PAKISTAN'S INDEFATIGABLE (AMERICAN) PATRON NOW ACKNOWLEDGES THAT IT IS PROMOTING TERRORISM IN KASHMIR. IN FACT, INTEGRAL TO THE PROCESS OF PREPARING THE GROUND FOR A SUBSTANTIAL IMPROVEMENT IN (BILATERAL) RELATIONS IS THE CESSATION OF THE PROXY WAR BY PAKISTAN.... THE SOONER PAKISTAN REALIZES THIS (AND) THAT IT CAN NEVER HOPE TO GRAB KASHMIR THROUGH A PROXY WAR, THE BETTER FOR BOTH COUNTRIES."

"--"OPTIONS DESPITE HURDLES," ANALYSIS IN MARCH 17 NATIONALIST THE HINDUSTAN TIMES BY FORMER INDIAN FOREIGN SECRETARY J.N. DIXIT:

"I HAD ADVISED EXACTLY A MONTH AGO IN THIS COLUMN, THREE DAYS BEFORE OUR PRIME MINISTER'S BUS RIDE TO PAKISTAN, THAT REGARDLESS OF THE EUPHORIC HOPE WHICH THE VISIT WAS TO GENERATE..., THAT HOPE SHOULD BE TEMPERED WITH CAUTION. THE ADVOCACY FOR CAUTION AND REALISM FINDS SOME JUSTIFICATION IN PUBLIC PRONOUNCEMENTS MADE BY PAKISTANI LEADERS OVER THE LAST THREE WEEKS AFTER VAJPAYEE'S RETURN.... DESPITE THE COMPULSIONS OF SURVIVAL IN POWER IN VOLATILE DEMOCRACIES, BOTH VAJPAYEE AND NAWAZ SHARIF ARE PRACTICAL LEADERS CONVINCED OF THE DESIRABILITY TO NORMALIZE INDO-PAK RELATIONS AT PERSONAL AND INTELLECTUAL LEVELS. THE GENERAL PUBLICS ON BOTH SIDES OF THE BORDER..-ARE INCLINED, AT THE EMOTIONAL LEVEL AND IN TERMS OF GENERAL ATTITUDE, TO MOVE AWAY FROM THE DEBILITATING HOSTILE RELATIONS BETWEEN THE TWO COUNTRIES OVER THE LAST FIFTY YEARS.... THE ECONOMIC IMPERATIVE OF NORMALIZING INDO-PAK RELATIONS IS INCREMENTALLY PERMEATING CIVIL SOCIETY IN BOTH COUNTRIES....

"THE COMPLEMENTARITY OF INDIAN AND PAKISTANI NEEDS IN THE FIELDS OF EDUCATION, SCIENCE, TECHNOLOGY, VOCATIONAL TRAINING AND CULTURAL CONTACTS ARE OBVIOUS. TWO OVERARCHING POLITICO-STRATEGIC DEVELOPMENTS ALSO PERSUADE THEM TO START REASONING TOGETHER.... THE END OF THE COLD WAR HAS DEPRIVED BOTH INDIA AND PAKISTAN OF THE LEVERAGE WHICH THEY HAD OF USING THE SUPERPOWERS AS BALANCING FACTORS IN CRITICAL OR CONFLICT SITUATIONS.... SECONDLY, THE OVERT NUCLEAR WEAPONIZATION OF INDIA AND PAKISTAN REMOVES THE PROFOUND AND NEGATIVE AMBIGUITY AFFECTING THE THREAT PERCEPTIONS OF THE TWO COUNTRIES.-..

"CRITICIZING THE LEADERS OF BOTH COUNTRIES ABOUT THEIR PUBLIC PRONOUNCEMENTS AND POSTURING IS NOT USEFUL BEYOND A POINT. THE QUESTION IS: WHILE THEY INDULGE IN THIS AVOIDABLE AND COUNTER-PRODUCTIVE EXERCISE, CAN THEY TAKE SPECIFIC POLICY INITIATIVES WHICH ARE WITHIN THE

(REALM) OF REALISTIC POSSIBILITIES? MY ANSWER WOULD BE IN THE AFFIRMATIVE. FIRST AND FOREMOST, THE PUBLIC ANTAGONISTIC POSTURINGS BY THE LEADERS SHOULD BE CONSCIOUSLY KEPT TO THE MINIMUM. SECOND, INDIA MAY EXAMINE WHAT UNILATERAL SIGNALS FOR NORMALIZATION CAN BE SENT TO PAKISTAN WITHOUT IN ANY WAY AFFECTING OUR INTERESTS- THESE COULD BE A UNILATERAL DECLARATION LIBERALIZING BILATERAL TRADE, ECONOMIC AND TECHNOLOGICAL COOPERATION....

"AT THE OFFICIAL-LEVEL DISCUSSIONS, INDIA SHOULD SUGGEST TO THE PAKISTANIS THAT THE EXISTING DRAFT AGREEMENTS ON REDEPLOYMENT OF FORCES AT SIACHEN, ON THE TULBUL-WULAR NAVIGATION PROJECT AND ON THE SIR CREEK...SHOULD BE USED AS THE FRAMEWORK WITH NECESSARY MODIFICATIONS MEETING MUTUAL CONCERNS AS THE BASIS TO FINALIZE AGREEMENTS ON THESE ISSUES.... ON KASHMIR, WE MUST TELL OUR PAKISTANI FRIENDS THAT STATIC NEGOTIATING STANCES AND TERRITORIAL AND POLITICAL CLAIMS ARE NON-NEGOTIABLE. A SOLUTION WILL HAVE TO BE DEvised BY BOTH COUNTRIES BUILT AROUND TWO CONCEPTS: ADJUSTMENT OF THE LINE OF CONTROL, CONVERTING IT INTO A BORDER WHICH WOULD BE A SOFT BORDER; AND SECONDLY, THE PEOPLE OF JAMMU AND KASHMIR ON BOTH SIDES OF THE BORDER SHOULD BE ALLOWED FREE CONTACTS WITH EACH OTHER AND...POLITICAL MANAGEMENT OF THEIR DESTINIES WITH SUFFICIENT AUTONOMY BASED ON JOINT GUARANTEES BY INDIA AND PAKISTAN. THE ONLY MEANINGFUL AND SUBSTANTIVE AGREEMENT REACHED AT LAHORE ON FEBRUARY 21 WAS ABOUT STRATEGIC RESTRAINT AND RELATED CBMS. THESE SHOULD BE CONSOLIDATED AND EXPANDED TO ENSURE A STABLE STRATEGIC ENVIRONMENT BETWEEN THE TWO COUNTRIES. MOST IMPORTANT, DIALOGUES AT VARIOUS LEVELS SHOULD CONTINUE. THESE SUGGESTIONS MAY SOUND SLIGHTLY UTOPIAN. BUT THERE CAN BE NO HARM IN ATTEMPTING INITIATIVES TRANSCENDING THE GROUND REALITIES WHICH HAVE AFFECTED (BILATERAL) RELATIONS FOR HALF A CENTURY. WARD

SECT: SECTION: 01 OF 01

SSN: 2153

TOR: 990317093308 M3747864

DIST:

SIT: NSC

Cable

PREC: IMMEDIATE

CLASS: UNCLASSIFIED

LINE1: OAAUZYUW RUEHCAA8602 1900249-UUUU--RHEHNSC.

LINE2: ZNR UUUUU ZZH

LINE3: O 090244Z JUL 99

LINE4: FM SECSTATE WASHDC

OSRI: RUEHC

DTG: 090244Z JUL 99

ORIG: SECSTATE WASHDC

TO: ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS IMMEDIATE

RUEHIA/USIA WASHDC IMMEDIATE 3229

RHEHNSC/NSC WASHDC IMMEDIATE 7136

RUCNDT/USMISSION USUN NEW YORK IMMEDIATE 3682

RHHMUNA/USCINCPAC HONOLULU HI IMMEDIATE

RUESLE/AMCONSUL SHANGHAI IMMEDIATE 5656

RUEHGZ/AMCONSUL GUANGZHOU IMMEDIATE 9772

RUEHSH/AMCONSUL SHENYANG IMMEDIATE 0335

RUEHOK/AMCONSUL OSAKA KOBE IMMEDIATE 6713

RUEHKOF/AMCONSUL FUKUOKA IMMEDIATE 9597

RUEHKOS/AMCONSUL SAPPORO IMMEDIATE 7940

RUHBBMA/AMCONSUL NAHA IMMEDIATE 3321

RUEHKON/AMCONSUL NAGOYA IMMEDIATE 2853

RUEHDN/AMCONSUL SYDNEY IMMEDIATE 4865

RUEHBN/AMCONSUL MELBOURNE IMMEDIATE 1051

RUEHPT/AMCONSUL PERTH IMMEDIATE 3921

RUEHNZ/AMCONSUL AUCKLAND IMMEDIATE 0796

INFO: RUEHLO/AMEMBASSY LONDON IMMEDIATE 1322

RUEHFR/AMEMBASSY PARIS IMMEDIATE 3240

RUEHUNV/USMISSION UNVIE VIENNA IMMEDIATE

RUEHMO/AMEMBASSY MOSCOW IMMEDIATE 4161

RUEHGV/USMISSION GENEVA IMMEDIATE 7173

RUEHOL/USOFFICE BONN IMMEDIATE 0100

RUEHLE/AMEMBASSY LUXEMBOURG PRIORITY 7380

RUEHNE/AMEMBASSY NEW DELHI PRIORITY 5015

RUEKJCS/SECDEF WASHDC//USDP PRIORITY 5327

RUEHBS/USEU BRUSSELS PRIORITY

RUAGAMS/COMUSKOREA SEOUL KOR//CC/BJ/CJ/EJ/PAJ/SJS//PRIORITY

RUAGAMS/CHJUSMAG SEOUL KOR PRIORITY

RHHMHAH/CINCPACFLT PEARL HARBOR HI PRIORITY

RUCJACC/USCENTCOM MACDILL AFB FL PRIORITY

RUEKJCS/JOINT STAFF WASHDC PRIORITY 9136

RUEAIIA/CIA WASHDC PRIORITY 5034

RUEAIIA/DIRNSA FT GEORGE G MEADE MD PRIORITY

RUEATRS/TREASURY DEPT WASHDC PRIORITY 5893

RUCPDOG/USDOC WASHDC PRIORITY 7872

SUBJ: JULY 8 PRESS GUIDANCES FOR THE EAP REGION

ALL POSTS - ALSO FOR USIS

SECDEF - ALSO FOR OASD/PA

TEXT:

UNCLAS SECTION 01 OF 19 STATE 128602

USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A

TAGS: OPRC, XE, US

SUBJECT: JULY 8 PRESS GUIDANCES FOR THE EAP REGION

ALL POSTS - ALSO FOR USIS
SECDEF - ALSO FOR OASD/PA
USCINCPAC FOR FPA TWINING
UNVIE FOR FITZPATRICK
USEU FOR RUTH

1. INDEX:

--AUSTRALIA/NEW ZEALAND: LAMB (PARAS 2-9)
--VIETNAM: SPEECH (PARAS 10-11)
--SOLOMON ISLANDS: ETHNIC STRIFE (PARAS 12-13)
--NORTH KOREA: ACCESS NOT YET GRANTED TO DETAINED
AMERICAN (PARAS 14--15)
--NORTH KOREA: MISSILE PROLIFERATION (PARAS 16-17)
--NORTH KOREA/JAPAN: MISSILE PROLIFERATION (PARAS 18-19)
--NORTH KOREA/INDIA: SHIP INTERDICTION (PARAS 20-21)
--WILLIAM PERRY TRIP TO MOSCOW (PARAS 20 AND 22)
--JAPAN: GREATER ASSERTIVENESS ON SECURITY (PARAS 20 AND
23)
--CHINA: ENGAGEMENT (PARAS 20 AND 24)

2. THE FOLLOWING DOCUMENTS WERE RELEASED IN RAPID CITY,
SOUTH DAKOTA BY THE WHITE HOUSE PRESS OFFICE ON 7/7/99.

3. STATEMENT BY THE PRESS SECRETARY

PRESIDENT CLINTON PROVIDES IMPORT RELIEF AND ADJUSTMENT
ASSISTANCE FOR U.S. LAMB INDUSTRY

PRESIDENT CLINTON TODAY ANNOUNCED A COMBINATION OF IMPORT
RELIEF AND DOMESTIC ASSISTANCE FOR THE U.S. LAMB INDUSTRY
LASTING THREE YEARS IN RESPONSE TO A RECENT SURGE IN LAMB
MEAT IMPORTS.

THE PRESIDENT'S ACTION FOLLOWS A UNANIMOUS FINDING BY THE
UNITED STATES INTERNATIONAL TRADE COMMISSION (USITC) THAT
THE DOMESTIC LAMB INDUSTRY IS THREATENED WITH SERIOUS
INJURY DUE TO A SURGE IN LAMB IMPORTS.

TODAY'S DECISION DEMONSTRATES THE PRESIDENT'S COMMITMENT
TO THE VIGOROUS AND FULL ENFORCEMENT OF OUR TRADE LAWS.
THE PACKAGE OF IMPORT RELIEF AND DOMESTIC ASSISTANCE HAS
BEEN CAREFULLY CRAFTED TO HELP OUR LAMB INDUSTRY ACHIEVE
SUSTAINED COMPETITIVENESS, WHILE RESPECTING OUR
INTERNATIONAL TRADE OBLIGATIONS.

AS PART OF TODAY'S ACTIONS, IMPORTS OF LAMB MEAT WILL NOW
FACE HIGHER DUTIES FOR THREE YEARS, EFFECTIVE JULY 22,
1999. SPECIFICALLY, IMPORTS UP TO A QUOTA LEVEL SET AT
1998 IMPORT LEVELS WILL BE SUBJECT TO DUTIES OF 9 PERCENT

IN THE FIRST YEAR AND DECLINING THEREAFTER; WHILE IMPORTS ABOVE THE QUOTA WILL FACE SHARPLY HIGHER TARIFFS, STARTING AT 40 PERCENT IN THE FIRST YEAR AND DECLINING THEREAFTER. UNCLAS SECTION 02 OF 19 STATE 128602

USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A

TAGS: OPRC, XE, US

SUBJECT: JULY 8 PRESS GUIDANCES FOR THE EAP REGION

THE PRESIDENT FURTHER DIRECTED THE ADMINISTRATION TO DEVELOP AN EFFECTIVE ASSISTANCE PACKAGE FOR THE DOMESTIC LAMB INDUSTRY. THE PACKAGE WILL TOTAL AS MUCH AS \$100 MILLION OVER THE NEXT THREE YEARS - HALF OF WHICH WILL BE AVAILABLE IN THE FIRST YEAR. IT WILL INCLUDE FUNDING FOR PRODUCTIVITY IMPROVEMENTS, MARKET PROMOTION, ANIMAL HEALTH, AND DOMESTIC PURCHASES.

