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FM SECSTATE WASHDC

TO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS IMMEDIATE

AMCONSUL FUKUOKA IMMEDIATE

AMCONSUL GUANGZHOU IMMEDIATE

AMCONSUL NAGOYA IMMEDIATE

AMCONSUL NAHA IMMEDIATE

RELEASED IN FULL

AMCONSUL OSAKA KOBE IMMEDIATE

AMCONSUL PUSAN IMMEDIATE

AMCONSUL SAPPORO IMMEDIATE

AMCONSUL SHANGHAI IMMEDIATE

AMCONSUL SHENYANG IMMEDIATE

NSC WASHDC PRIORITY 0000

USIA WASHDC PRIORITY 0000

USMISSION USUN NEW YORK PRIORITY

INFO AMEMBASSY BONN PRIORITY

USMISSION GENEVA PRIORITY

AMEMBASSY LONDON PRIORITY

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AMEMBASSY LUXEMBOURG PRIORITY

AMEMBASSY MOSCOW PRIORITY

AMEMBASSY NEW DELHI PRIORITY

AMEMBASSY PARIS PRIORITY

CINCPACELT PEARL HARBOR HI PRIORITY

USCINCPAC HONOLULU HI PRIORITY

CHJUSMAG SEOUL KS PRIORITY

COMUSKOREA SEOUL KS//CC/BJ/CJ/EJ/PAJ/SJS// PRIORITY

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UNITED STATES DEPARTMENT OF STATE REVIEW AUTHORITY: DONALD A. JOHNSTON DATE/CASE ID: 17 OCT 2001 200102083

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SACINCUNC KS PRIORITY
USCINCUNC SEOUL KS PRIORITY
SECDEF WASHDC//USDP PRIORITY
JOINT STAFF WASHINGTON DC PRIORITY
-USMISSION USVIENNA PRIORITY

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USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A TAGS: OPRC XE US SUBJECT: APRIL 23 PRESS GUIDANCES FOR THE EAP REGION

ALL POSTS -- ALSO FOR USIS
SECDEF -- ALSO FOR OASD/PA
USCINCPAC FOR FPA TEARE
USVIENNA FOR UNVIE
BEIJING -- PASS CHENGDU

1. INDEX

-- PERU: ENDING OF HOSTAGE CRISIS (PARAS 2-6)

-- JAPAN: ATTEMPTED RAPE REPORTED IN OKINAWA (PARAS 2 AND UNCLASSIFIED

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- -- CHINA: VISIT OF VICE PREMIER QIAN QICHEN (PARAS 2 AND
- 8) --TIBET: MEETING WITH THE DALAI LAMA (PARAS 2 AND 9)
- --CHINA: ALLEGED DIVERSION OF MACHINE TOOLS (PARAS 2 AND 10)
- --KOREA: REPORTS OF DPRK NUCLEAR WEAPONS (PARAS 2 AND 11)
- -- NORTH KOREA: BILATERAL MEETING (PARAS 2 AND 12)
- -- TAIWAN: YING CHAN LIBEL CASE (PARAS 2 AND 13)
- --BURMA: SANCTIONS (PARAS 2 AND 14)
- 2. THE FOLLOWING STATEMENT BY SPOKESMAN NICHOLAS BURNS WAS ISSUED ON 4/22/97.
- 3. PERU -- RAID ON JAPANESE RESIDENCE

AT APPROXIMATELY 4:30 P.M. THIS AFTERNOON PERUVIAN SECURITY FORCES STAGED A RAID ON THE JAPANESE AMBASSADOR'S RESIDENCE IN LIMA WHERE MEMBERS OF THE THE

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TUPAC AMARU REVOLUTIONARY MOVEMENT (MRTA) HAVE BEEN HOLDING 72 HOSTAGES.

WHILE THE FATE OF ALL OF THE HOSTAGES IS UNKNOWN, IT IS CLEAR THAT THERE HAVE BEEN SOME CASUALTIES. THE UNITED STATES DEEPLY REGRETS THESE INJURIES AND ANY LOSS OF LIFE THAT MAY HAVE OCCURRED. OUR THOUGHTS ARE WITH THE HOSTAGES AND THEIR FAMILIES WHO ARE TO BE SALUTED FOR THE COURAGE THEY HAVE SHOWN THROUGHOUT THIS DIFFICULT ORDEAL.

