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August 5, 1996.

Ambassador William Brown and Mr Stanley Roth
United States Presidential Envoys on Burma
c/- Mona Sutphens
Regional Affairs Officer
U.S. Department of States

Dear Sirs

I am a Burmese national presently residing in Adelaide Australia. I firstly would like to thank the Envoys for your efforts in bringing the issue of Burma to the attention of America's Asian allies and, particularly, the members of the ASEAN. I, along with many other Burmese throughout the globe, have been closely following developments of the events from the beginning of your tour. I also wish to express my sincere thanks to the Secretary of State, Warren Christopher, for his efforts made in regards to Burma's matters at the ASEAN Regional Forum in Jakarta. The U.S. Congress is also thanked for adopting HR-3540, a Burma Bill that is flexible and in line with the international community's humanitarian oriented response to Burma.

I am writing to the Envoys for your continuing assistance in regards to the (1) dialogue between the National League for Democracy and SLORC; (2) implementation of cease-fire between Karen National Union and SLORC; and (3) the operational access for the humanitarian organization within Burma. I put forward the following proposals regarding with these matters.

1. DIALOGUE BETWEEN NLD AND SLORC

The differences for the necessary condition for dialogue between NLD and SLORC appears to be narrowing. The SLORC's foreign Minister has stated that the National Convention can be used as a forum for such dialogue. The National League for Democracy walked out of the SLORC sponsored convention in November 1995 because of the SLORC imposition of its guideline in drafting constitution that will secure a leading role for military in future Burmese politics. The SLORC should be persuaded to stop such imposition of the guideline in writing of constitution. NLD should be encouraged to rejoin the National Convention on such condition.

The support from diplomatic community is required to initiate dialogue. The ASEAN governments suggestions to use quiet diplomacy will not work with the SLORC. In fact, throughout the year 1995 we were unsuccessful in trying to use such diplomacy to resolve the conflicts. The political pressure that combined with persuasions by international diplomatic community should be used.

2. CEASE-FIRE BETWEEN KNU AND SLORC

The Karen National Union and SLORC held the third round of ceasefire talk in late June. There has been still no concrete results announced in regards to political settlements. However, in view of recent developments, the Karen National Union should be encouraged to make a cease-fire deal with some compromise *if necessary*. Previously, I have suggested position for KNU to enter the cease-fire in my communication with international community and our pro-democracy groups in two letters: (1) U.N. Secretary General on 26 February 1996 and (2) to U.S. Secretary of State on 9 May 1996. In these communications, the ceasefire with KNU is to be utilized as a leverage for initiating political settlements and in negotiating operational access for humanitarian organizations. Because of recent political developments, which occurred within national as well as international political arenas, I believe that there is now more room for us to manoeuvre in implementing the ceasefire. Thus, suggestion has now been made to complete military ceasefire firstly *in the event of the UN have difficulty to mobilize Security Council's support and in case of necessity*. Followings are the assessment of changing political climate which leads to above decision.

Firstly, there are evidences that the internal strength of National League for Democracy is growing. The events relating with NLD Congress of May-1996 has not only reveal the strength of the democratic opposition within Burma but also caused changes to international standing of the SLORC military junta. There is in no way the military regime will be able to climb back to their previous position of international respectability.

Secondly, the issue of Federal Union as Burma's future is also now been consolidated. Although the ethnic rebel oppositions are unable to formally consolidate of themselves together, they all support Aung San Suu Kyi and National League for Democracy. Daw Aung San Suu Kyi, on occasions, gives indications of support to the Federal Union of Burma as a future possibility. (This, in my view, is important because majority of people inside Burma know very little about a federal system of government.) Once the dialogue in National Convention begin, it will be able to draw together all political forces into the discussion about Burma's future.

Thirdly, there is indication of increasing cooperation from Thailand in regards to the refugee issues. My earlier concern was that there are possibilities of Karen and other refugees may be forced back to Burma once the ceasefire completed (as the Thais did with Mon refugees last year). However, Thailand seems to be more accommodating the international community's concerns about refugees recently and shows more willingness to cooperate in solving problems.

The best way of resolve on the problems may undoubtedly come through via the U.N. Security Council. However, in the event of the U.N. have difficulty to mobilize the Security Council for cease-fire, the Karen National Union should make a greater compromise to make the military ceasefire firstly. I am confident that despite such a tactical change, we will be able to achieve our fundamental political objectives of building Burma's democracy and forming a federal union.