TO ENSURE THAT THE RELIEF ENHANCES THE COMPETITIVENESS OF THE U.S. LAMB INDUSTRY, THE PRESIDENT WILL SET SPECIFIC BENCHMARKS FOR THE USITC TO APPLY IN ITS MID-TERM EVALUATION OF INDUSTRY DEVELOPMENTS.

4. FACT SHEET

IMPORT RELIEF AND ASSISTANCE ADJUSTMENT FOR U.S. LAMB INDUSTRY

THE PRESIDENT HAS IMPLEMENTED THE FOLLOWING ACTIONS WITH RESPECT TO IMPORTS OF LAMB MEAT:

TEMPORARY IMPORTS RELIEF: THE PRESIDENT PROCLAIMED A TARIFF-RATE QUOTA, EFFECTIVE ON JULY 22, 1999, FOR LAMB MEAT IN AN AMOUNT EQUAL TO 31,851 METRIC TONS IN THE FIRST YEAR (TO BEGIN FIFTEEN DAYS AFTER THE PRESIDENT'S SIGNATURE OF THE PROCLAMATION), AN AMOUNT THAT IS EQUAL TO IMPORTS OF LAMB MEAT DURING CALENDAR YEAR 1998. THE TARIFF-RATE QUOTA AMOUNT WILL INCREASE BY 857 METRIC TONS ANNUALLY IN THE SECOND AND THIRD YEARS OF RELIEF. INDIVIDUAL COUNTRY ALLOCATIONS FOR PRODUCT IMPORTED FROM AUSTRALIA, NEW ZEALAND, AND AN "OTHER COUNTRY" CATEGORY WITHIN THE TARIFF-RATE QUOTA HAVE ALSO BEEN ESTABLISHED, WHICH REFLECT THE SHARES OF EACH COUNTRY IN CALENDAR YEAR 1998. INCREASED RATES OF DUTY FOR IMPORTS WITHIN THE TARIFF-RATE QUOTA AMOUNT WILL BE SET AS FOLLOWS: 9 PERCENT AD VALOREM FOR IMPORTS IN THE FIRST YEAR OF RELIEF; 6 PERCENT AD VALOREM FOR IMPORTS IN THE SECOND YEAR; AND 3 PERCENT AD VALOREM FOR IMPORTS IN THE THIRD YEAR. RATES OF DUTY FOR IMPORTS ABOVE THE TARIFF-RATE QUOTA LEVELS WILL BE SET AT 40 PERCENT AD VALORUM IN THE FIRST YEAR OF RELIEF, 32 PERCENT AD VALOREM IN THE SECOND YEAR, AND 24 PERCENT AD VALOREM IN THE THIRD YEAR.

THE PRESIDENT CONCURRED WITH THE USITC FINDING THAT IMPORTS OF LAMB MEAT PRODUCED IN CANADA AND MEXICO DO NOT ACCOUNT FOR A SUBSTANTIAL SHARE OF TOTAL U.S. IMPORTS OF LAMB MEAT AND ARE NOT CONTRIBUTING IMPORTANTLY TO THE

THREAT OF SERIOUS INJURY. AS REQUIRED BY STATUTE IN SUCH SITUATIONS, THE PRESIDENT EXCLUDED LAMB MEAT FROM CANADA AND MEXICO FROM THE IMPORT RESTRICTIONS. SIMILARLY, THE SAFEGUARD MEASURE WILL NOT APPLY TO IMPORTS OF LAMB MEAT FROM ISRAEL, BENEFICIARY COUNTRIES UNDER THE CARIBBEAN BASIN ECONOMIC RECOVERY ACT AND THE ANDEAN TRADE PREFERENCE ACT, AND FROM OTHER DEVELOPING COUNTRIES THAT ACCOUNT FOR A MINOR SHARE OF LAMB MEAT IMPORTS.

ADJUSTMENT ASSISTANCE: THE PRESIDENT INSTRUCTED USDA, UNCLAS SECTION 03 OF 19 STATE 128602

USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A

TAGS: OPRC, XE, US

SUBJECT: JULY 8 PRESS GUIDANCES FOR THE EAP REGION

USTR, OMB, AND THE NEC, IN CONSULTATION WITH THE U.S. INDUSTRY, TO PROVIDE A SET OF SUBSTANTIAL DOMESTIC ASSISTANCE MEASURES THAT WILL IMPROVE THE COMPETITIVENESS OF THE U.S. INDUSTRY AND FACILITATE EFFORTS BY THE INDUSTRY TO IMPORT COMPETITION. THE PRESIDENT'S ACTION

PROVIDES FOR ADJUSTMENT ASSISTANCE OF AS MUCH AS \$100 MILLION OVER THREE YEARS, WITH \$50 MILLION AVAILABLE IN THE FIRST YEAR.

MONITORING: THE USITC WILL MONITOR DEVELOPMENTS WITH RESPECT TO THE DOMESTIC LAMB INDUSTRY OVER THE NEXT 18 MONTHS, INCLUDING THE PROGRESS AND SPECIFIC EFFORTS MADE BY RANCHERS AND FIRMS TO MAKE A POSITIVE ADJUSTMENT TO IMPORT COMPETITION. THE USITC WILL PROVIDE TO THE PRESIDENT AND TO THE CONGRESS A MID-TERM REPORT ON THE RESULTS OF ITS MONITORING BY NO LATER THAN DECEMBER 31, 2000. THE PRESIDENT HAS INSTRUCTED USTR, IN CONSULTATION WITH USDA AND OMB, TO TRANSMIT TO THE USITC NO LATER THAN 30 DAYS FROM TODAY A LIST OF SPECIFIC BENCHMARKS THAT USTR RECOMMENDS THAT THE USITC USE IN CONNECTION WITH ITS MONITORING AND IN PREPARING ITS REPORT. THESE BENCHMARKS ARE TO BE FOCUSED ON INDUSTRY EFFORTS TO ADJUST TO IMPORT COMPETITION, THE EFFECTIVENESS OF USDA ASSISTANCE, AND ON PRICE TRENDS FOR DOMESTIC AND IMPORTED LAMB MEAT.

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

JULY 7, 1999

DEAR MR. SPEAKER: (DEAR MR. PRESIDENT:)

I AM PLEASED TO PROVIDE TO THE CONGRESS DOCUMENTS CALLED FOR BY SECTION 203 (B) OF THE TRADE ACT OF 1974, AS AMENDED, PERTAINING TO THE SAFEGUARD ACTION THAT I PROCLAIMED TODAY ON IMPORTS OF LAMB MEAT.

SINCERELY,

WILLIAM J. CLINTON

6. TO FACILITATE POSITIVE ADJUSTMENT TO COMPETITION
FROM IMPORTS OF LAMB MEAT

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

--1. ON APRIL 5, 1999, THE UNITED STATES INTERNATIONAL
TRADE COMMISSION (USITC) TRANSMITTED TO THE PRESIDENT A
UNANIMOUS AFFIRMATIVE DETERMINATION IN ITS INVESTIGATION
UNDER SECTION 202 OF THE TRADE ACT OF 1974, AS AMENDED

(THE "TRADE ACT") (19 U.S.C. 2252), WITH RESPECT TO
IMPORTS OF FRESH, CHILLED, OR FROZEN LAMB MEAT, PROVIDED
FOR IN HEADING 0204 OF THE HARMONIZED TARIFF SCHEDULE OF
UNCLAS SECTION 04 OF 19 STATE 128602

USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A

TAGS: OPRC, XE, US

SUBJECT: JULY 8 PRESS GUIDANCES FOR THE EAP REGION

THE UNITED STATES (HTS). UNDER SECTION 202 OF THE TRADE
ACT, THE USITC DETERMINED THAT SUCH LAMB MEAT IS BEING
IMPORTED INTO THE UNITED STATES IN SUCH INCREASED
QUANTITIES AS TO BE A SUBSTANTIAL CAUSE OF THE THREAT OF
SERIOUS INJURY TO THE DOMESTIC INDUSTRY PRODUCING A LIKE
OR DIRECTLY COMPETITIVE ARTICLE. FURTHER, THE USITC,
PURSUANT TO SECTION 311 (A) OF THE NORTH AMERICAN FREE
TRADE AGREEMENT IMPLEMENTATION ACT (THE "NAFTA
IMPLEMENTATION ACT") (19 U.S.C. 3371(A)), MADE NEGATIVE
FINDINGS WITH RESPECT TO IMPORTS OF LAMB MEAT FROM CANADA
AND MEXICO. THE USITC ALSO TRANSMITTED TO THE PRESIDENT
ITS RECOMMENDATION MADE PURSUANT TO SECTION 202(E) OF THE
TRADE ACT WITH RESPECT TO THE ACTION THAT WOULD ADDRESS
THE THREAT OF SERIOUS INJURY TO THE DOMESTIC INDUSTRY AND
BE MOST EFFECTIVE IN FACILITATING THE EFFORTS OF THE
DOMESTIC INDUSTRY TO MAKE A POSITIVE ADJUSTMENT TO IMPORT
COMPETITION.

--2. PURSUANT TO SECTION 203 OF THE TRADE ACT (19 U.S.C.
2253), AND AFTER TAKING INTO ACCOUNT THE CONSIDERATIONS
SPECIFIED IN SECTION 203(A)(2) OF THE TRADE ACT, I HAVE
DETERMINED TO IMPLEMENT ACTION OF A TYPE DESCRIBED IN
SECTION 203(A)(3). HOWEVER, PURSUANT TO THE SECTION
312(A) OF THE NAFTA IMPLEMENTATION ACT (19 U.S.C. 3372
(A)), I HAVE DETERMINED THAT IMPORTS FROM CANADA AND
MEXICO, CONSIDERED INDIVIDUALLY, DO NOT ACCOUNT FOR A
SUBSTANTIAL SHARE OF TOTAL IMPORTS AND DO NOT CONTRIBUTE
IMPORTANTLY TO THE THREAT OF SERIOUS INJURY FOUND BY THE
USITC. ACCORDINGLY, PURSUANT TO SECTION 312(B) OF THE
NAFTA IMPLEMENTATION ACT (19 U.S.C. 3372(B)), I HAVE
EXCLUDED LAMB MEAT THE PRODUCT OF CANADA OR MEXICO FROM
THE ACTION I AM TAKING UNDER SECTION 203 OF THE TRADE ACT.

--3. SUCH ACTION SHALL TAKE THE FORM OF A TARIFF-RATE QUOTA ON IMPORTS OF FRESH, CHILLED, OR FROZEN LAMB MEAT, PROVIDED FOR IN HTS SUBHEADINGS 0204.10.00, 0204.22.20, 0204.23.20, 0204.30.00, 0204.42.20 AND 0204.43.20, IMPOSED FOR A PERIOD OF 3 YEARS PLUS 1 DAY, WITH ANNUAL INCREASES IN THE WITHIN-QUOTA QUANTITIES IN THE SECOND AND THIRD YEARS, AS PROVIDED FOR IN ANNEX TO THIS PROCLAMATION.

--4. EXCEPT FOR PRODUCTS OF CANADA, MEXICO, ISRAEL, BENEFICIARY COUNTRIES UNDER THE CARIBBEAN BASIN ECONOMIC RECOVERY ACT (CBERA) AND THE ANDEAN TRADE PREFERENCE ACT (ATPA), AND OTHER DEVELOPING COUNTRIES THAT HAVE ACCOUNTED

FOR A MINOR SHARE OF LAMB MEAT IMPORTS, WHICH SHALL ALL BE EXCLUDED FROM THIS RESTRICTION, SUCH TARIFF-RATE QUOTA SHALL APPLY TO IMPORTS OF LAMB MEAT FROM ALL OTHER COUNTRIES AND THE IN-QUOTA QUANTITY IN EACH YEAR SHALL BE ALLOCATED AMONG SUCH COUNTRIES. PURSUANT TO SECTION 203(A)(1)(A) OF THE TRADE ACT (19 U.S.C. 2253 (A)(1)(A)), I HAVE FURTHER DETERMINED THAT THESE ACTIONS WILL FACILITATE EFFORTS BY THE DOMESTIC INDUSTRY TO MAKE A POSITIVE ADJUSTMENT TO IMPORT COMPETITION AND PROVIDE GREATER ECONOMIC AND SOCIAL BENEFITS THAN COSTS.

--5. SECTION 604 OF THE TRADE ACT, AS AMENDED (19 U.S.C. 2483), AUTHORIZES THE PRESIDENT TO EMBODY IN THE HTS THE UNCLAS SECTION 05 OF 19 STATE 128602

USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A

TAGS: OPRC, XE, US

SUBJECT: JULY 8 PRESS GUIDANCES FOR THE EAP REGION

SUBSTANCE OF THE RELEVANT PROVISIONS OF THAT ACT, AND OF OTHER ACTS AFFECTING IMPORT TREATMENT, AND ACTIONS THEREUNDER, INCLUDING THE REMOVAL, MODIFICATION, CONTINUANCE, OR IMPOSITION OR ANY RATE OF DUTY OR OTHER IMPORT RESTRICTION.

NOW, THEREFORE, I, WILLIAM J. CLINTON, PRESIDENT OF THE UNITED STATES OF AMERICA, ACTING UNDER THE AUTHORITY VESTED IN ME BY THE CONSTITUTION AND THE LAWS OF THE UNITED STATES OF AMERICA, INCLUDING BUT NOT LIMITED TO SECTIONS 203 AND 604 OF THE TRADE ACT, AND SECTION 301 OF TITLE 3, UNITED STATES CODE, DO PROCLAIM THAT:

(1) IN ORDER TO ESTABLISH A TARIFF-RATE QUOTA ON IMPORTS OF FRESH, CHILLED, OR FROZEN LAMB MEAT CLASSIFIED IN HTS SUBHEADINGS 0204.10.00, 0204.22.20, 0204.23.20, 0204.30.00, 0204.42.20, AND 0204.43.20, SUBCHAPTER III OF CHAPTER 99 OF THE HTS IS MODIFIED AS PROVIDED IN THE ANNEX TO THIS PROCLAMATION.

(2) SUCH IMPORTED LAMB MEAT THAT IS THE PRODUCT OF CANADA, MEXICO, ISRAEL, AND OF BENEFICIARY COUNTRIES UNDER THE CBERA AND THE ATPA, AND OF DEVELOPING COUNTRIES LISTED IN GENERAL NOTE 4(A) TO THE HTS, SHALL BE EXCLUDED FROM

THE TARIFF-RATE QUOTA ESTABLISHED BY THIS PROCLAMATION, AND SUCH IMPORTS SHALL NOT BE COUNTED TOWARD THE TARIFF-RATE QUOTA LIMITS THAT TRIGGER THE OVER-QUOTA RATES OF DUTY.