ONE THING IS CLEAR: THE MRTA BEARS THE FULL AND COMPLETE RESPONSIBILITY FOR THIS OUTCOME. THIS REGRETTABLE UNCLASSIFIED

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PAGE 04 STATE 076099 240028Z INCIDENT DEMONSTRATES ONCE AGAIN THE TERRIBLE COSTS OF TERRORISM.

- 4. THE FOLLOWING GUIDANCES WERE PREPARED ON 4/23/97. THERE WAS NO REGULAR PRESS BRIEFING ON THAT DAY. POSTS MAY DRAW FROM THESE GUIDANCES ON AN IF ASKED BASIS.
- 5. PERU -- ENDING OF HOSTAGE CRISIS
- Q: WHAT CAN YOU TELL US ABOUT YESTERDAY'S CONCLUSION TO THE HOSTAGE TAKING INCIDENT IN PERU?
- A: ACCORDING TO THE GOVERNMENT OF PERU, AT APPROXIMATELY 4:30 PM YESTERDAY (TUESDAY) AFTERNOON 140 MEMBERS OF THE PERUVIAN SECURITY FORCES STAGED A RAID ON THE JAPANESE AMBASSADOR'S RESIDENCE IN LIMA WHERE MEMBERS OF THE TUPAC AMARU REVOLUTIONARY MOVEMENT (MRTA) HAD BEEN HOLDING 72 HOSTAGES.

THE PERUVIAN GOVERNMENT REPORTS THAT 71 OF THE 72 HOSTAGES WERE RELEASED SUCCESSFULLY. ONE HOSTAGE, SUPREME COURT JUSTICE CARLOS GIUSTI, REPORTEDLY SUFFERED A HEART ATTACK AND DIED SUBSEQUENTLY. SEVERAL OTHER HOSTAGES SUFFERED INJURIES, INCLUDING PERUVIAN FOREIGN MINISTER FRANCISCO TUDELA.

WE WISH TO EXTEND OUR CONDOLENCES TO THE FAMILIES OF JUSTICE GIUSTI AND THOSE OF THE TWO MEMBERS OF THE PERUVIAN SECURITY FORCES WHO DIED IN THE RAID. WE DEEPLY REGRET THIS LOSS OF LIFE. ALL THOSE WHO SUFFERED THROUGH THIS ORDEAL SHOULD BE SALUTED FOR THE COURAGE THEY HAVE

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SHOWN.

ONE THING IS CLEAR: THE MRTA BEARS FULL AND COMPLETE RESPONSIBILITY FOR THIS OUTCOME. THIS REGRETTABLE INCIDENT DEMONSTRATES ONCE AGAIN THE TERRIBLE COSTS OF TERRORISM.

- Q: DOES THE USG BELIEVE THIS WAS A GOOD THING?
- A: WE ARE RELIEVED THAT THIS INCIDENT HAS ENDED AND THAT 71 OF THE 72 HOSTAGES WERE RELEASED SAFELY.

WE CONGRATULATE THE PERUVIAN GOVERNMENT FOR HAVING BROUGHT TO A CLOSE THIS REPRESENESIBLE INCIDENT PERPETRATED BY THE MRTA. AND ARE PLEASED THAT IT RESULTED IN THE SUCCESSFUL RESCUE OF ALMOST ALL THOSE HELD CAPTIVE.

WE SUPPORT PRESIDENT FUJIMORI AND THE GOVERNMENT OF PERU'S REFUSAL TO MAKE CONCESSIONS. WE MUST NEVER FORGET THAT THE REAL TRAGEDY OF THIS SITUATION IS THAT THE MRTA CHOSE TO ENGAGE IN HOSTAGE TAKING IN THE FIRST PLACE. HOSTAGE TAKING AND OTHER ACTS OF TERRORISM ARE NEVER AN ACCEPTABLE COURSE OF ACTION. NO ONE SHOULD DOUBT THAT THE MRTA IS ULTIMATELY RESPONSIBLE FOR WHAT HAPPENED.