3. NEGOTIATING ACCESS FOR HUMANITARIAN ORGANIZATIONS

The UNHCR is still not having access to the refugees within Burma, except for Rohingyas in Arakan State. The best way for all humanitarian organizations to get access to people inside Burma is also through the UN Security Council. However, we may still run the campaign in near future for humanitarian access targeted at specific population: (i)

Mon refugees at Halockhaki camp who had been relocated into Burma without UNHCR protection;(ii) the forced relocations in Karenni state;(iii) large influx of displaced people from Shan state and (iv) the access to the political prisoners should be addressed. It should be noted that most vigorous efforts will be required to get the humanitarian access to Burma if we do not use the cease-fire with KNU as a leverage.

4. PEACE-KEEPING MISSION

We are still unsure whether the international community will be able to support us with Peace-keeping mission. In my view, however, the UNHCR monitoring of returnees with the support of ICRC and NGOs, and also the presence of other UN organs, such as UNDCP and UNDP, will still help. In such case, all entities involved should coordinate in their actions in Burma. It's up to the UN priorities. We will continue, however, to request peace-keeping mission for Burma in this UN General Assembly in coming September.

5. EMERGENCY MEASURES

Fortunately, there is no violent response of SLORC been detected so far. However, we must not underestimate this military dictatorship and taken into account of such factor as unpredictability of SLORC. Burmese population, on the one hand, are under enormous stress and therefore making any wrong move by any side could create a chaos. Therefore, the international community, especially the U.N. Security Council, should always keep alert of the developments in Burma.

6. VISIT TO BURMA

I appeal the Envoys to visit Burma to broker ceasefire and dialogues. I would also make request to diplomatic community in ASEAN countries to help in this matter. The Canadian Government has also been proposing to form a UN contact group. I will also request the UN Special Rapporteur as well as people from ICRC and UNHCR to negotiate access for humanitarian organizations. I am in much hope that the cease-fire and dialogue may start by the time the UN General Assembly convening this year.

Finally, I thank the Envoys for your kind attention to this matter. Your kind help and the efforts made by U.S. Congress and Government of America are most appreciated by the Burmese people.

Yours respectfully and sincerely,

U Ne Oo
5/8/96
(U Ne Oo)

Copy to:

1. Ms Sadako Ogata, UN High Commissioner for Refugees, Case Postale 2500, CH 1211 Geneva 2 Depot, Switzerland.
2. Mr Alvaro de Soto, Assistant Secretary-General for Political Affairs, United Nations, New York NY 10017, USA.
3. Mr Rajsoomer Lallah, Special Rapporteur for Human Rights in Myanmar, c/- U.N. Center for Human Rights, CH-1211 Geneva 10, Switzerland.
4. Hon. Warren Christopher, U.S. Secretary of State, Main State Building - Room 7226, 2201 C Street NW, Washington, DC 20520-7512, USA.
5. Hon. Alexander Downer, Minister for Foreign Affairs, Parliament House, Canberra ACT 2600 for information.

From: DVB <dvb@sn.no>

15Jun96 THAILAND: US Envoys say Asians fear possible Burma violence 13:25GMT By Rajan Moses

REUTERS: U.S. envoys touring Asia to coordinate a response to tensions in Burma said on Saturday that leaders in the region were concerned about possible violence and bloodshed in that country.

"We came to consult and found understanding and shared concerns over the current situation there. A strong desire the situation should not deteriorate into bloodshed and violence," ambassador William Brown told a news conference.

Brown and security expert Stanley Roth, sent to Asia by President Bill Clinton, also said their mission had been misunderstood from the outset and denied they had come to Asia to tell countries in the area what to do. "Contrary to what we read and saw in some of the media we found large areas of consensus, firstly shared concerns about the possibility of unrest and violence in Burma," Brown said. Earlier, he met Thai foreign Minister Amnuay Viravan. The two envoys have also visited leaders in Tokyo, Manila, Jakarta, Singapore and Kuala Lumpur over the past week. They were despatched by Clinton after heightened tension between Burmese opposition leader Aung San Suu Kyi and the ruling State Law and Order Restoration Council (SLORC) over her latest efforts to seek more democracy in Burma.

The SLORC late last month detained more than 250 of Suu Kyi's National League for Democracy (NLD) party activists ahead of a party congress. Most have been released. Official Burmese media over the last two days carried foreign news agency reports on the U.S. envoys' visit to the Southeast Asian capitals but without any comment.