(3) IN THE EVENT THAT A QUOTA QUANTITY ESTABLISHED BY THIS PROCLAMATION AND ALLOCATED TO A COUNTRY OR TO "OTHER COUNTRIES" IS SIGNIFICANTLY UNDERUTILIZED, THE UNITED STATES TRADE REPRESENTATIVE IS AUTHORIZED TO REALLOCATE ALL OR PART OF THE UNFILLED PORTION OF SUCH QUOTA QUANTITY TO ANY OTHER COUNTRY OR COUNTRIES AND, UPON

PUBLICATION OF NOTICE IN THE FEDERAL REGISTER, TO MODIFY THE HTS PROVISIONS CREATED BY THE ANNEX TO THIS PROCLAMATION TO REFLECT ANY SUCH REALLOCATION.

(4) ANY PROVISIONS OF PREVIOUS PROCLAMATIONS AND EXECUTIVE ORDERS THAT ARE INCONSISTENT WITH THE ACTIONS TAKEN IN THIS PROCLAMATION ARE SUPERSEDED TO THE EXTENT OF SUCH INCONSISTENCY.

(5) THE MODIFICATIONS TO THE HTS MADE BY THIS PROCLAMATION, INCLUDING THE ANNEX HERETO, SHALL BE EFFECTIVE WITH RESPECT TO GOODS ENTERED, OR WITHDRAWN FROM WAREHOUSE FOR CONSUMPTION, ON OR AFTER 12:01 A.M. E.D.T. ON JULY 22, 1999, AND SHALL CONTINUE IN EFFECT AS PROVIDED IN THE ANNEX TO THIS PROCLAMATION, UNLESS SUCH ACTIONS ARE EARLIER EXPRESSLY MODIFIED OR TERMINATED.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND THIS SEVENTH DAY OF JULY, IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND NINETY-NINE, AND OF THE INDEPENDENCE OF THE UNITED STATES OF AMERICA THE TWO HUNDRED AND TWENTY-FOURTH.

UNCLAS SECTION 06 OF 19 STATE 128602

USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A

TAGS: OPRC, XE, US

SUBJECT: JULY 8 PRESS GUIDANCES FOR THE EAP REGION

WILLIAM J. CLINTON

7. MEMORANDUM FOR
THE SECRETARY OF THE TREASURY
THE SECRETARY OF AGRICULTURE
THE UNITED STATES TRADE REPRESENTATIVE
THE DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET
THE DIRECTOR OF THE NATIONAL ECONOMIC COUNCIL

JULY 7, 1999

SUBJECT: ACTION UNDER SECTION 203 OF THE TRADE ACT OF 1974 CONCERNING LAMB MEAT

ON APRIL 5, 1999, THE UNITED STATES INTERNATIONAL TRADE

COMMISSION (USITC) SUBMITTED A REPORT TO ME THAT CONTAINED: (1) A DETERMINATION PURSUANT TO SECTION 202 OF THE TRADE ACT OF 1974, AS AMENDED (THE "TRADE ACT"), THAT IMPORTS OF LAMB MEAT ARE BEING IMPORTED INTO THE UNITED STATES IN SUCH INCREASED QUANTITIES AS TO BE A SUBSTANTIAL CAUSE OF THREAT OF SERIOUS INJURY TO THE DOMESTIC LAMB MEAT INDUSTRY; AND (2) NEGATIVE FINDINGS MADE PURSUANT TO SECTION 311(A) OF THE NORTH AMERICAN FREE TRADE AGREEMENT

IMPLEMENTATION ACT (THE "NAFTA IMPLEMENTATION ACT") WITH RESPECT TO IMPORTS OF LAMB MEAT FROM CANADA AND MEXICO.

AFTER CONSIDERING ALL RELEVANT ASPECTS OF THE INVESTIGATION, INCLUDING THE FACTORS SET FORTH IN SECTION 203(A)(2) OF THE TRADE ACT, I HAVE IMPLEMENTED ACTIONS OF A TYPE DESCRIBED IN SECTION 203(A)(3). I HAVE DETERMINED THAT THE MOST APPROPRIATE ACTION IS A TARIFF-RATE QUOTA ON IMPORTS OF LAMB MEAT WITH AN INCREASE IN CURRENTLY SCHEDULED RATES OF DUTIES FOR IMPORTS WITHIN AND ABOVE THE TARIFF-RATE QUOTA LEVEL. I HAVE PROCLAIMED SUCH ACTION FOR A PERIOD OF 3 YEARS AND 1 DAY IN ORDER TO FACILITATE EFFORTS BY THE DOMESTIC INDUSTRY TO MAKE A POSITIVE ADJUSTMENT TO IMPORT COMPETITION.

SPECIFICALLY, I HAVE ESTABLISHED A TARIFF-RATE QUOTA FOR LAMB MEAT IN AN AMOUNT EQUAL TO 31,851,151 KG. IN THE FIRST YEAR (JULY 22, 1999, THROUGH JULY 21, 2000), AN AMOUNT THAT IS EQUAL TO IMPORTS OF LAMB MEAT DURING CALENDAR YEAR 1998. THE TARIFF-RATE QUOTA AMOUNT WILL INCREASE BY 857,342 KG. ANNUALLY IN THE SECOND AND THIRD YEARS OF RELIEF. I HAVE ALSO ESTABLISHED INDIVIDUAL COUNTRY ALLOCATIONS FOR PRODUCTS IMPORTED FROM AUSTRALIA, NEW ZEALAND, AND AN "OTHER COUNTRY" CATEGORY WITHIN THE TARIFF-RATE QUOTA, WHICH REFLECT THE ACTUAL SHARES OF EACH COUNTRY IN CALENDAR YEAR 1998. I HAVE ESTABLISHED INCREASED RATES OF DUTY FOR IMPORTS WITHIN THE TARIFF-RATE QUOTA AMOUNT; NAMELY 9 PERCENT AD VALOREM FOR IMPORTS IN THE FIRST YEAR OF RELIEF, 6 PERCENT AD VALOREM FOR IMPORTS IN THE SECOND YEAR; AND 3 PERCENT AD VALOREM FOR IMPORTS IN THE THIRD YEAR. I HAVE ESTABLISHED INCREASED RATES OF DUTY FOR IMPORTS ABOVE THE TARIFF-RATE QUOTA LEVELS; UNCLAS SECTION 07 OF 19 STATE 128602

USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A

TAGS: OPRC, XE, US

SUBJECT: JULY 8 PRESS GUIDANCES FOR THE EAP REGION

NAMELY, 40 PERCENT AD VALOREM IN THE FIRST YEAR OF RELIEF, 32 PERCENT AD VALOREM IN THE SECOND YEAR, AND 24 PERCENT AD VALOREM IN THE THIRD YEAR.

I HAVE ALSO DETERMINED THAT IMPLEMENTATION OF ADJUSTMENT ASSISTANCE MEASURES BASED ON AUTHORIZED PROGRAMS OF THE DEPARTMENT OF AGRICULTURE WILL FACILITATE EFFORTS BY THE DOMESTIC LAMB MEAT INDUSTRY TO MAKE A POSITIVE ADJUSTMENT TO IMPORT COMPETITION. IN THIS REGARD, I INSTRUCT THE UNITED STATES TRADE REPRESENTATIVE (THE USTR), THE

SECRETARY OF AGRICULTURE (THE SECRETARY), THE DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET, AND THE DIRECTOR OF THE NATIONAL ECONOMIC COUNCIL, IN CONSULTATION WITH THE U.S. INDUSTRY, TO TRANSMIT TO ME A SET OF SUBSTANTIAL ADJUSTMENT ASSISTANCE MEASURES THAT WOULD IMPROVE THE

COMPETITIVENESS OF THE U.S. INDUSTRY AND FACILITATE EFFORTS BY THE INDUSTRY TO ADJUST TO IMPORT COMPETITION.

I FURTHER DETERMINE, PURSUANT TO SECTION 312(A) OF THE NAFTA IMPLEMENTATION ACT, THAT IMPORTS OF LAMB MEAT PRODUCED IN CANADA AND MEXICO DO NOT ACCOUNT FOR A SUBSTANTIAL SHARE OF TOTAL IMPORTS OF LAMB MEAT AND ARE NOT CONTRIBUTING IMPORTANTLY TO THE THREAT OF SERIOUS INJURY. THEREFORE, PURSUANT TO SECTION 312(B) OF THE NAFTA IMPLEMENTATION ACT, THE SAFEGUARD MEASURE WILL NOT APPLY TO IMPORTS OF LAMB MEAT, WHETHER FRESH/CHILLED OR FROZEN, THAT ARE THE PRODUCT OF CANADA OR MEXICO. SIMILARLY, THE SAFEGUARD MEASURE WILL NOT APPLY TO IMPORTS OF LAMB MEAT THAT ARE THE PRODUCT OF ISRAEL, BENEFICIARY COUNTRIES UNDER THE CARIBBEAN BASIN ECONOMIC RECOVERY ACT OR THE ANDEAN TRADE PREFERENCE ACT, OR OTHER DEVELOPING COUNTRIES THAT HAVE ACCOUNTED FOR A MINOR SHARE OF LAMB MEAT IMPORTS.

I HAVE DETERMINED THAT THE ACTIONS DESCRIBED ABOVE WILL FACILITATE EFFORTS BY THE DOMESTIC INDUSTRY TO MAKE A POSITIVE ADJUSTMENT TO IMPORT COMPETITION AND PROVIDE GREATER ECONOMIC AND SOCIAL BENEFITS THAN COSTS. THESE ACTIONS WILL PROVIDE THE DOMESTIC INDUSTRY WITH NECESSARY TEMPORARY RELIEF FROM INCREASING IMPORT COMPETITION AS WELL AS ASSISTANCE FROM EXISTING U.S. GOVERNMENT PROGRAMS, WHILE ALSO ASSURING OUR TRADING PARTNERS CONTINUED ACCESS TO THE UNITED STATES MARKET. THE OVER-QUOTA TARIFF RATES I HAVE ESTABLISHED WILL PROVIDE SUBSTANTIAL CERTAINTY TO THE DOMESTIC LAMB INDUSTRY REGARDING IMPORT LEVELS.

PURSUANT TO SECTION 204 OF THE TRADE ACT, THE USITC WILL MONITOR DEVELOPMENTS WITH RESPECT TO THE DOMESTIC INDUSTRY, INCLUDING THE PROGRESS AND SPECIFIC EFFORTS MADE BY WORKERS AND FIRMS TO MAKE A POSITIVE ADJUSTMENT TO IMPORT COMPETITION. THE USITC WILL PROVIDE TO ME AND TO THE CONGRESS A REPORT ON THE RESULTS OF ITS MONITORING NO LATER THAN THE DATE THAT IS THE MID-POINT OF THE PERIOD DURING WHICH THE ACTION I HAVE TAKEN UNDER SECTION 203 OF THE TRADE ACT IS IN EFFECT. IN THIS REGARD, I INSTRUCT THE USTR, IN CONSULTATION WITH THE SECRETARY, AND THE DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET TO TRANSMIT TO THE USITC NO LATER THAN 30 DAYS FROM TODAY A UNCLAS SECTION 08 OF 19 TATE 128602

USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A

TAGS: OPRC, XE, US

SUBJECT: JULY 8 PRESS GUIDANCES FOR THE EAP REGION

LIST OF BENCHMARKS THAT THE USTR RECOMMENDS THAT THE USITC

USE IN CONNECTION WITH ITS MONITORING AND IN PREPARING ITS REPORT. THESE BENCHMARKS ARE TO BE FOCUSSED ON INDUSTRY EFFORTS TO ADJUST TO IMPORT COMPETITION AND ON PRICE TRENDS FOR DOMESTIC AND IMPORTED LAMB MEAT.

THE UNITED STATES TRADE REPRESENTATIVE IS AUTHORIZED AND DIRECTED TO PUBLISH THIS MEMORANDUM IN THE FEDERAL REGISTER.

WILLIAM J. CLINTON

8. THE FOLLOWING GUIDANCE, PREPARED ON 7/8/99, WAS NOT USED AT THAT DAY'S PRESS BRIEFING. POSTS MAY DRAW FROM IT ON AN IF ASKED BASIS.

9. LAMB 201 CASE: PRESIDENT ANNOUNCES DECISION

BACKGROUND: ON MARCH 26, THE UNITED STATES INTERNATIONAL TRADE COMMISSION (ITC) UNANIMOUSLY FOUND THAT LAMB MEAT IS BEING IMPORTED INTO THE UNITED STATES IN SUCH INCREASED QUANTITIES THAT THESE IMPORTS THREATEN SERIOUS INJURY TO THE U.S. LAMB INDUSTRY. THE VAST MAJORITY OF THESE IMPORTS COME FROM AUSTRALIA AND NEW ZEALAND. ON JULY 7, THE PRESIDENT DETERMINED THAT THE MOST APPROPRIATE ACTION TO FACILITATE EFFORTS BY DOMESTIC INDUSTRY TO ADJUST TO IMPORT COMPETITION IS TO IMPOSE A TARIFF-RATE QUOTA (TRQ) ON IMPORTS OF LAMB MEAT WITH AN INCREASE IN CURRENTLY SCHEDULED RATES OF DUTIES FOR IMPORTS BOTH WITHIN AND ABOVE THE TRQ LEVEL. THE PRESIDENT ALSO AUTHORIZED USDA ASSISTANCE MEASURES TO HELP FARMERS ADJUST TO IMPORT COMPETITION.

THE TRQ WILL BE IN EFFECT FOR THREE YEARS AND ONE DAY. THE TRQ LEVEL FOR THE FIRST YEAR (JULY 22, 1999 TO JULY 21, 2000) OF 31,851,151 KG. IS EQUAL TO IMPORTS OF LAMB MEAT DURING CALENDAR YEAR 1998. THE TRQ AMOUNT WILL INCREASE BY 857,342 KG. ANNUALLY IN THE SECOND AND THIRD YEARS OF RELIEF. INDIVIDUAL COUNTRY ALLOCATIONS HAVE BEEN ESTABLISHED FOR AUSTRALIA AND NEW ZEALAND AND "OTHER COUNTRIES" WITHIN THE TRQ, REFLECTING THE ACTUAL SHARES OF EACH COUNTRY IN CY98. WITHIN-QUOTA DUTIES WILL BE 9 PERCENT IN YEAR ONE, 6 PERCENT IN YEAR TWO AND 3 PERCENT IN YEAR THREE. ABOVE-QUOTA TARIFF LEVELS WILL BE 40 PERCENT IN YEAR ONE, 32 PERCENT IN YEAR TWO AND 24 PERCENT IN YEAR THREE.

Q: WHY DID THE PRESIDENT DECIDE TO IMPOSE IMPORT RESTRICTIONS ON LAMB MEAT FROM AUSTRALIA AND NEW ZEALAND WHEN NO CHARGES HAVE BEEN MADE THAT THESE COUNTRIES ARE ENGAGING IN UNFAIR TRADING PRACTICES?