- Q: DO YOU HAVE ANY CRITICISM OF THE GOP'S ACTIONS? DO YOU BELIEVE THAT THEY HAD TO KILL ALL THE HOSTAGE TAKERS?
- A. AS WE SAID FROM THE START OF THIS HOSTAGE TAKING, THE DIFFICULT BURDEN OF RESOLVING THIS SITUATION RESTED WITH THE GOVERNMENT OF PERU. AGAIN, THE ULTIMATE UNCLASSIFIED

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STATE 076099 240028Z PAGE 06 RESPONSIBILITY FOR THIS TERRIBLE INCIDENT RESTS SQUARELY WITH THE MRTA HOSTAGE TAKERS.

- O: DID THE U.S. GET ADVANCE WARNING FROM THE PERUVIAN GOVERNMENT?
- A: NO.

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- Q: DID THE U.S. PARTICIPATE OR ADVISE THE PERUVIAN GOVERNMENT ON THE RAID?
- A: NO.
- Q: DID THE U.S. PROVIDE TRAINING FOR THIS RAID TO THE PERUVIAN ASSAULT FORCE OR ASSIST IN THE PLANNING OF THIS ACTION?
- A: NO.
- Q: HAS THE U.S. EVER PROVIDED ANTI-TERRORISM TRAINING TO THE PERUVIAN POLICE?
- A: THE DEPARTMENT OF STATE HAS PROVIDE ANTI-TERRORISM TRAINING ASSISTANCE TO MEMBERS OF THE PERUVIAN NATIONAL POLICE FOR THE PAST TEN YEARS, INCLUDING "CRISIS RESPONSE TEAM" TRAINING IN 1991, 1995, AND 1996 AND RELATED COURSES ANNUALLY SINCE 1986.
- 6. PERU -- PUBLIC ANNOUNCEMENT?
- Q: DO YOU PLAN TO ISSUE A PUBLIC ANNOUNCMENT AS A RESULT UNCLASSIFIED

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PAGE 07 STATE 076099 240028Z OF THE STORMING OF THE JAPANESE EMBASSY IN PERU?

A: AT THIS TIME WE HAVE NO INDICATION OF ANY SPECIFIC THREAT AGAINST AMERICAN CITIZENS AS A RESULT OF THE PERUVIAN GOVERNMENT STORMING THE JAPANESE EMBASSY.

HOWEVER, WE WILL CONTINUE TO MONITOR THE SITUATION CLOSELY. PREVIOUS WARNINGS ABOUT SPORADIC TERRORIST VIOLENCE REMAIN VALID.

IF ASKED ONLY:

- Q: WHAT AFFECT DO YOU EXPECT THIS EVENT WILL HAVE ON LORI BERENSON?
- A: THE U.S. EMBASSY IN LIMA WILL CONTINUE TO PROVIDE ALL APPROPRIATE SERVICES FOR MS. BERENSON, AS WE WOULD FOR ANY AMERICAN CITIZEN INCARCERATED OVERSEAS.

. WE HAVE MADE OUR DESIRE TO SEE MS. BERENSON RECEIVE A

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TRIAL IN A CIVILIAN COURT CLEAR TO THE GOVERNMENT OF PERU. WE DO NOT BELIEVE THAT THIS INCIDENT WILL AFFECT HER SITUATION ONE WAY OR ANOTHER.

- 7. JAPAN -- ATTEMPTED RAPE REPORTED IN OKINAWA
- Q: WHAT INFORMATION/REACTION DO YOU HAVE REGARDING THE REPORTED ARREST OF A U.S. AIRMAN BY JAPANESE POLICE FOR A BREAK-IN AND AGGRAVATED ASSAULT IN OKINAWA?
- A: WE HAVE SEEN REPORTS ABOUT THIS INCIDENT, BUT DO NOT UNCLASSIFIED

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PAGE 08 STATE 076099 240028Z HAVE COMPLETE INFORMATION AT THIS TIME.