Brown said the U.S. wanted to work with members of the seven-nation Association of Southeast Asian Nations (ASEAN) as they took various steps to foster national reconciliation between the military and Suu Kyi's democracy movement. ASEAN groups Thailand, Malaysia, Indonesia, Singapore, Philippines, Brunei and Vietnam. Burma is in the process of trying to become an ASEAN member. But diplomats and political analysts said there were no signals from any of the places the envoys visited which showed they would join the U.S. in coordinating a solid Burma response.

"The U.S. has done the right thing on the Burma issue by sending the envoys to Asia but it is more symbolic," said political scientist Kraissak Choonhavan. In Tokyo, the envoys were told the two countries differed on concrete measures despite sharing similar concerns. Brown said the U.S. did not object to ASEAN's policy towards Burma, but added: "My government has absolutely no objection to

constructive engagement provided it is engagement that is constructive and produces results." ASEAN nations have preferred constructive engagement with Burma to help it settle domestic problems rather than embark on confrontational measures.

"We came to demonstrate the seriousness of our government to those in Burma, including the SLORC, the democratic opposition and the ethnic minority groups," Brown said. But an ASEAN diplomat here said the envoys' visit seemed more like an election ploy by Clinton with emphasis on human rights in Burma, which appealed to the American electorate.

Brown hoped that any future Burma association with ASEAN as a member of the ASEAN Regional Forum (ARF) would not in any way tarnish current high standards maintained by the group. Burma, he alleged, was heavily involved in narcotics production and trafficking. "Ninety percent of the production of opium in Southeast Asia occurs in Burma. Over half of world opium production occurs in Burma. Sixty percent of heroin consumed in the U.S. comes from Burma," he said. (*Democratic Voice of Burma (DVB) P.O Box 6720, ST.Olavs Plass, 0130 Oslo, Norway.*)

Slorc leader hospitalised

12.7.96/The Nation by Yindee Lertcharoenchock

Burmese junta leader Gen Than Shwe is sick and has been in hospital since last weekend, diplomatic sources disclosed yesterday.

One source said Than Shwe, chairman of the ruling State Law and Order Restoration Council (Slorc), suffered a brain haemorrhage on Saturday and was taken to a local hospital Rangoon. He was still hospital yesterday, the source added.

The 63-year-old was last seen in the Burmese media one week ago today. He failed to show up at last Saturday's opening ceremony for the new Pansodan overpass, a new route into downtown Rangoon.

Diplomatic missions in Rangoon often follow the whereabouts of the leaders of Slorc and the Burmese armed forces through the Burmese state-controlled television and press, which usually provide extensive coverage of their activities.

One diplomatic source, however, dismissed the reported illness as rumour. The source quoted Burmese officials in Rangoon as saying Than Shwe and Lt Gen Khin Nyunt, Slorc's first secretary, had been travelling around the country together.

Than Shwe, also prime minister and commander in chief of the defence services, is viewed as the key person in uniting and balancing power between the two main factions within Slorc - one led by Deputy Chairman Gen Mange Aye and the other by Khin Nyunt.

Than Shwe, who was born in February 1933 in Kyaukse, about 600 kilometres north of Rangoon,

replaced Gen Saw Minge in April 1992 as Slorc chairman. He is considered a more liberal person as a result of his decision to release a number of political prisoners after assuming the chairmanship.

After finishing high school, Than Shwe attended officers' training school in 1953. He rose steadily in the army hierarchy and in 1983 became commander of Southwest Army Command.

When a group of army generals staged a coup in September 1988 to suppress the nationwide pro-democracy movement, Than Shwe, then a lieutenant general, was named deputy chairman of Slorc.

In March 1990 he became a full general and assumed the positions of army chief and deputy commander of the defence services.

He led the Burmese delegation to the informal summit of heads of government of Asean and Laos and Cambodia last December. He also made official visits to Indonesia and Singapore last year to cement bilateral ties.

From: Caroline Lurie <caroline@ksc.net.th>

Subj: KNU press statement on third round of talks

Office of the Supreme Headquarters

Karen National Union Kawthoolei

For immediate Release

Press statement regarding talks between Karen National Union (KNU) and State Law and Order Restoration Council (Slorc) July 22, 1996 PRD 6

1. On June 27, 1996, the KNU sent an eleven-member delegation led by Gen. Tamlabaw for the continuation of talks with the Slorc.
2. The KNU delegation held talks for three times with the Slorc delegations led by Col. Kyaw Win in Moulmein town.