A: THE U.S. LAMB INDUSTRY FILED ITS CASE UNDER SECTION 201 OF THE TRADE ACT OF 1974, WHICH IS INTENDED TO PROTECT DOMESTIC INDUSTRY FROM IMPORT SURGES EVEN IF THOSE IMPORTS ARE FAIRLY TRADED (I.E., NOT SUBSIDIZED OR DUMPED ON THE U.S. MARKET). ON MARCH 26, THE UNITED STATES INTERNATIONAL TRADE COMMISSION (ITC) UNANIMOUSLY FOUND UNCLAS SECTION 09 OF 19 STATE 128602

USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A

TAGS: OPRC, XE, US

SUBJECT: JULY 8 PRESS GUIDANCES FOR THE EAP REGION

THAT LAMB MEAT IS BEING IMPORTED INTO THE UNITED STATES IN SUCH INCREASED QUANTITIES THAT THESE IMPORTS THREATEN SERIOUS INJURY TO THE U.S. LAMB INDUSTRY. ON JULY 7, THE PRESIDENT TOOK THE ACTION -- INCLUDING BOTH IMPORT RELIEF AND ADJUSTMENT ASSISTANCE -- HE DETERMINED TO BE MOST APPROPRIATE TO FACILITATE INDUSTRY'S POSITIVE ADJUSTMENT TO IMPORT COMPETITION.

Q: DON'T YOU THINK THAT THE RESTRICTIONS IMPOSED ON AUSTRALIAN AND NEW ZEALAND LAMB SEEM OVERLY HARSH?

A: IT IS IMPORTANT TO BEAR IN MIND THAT THE ITC UNANIMOUSLY FOUND THAT LAMB IMPORTS FROM THESE TWO NATIONS THREATEN SERIOUS INJURY TO U.S. INDUSTRY. THE IMPORT RESTRICTIONS BEING IMPOSED ARE TEMPORARY AND ARE INTENDED TO PROVIDE DOMESTIC INDUSTRY THE OPPORTUNITY TO ADJUST TO INCREASED IMPORT COMPETITION. THE ITC WILL CLOSELY MONITOR DOMESTIC INDUSTRY'S EFFORTS AND WILL PROVIDE A REPORT TO THE PRESIDENT AND CONGRESS AT THE MID-POINT OF THE THREE-YEAR ADJUSTMENT PERIOD. THESE EFFORTS WILL BE MEASURED AGAINST A LIST OF BENCHMARKS THE USTR RECOMMENDS THAT THE ITC USE IN CONNECTION WITH ITS MONITORING EFFORTS.

Q: DOES THIS MEAN THAT THE UNITED STATES IS ABANDONING FREE TRADE?

A: NO. THIS SAFEGUARDS ACTION IS EXPLICITLY PERMITTED BOTH UNDER DOMESTIC LAW AND WTO RULES. THE UNITED STATES RARELY TAKES SUCH ACTION. WE REMAIN COMMITTED TO FREE TRADE AND INTEND TO PURSUE A FREE TRADE AGENDA, INCLUDING TRADE IN AGRICULTURE, IN THE UPCOMING WTO TRADE NEGOTIATIONS.

Q: WILL THIS DECISION CAUSE SERIOUS DAMAGE TO U.S. RELATIONS WITH AUSTRALIA AND NEW ZEALAND?

A: THE GOVERNMENTS OF BOTH AUSTRALIA AND NEW ZEALAND HAVE PROTESTED THE U.S. DECISION, AND WE EXPECT AUSTRALIAN PRIME MINISTER HOWARD TO RAISE IT WHEN HE VISITS WASHINGTON AND MEETS WITH THE PRESIDENT ON JULY 12. HOWEVER, IT IS IMPORTANT TO KEEP THE LAMB ISSUE IN

PERSPECTIVE. FOR EXAMPLE, LAMB REPRESENTS ONLY ABOUT SIX PERCENT OF AUSTRALIA'S AGRICULTURAL EXPORTS TO THE U.S., AND AN EVEN SMALLER PROPORTION OF ITS TOTAL EXPORTS TO THE U.S. SHOULD AUSTRALIA AND NEW ZEALAND WISH TO RAISE THIS ISSUE IN THE WORLD TRADE ORGANIZATION, THE US WILL FULLY RESPECT WTO DISPUTE RESOLUTION PROCEDURES.

Q: I UNDERSTAND THAT AUSTRALIA HAS THREATENED TO FILE A

TRADE CASE IN THE WTO AGAINST THE UNITED STATES. WHAT IS YOUR REACTION TO THIS THREAT?

A: ON JULY 8, AUSTRALIAN PRIME MINISTER HOWARD ISSUED A STATEMENT FROM TOKYO NOTING THAT THE AUSTRALIAN GOVERNMENT WILL INITIATE A FORMAL REQUEST FOR CONSULTATIONS WITH THE UNITED STATES AS SOON AS POSSIBLE UNDER ARTICLE 12.3 OF UNCLAS SECTION 10 OF 19 STATE 128602

USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A

TAGS: OPRC, XE, US

SUBJECT: JULY 8 PRESS GUIDANCES FOR THE EAP REGION

THE WTO SAFEGUARDS AGREEMENT. IT IS AUSTRALIA'S RIGHT TO PURSUE SUCH CONSULTATIONS.

10. THE FOLLOWING NOTICE TO THE PRESS WAS POSTED IN THE DEPARTMENT ON 7/8/99.

11. MARGUERITE RIVERA HOUZE, DEPUTY ASSISTANT SECRETARY FOR POPULATION, REFUGEES, AND MIGRATION, WILL ADDRESS THE FAMILIES OF VIETNAMESE POLITICAL PRISONERS ASSOCIATION

ON JULY 25, MARGUERITE RIVERA HOUZE, DEPUTY ASSISTANT SECRETARY FOR POPULATION, REFUGEES, AND MIGRATION, WILL DELIVER A KEYNOTE ADDRESS ON THE TENTH ANNIVERSARY OF THE SIGNING OF THE U.S.-VIETNAM AGREEMENT FOR THE RELEASE AND RESETTLEMENT OF VIETNAMESE POLITICAL PRISONERS BEFORE THE FAMILIES OF VIETNAMESE POLITICAL PRISONERS ASSOCIATION IN HOUSTON, TEXAS.

IN HER ROLE AS DEPUTY ASSISTANT SECRETARY, MS. HOUZE IS RESPONSIBLE FOR POLICY DEVELOPMENT AND PROGRAM MANAGEMENT OF HUMANITARIAN ASSISTANCE IN EUROPE, THE MIDDLE EAST, THE FORMER SOVIET UNION, AND THE AMERICAS. SHE ALSO DIRECTS MIGRATION POLICY IN THE WESTERN HEMISPHERE, AND OVERSEES THE ANNUAL ADMISSION OF OVER 70,000 REFUGEES TO THE UNITED STATES.

MS. HOUZE WILL VISIT VARIOUS TEXAS CITIES TO REVIEW REFUGEE RESETTLEMENT, INCLUDING KOSOVARS, IN THE STATE. SHE WILL BE AVAILABLE TO SPEAK WITH THE PRESS ON THE FOLLOWING DATES:

JULY 21-23: AUSTIN

JULY 24-26: HOUSTON

JULY 26-28: DALLAS AND FORT WORTH

MARGUERITE HOUZE, OF EL PASO, HOLDS A MASTER'S DEGREE IN PUBLIC POLICY FROM THE LYNDON B. JOHNSON SCHOOL OF PUBLIC AFFAIRS, AND A MASTER'S DEGREE IN BUSINESS ADMINISTRATION FROM THE UNIVERSITY OF TEXAS. PREVIOUS TO HER CURRENT POSITION, MS. HOUZE WAS THE DIRECTOR OF THE TEXAS OFFICE OF IMMIGRATION AND REFUGEE AFFAIRS, WHERE SHE ADVISED THE

OFFICE OF THE GOVERNOR ON ISSUES RELATED TO THE STATE'S REFUGEES AND IMMIGRANTS.

FOR MORE INFORMATION REGARDING MARGUERITE RIVERA HOUZE'S SPEECH, PLEASE CONTACT KHUC MINH THO WITH THE VIETNAMESE POLITICAL PRISONERS ASSOCIATION AT (703) 560-0058 BEFORE JULY 17 OR (832) 541-1010 THEREAFTER.

IF YOU WISH TO SCHEDULE AN INTERVIEW WITH MARGUERITE RIVERA HOUZE IN THE CITIES OF HOUSTON, DALLAS, FORT WORTH, OR AUSTIN, PLEASE CONTACT MICHELLE KING OR JOSEPH WHEATLEY AT THE STATE DEPARTMENT: (202) 647-0001.

12. THE FIRST ANSWER FROM THE FOLLOWING GUIDANCE, PREPARED ON 7/8/99, WAS USED AT THAT DAY'S PRESS BRIEFING. UNCLAS SECTION 11 OF 19 STATE 128602

USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A

TAGS: OPRC, XE, US

SUBJECT: JULY 8 PRESS GUIDANCES FOR THE EAP REGION

POSTS MAY DRAW FROM THE REMAINDER ON AN IF ASKED BASIS.

13. SOLOMON ISLANDS - ETHNIC STRIFE

CONTEXT: AS THE NEW YORK TIMES REPORTED TODAY, ETHNIC CONFLICT HAS FLARED IN 1999 ON GUADALCANAL-THE ISLAND WHERE THE SOLOMON ISLANDS' CAPITAL, HONIARA, IS LOCATED. ARMED MILITANTS NATIVE TO GUADALCANAL HAVE CLASHED WITH SETTLERS FROM NEIGHBORING MALAITA ISLAND (ABOUT SIXTY MILES AWAY) AND HAVE FORCED THOUSANDS OF MALAITANS FROM THEIR HOMES. THE GOVERNMENT OF THE SOLOMON ISLANDS HAS SOUGHT TO RESOLVE THE PROBLEM OVER THE PAST SEVERAL MONTHS AND IN JUNE INVITED THE COMMONWEALTH TO MEDIATE THE DISPUTE. SITIVENI RABUKA, FIJI'S FORMER PRIME MINISTER, WENT TO THE SOLOMON ISLANDS AND LED THE VARIOUS PARTIES TO THE CONFLICT TO AGREE ON THE BROAD OUTLINES OF A PEACE ACCORD, ANNOUNCED JULY 1. THE EFFICACY OF THAT AGREEMENT REMAINS TO BE PROVEN. THE U.S. HAS NO DIPLOMATIC ESTABLISHMENT ON THE GROUND IN THE SOLOMONS, ALTHOUGH THE PEACE CORPS HAS BOTH VOLUNTEERS AND AN OFFICE THERE. THE U.S. EMBASSY IN PORT MORESBY, PAPUA NEW GUINEA, ALSO HAS RESPONSIBILITY FOR HANDLING OUR DIPLOMATIC RELATIONS WITH THE SOLOMON ISLANDS.

Q: WHAT IS THE U.S. REACTION TO THE NY TIMES REPORT ON ETHNIC STRIFE IN THE SOLOMON ISLANDS?

A: THE NEW YORK TIMES REPORT GAVE AN ACCURATE ACCOUNT OF THE INTERNAL CONFLICT NOW BESETTING THE SOLOMON ISLANDS. OUR EMBASSY IN PORT MORESBY, PAPUA NEW GUINEA, WHICH ALSO COVERS THE SOLOMON ISLANDS, HAS REPORTED EPISODES SINCE JANUARY OF ETHNIC VIOLENCE BETWEEN ARMED MILITANTS NATIVE TO THE ISLAND OF GUADALCANAL AND SETTLERS FROM THE NEIGHBORING ISLAND OF MALAITA.

ON JUNE 10, THE STATE DEPARTMENT'S BUREAU OF CONSULAR AFFAIRS ISSUED A PUBLIC ANNOUNCEMENT ADVISING AMERICAN TRAVELERS TO GUADALCANAL TO EXERCISE CAUTION. THIS ANNOUNCEMENT FOLLOWED REPORTS OF ARMED CLASHES THAT PITTED MEMBERS OF THE "GUADALCANAL REVOLUTIONARY ARMY" AGAINST SETTLERS FROM THE OUTER ISLAND OF MALAITA AND SOMETIMES AGAINST LAW ENFORCEMENT PERSONNEL.

SOLOMONS PM BARTHOLOMEW ULUFA'ALU HAS INVITED THE COMMONWEALTH TO MEDIATE THE DISPUTE. FORMER FIJI PRIME MINISTER RABUKA HAS BEEN DESIGNATED CHIEF MEDIATOR BY THE COMMONWEALTH AND REPORTEDLY HAS BEEN SUCCESSFUL IN ENCOURAGING SOME OF THE PARTIES TO DISPUTE TO SIGN A PEACE ACCORD-. THE U.S. ENCOURAGES ALL PARTIES TO REACH A PEACEFUL RESOLUTION TO THIS INTERNAL STRIFE.

(IF ASKED)

Q: WHAT IS THE STATUS OF OUR PEACE CORPS VOLUNTEERS?

A: THE PEACE CORPS REPORTS ALL OF ITS VOLUNTEERS ARE SAFE AND ACCOUNTED FOR. WE UNDERSTAND THERE ARE NO PLANS TO EVACUATE VOLUNTEERS AT THIS TIME.

UNCLAS SECTION 12 OF 19 STATE 128602

USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A

TAGS: OPRC, XE, US

SUBJECT: JULY 8 PRESS GUIDANCES FOR THE EAP REGION

14. THE FOLLOWING GUIDANCE, PREPARED ON 7/8/99, WAS USED AT THAT DAY'S PRESS BRIEFING BY DEPUTY SPOKESMAN JAMES FOLEY.

15. NORTH KOREA: ACCESS NOT YET GRANTED TO DETAINED AMERICAN

CONTEXT: CONSULAR ACCESS TO DETAINED U.S. CITIZEN, KAREN HAN, HAS STILL NOT BEEN GRANTED. WITH THE SWEDISH CHARGE AWAY FROM PYONGYANG UNTIL JULY 13 TO ATTEND HIS MOTHER'S FUNERAL IN SWEDEN AND MOST DPRK OFFICES CLOSED FOR THE NEXT THREE DAYS FOR THE FIFTH ANNIVERSARY OF THE DEATH OF

DPRK FOUNDER KIM II SUNG, WE DO NOT ANTICIPATE ANY PROGRESS IN THE CASE UNTIL NEXT WEEK AT THE EARLIEST.

GIVEN THESE CIRCUMSTANCES, WE DO NOT BELIEVE IT WOULD HELP MS. HAN'S CASE TO RAISE THE DECIBEL LEVEL NOW.