WE WOULD REFER YOU TO THE DEFENSE DEPARTMENT FOR FURTHER DETAILS.

- 8. CHINA -- VISIT OF VICE PREMIER QIAN QICHEN
- Q: WHAT CAN YOU TELL US ABOUT THE VISIT OF CHINESE VICE PREMIER/FOREIGN MINISTER QIAN?
- A: VICE PREMIER/FOREIGN MINISTER QIAN QICHEN WILL CONDUCT AN OFFICIAL VISIT TO THE UNITED STATES, APRIL 28-30, AT THE INVITATION OF SECRETARY ALBRIGHT. (HE WILL ARRIVE IN NEW YORK ON THE 27TH.)

THE SECRETARY WILL MEET WITH QIAN ON THE AFTERNOON OF THE 28TH AND HOST A DINNER IN HIS HONOR THAT SAME EVENING.

THEY WILL DISCUSS PLANS FOR A STATE VISIT LATER THIS YEAR AS WELL AS A BROAD RANGE OF ISSUES, INCLUDING NONPROLIFERATION, HUMAN RIGHTS, TRADE, HONG KONG, AND REGIONAL AND GLOBAL ISSUES OF MUTUAL INTEREST.

- Q: WILL HE MEET WITH THE PRESIDENT AND THE VICE PRESIDENT?
- A: DETAILS OF HIS SCHEDULE ARE STILL BEING WORKED OUT. WE WOULD REFER YOU TO THE WHITE HOUSE.
- 9. TIBET -- MEETING WITH THE DALAI LAMA

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PAGE 09 STATE 076099 240028Z Q: WHEN WILL THE SECRETARY MEET WITH THE DALAI LAMA? WHAT WILL THEY DISCUSS?

A: THE DALAI LAMA WILL MEET WITH MEMBERS OF THE ADVISORY COMMITTEE ON RELIGIOUS FREEDOM ABROAD, IN HIS CAPACITY AS A RELIGIOUS LEADER, TO DISCUSS RELIGIOUS FREEDOM. THEY WILL MEET ON THE AFTERNOON OF APRIL 24.

THE SECRETARY WILL BRIEFLY MEET WITH THE DALAI LAMA AS PART OF THIS MEETING TO PAY HER RESPECTS TO THE DALAI LAMA AND TO EXPRESS OUR CONCERN FOR THE PRESERVATION OF TIBETAN RELIGION AND CULTURE AND OUR HOPE FOR RENEWED DIALOGUE BETWEEN THE DALAI LAMA AND THE CHINESE GOVERNMENT.

LONGSTANDING U.S. POLICY IS THAT WE CONSIDER TIBET TO BE A PART OF CHINA.

WE URGE RESUMPTION OF CHINA'S DISCUSSIONS WITH THE DALAI LAMA ON PROTECTING THE DISTINCTIVE HERITAGE AND CULTURE OF TIBET. WE BELIEVE THAT RESTORATION OF THIS DIALOGUE IS AN IMPORTANT COMPONENT OF A PEACEFUL SOLUTION TO DEFUSE TENSIONS IN TIBET. WE HAVE NO BLUEPRINT AND WOULD WELCOME ANY FORMULA AGREED UPON BY REPRESENTATIVES OF THE DALAI LAMA AND OF THE PRC.

THE U.S. LAUDS THE DALAI LAMA'S RESOLVE, CONSISTENT COMMITMENT TO NON-VIOLENCE AND HIS PRAGMATIC APPROACH TO NEGOTIATIONS WITH CHINA.

Q: IS IT TRUE THAT THE DALAI LAMA REQUESTED A ONE-ON-ONE UNCLASSIFIED

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PAGE 10 STATE 076099 240028Z MEETING WITH THE SECRETARY AND WAS TURNED DOWN?

A: I WILL NOT GET INTO A DISCUSSION OF THE ARRANGEMENTS FOR THE MEETING. AS I HAVE SAID, THE SECRETARY WILL BRIEFLY JOIN THE MEETING OF HER RELIGIOUS ADVISORY COMMITTEE WITH THE DALAI LAMA, IN HIS CAPACITY AS A RELIGIOUS LEADER, TO DISCUSS RELIGIOUS FREEDOM IN TIBET.