On July 3, 1996, the KNU delegation arrived Rangoon and met with the Slorc Secretary (1) Gen. Khin Nyunt. The delegation left Rangoon on July 6, 1996 and arrived at the KNU headquarters on July 8, 1996.

3. At this third round of talks, discussions on matters relating to cease-fire and settlement of problems through negotiation for genuine peace in the country were continued. The discussions were made in a frank and cordial manner. Although it is difficult to find a common ground in such a short period between the two sides having diverse view-points and positions, the two sides are to hold further talks, with deliberation.

From: John Scherb <mcs@primenet.com>

Subj: 7/18 Reuters: Manila Says Burma Asks Advice
MANILA, July 17 (Reuters) - Burmese officials have asked Manila for advice on how the Philippines was able to shift from dictatorship to democracy, President Fidel Ramos said on Wednesday.

"We have...received their highest officials...and on their query tried to tell them how we transitioned from a dictatorship to democracy...with full political freedoms," Ramos said at his weekly press conference.

"We gave them all kinds of materials to help them," Ramos said. He did not name the officials.

Foreign diplomats have credited Filipinos with setting an example to the world on restoring democracy when they ousted the late dictator Ferdinand Marcos in a "people power revolt" in 1986 that drove him and his family into exile in Hawaii.

A small group of about 300 soldiers launched the revolt but won the support of hundreds of thousands of civilians who blocked pro-Marcos tanks advancing on the rebels. Roman Catholic church leaders also backed the uprising.

Ramos, replying to a question, said countries geographically near Burma could initiate efforts to promote a settlement between Burma's military rulers and dissidents headed by opposition leader Aung San Suu Kyi.

"Those closer to the problem, ...maybe they can provide the lead action and we will be happy to support," Ramos said, naming Thailand in particular.

From: John Scherb <mcs@primenet.com>

Subject: 7/22 AP: Burma Defends Rights Record
By JOE McDONALD Associated Press Writer

JAKARTA, Indonesia (AP) - Burma defended its human rights record Monday as Secretary of State Warren Christopher flew in to drum up support among Asian leaders for economic sanctions against Burma's military rulers.

Southeast Asian governments oppose the sanctions Washington has proposed after an honorary Danish consul - and friend of pro-democracy leader Aung San Suu Kyi - died in one of Burma's most notorious prisons.

Burma was admitted Saturday to the Association of Southeast Asian Nations as an observer, the final step before full membership. The group's foreign ministers are meeting in Jakarta.

Indonesian Foreign Minister Ali Alatas said that while ASEAN acknowledged that a resolution of Burma's problems was needed, it could not be achieved by isolating the country or applying sanctions.

Christopher said last week that he doubts ASEAN's approach will work. Human rights groups are also skeptical.

Speaking at a news conference, Burmese Foreign Minister Ohn Gyaw rejected direct talks with Suu Kyi - recipient of the 1991 Nobel Peace Prize - but said her National League for Democracy was welcome to rejoin talks on a new constitution.

Suu Kyi's party, which won 1989 elections that the military government refuses to honor, pulled out of the talks last November, saying they wouldn't produce a democratic constitution.

Ohn Gyaw said the government has completed about 75 percent of the new constitution, but he said it could be more than a year before work is finished. He insisted it would enshrine multiparty democracy, but he wouldn't say when elections could take place.

The government arrested 262 members of Suu Kyi's party in May in an attempt to block a meeting where she had vowed to write an alternative constitution.

Ohn Gyaw insisted those detained weren't arrested. He said they were "invited," and "if they have transgressed the law, then of course they have to be punished."

Amnesty International and other human rights groups, as well as Western governments, have condemned Burma for torturing political prisoners, using forced labor and committing atrocities against ethnic minorities.

"We respect the norms and the ideals of human rights. But like in any other country in Southeast Asia, we have to take into consideration our culture, our history, our ethos," Ohn Gyaw said.

"What is good in other countries cannot be good in our country." Ohn Gyaw said Burma, which the military government calls Myanmar, won't permit an international inquiry into the death of James Leander Nichols, a 65-year-old Burmese citizen who had acted as honorary consul for Denmark and other Scandinavian nations.

He was sentenced in April to three years in prison for owning two fax machines and a telephone switchboard. Danish officials contend he was punished because he was a friend of Suu Kyi, who was released last year after six years of house arrest.

Burmese say Nichols, who suffered from heart trouble and diabetes, died of a stroke last month. His family and human rights groups contend abuse at Rangoon's Insein prison, notorious for poor conditions and torture, contributed to his death.