THE DEPARTMENT HAS PREPARED ANOTHER DIPLOMATIC NOTE TO BE DELIVERED-TO THE DPRK MFA BY THE SWEDISH CHARGE UPON HIS RETURN TO PYONGYANG. THE NOTE CONFIRMS RECEIPT OF THE JULY 1 LETTER FROM MS. HAN TO THE SWEDISH AMBASSADOR IN WHICH SHE ALLEGEDLY DECLINES HELP FROM THE SWEDES. THE DIPLOMATIC NOTE ALSO REMINDS THE MFA OF ITS OBLIGATIONS UNDER THE VIENNA CONVENTION ON CONSULAR RELATIONS AND THE INTERIM CONSULAR AGREEMENT TO PERMIT CONSULAR COMMUNICATION WITH AND TO GRANT ACCESS TO DETAINED U.S.

CITIZENS. THE NOTE REITERATES OUR REQUEST FOR IMMEDIATE CONSULAR ACCESS TO MS. HAN. IT CALLS ON THE MFA TO ASSIST WITH ARRANGEMENTS FOR THE SWEDISH CHARGE'S TRAVEL, TO HELP WITH OBTAINING LEGAL REPRESENTATION AND AN INTERPRETER, AND TO PROVIDE PARCELS CONTAINING FOOD, CLOTHING, MEDICINE AND OTHER NECESSITIES FOR MS. HAN.

SEN. TORRICELLI (D-NJ), WHO IS FULLY BRIEFED ON THIS CASE AND MAY RAISE IT WITH DPRK OFFICIALS, IS TO ARRIVE IN DPRK ON SATURDAY, JULY 10. WE CONTINUE TO ALSO RAISE THE CASE THROUGH THE "NEW YORK CHANNEL."

BACKGROUN.D: KOREAN-BORN U.S. CITIZEN KAREN JUNG-SOOK HAN, 52, WAS ARRESTED JUNE 17. THE MFA NOTIFIED THE SWEDISH CHARGE OF THE ARREST ON JUNE 22. WE DO NOT KNOW WHETHER CHARGES HAVE BEEN BROUGHT AGAINST MS. HAN AND HAVE NOT BEEN INFORMED OF HER EXACT LOCATION IN THE RAJIN AREA. THE INTERIM CONSULAR AGREEMENT CALLS FOR NOTIFICATION OF THE ARREST OF A U.S. CITIZEN WITHIN FOUR DAYS OF THE ARREST, AND CONSULAR ACCESS WITHIN TWO DAYS AFTER A REQUEST IS MADE BY THE SWEDISH PROTECTING POWER ON OUR BEHALF. THE SWEDISH EMBASSY HAS MADE TWO FORMAL REQUESTS FOR CONSULAR ACCESS - ON JUNE 23 AND ON JUNE 30.

Q: HAVE THE SWEDES BEEN GRANTED ACCESS TO THE U.S. CITIZEN BEING HELD IN NORTH KOREA?

A: THE DPRK GOVERNMENT, WHICH NOTIFIED THE SWEDISH PROTECTING POWER ON JUNE 22 OF THE JUNE 17 DETENTION OF A U.S. CITIZEN, HAS NOT YET NOTIFIED THE SWEDISH CHARGE THAT UNCLAS SECTION 13 OF 19 STATE 128602

USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A

TAGS: OPRC, XE, US

SUBJECT: JULY 8 PRESS GUIDANCES FOR THE EAP REGION

HE WILL BE PERMITTED TO TRAVEL TO RAJIN IN ORDER TO HAVE CONSULAR ACCESS TO THE DETAINED AMERICAN CITIZEN.

ACTING ON OUR BEHALF, THE SWEDISH PROTECTING POWER FORMALLY REQUESTED CONSULAR ACCESS ON JUNE 23 AND JUNE 30.

ARTICLE 36(A) OF THE VIENNA CONVENTION ON CONSULAR RELATIONS PROVIDES FOR A CONSULAR REPRESENTATIVE TO COMMUNICATE WITH ITS DETAINED NATIONALS.

WE CONSIDER A CONSULAR VISIT CRITICAL IN ORDER TO ASCERTAIN IN PERSON THE AMERICAN'S STATE OF HEALTH AND WELL-BEING, AND TO ENSURE THAT SHE HAS NOT BEEN MISTREATED.

WE ARE CONTINUING TO PRESS FOR CONSULAR ACCESS AT EVERY AVAILABLE OPPORTUNITY.

16. THE FIRST ANSWER FROM THE FOLLOWING GUIDANCE, PREPARED ON 7/8/99, WAS USED AT THAT DAY'S PRESS BRIEFING

BY DEPUTY SPOKESMAN JAMES FOLEY. POSTS MAY DRAW FROM THE REMAINDER ON AN IF ASKED BASIS.

17. NORTH KOREA: MISSILE PROLIFERATION

CONTEXT: TODAY'S PRESS REPORTS THAT THE ROKG HAS ANNOUNCED THAT NORTH KOREA IS BUILDING AN UNDERGROUND BALLISTIC MISSILE LAUNCH FACILITY NEAR THE CHINESE BORDER. WE SHOULD MAKE CLEAR THAT NORTH KOREA'S MISSILE PROLIFERATION ACTIVITIES HAVE BEEN -- AND CONTINUE TO BE -- OF GREAT CONCERN TO US, AND THAT WE REPEATEDLY HAVE URGED NORTH KOREA TO EXERCISE RESTRAINT. WE ALSO SHOULD REITERATE THAT IT IS WELL KNOWN THAT THE DPRK HAS BEEN DEVELOPING TWO LONG RANGE MISSILES, THE TAEPO DONG-1 (1,500& KM) -- FIRST FLIGHT-TESTED AUGUST 31, 1998 -- AND THE TAEPO DONG-2 (4,000-6,000 KM). HOWEVER, WE SHOULD NOT COMMENT ON THE DETAILS OF NORTH KOREA'S MISSILE DEVELOPMENT ACTIVITIES AS ANY SUCH INFORMATION WOULD BE BASED ON U.S. INTELLIGENCE.

Q: IS NORTH KOREA BUILDING A NEW LAUNCH FACILITY FOR THE TAEPO DONG-1 AND TAEPO DONG-2 MISSILES NEAR THE CHINESE BORDER?

A: IT IS WELL-KNOWN THAT NORTH KOREA IS ACTIVELY PURSUING DEVELOPMENT OF TWO LONG RANGE BALLISTIC MISSILES -- THE TAEPO DONG-1 AND THE TAEPO DONG-2.

NORTH KOREA LAUNCHED THE TAEPO DONG-1 WITH A THIRD STAGE IN A FAILED ATTEMPT TO ORBIT A VERY SMALL SATELLITE IN AUGUST 1998.

BEYOND THAT, IT WOULD NOT BE APPROPRIATE FOR ME TO COMMENT ABOUT WHAT WE KNOW ABOUT THE DETAILS OF NORTH KOREA'S MISSILE DEVELOPMENT ACTIVITIES.

AS WE HAVE NOTED ON NUMEROUS OCCASIONS, THE UNITED STATES VIEWS NORTH KOREA'S MISSILE ACTIVITIES AS A SERIOUS THREAT UNCLAS SECTION 14 OF 19 STATE 128602

USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A

TAGS: OPRC, XE, US

SUBJECT: JULY 8 PRESS GUIDANCES FOR THE EAP REGION

TO THE REGION AND TO OUR NONPROLIFERATION INTERESTS.

IN PAST ROUNDS OF MISSILE TALKS WITH THE DPRK AND IN OTHER BILATERAL CONTACTS WITH PYONGYANG, WE HAVE CONTINUED TO PRESS VIGOROUSLY FOR RESTRAINTS ON NORTH KOREA'S PRODUCTION, DEPLOYMENT, TESTING, AND EXPORT OF MISSILES AND MISSILE TECHNOLOGY. WE HAVE REPEATEDLY MADE CLEAR THAT FURTHER MISSILE TESTS WOULD HAVE SERIOUS CONSEQUENCES FOR OUR RELATIONS WITH NORTH KOREA, WITH DIRECT IMPLICATIONS FOR THE PROSPECTS FOR IMPROVED RELATIONS DISCUSSED DURING FORMER SECRETARY PERRY'S RECENT VISIT TO PYONGYANG.

WE CONTINUE TO CONSULT CLOSELY WITH OUR ALLIES, JAPAN AND THE REPUBLIC OF KOREA, WHO SHARE OUR SERIOUS CONCERNS ABOUT NORTH KOREA'S MISSILE PROLIFERATION ACTIVITIES.

Q: WHAT IS THE USG'S REACTION TO NORTH KOREA'S CLAIMS THAT TESTING BALLISTIC MISSILES IS ITS SOVEREIGN RIGHT?

A: WE CONSISTENTLY HAVE SAID THAT NORTH KOREA'S MISSILE PROLIFERATION ACTIVITIES ARE OF SERIOUS CONCERN TO THE UNITED STATES.

WE HAVE REPEATEDLY MADE CLEAR THAT FURTHER MISSILE TESTS WOULD HAVE SERIOUS CONSEQUENCES FOR OUR RELATIONS WITH NORTH KOREA, WITH DIRECT IMPLICATIONS FOR THE CONCEPTS FOR IMPROVED RELATIONS DISCUSSED DURING FORMER SECRETARY PERRY'S RECENT VISIT TO PYONGYANG.

18. PORTIONS OF THE SECOND AND THIRD ANSWERS FROM THE FOLLOWING GUIDANCE, PREPARED ON 7/8/99, WERE PARAPHRASED BY DEPUTY SPOKESMAN JAMES FOLEY AT THAT DAY'S PRESS BRIEFING. POSTS MAY DRAW FROM THIS GUIDANCE ON AN IF ASKED BASIS.

19. NORTH KOREA/JAPAN: MISSILE PROLIFERATION

CONTEXT: TODAY'S WALL STREET JOURNAL REPORTS THAT JAPANESE LAWMAKERS HAVE EXPRESSED CONCERN THAT DPRK MISSILES AND SUBMARINES CONTAIN JAPANESE-MADE COMPONENTS. THESE LAWMAKERS REPORTEDLY ARE LOOKING AT WAYS TO STRENGTHEN JAPANESE EXPORT CONTROLS TO PREVENT JAPANESE ITEMS FROM BEING USED IN WEAPONS THAT COULD THREATEN JAPANESE SECURITY. WE SHOULD NOT COMMENT ON WHAT WE KNOW ABOUT DPRK MISSILE AND SUBMARINE CONSTRUCTION AS THAT WOULD BE BASED ON INTELLIGENCE. HOWEVER, WE SHOULD STRESS THAT WE HAVE A STRONG NONPROLIFERATION PARTNERSHIP WITH JAPAN AND THAT JAPAN SHARES OUR CONCERNS ABOUT THE DPRK'S MISSILE ACTIVITIES. WE ALSO SHOULD NOTE THAT WE CONSULT FREQUENTLY WITH JAPAN ON NONPROLIFERATION AND SECURITY MATTERS, AS WELL AS ON ISSUES PERTAINING TO THE KOREAN PENINSULA.

Q: DO WE THINK JAPANESE PARTS ARE ENDING UP IN KOREAN MISSILES AND SUBMARINES?

A: IT WOULD NOT BE APPROPRIATE FOR ME TO COMMENT ABOUT WHAT WE KNOW ABOUT DPRK MISSILE AND SUBMARINE
UNCLAS SECTION 15 OF 19 STATE 128602

USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A

TAGS: OPRC, XE, US

SUBJECT: JULY 8 PRESS GUIDANCES FOR THE EAP REGION

CONSTRUCTION, AS SUCH INFORMATION WOULD BE BASED ON INTELLIGENCE.

Q: SHOULD JAPAN CRACK DOWN? HAVE WE RAISED THIS WITH JAPANESE OFFICIALS?

A: JAPAN UNDERSTANDS FULLY THE IMPORTANCE OF EFFECTIVELY CONTROLLING EXPORTS OF SENSITIVE ITEMS. IT IS A MEMBER OF ALL OF THE MULTILATERAL NONPROLIFERATION REGIMES, INCLUDING THE AUSTRALIA GROUP, THE MISSILE TECHNOLOGY CONTROL REGIME, THE NUCLEAR SUPPLIERS GROUP, AND THE WASSENAAR ARRANGEMENT.

AS A FELLOW MEMBER OF THESE REGIMES, WE FREQUENTLY DISCUSS WITH JAPAN A WIDE RANGE OF NONPROLIFERATION AND EXPORT CONTROL ISSUES.

JAPAN ALSO SHARES OUR SERIOUS CONCERNS ABOUT THE DPRK'S MISSILE PROLIFERATION ACTIVITIES, AND WE CONSULT CLOSELY ON MATTERS RELATING TO THE KOREAN PENINSULA.

Q: WOULD WE PROVIDE EXPORT CONTROL ASSISTANCE TO HELP JAPAN ESTABLISH A SYSTEM CLOSER TO THE ONE THE UNITED STATES USES?

A: JAPAN HAS A MATURE EXPORT CONTROL SYSTEM.

THE UNITED STATES AND JAPAN CONSULT ON AN ONGOING BASIS REGARDING WAYS TO IMPROVE THE EFFECTIVENESS OF EXPORT CONTROLS. THOSE CONSULTATIONS WILL CONTINUE, AND WE EXPECT THEM TO BROADEN AND DEEPEN OUR ALREADY EXCELLENT COOPERATION IN THIS AREA.

20. THE FOLLOWING GUIDANCES, PREPARED ON 7/8/99, WERE NOT USED AT THAT DAY'S PRESS BRIEFING.

21. NORTH KOREA/INDIA: SHIP INTERDICTION

CONTEXT: OVER THE PAST SEVERAL DAYS, THE INDIAN PRESS HAS REPORTED THAT THE GOVERNMENT OF INDIA IN EARLY JULY DETAINED A NORTH KOREAN SHIP AND ARRESTED ITS CREW, ALLEGEDLY FOR TRANSPORTING MISSILE-RELATED ITEMS FROM NORTH KOREA TO PAKISTAN. WE HAVE NO INDEPENDENT CONFIRMATION OF THE CONTENTS OF THE SHIP'S CARGO, ITS ORIGIN, OR ITS DESTINATION. WE SHOULD REFER ANY QUESTIONS ON THIS ISSUE TO THE GOVERNMENT OF INDIA.

O: CAN YOU CONFIRM THAT INDIA HAS ARRESTED THE CREW OF A NORTH KOREAN SHIP TRANSPORTING MISSILE ITEMS TO PAKISTAN ?

A: WE HAVE SEEN PRESS REPORTS ON INDIA ARRESTING THE CREW OF A NORTH KOREAN SHIP REPORTEDLY TRANSPORTING MISSILE PARTS TO PAKISTAN, AND DETAINING ITS CARGO.

HOWEVER, WE HAVE NO INDEPENDENT INFORMATION TO CONFIRM THESE REPORTS.