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- Q: ISN'T THIS A PRECEDENT? HAS THE SECRETARY OF STATE MET WITH THE DALAI LAMA BEFORE?
- A: NO, THIS IS NOT A PRECEDENT. IN 1993, SECRETARY CHRISTOPHER MET BRIEFLY WITH THE DALAI LAMA DURING A RECEPTION HELD BY THE NATIONAL ENDOWMENT FOR DEMOCRACY ON THE 8TH FLOOR OF THE DEPARTMENT.
- O: HOW HAVE THE CHINESE REACTED?
- A: WE HAVE INFORMED THE CHINESE EMBASSY HERE OF THE UPCOMING MEETING. I WOULD REFER YOU TO THE EMBASSY FOR COMMENT.
- 10. CHINA -- ALLEGED DIVERSION OF MACHINE TOOLS
- Q: DOES THE DEPARTMENT OF STATE HAVE ANY COMMENT ON THE LATEST EVIDENCE UNCOVERED IN THE INVESTIGATION AS REPORTED IN THE NEW YORK TIMES THIS MORNING?
- A: THERE IS AN ONGOING INVESTIGATION INTO THE CIRCUMSTANCES OF THE DIVERSION OF MACHINE TOOLS UNCLASSIFIED

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ASSOCIATED WITH A COMMERCIAL AVIATION VENTURE INVOLVING
THE MCDONNELL DOUGLAS CORPORATION.

UNTIL THE INVESTIGATION IS COMPLETED, THE DEPARTMENT OF STATE IS NOT IN A POSITION TO COMMENT IN DETAIL.

- I WOULD REFER YOU TO THE DEPARTMENTS OF COMMERCE AND JUSTICE FOR ANY INFORMATION ON THE STATUS OF THE INVESTIGATION.
- 11. REPORTS OF DPRK NUCLEAR WEAPONS
- Q: WHAT CAN YOU TELL US ABOUT REPORTS FROM THE NORTH KOREAN DEFECTOR ABOUT NUCLEAR WEAPONS?
- A: THE U.S. HAS LONG BEEN CONCERNED ABOUT THE PURPOSE AND STATUS OF NORTH KOREA'S NUCLEAR PROGRAM.

THESE NONPROLIFERATION CONCERNS WERE THE PRIMARY REASON FOR NEGOTIATING THE AGREED FRAMEWORK TO FREEZE AND ULTIMATELY DISMANTLE THE DPRK'S ABILITY TO PRODUCE THE

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PLUTONIUM THAT COULD OTHERWISE BE USED TO MAKE NUCLEAR WEAPONS.

THE VERY SECRETIVE AND CLOSED NATURE OF NORTH KOREA MAKES IT DIFFICULT TO ASSESS DPRK CAPABILITIES WITH PRECISION.

WE HOPE SOON TO HAVE DIRECT ACCESS TO THE DEFECTOR, HWANG JANG YOP. CLEARLY, HIS REPORTED STATEMENTS ABOUT THE DPRK'S NUCLEAR PROGRAM WILL BE AN AREA OF GREAT INTEREST TO US.

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- 12. NORTH KOREA -- BILATERAL MEETING
- Q: DID THE U.S. MEET BILATERALLY WITH NORTH KOREA YESTERDAY? WHAT WAS DISCUSSED? DID YOU DISCUSS THE FOUR PARTY PROPOSAL?
- A: A 90-MINUTE WORKING-LEVEL MEETING BETWEEN U.S. AND DPRK OFFICIALS WAS HELD YESTERDAY IN NEW YORK. THE U.S. DELEGATION WAS LED BY MARK MINTON, THE DIRECTOR OF THE STATE DEPARTMENT OFFICE OF KOREAN AFFAIRS. LI GUN (LEE GUN), DEPUTY DIRECTOR OF THE DPRK MINISTRY OF FOREIGN AFFAIRS' AMERICAN AFFAIRS DIVISION, LED THE NORTH KOREAN DELEGATION.