YOU SHOULD REFER YOUR QUESTIONS ON THIS MATTER TO THE GOVERNMENT OF INDIA.

22. WILLIAM PERRY TRIP TO MOSCOW
UNCLAS SECTION 16 OF 19 STATE 128602

USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A

TAGS: OPRC, XE, US

SUBJECT: JULY 8 PRESS GUIDANCES FOR THE EAP REGION

CONTEXT: SPECIAL ADVISOR TO THE PRESIDENT AND SECRETARY OF STATE AND NORTH KOREA POLICY COORDINATOR WILLIAM J. PERRY IS TRAVELING TO MOSCOW JULY 7-11 ON A PRIVATE TRIP. HE PLANS TO DISCUSS THE "PREVENTIVE DEFENSE" CONCEPTS OUTLINED IN HIS RECENT BOOK WITH RUSSIAN GOVERNMENT OFFICIALS AND ACADEMICIANS. HE HAS NO OFFICIAL MEETINGS SCHEDULED AND HAS NO INSTRUCTIONS TO UNDERTAKE ANY DIALOGUES WITH RESPECT TO HIS ROLE AS NORTH KOREA POLICY COORDINATOR. SINCE DR. PERRY ASSUMED THIS POSITION LAST FALL, HE HAS TAKEN NUMEROUS TRIPS ABROAD AS A PRIVATE CITIZEN THAT HAVE BEEN UNRELATED TO HIS WORK ON THE NORTH

KOREA POLICY REVIEW. DR. PERRY WILL NOT BE ACCOMPANIED BY USG OFFICIALS.

Q: DO YOU HAVE ANY DETAILS ON THE TRIP DR. PERRY WILL BE MAKING TO MOSCOW?

A: DR. PERRY LEFT JULY 7 ON A PRIVATE TRIP TO MOSCOW, NOT IN HIS CAPACITY AS NORTH KOREA POLICY COORDINATOR. HE DOES NOT INTEND TO CONDUCT OFFICIAL U.S. GOVERNMENT BUSINESS ON THE TRIP. SINCE HIS APPOINTMENT LAST FALL, DR. PERRY HAS UNDERTAKEN NUMEROUS PRIVATE TRIPS ABROAD THAT HAVE BEEN UNRELATED TO HIS WORK ON THE NORTH KOREA POLICY REVIEW.

WE UNDERSTAND THAT DR. PERRY PLANS TO DISCUSS THE "PREVENTIVE DEFENSE" CONCEPTS OUTLINED IN HIS RECENT BOOK WITH RUSSIAN GOVERNMENT OFFICIALS AND ACADEMICIANS. I WOULD REFER YOU TO DR. PERRY'S OFFICE AT STANFORD FOR MORE DETAILS

IF PRESSED:

BECAUSE HIS TRIP IS A PRIVATE ONE, DR. PERRY HAS NO OFFICIAL MEETINGS SCHEDULED AND NO OFFICIAL INSTRUCTIONS. NONETHELESS, IT IS REASONABLE THAT ANYONE HE MAY SEE THERE MAY BE INTERESTED IN THE STATUS OF HIS NORTH KOREA POLICY REVIEW.

Q. WHEN IS HIS REPORT BEING ISSUED?

A. WE EXPECT THAT DR. PERRY WILL COMPLETE HIS REPORT IN THE NEAR FUTURE.

23. JAPAN - GREATER ASSERTIVENESS ON SECURITY

CONTEXT: AN ARTICLE IN THE JULY 8, CHRISTIAN SCIENCE MONITOR, SUGGESTS THAT GOJ ACTION ON RECONNAISSANCE SATELLITES, MARITIME DEFENSE, WIRETAPPING, THE FLAG AND NATIONAL ANTHEM, AND MOVES TO DISCUSS REVISION OF THE CONSTITUTION, ARE DRIVEN BY FEELINGS OF ECONOMIC AND POLITICAL INSECURITY AND ASSERT JAPAN'S NATIONAL INTERESTS AND INTENTION TO BUILD A "STRONGER" COUNTRY.

Q. WHAT IS OUR REACTION TO THE ANALYSIS THAT JAPAN IS
UNCLAS SECTION 17 OF 19 STATE 128602

USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A

TAGS: OPRC, XE, US

SUBJECT: JULY 8 PRESS GUIDANCES FOR THE EAP REGION

BECOMING MORE ASSERTIVE, NATIONALISTIC, AND MILITARISTIC?
PLEASE RESTATE PREVIOUS GUIDANCE ON THE DEFENSE
GUIDELINES.

A: THERE IS A MORE VIGOROUS PUBLIC DEBATE IN JAPAN ON
DEFENSE AND FOREIGN POLICY ISSUES, WHICH WE BELIEVE IS A
HEALTHY PHENOMENON, AS IN ALL DEMOCRATIC SOCIETIES. WE
WELCOME JAPAN'S INTEREST IN PLAYING A MORE ACTIVE
INTERNATIONAL POLITICAL ROLE.

I WOULD ALSO NOTE THAT PUBLIC SUPPORT IN JAPAN FOR THE
U.S.-JAPAN RELATIONSHIP, AS MEASURED BY PUBLIC OPINION
POLLS, IS AS STRONG AS IT HAS EVER BEEN.

OVER THE PAST FEW YEARS THE GOVERNMENTS OF THE UNITED
STATES AND JAPAN HAVE TAKEN A NUMBER OF STEPS TO
REINVIGORATE OUR SECURITY ALLIANCE AND PREPARE IT FOR THE
21ST CENTURY. THESE STEPS ARE REFLECTED IN THE JOINT
DECLARATION ON SECURITY, WHICH WAS SIGNED BY PRESIDENT
CLINTON AND PRIME MINISTER HASHIMOTO IN APRIL 1996, AND IN
THE REVISION OF THE GUIDELINES FOR U.S.-JAPAN DEFENSE
COOPERATION ANNOUNCED IN 1997.

THE JAPANESE GOVERNMENT HAS MADE CLEAR THAT THERE IS NO
FUNDAMENTAL CHANGE IN JAPAN'S DEFENSE POLICY. THE
GUIDELINES FOR U.S.-JAPAN DEFENSE COOPERATION CLEARLY
STATE THAT JAPAN WILL CONDUCT ALL ITS ACTIONS UNDER THE
GUIDELINES WITHIN THE FRAMEWORK OF THE U.S.-JAPAN SECURITY
TREATY AND CONSISTENT WITH THE LIMITATIONS OF ITS
CONSTITUTION AND WILL MAINTAIN ITS EXCLUSIVELY DEFENSE-
ORIENTED POLICY.

(IF ASKED)

Q: WHAT ARE THE DEFENSE GUIDELINES?

A: THE GUIDELINES FOR U.S.-JAPAN DEFENSE COOPERATION,
WHICH WERE ANNOUNCED AT THE SEPTEMBER 1997 MEETING OF THE
SECURITY CONSULTATIVE COMMITTEE (SECRETARIES OF STATE AND
DEFENSE AND THEIR JAPANESE COUNTERPARTS), PROVIDE A
GENERAL FRAMEWORK AND POLICY DIRECTION FOR DEFENSE
COOPERATION AND COORDINATION BETWEEN THE U.S. AND JAPAN
UNDER NORMAL CIRCUMSTANCES, IN CASE OF AN ARMED ATTACK
AGAINST JAPAN, AND IN CONTINGENCIES.

24. CHINA: ENGAGEMENT

CONTEXT: THE "WALL STREET JOURNAL" CARRIED AN OPEN PIECE BY SENATOR HELMS ASSERTING THAT THE ADMINISTRATION'S STRATEGY OF ENGAGEMENT WITH CHINA DOES NOT WORK. HE CALLS FOR STRENGTHENING OF ALLIANCES IN THE REGION, PASSAGE OF

THE TAIWAN SECURITY ENHANCEMENT ACT, BRINGING TAIWAN UNDER A REGIONAL THEATER MISSILE-DEFENSE UMBRELLA, AND BUILDING A NATIONAL MISSILE DEFENSE TO PROTECT AMERICA FROM "CHINESE NUCLEAR BLACKMAIL."

Q: PLEASE PROVIDE A REACTION TO JESSE HELMS' VIEW THAT UNCLAS SECTION 18 OF 19 STATE 128602

USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A

TAGS: OPRC, XE, US

SUBJECT: JULY 8 PRESS GUIDANCES FOR THE EAP REGION

OUR STRATEGY OF ENGAGEMENT WITH CHINA IS A FAILURE.

A: WE REMAIN COMMITTED TO OUR STRATEGY OF ENGAGEMENT WITH CHINA. THE POLICIES CHINA PURSUES AND THE RELATIONSHIP BETWEEN THE U.S. AND CHINA WILL HELP DETERMINE WHETHER THE NEXT CENTURY IS ONE OF PEACE, STABILITY AND PROSPERITY FOR AMERICA. IT WOULD BE IRRESPONSIBLE NOT TO ENGAGE WITH CHINA.

SOME BELIEVE CHINA'S INTERESTS ARE INEXORABLY IN CONFLICT WITH OURS -- THAT WE SHOULD WORK TO CONTAIN CHINA BEFORE IT BECOMES STRONGER. BUT IF WE SEEK TO ISOLATE CHINA, THAT WOULD BE COUNTERPRODUCTIVE TO AMERICAN INTERESTS. CONTAINMENT WOULD ENCOURAGE CHINA TO TURN INWARD AND ACT IN OPPOSITION TO OUR INTERESTS AND VALUES.

WE HAVE CHOSEN A PRAGMATIC, PRINCIPLED COURSE: EXPANDING OUR AREAS OF COOPERATION WITH CHINA (FOR EXAMPLE IN SOUTH ASIA AND KOREA) WHILE FRANKLY ADDRESSING OUR DIFFERENCES, ESPECIALLY OVER HUMAN RIGHTS.

WITH RESPECT TO TAIWAN, WE BELIEVE THAT THE TAIWAN RELATIONS ACT ALREADY PROVIDES A COMPREHENSIVE FRAMEWORK FOR OUR UNOFFICIAL RELATIONSHIP WITH TAIWAN.

OVER THE LAST TWENTY YEARS, IMPLEMENTATION OF THE TAIWAN RELATIONS ACT HAS SUCCEEDED IN PRESERVING OUR RELATIONSHIP WITH THE PEOPLE ON TAIWAN AND MAINTAINING PEACE, SECURITY AND STABILITY IN THE REGION.

THE ADMINISTRATION REMAINS FIRMLY COMMITTED TO FULFILLING THE SECURITY AND ARMS TRANSFER PROVISIONS OF THE TAIWAN RELATIONS ACT. WE HAVE A STRONG RECORD OF ASSISTING TAIWAN MEET ITS DEFENSE NEEDS IN ACCORDANCE WITH THE TRA AND THE 1982 JOINT COMMUNIQUE WITH THE PRC, AND WE REMAIN COMMITTED TO PROVIDING THAT ASSISTANCE.

WE MAKE OUR ASSESSMENT BASED ON OUR ESTIMATION OF TAIWAN'S DEFENSE REQUIREMENTS, AS MANDATED BY THE TRA.

WE ARE CURRENTLY REVIEWING THE HELMS BILL, BUT BELIEVE THAT WE SHOULD BE EXTREMELY CAUTIOUS ABOUT MAKING ANY ADJUSTMENTS TO THIS ACT WHICH HAS WORKED SO WELL.

WITH RESPECT TO TMD, HIGH ALTITUDE MISSILE DEFENSE TECHNOLOGIES ARE IN THE DEVELOPMENT STAGE. NO U.S. DECISIONS ON DEPLOYMENT OF TMD SYSTEMS, OTHER THAN FOR THE PROTECTION OF U.S. FORCCES, HAS BEEN MADE. WE DO NOT PRECLUDE THE POSSIBILITY OF TAIWAN HAVING ACCESS TO TMD. OUR DECISIONS ON THIS WILL BE GUIDED BY THE SAME BASIC FACTORS THAT HAVE SHAPED OUR DECISIONS TO DATE ON THE PROVISION OF DEFENSIVE CAPABILITIES TO TAIWAN.

WITH REGARD TO NATIONAL MISSILE DEFENSE (NMD), THE UNITED STATES IS COMMITTED TO THE DEVELOPMENT OF A LIMITED NMD SYSTEM. THE SYSTEM IS DESIGNED PRIMARILY TO COUNTER THE THREAT POSED BY EMERGING ROGUE STATE MISSILE THREATS.

UNCLAS SECTION 19 OF 19 STATE 128602

USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A

TAGS: OPRC, XE, US

SUBJECT: JULY 8 PRESS GUIDANCES FOR THE EAP REGION

A DECISION ON WHETHER TO DEPLOY A LIMITED NMD SYSTEM WILL NOT BE MADE UNTIL THE YEAR 2000 OR LATER.

THE ABM TREATY REMAINS THE CORNERSTONE OF STRATEGIC STABILITY AND THE UNITED STATES IS COMMITTED TO CONTINUED EFFORTS TO STRENGTHEN THE TREATY AND ENHANCE ITS VIABILITY AND EFFECTIVENESS.

TALBOTT

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RUWMEGA/24TH WING HOWARD AFB PA

RHFJJXP/NAVSTA PANAMA CANAL RODMAN PN/PAO

RUWSMXI/USCINCTrans INTEL CEN SCOTT AFB IL

RUMIAAAA/USCINCSO MIAMI FL

RUCQCOS/USCINCSO MACDILL AFB FL //POLAD

SUBJ: WHA GUIDANCES, SEPTEMBER 22, 1999

SUMMARY OF CONTENTS:

TEXT:

UNCLAS STATE 178684

ALL POSTS FOR PAO; ROME FOR VATICAN; USSOCOM FOR POLAD

E.O. 12958: N/A

TAGS: OPRC

SUBJECT: WHA GUIDANCES, SEPTEMBER 22, 1999

SUMMARY OF CONTENTS:

1. WHA PRESS GUIDANCE, SEPT 22 (CUBA, VENEZUELA)
 2. INL PRESS GUIDANCE, SEPT 22 (COLOMBIA)
- END SUMMARY.
-

1. WHA PRESS GUIDANCE, SEPTEMBER 22, 1999:

-- CUBA: RESPONSE TO SENATOR HELMS LETTER ON ALLOWING
ALLEGED CUBAN INTELLIGENCE OFFICER BEING POSTED TO
WASHINGTON --

BACKGROUND: SENATOR JESSE HELMS SENT A LETTER TO SECRETARY
ALBRIGHT ON SEPTEMBER 21 THAT EXPRESSES OUTRAGE THAT THE
STATE DEPARTMENT MAY ALLOW FERNANDO GARCIA BIELSA, AN
ALLEGED CUBAN INTELLIGENCE OFFICER, TO BE POSTED TO THE
CUBAN INTERESTS SECTION IN WASHINGTON. THE WASHINGTON
TIMES AND OTHER PRESS SERVICES HAVE REPORTED ON THE LETTER.