THESE OFFICIALS REVIEWED THE STATUS OF OUR BILATERAL RELATIONSHIP, INCLUDING THE EXCHANGE OF LIAISON OFFICES AND PREPARATIONS FOR NEXT MONTH'S MEETINGS ON MISSILE PROLIFERATION ISSUES AND ON OUR EFFORTS TO RECOVER THE REMAINS OF KOREAN WAR-ERA MIAS.

- Q: WAS THE FOUR PARTY PROPOSAL DISCUSSED?
- A: WHILE THE FOCUS OF YESTERDAY'S MEETING WAS BILATERAL ISSUES, U.S. OFFICIALS URGED THE DPRK TO AGREE SOON TO THE FOUR PARTY TALKS.
- O: WHEN WILL THE NEXT TRIPARTITE MEETING BE HELD?
- A: NO DATE HAS BEEN SET FOR THE NEXT U.S.-ROK-DPRK MEETING, BUT ALL SIDES HAVE AGREED TO CONTINUE THESE UNCLASSIFIED

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PAGE 13 STATE 076099 2400282 TRIPARTITE DISCUSSIONS.

- Q: WHERE IS THE NORTH KOREAN DELEGATION NOW? WHEN WILL IT RETURN TO THE DPRK?
- A: THE NORTH KOREAN DELEGATION IS STILL IN NEW YORK.
- 13. TAIWAN -- YING CHAN LIBEL CASE
- Q: DO YOU HAVE ANY COMMENTS ON RESULTS OF THE RECENT TRIAL IN TAIPEI FOR CRIMINAL LIBEL INVOLVING AMERICAN JOURNALIST YING CHAN
- A: WE UNDERSTAND THAT MS. YING "CHAN," A REPORTER FOR THE NEW YORK DAILY NEWS; AND MR. "HSIEH" CHUNG-LIANG ("SHEEAH CHUNG LEE-AHNG"), TAIWAN BUREAN CHIEF FOR YAZHOU ZHOUKAN (("YAH-JOE JOE-KAHN", IN ENGLISH, "ASIA WEEK") WERE FOUND INNOCENT YESTERDAY IN TAIPEI OF CRIMINAL CHARGES THAT THEY HAD LIBELED A SENIOR KMT POLITICIAN.

WE APPLAUD THIS VERDICT BECAUSE WE BELIEVE THAT IT SUPPORTS THE PRINCIPLES OF ALLOWING FREE DISCUSSION OF ISSUES AND FREEDOM OF EXPRESSION, WHICH ARE MARKS OF A DEMOCRATIC SOCIETY.

AN ENDORSEMENT OF PREEDOM OF OPINION AND EXPRESSION IS CONTAINED IN ARTICLE 19 OF THE UNIVERSAL DECLARATION OF HUMAN RIGHTS.

MS. CHAN AND MR. HSIEH, HOWEVER, APPARENTLY STILL FACE CHARGES IN A SEPARATE CIVIL SUIT BROUGHT BY THE PLAINTIFF.
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BACKGROUND: THIS SUIT WAS FILED ON BEHALF OF MR. LIU TAI-YING, DIRECTOR OF THE BUSINESS MANAGEMENT COMMITTEE OF THE KMT (KUOMINGTANG -- THE RULING NATIONALIST PARTY) AFTER MS. CHAN AND MR. HSIEH CO-AUTHORED AN OCTOBER 1996 STORY REPORTING THAT, IN AN AUGUST 1995 MEETING, MR. LIU HAD OFFERED A \$15 MILLION DONATION TO PRESIDENT CLINTON'S REELECTION CAMPAIGN THROUGH FORMER WHITE HOUSE STAFFER MARK MIDDLETON. THEIR SOURCE FOR THE STORY (MR. CHEN

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CHAO-PING) LATER RECANTED HIS INFORMATION.

MS. CHAN AND MR. HSIEH HAD FACED UP TO TWO YEARS IN JAIL, COMPULSORY SERVICE, OR A MAXIMUM FINE OF \$1000 IF CONVICTED.