Q: ANY COMMENT ON THE LETTER SENATOR HELMS SENT TO THE
SECRETARY COMPLAINING THAT THE STATE DEPARTMENT IS ALLOWING
FERNANDO GARCIA BIELSA, AN ALLEGED CUBAN INTELLIGENCE
OFFICER, TO BE POSTED TO THE CUBAN INTERESTS SECTION IN
WASHINGTON?

A: WE ARE AWARE OF SENATOR HELMS' LETTER. WE ALL SHARE
HIS CONCERNS ABOUT TERRORISM AND ESPIONAGE, AND WE TAKE
ALLEGATIONS OF THESE ACTIVITIES VERY SERIOUSLY. WE HAVE AN
INTER-AGENCY PROCESS WHERE WE WORK CLOSELY WITH THE FBI
TOWARD THESE SHARED OBJECTIVES. WE ARE NOT IN A POSITION
TO COMMENT FURTHER ON SPECIFIC CASES.

-- VENEZUELA - IS CHAVEZ A DICTATOR? --

CONTEXT: FORMER NSC STAFFER CONSTANTINE MENGES WROTE A
SEPTEMBER 22 OPINION PIECE FOR THE WASHINGTON TIMES
ACCUSING PRESIDENT CHAVEZ OF TAKING STEPS TO ESTABLISH A
RADICAL MILITARY DICTATORSHIP. MENGES CITES ALLEGED TIES
TO CUBA, LIBYA, IRAQ AND IRAN, ANTI-U.S. RHETORIC ON THE
PART OF SOME PEOPLE ASSOCIATED WITH HIS MOVEMENT, MOVES TO
INCREASE THE ROLE OF THE MILITARY IN CIVIC LIFE AND ALLEGED
ANTI-DEMOCRATIC MOVES BY THE CHAVEZ-DOMINATED NATIONAL
CONSTITUENT ASSEMBLY (ANC) AS EVIDENCE OF THE MOVE TOWARD
DICTATORSHIP. MENGES' ARTICLE IS OBVIOUSLY TIMED TO
COINCIDE WITH CHAVEZ POST-UNGA VISIT TO WASHINGTON, AND
EMBARRASS HIM. ALTHOUGH WE ARE WATCHING DEVELOPMENTS IN
VENEZUELA CLOSELY, WE DO NOT FIND EVIDENCE AT THIS TIME
THAT CHAVEZ HAS IMPOSED OR IS SEEKING TO IMPOSE ANYTHING
LIKE A RADICAL MILITARY DICTATORSHIP.

Q: IS PRESIDENT CHAVEZ MANEUVERING TO ESTABLISH A RADICAL
MILITARY DICTATORSHIP IN VENEZUELA?

A: SINCE HIS ELECTION LAST DECEMBER, PRESIDENT CHAVEZ HAS
VIGOROUSLY PURSUED THE MANDATE OF CONSTITUTIONAL REFORM.
HIS ACTIONS HAVE BEEN CONSISTENT WITH VENEZUELAN LAW AND
THE CONSTITUTION, AS HE TOLD US THEY WOULD BE. AT TIMES
THE RHETORIC ON BOTH SIDES HAS BEEN HARSH, BUT ACCOMODATION
HAS BEEN REACHED, MOST RECENTLY WITH THE MEDIATION OF THE
CATHOLIC CHURCH. THE NEW CONSTITUTION WILL BE SUBMITTED TO
A POPULAR REFERENDUM, PROBABLY BEFORE THE END OF THIS YEAR.
THIS PROCESS IS THE VIGOROUS EXERCISE OF DEMOCRACY,

INCLUDING THE VITAL ELEMENTS OF DIALOGUE AND ACCOMODATING DIVERGENT INTERESTS. NOWHERE IN THIS PROCESS DO WE SEE ANY INDICATION OF MILITARY DICTATORSHIP.

Q: IS CHAVEZ FORGING TIES TO RADICAL REGIMES SUCH AS CUBA, LIBYA, IRAN AND IRAQ, ENCOURAGING AN ANTI-U.S. ALLIANCE?

A: WE DO NOT BELIEVE PRESIDENT CHAVEZ HAS AN ANTI-U.S. AGENDA OR ANY INTENTION OF ALLYING WITH RADICAL REGIMES OPPOSED TO THE U.S. ON THE CONTRARY, PRESIDENT CHAVEZ HAS REPEATEDLY EXPRESSED HIS DESIRE FOR A STRONG BILATERAL RELATIONSHIP WITH THE U.S. AND CLOSE COOPERATION ACROSS A BROAD RANGE OF ISSUES.

2. INL PRESS GUIDANCE, SEPTEMBER 22, 1999:

-- COLOMBIA: GILMAN ON COLOMBIA --

Q: WHAT DO WE THINK OF REP. GILMAN'S PROPOSALS?

A: WE AGREE THAT IT IS IMPORTANT FOR THE U.S. GOVERNMENT TO SUPPORT THE COLOMBIAN GOVERNMENT IN ITS EFFORTS AGAINST DRUGS. WE WELCOME REP. GILMAN'S STRONG SUPPORT FOR ASSISTING COLOMBIA IN COMBATING THE DRUG TRADE AND LOOK FORWARD TO COOPERATING WITH CONGRESS ON THIS CRUCIAL ISSUE.

WE STRONGLY SUPPORT PRESIDENT PASTRANA'S PLAN COLOMBIA. THE STRATEGY IS AN AMBITIOUS, BUT REALISTIC PACKAGE OF MUTUALLY REINFORCING POLICIES TO REVIVE COLOMBIA'S ECONOMY, STRENGTHEN ITS DEMOCRATIC INSTITUTIONS, ADVANCE THE PEACE PROCESS, ATTACK NARCO PRODUCTION AND TRAFFICKING, AND END THE GUERRILLA AND PARAMILITARY LINKS WITH NARCOTRAFFICKERS.

MANY OF REP. GILMAN'S PROPOSALS ARE ALREADY IN MOTION. THE FIRST THREE UH-60 BLACKHAWK HELICOPTERS, OF SIX AUTHORIZED BY CONGRESS, WILL BE ARRIVING IN COLOMBIA IN THE NEXT TWO WEEKS. THE REMAINING THREE HELICOPTERS WILL BE DELIVERED EARLY NEXT YEAR AFTER THE CREWS COMPLETE THEIR TRAINING.

IN ADDITION, SIX OF A PLANNED 25 HUEY II HELICOPTERS HAVE ALREADY BEEN DELIVERED TO THE COLOMBIAN NATIONAL POLICE AND FOUR MORE WILL ARRIVE BEFORE THE END OF THE CALENDAR YEAR. THE STATE DEPARTMENT HAS INCLUDED THE FARC AND THE ELN ON THE LIST OF TERRORIST ORGANIZATIONS.

U.S. INSTRUCTORS HAVE NEARLY COMPLETED THE TRAINING OF A SPECIAL COUNTERNARCOTICS BATTALION WITHIN THE COLOMBIAN ARMY.

ALL ASSISTANCE TO COLOMBIAN SECURITY FORCES IS PROVIDED ONLY TO THOSE UNITS FOR WHICH THE STATE DEPARTMENT HAS NO CREDIBLE EVIDENCE OF THE COMMISSION OF GROSS VIOLATIONS OF HUMAN RIGHTS, IN ACCORDANCE WITH U.S. LAW.

THE COLOMBIAN GOVERNMENT IS ADDRESSING IMPORTANT MILITARY

REFORMS, WITH U.S. GOVERNMENT SUPPORT. ALTHOUGH MUCH
REMAINS TO BE DONE, WE ACTIVELY SUPPORT THESE EFFORTS AND
WILL ASSIST IN ANY WAY WE CAN.

TALBOTT

SECT: SECTION: 01 OF 01

SSN: 8684

TOR: 990922171702 M4061812

DIST:

SIT: ARMSTRONG AVERY FALLIN HAMMER LEAVY ORFINI SHANNON VALENZUELA
SIT: NSC

Cable

PREC: PRIORITY

CLASS: UNCLASSIFIED

LINE1: PAAUZYUW RUEHSA1645 2701414-UUUU--RHEHNSC RHEHAAA.

LINE2: ZNR UUUUU ZZH

LINE3: P 271414Z SEP 99

LINE4: FM AMCONSUL SAO PAULO

OSRI: RUEHSO

DTG: 271414Z SEP 99

ORIG: AMCONSUL SAO PAULO

TO: RUEHIA/USIA WASHDC PRIORITY 0705

INFO: RUEHC/SECSTATE WASHDC PRIORITY 3297

RULGPA/USCOMSOLANT PRIORITY

RUEHBR/AMEMBASSY BRASILIA PRIORITY 3433

RUEHRI/AMCONSUL RIO DE JANEIRO PRIORITY 1538

RHEHAAA/WHITEHOUSE WASHDC PRIORITY

RHEHNSC/NATIONAL SECURITY COUNCIL WASHDC PRIORITY

SUBJ: MEDIA REACTION: 1. U.S. TRADE POLICY:
PROTECTIONISM CHARGES; 2. END OF USIA; 3. MILLENNIUM

TEXT:
UNCLAS SECTION 01 OF 02 SAO PAULO 001645

USIA

USIA FOR R/MR, WHA (DAVIS), D/P, I/G, I/RW, I/RNY,
I/RLA, B/VOA, B/VOA/L,
B/TVWSC

STATE FOR S/S, WHA/PAF, WHA/BSC, WHA/P (HAHN), NSC
WH FOR PRESS OFFICE

E.O. 12958:N/A

SUBJECT: MEDIA REACTION: 1. U.S. TRADE POLICY:
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USIA FOR R/MR, WHA (DAVIS), D/P, I/G, I/RW, I/RNY,
I/RLA, B/VOA, B/VOA/L,
B/TVWSC
STATE FOR S/S, WHA/PAF, WHA/BSC, WHA/P (HAHN), NSC
WH FOR PRESS OFFICE

E.O. 12958:N/A

SUBJECT: MEDIA REACTION: 1. U.S. TRADE POLICY:
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ROUND: AGRICULTURE SUBSIDIES; SAO PAULO

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SECT: SECTION: 01 OF 02
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SSN: 1645
<^SSN>1645

TOR: 990927092119 M4068130
<^TOR>990927092226 M4068134

DIST:
SIT: ARMSTRONG AVERY ORFINI SHANNON VALENZUELA
SIT: NSC

Cable

PREC: PRIORITY
CLASS: UNCLASSIFIED
LINE1: PAAUZYUW RUEHSA1645 2701414-UUUU--RHEHAAX.
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LINE4: FM AMCONSUL SAO PAULO
OSRI: RUEHSO
DTG: 271414Z SEP 99
ORIG: AMCONSUL SAO PAULO
TO: RUEHIA/USIA WASHDC PRIORITY 0705
INFO: RUEHC/SECSTATE WASHDC PRIORITY 3297
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SSN: 1645

TOR: 990927094304 M4068166

DIST:

SIT: NSC

Cable

PREC: IMMEDIATE
CLASS: UNCLASSIFIED
LINE1: OAAUZYUW RUEHCAA3662 2722117-UUUU--RHEHAAX.
LINE2: ZNR UUUUU ZZH
LINE3: O P 292114Z SEP 99
LINE4: FM SECSTATE WASHDC
OSRI: RUEHC
DTG: 292114Z SEP 99
ORIG: SECSTATE WASHDC
TO: ALL NEAR EASTERN AND SOUTH ASIAN DIPLOMATIC POSTS IMMEDIATE
RHEHAAA/WHITE HOUSE WASHDC 0000
RUCNDT/USMISSION USUN NEW YORK 0000
RUEHWR/AMEMBASSY WARSAW 0000
RUEHDO/AMEMBASSY DOHA 0000
RUQNAAA/CTF NORTHERN WATCH INCIRLIK AB TU//POLAD//
INFO: ALL EUROPEAN DIPLOMATIC POSTS PRIORITY
RUEHDA/AMCONSUL ADANA 0000
RUEHIT/AMCONSUL ISTANBUL 0000
RUEHKL/AMEMBASSY KUALA LUMPUR 0000
RHHMUNA/USCINCPAC HONOLULU
RUCJACC/USCENTCOM MACDILLAFB FL
RUEHSA/AMEMBASSY PRETORIA PRIORITY 0000
RUEHJO/AMCONSUL JOHANNESBURG PRIORITY 0000
RUEHTN/AMCONSUL CAPE TOWN PRIORITY 0000
RUEH DU/AMCONSUL DURBAN PRIORITY 0000
RUEHVT/AMEMBASSY VALLETTA PRIORITY 0000
RUEHAK/AMEMBASSY ANKARA PRIORITY 0000
RUEHKO/AMEMBASSY TOKYO PRIORITY 0000
RUEHUNV/USMISSION UNVIE VIENNA PRIORITY
RUEHIA/USIA WASHDC 0000
SUBJ: NEA PRESS GUIDANCE - 9/29/99

THE FOLLOWING GUIDANCE IS PROVIDED FOR POST'S INFORMATION:

TEXT:

UNCLAS STATE 183662

INFORM CONSULS-PASS PAOS-MILITARY ALSO FOR POLAD

E.O. 12958: N/A

TAGS: OPRC, XF, IS

SUBJECT: NEA PRESS GUIDANCE - 9/29/99

THE FOLLOWING GUIDANCE IS PROVIDED FOR POST'S INFORMATION:

ISRAEL: ISRAELI ARAB GROUP TO BE MORE CLOSELY MONITORED
(DRL)

IRAQ: BUTLER AND HELMS ON IRAQ(NP)

ALGERIA: VISIT OF ADMIRAL MURPHY

PLO: OFFICES IN WASHINGTON
MEPP: WEAPONS COLLECTION, SHARM IMPLEMENTATION. WYE MONEY
MEPP: ISRAELI-SYRIAN TRACK

ISRAEL: ISRAELI ARAB GROUP TO BE MORE CLOSELY MONITORED

CONTEXT: THE WASHINGTON POST REPORTS TODAY THAT ISRAEL WILL INTENSIFY SCRUTINY OF PUBLICATIONS, ORGANIZATIONS, INDIVIDUALS AND FUNDING LINKED TO A GROUP CALLED THE ISLAMIC MOVEMENT. THIS FOLLOWS THE SEPTEMBER 5 CAR BOMB ATTACKS IN HAIFA AND TIBERIAS. THE MEASURES PROPOSED BY THE GOVERNMENT ARE LESS SEVERE THAN WHAT WAS ORIGINALLY PROPOSED BY THE NATIONAL POLICE AND THE GENERAL SECURITY SERVICE. THE MEASURES WERE LIMITED BECAUSE ISRAEL DOES

SERVICE. THE MEASURES WERE LIMITED BECAUSE ISRAEL DOES NOT WANT TO ALIENATE THE ISRAEL ARAB COMMUNITY OR ENCOURAGE EXTREMISTS WITHIN THE ISLAMIC MOVEMENT. ALSO, THERE IS CURRENTLY NO EVIDENCE LINKING THE ISLAMIC MOVEMENT'S LEADERSHIP TO THE SEPTEMBER 5 ATTACKS. PUBLICLY, THE ISLAMIC MOVEMENT OBJECTED TO THE MEASURES, BUT IN PRIVATE SOME MEMBERS EXPRESSED RELIEF THAT THE MEASURES ARE MUCH LESS SEVERE THAN FEARED. THE BROADER ISRAELI ARAB COMMUNITY IS ALSO RELIEVED, THOUGH SOME LEADERS HAD HOPED THAT THE GOI WOULD TAKE THE LEAD IN RESTRICTING THE ISLAMIC MOVEMENT'S GROWING INFLUENCE.