TEN LEADING U.S. MEDIA COMPANIES AND THE COMMITTEE TO PROTECT JOURNALISTS (CPJ) OF NEW YORK SUBMITTED AN AMICUS BRIEF TO THE COURT ON BEHALF OF THE DEFENDANTS EARLIER THIS MONTH, AND THE CASE WAS PORTRAYED AS A TEST OF FREE SPEECH IN TAIWAN. THE TEN COMPANIES ARE ABC, ASSOCIATED PRESS, CBS, NEW YORK DAILY NEWS, DOW JONES, LA TIMES, NBC, NEW YORK TIMES, TIME, AND THE WASHINGTON POST.

- 14. BURMA -- SANCTIONS
- Q: WHAT ARE THE EVENTS THAT HAVE OCCURRED SINCE THE PASSAGE OF COHEN-FEINSTEIN THAT CONSTITUTE "LARGE-SCALE REPRESSION OF OR VIOLENCE AGAINST THE DEMOCRATIC OPPOSITION," WHICH LED TO IMPLEMENTATION OF THE SANCTIONS?
- A: AS THE PRESIDENT AND THE SECRETARY BOTH STATED ON UNCLASSIFIED

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APRIL 22, THE PRESIDENT HAS CONCLUDED THAT RECENT ACTIONS
BY THE SLORC CONSTITUTE LARGE-SCALE REPRESSION OF AND
VIOLENCE AGAINST THE DEMOCRATIC OPPOSITION IN BURMA TO
WARRANT SANCTIONS UNDER THE COHEN-FEINSTEIN BURMA
SANCTIONS PROVISIONS, PART OF THE FY97 OMNIBUS
APPROPRIATIONS ACT SIGNED INTO LAW ON SEPTEMBER 30.

THE SLORC'S VIOLATIONS OF HUMAN RIGHTS INCLUDED:

- --THE ARREST OF MORE THAN 100 PERSONS FOR POLITICAL PROTEST. SEVERAL HUNDRED, IF NOT MORE, POLITICAL, PRISONERS REMAIN IN DETENTION.
- -- THE SENTENCING OF 34 MEMBERS OF THE NLD TO PRISON SENTENCES.
- --THE MONITORING, RESTRICTIONS, AND HARASSMENT OF THE NATIONAL LEAGUE FOR DEMOCRACY (NLD) AND AUNG SAN SUU KYI BY THE REGIME.
- -- THE ASSAULT BY THE BURMESE ARMY AGAINST THE KAREN

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NATIONAL UNION FORCES, WHICH CAUSED UP TO 18,000 KAREN TO FLEE INTO THAILAND, THE VAST MAJORITY OF THEM CIVILIANS, INCLUDING WOMEN, CHILDREN AND THE ELDERLY. THOUSANDS OF CIVILIANS WERE FORCIBLY CONSCRIPTED TO SERVE AS PORTERS FOR THE BURMA ARMY IN ITS OFFENSIVE.

THE PRESIDENT HAS ALSO IDENTIFIED TRANSNATIONAL ORGANIZED CRIME, INCLUDING DRUG PRODUCTION AND TRAFFICKING, AS A MATTER OF NATIONAL SECURITY FOR THE UNITED STATES.

DESPITE THE URGINGS OF THE INTERNATIONAL COMMUNITY, BURMA UNCLASSIFIED

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HAS DONE LITTLE TO CHANGE ITS ROLE AS THE LARGEST

PRODUCER OF OPIUM IN ASIA, THUS CONTRIBUTING TO THE

DESTRUCTION OF MILLIONS OF LIVES. THE INCREASE IN THE

HIV/AIDS RATE IN BURMA IS ONE PRICE THAT THE BURMESE

PEOPLE ARE BEING ASKED TO PAY FOR SLORC INDIFFERENCE TO

THIS PROBLEM. THERE IS ALSO INCREASING EVIDENCE THAT

DRUG MONEY IS BEGINNING TO PERMEATE THE BURMESE ECONOMY,

WITH THE INEVITABLE RESULT OF GREATER HARDSHIPS TO COME

FOR THE CIVILIAN POPULATION.