Q: DO YOU HAVE ANY COMMENT ON REPORTS THAT ISRAEL PLANS TO MORE CLOSELY MONITOR AN ISRAELI-ARAB GROUP?

A: WE HAVE READ THE PRESS REPORTS. IT IS TOO EARLY TO COMMENT ON THE IMPLEMENTATION OF THIS, BUT IT APPEARS THAT ISRAEL IS TAKING A MEASURED APPROACH.

BUTLER AND HELMS ON IRAQ

CONTEXT: YESTERDAY FORMER UNSCOM EXECUTIVE CHAIRMAN RICHARD BUTLER TESTIFIED BEFORE THE SENATE FOREIGN RELATIONS COMMITTEE ON IRAQ.

ON IRAQ'S WEAPONS, BUTLER MADE NO NEW STATEMENTS OF FACT, BUT HIGHLIGHTED HOW THE INTERNATIONAL COMMUNITY'S FATIGUE OF THE ISSUE WORKS TO SADDAM HUSSEIN'S ADVANTAGE, HOW THE ABSENCE OF INSPECTORS GIVES SADDAM HUSSEIN THE OPPORTUNITY TO RECONSTITUTE WMD--WE SHOULD ASSUME HE IS DOING SO BUT CAN'T KNOW WITHOUT BEING THERE--AND THAT SADDAM HUSSEIN ONLY BENEFITS BY DIVISIONS IN THE SECURITY COUNCIL. HELMS HAD NO ARGUMENT WITH BUTLER'S TESTIMONY, AND CITED BUTLER'S CONCERNS ABOUT IRAQI WMD CAPABILITIES AND MOTIVATIONS IN CALLING FOR THE ADMINISTRATION TO IMPLEMENT FULLY THE IRAQ LIBERATION ACT.

ON UN SECURITY COUNCIL RESOLUTIONS UNDER NEGOTIATION, BUTLER SAID THAT THE UK-DUTCH DRAFT ON IRAQ PROVIDES FOR A "GENUINE" ARMS CONTROL REGIME, BUT THAT THE REAL TEST WILL COME IN HOW IT IS IMPLEMENTED ON THE GROUND IN IRAQ. BOTH

BUTLER AND HELMS AGREED THAT IT IS FOOLISH TO THINK THAT ANY INSPECTION REGIME IS BETTER THAN NONE.

HELMS ALSO USED THE OPPORTUNITY TO CRITICIZE THE COMPREHENSIVE TEST BAN TREATY (CTBT) BY COMPARING IT TO SADDAM HUSSEIN. HELMS ASSERTED THAT THE SAME ELEMENTS THAT ERODED THE CREDIBILITY OF INSPECTIONS IN IRAQ--REJECTING INSPECTORS BASED ON THEIR NATIONALITY, HAVING A VETO ON INSPECTION EQUIPMENT, PREVENTING INSPECTORS FROM ENTERING SENSITIVE AREAS--ARE IN THE CTBT AND THEREFORE THE US SHOULD REJECT IT. THIS MISCHARACTERIZES IN THE EXTREME THE MEANS WE HAVE TO MONITOR CTBT COMPLIANCE. BUTLER MADE NO COMMENT ON HELMS' CTBT STATEMENTS.

Q: ANY COMMENT ON RICHARD BUTLER'S SFRC TESTIMONY?

A: -- WE SHARE AMB. BUTLER'S CONCERN ABOUT THE ABSENCE OF INSPECTORS AND THE THREAT SADDAM HUSSEIN'S IRAQ POSES TO ITS NEIGHBORS AND THE REGION.

Q: BUTLER SAYS IRAQ'S ABILITY TO WAGE WAR WITH WMD IS "UNDIMINISHED AND POSSIBLY GREATER" THAN WHEN UN INSPECTIONS HALTED LAST YEAR. DO YOU AGREE?

A: -- THE ACTIVITIES OF UNSCOM GREATLY DIMINISHED IRAQ'S WMD CAPABILITIES SINCE THE END OF THE GULF WAR. SINCE THE HALT IN UNSCOM INSPECTIONS, OUR ABILITY TO MONITOR IRAQ HAS BEEN REDUCED. MILITARY ACTION PROMPTED BY IRAQ'S EXCLUSION OR INSPECTORS HAS AFFECTED SADDAM'S ABILITY TO RECONSTITUTE HIS CAPABILITIES.

-- HOWEVER, THERE ARE ACTIVITIES OF CONCERN, WHICH WE WILL CONTINUE TO MONITOR AS CLOSELY AS POSSIBLE. IN PARTICULAR, WE ARE CONCERNED BY ACTIVITY AT IRAQI SITES KNOWN TO BE CAPABLE OF PRODUCING WEAPONS OF MASS DESTRUCTION (WMD) AND LONG-RANGE BALLISTIC MISSILES, AS WELL AS BY IRAQ'S LONG-ESTABLISHED PRACTICE OF PROCUREMENT ACTIVITY THAT COULD INCLUDE DUAL-USE ITEMS WITH WMD APPLICATIONS.

-- SHOULD THOSE ACTIVITIES CROSS OUR REDLINES, WE HAVE SAID WE WILL ACT. SO FAR, THEY HAVE NOT.

-- WE CONTINUE TO SUPPORT UNSCOM AND THE IAEA IN THEIR EFFORTS TO IMPROVE THE MECHANISM TO MONITOR PROCUREMENT OF DUAL-USE ITEMS WITH WMD APPLICATIONS.

Q: BUTLER SAID HE SUPPORTS THE UK-DUTCH DRAFT UNSCR ON IRAQ--BUT IS IT DEAD?

A: -- AMB. BUTLER NOTED THAT THE UK-DUTCH DRAFT PROVIDES FOR A GENUINE ARMS CONTROL REGIME. THAT STATEMENT UNDERSCORES THE P5 AGREEMENT TO CONTINUE WORK ON A RESOLUTION REFLECTING THE DISARMAMENT AND HUMANITARIAN OBJECTIVES OF THE COUNCIL.

-- THE P5 ALSO AGREE ON THE FUNDAMENTAL ISSUE: IRAQ MUST

COMPLY FULLY WITH ALL RELEVANT SECURITY COUNCIL RESOLUTIONS.

Q: HELMS SAID "I HAVE HEARD IT ARGUED THAT ANY WEAPONS INSPECTIONS IN IRAQ ARE BETTER THAN NO INSPECTIONS. I DO NOT SUBSCRIBE TO SUCH A VIEW." DO YOU AGREE?

A: -- YES, AND WE AGREE WITH SENATOR HELMS' STATEMENT THAT "MEANINGFUL INSPECTIONS MUST BE INTRUSIVE, THOROUGH, AND OPEN ENDED."

Q: ANY COMMENT ON SEN HELMS USING IRAQ TO JUSTIFY CRITICISM OF THE CTBT?

A: -- WE SEE NO LINK BETWEEN SADDAM HUSSEIN'S IRAQ AND THE COMPREHENSIVE TEST BAN TREATY. HIS CHARACTERIZATION OF THE CTBT MONITORING REGIME WAS NOT COMPLETE. WERE WE TO HAVE HEARINGS ON THE TREATY, WE WOULD BE HAPPY TO EXPLORE THIS ISSUE IN DETAIL WITH HIM, BUT SO FAR HE HAS BEEN UNWILLING TO SCHEDULE THEM.

ALGERIA: VISIT OF ADMIRAL MURPHY

Q: WHAT WAS THE PURPOSE OF ADMIRAL DAVID MURPHY'S VISIT TO ALGERIA?

-- ADMIRAL DAVID MURPHY, COMMANDER OF THE UNITED STATES SIXTH FLEET, PAID A COURTESY CALL TO ALGERIA ON TUESDAY, SEPTEMBER 28. DURING THE VISIT ADMIRAL MURPHY MET WITH PRESIDENT BOUTEFLIKA.

-- THIS IS PART OF OUR ONGOING DIALOGUE AND MILITARY TO MILITARY COOPERATION WITH ALGERIA.

-- MILITARY AND THEATER WIDE ISSUES WERE RAISED, WHICH I REFER YOU TO THE DEPARTMENT OF DEFENSE FOR A FURTHER READOUT.

PLO: OFFICES IN WASHINGTON

Q: THE PLO'S REPRESENTATIVE IN WASHINGTON, HASSAN ABDUL RAHMAN, HAS SAID THAT THE WHITE HOUSE AND STATE DEPARTMENT ARE IN AGREEMENT THAT THE RESTRICTIONS ON THE OPERATIONS OF THE PLO OFFICES IN WASHINGTON ARE INCONSISTENT WITH THE RELATIONS NOW ENJOYED BETWEEN PALESTINIANS AND THE ADMINISTRATION WILL BE ASKING CONGRESS TO LIFT THESE RESTRICTIONS. IS THIS TRUE?

-- WE'VE SAID MANY TIMES THAT WE ARE INTERESTED IN IMPROVING U.S.-PALESTINIAN RELATIONS.

-- THIS IS ONE OF MANY ISSUES WE ARE DISCUSSING WITH THE PALESTINIANS THROUGH THE U.S.-PALESTINIAN COMMITTEE. WE ARE ALSO CONSULTING CLOSELY WITH CONGRESS.

Q: SO ARE YOU GOING TO RECOMMEND THAT CONGRESS LIFT THE RESTRICTIONS ON THE PLO'S OFFICE?

-- SUCH A RECOMMENDATION WAS INCLUDED IN THE ADMINISTRATION'S BUDGET REQUEST LAST YEAR.

MEPP: WEAPONS COLLECTION, SHARM IMPLEMENTATION. WYE MONEY

Q: THERE ARE REPORTS THAT THE PALESTINIAN AUTHORITY IS HAVING TROUBLE COLLECTING WEAPONS FROM PALESTINIAN REFUGEE CAMPS. IS THIS GOING TO HAVE AN ADVERSE IMPACT ON THEIR MEETING COMMITMENTS UNDER WYE AND SHARM? WHAT IS THE STATUS OF IMPLEMENTING THE SHARM AGREEMENT?

-- PALESTINIAN EFFORTS TO COLLECT ILLEGAL WEAPONS ARE ONGOING.

-- WE ARE WORKING WITH THE PALESTINIANS TO PROVIDE TECHNICAL ASSISTANCE TO THEIR WEAPONS COLLECTION PROGRAM, PURSUANT TO THE WYE RIVER MEMORANDUM, AND THEY ARE PROVIDING US REGULAR REPORTS ON THEIR EFFORTS.

-- IMPLEMENTATION OF THE SHARM AGREEMENT IS MOVING FORWARD ON SCHEDULE.

Q: WHERE DOES THE ADMINISTRATION'S REQUEST FOR AID TO THE ISRAELIS AND PALESTINIANS IN SUPPORT OF WYE IMPLEMENTATION STAND? IT HASN'T BEEN APPROPRIATED. WILL THIS HAVE A NEGATIVE IMPACT ON THE PARTIES' ABILITY TO MEET THEIR COMMITMENTS?

-- THE PRESIDENT HAS ASKED CONGRESS FOR FUNDS TO IMPLEMENT THE WYE ACCORDS. THIS REQUEST HAS NOT YET BEEN ACTED ON. WE ARE URGING CONGRESS TO PROVIDE THE FUNDS NECESSARY TO KEEP THE PROMISES WE MADE.

MEPP - ISRAELI-SYRIAN TRACK

CONTEXT: CITING JERUSALEM SOURCES, THE ISRAELI PRESS IS REPORTING THAT SYRIAN HAS TOUGHENED ITS TERRITORIAL DEMANDS ON THE GOLAN HEIGHTS, THUS CAUSING AN IMPASSE IN EFFORTS TO RENEW NEGOTIATIONS, AND THAT THE U.S. IS TRYING TO PUT TOGETHER A NEW FORMULA TO RENEW THE TALKS AND BYPASS THE 'TERRITORIAL CRISIS.'

Q: ISRAELI OFFICIALS HAVE CRITICIZED SYRIA FOR PRESENTING NEW TERRITORIAL DEMANDS REGARDING THE GOLAN HEIGHTS AND HAVE SAID THE DEMANDS HAVE CAUSED AN IMPASSE IN EFFORTS TO RESUME NEGOTIATIONS. HAVE THE SYRIANS PRESENTED YOU WITH NEW DEMANDS, AND IF SO, WHAT ARE WE DOING TO DEAL WITH THEM.

-- WE HAVE BEEN IN CONTACT WITH THE PARTIES IN AN EFFORT TO MOVE THIS PROCESS FORWARD AND FIND A WAY TO RESTART NEGOTIATIONS.

-- THOSE CONTACTS ARE ONGOING, BUT I'M NOT PREPARED TO DISCUSS THEM IN PUBLIC.

Q: IS THE SECRETARY PLANNING TO MEET WITH SHARAA TODAY? IS THIS A SUBJECT THAT SHE WILL RAISE?

-- THE SECRETARY IS PLANNING TO MEET WITH FOREIGN MINISTER SHARAA IN NEW YORK TODAY. THEY WILL OF COURSE BE DISCUSSING THE ISSUE OF RESUMING NEGOTIATIONS ON THE

ISRAELI-SYRIAN TRACK, BUT I DON'T HAVE ANY SPECIFICS FOR YOU.

Q: WHAT CAN YOU TELL US ABOUT THIS MORNING'S MEETING BETWEEN PRESIDENT CLINTON AND FOREIGN MINISTER SHARA? IS THIS AN INTENSIFICATION OF OUR INVOLVEMENT?

-- THE PRESIDENT DID MEET WITH FOREIGN MINISTER SHARAA THIS MORNING AS PART OF OUR CONTINUING EFFORTS TO GET THE NEGOTIATIONS RESTARTED.

-- I'D REFER YOU TO THE WHITE HOUSE FOR FURTHER COMMENT. TALBOTT

SECT: SECTION: 01 OF 01

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DIST:

SIT: A-W BOLAN CAMP FALLIN HAMMER LEAVY MALLEY POLLACK RIEDEL
SIT: NSC