AN EXECUTIVE ORDER IMPLEMENTING THE PRESIDENT'S DECISION WILL BE ISSUED SHORTLY TO TAKE EFFECT IMMEDIATELY.

- Q: WHAT IS THE CURRENT LEVEL OF U.S. INVESTMENT IN BURMA?
- A: EXISTING U.S. INVESTMENT IN BURMA IS PRIMARILY IN OFFSHORE GAS PROJECTS AND RELATED INFRASTRUCTURE AND TOTALS SEVERAL HUNDRED MILLION DOLLARS. AS A RESULT OF THE SANCTIONS ANNOUNCED YESTERDAY, U.S. PERSONS WILL BE PROHIBITED FROM MAKING ANY NEW INVESTMENT IN BURMA. WE ARE NOT IN A POSITION TO SPECULATE ON WHAT FUTURE TRANSACTIONS MAY BE AFFECTED BY THESE SANCTIONS.
- Q: WHAT WILL BE THE IMPACT OF SANCTIONS IN BURMA?
- A: THE EXECUTIVE ORDER WILL PROHIBIT NEW INVESTMENT IN BURMA BY U.S. PERSONS. THE DENIAL OF U.S. INVESTMENT WILL SEND BOTH IMPORTANT ECONOMIC AND POLITICAL MESSAGES TO THE BURMESE GOVERNMENT. THIS WILL SEND A POWERFUL MESSAGE OF U.S. CONCERNS ABOUT THE LACK OF DEMOCRACY AND THE POOR CONDITION OF HUMAN RIGHTS IN BURMA.

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- Q: WHAT IS THE DEFINITION OF "U.S. PERSONS"?
- A: I AM NOT PREPARED TO GET INTO THE PARTICULARS OF THE EXECUTIVE ORDER OR ITS IMPLEMENTATION UNTIL IT IS ISSUED. I WOULD REFER YOU TO THE TEXT OF THE ORDER AND TO THE DEPARTMENT OF THE TREASURY, WHICH WILL BE RESPONSIBLE FOR ITS IMPLEMENTATION.
- Q: WOULD THIS EXECUTIVE ORDER PREVENT AMERICAN COMPANIES FROM ADDING TO THEIR EXISTING INVESTMENTS?
- A: WE REFER YOU TO THE EXECUTIVE ORDER FOR THOSE DETAILS.
- Q: DOES THE ADMINSTRATION HOPE THAT OTHER COUNTRIES WILL ALSO IMPOSE SANCTIONS?
- A: WE WILL CONTINUE TO CONSULT ABOUT BURMA REGULARLY WITH LEADERS OF ASEAN, JAPAN, THE EUROPEAN UNION, AND OTHER COUNTRIES HAVING MAJOR TRADING AND INVESTMENT INTERESTS IN BURMA. AT THIS TIME, THERE IS NOT A MULTILATERAL CONSENSUS IN FAVOR OF A BAN ON INVESTMENT. MANY OF OUR FRIENDS AND ALLIES AGREE THAT PRESSURE SHOULD BE MAINTAINED AGAINST THE SLORC TO URGE THE REGIME TO MOVE TO DIALOGUE WITH THE DEMOCRATIC OPPOSITION.

MANY NATIONS JOIN US IN OUR ARMS EMBARGO, INCLUDING EUROPEAN COUNTRIES, CANADA, AUSTRALIA AND JAPAN. THE EU LIMITS ITS ASSISTANCE TO BURMA TO HUMANITARIAN AID. THE EU AND ASSOCIATED EUROPEAN STATES IN NOVEMBER JOINED US UNCLASSIFIED

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PAGE 18 STATE 076099 240028Z IN IMPOSING A BAN ON VISAS FOR HIGH-LEVEL SLORC OFFICIALS AND THEIR FAMILIES. IN MARCH, THE EUROPEAN UNION WITHDREW GSP TRADE BENEFITS FROM BURMA'S AGRICULTURAL AND INDUSTRIAL PRODUCTS.

WE WILL CONTINUE TO SEEK MULTILATERAL SUPPORT FOR THE ADDITIONAL STEPS WE HAVE TAKEN.

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