Denmark has demanded the European Union impose sanctions on Burma.

Even without official action, some Western companies have withdrawn from Burma under threat of boycotts. The Dutch brewer Heineken pulled out in July, joining a growing list that includes PepsiCo, Amoco, Levi Strauss, Liz Claiborne, Eddie Bauer and Reebok International.

Christopher and Ohn Gyaw don't have any meetings scheduled, but they are supposed to participate Tuesday in a session of the ASEAN Regional Forum, a military consultation group.

The two-year-old forum includes the seven ASEAN members - Brunei, Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam - plus the United States, Australia, New Zealand, Canada, South Korea, Russia, China, Japan, Laos, Papua New Guinea, Cambodia and the European Union.

The forum will expand to 21 members with the inclusion Tuesday of Burma and India.

From: John Scherb <mcs@primenet.com>

Subj: 7/23 AP Dow Jones: Asia Expresses Concern

JAKARTA -- Asian officials said Tuesday they are deeply worried about human rights abuses in Burma, but rejected a U.S. proposal for economic sanctions to punish its military rulers.

Western diplomats at a regional security conference expressed surprise at the depth of concern expressed by Asian officials. Foreign Minister Alexander Downer of Australia said that during private meetings, no country came to Burma's defense.

They were concerned about the situation in Burma, and they did want to see the development of democratic institutions in Burma,' Downer said at the four-day meeting organized by the Association of Southeast Asian Nations.

But ASEAN - which last weekend gave Burma observer status, the last step before full membership in the trade group - rejected sanctions as a response to abuses that it called an 'internal matter' for Burma.

Washington proposed sanctions after James Leander Nichols, a Burmese citizen who was an honorary Danish consul and a friend of pro-democracy leader Aung San Suu Kyi, died last month in a Burmese prison.

'We don't believe that some of the approaches propagated by the Western countries will either work or will be productive,' said Foreign Minister Ali Alatas of Indonesia, the chairman of the four-day meeting.

He argued against 'economic sanctions, isolating Myanmar, or publicly putting a country on the spot, criticizing it publicly and so on.'

Alatas repeated his appeal for 'quiet diplomacy and constructive engagement' with Burma - an approach that U.S. Secretary of State Warren Christopher and human rights groups have said won't work.

From: julienmoe@aol.com (JulienMoe)

Subject: Burma military rulers not there for life

Date: 23 Jul 1996 15:56:44 -0400

JAKARTA, July 23 (Reuter) - Burmese Foreign Minister Ohn Gyaw assured a security meeting of Asian and Western powers on Tuesday that his country's military rulers had no intention of holding power indefinitely, sources at the meeting said.

Western criticism of Burma's suppression of its democracy movement has dominated the annual

gathering of Southeast Asian foreign ministers and the subsequent ASEAN Regional Forum (ARF) security meeting.

Sources at the conference said the one-day ARF meeting had opened with delegates accepting new criteria for membership in the 21-nation group and had approved an upbeat report by the chairman, Indonesian Foreign Minister Ali Alatas.

They said U.S. Secretary of State Warren Christopher set the scene on Burma at an informal dinner on Monday evening, at which he warned fellow foreign ministers of grave U.S. concern over Burma and the possibility of future sanctions.

In his address to the ARF session, Christopher spoke of the potential for bloodshed if Rangoon refused to change its policies.

Alatas invited Ohn Gyaw to address the first closed session of the ARF. The sources said the minister, speaking off the cuff, gave the longest address of the session, explaining his government's policy on such issues as political detentions and the pro-democracy movement headed by Aung San Suu Kyi.

"He said the State Law and Order Restoration Council (SLORC) -- the country's military rulers -- had no intention of staying in power and was preparing for a presidential-style government," one source said.

He gave no time frame, however.

ASEAN sources said there had been no challenge to Burma joining the ARF. Some diplomats said the European Union had contemplated such a challenge at one stage, but had backed off.

The sources said this in turn had saved the European Union from being challenged. ASEAN officials have said there was an undercurrent of resentment, irritation and frustration towards the EU over criticism of Southeast Asian nations by some of its smaller members.

Under the new ARF guidelines, only sovereign states with security interests in Southeast and East Asia would be considered for membership.

Sources said other participants at the meeting had welcomed Ohn Gyaw's statement on the SLORC and there had been no debate.

ASEAN -- the Association of Southeast Asian Nations -- includes Indonesia, Malaysia, Singapore, Thailand, Vietnam, Philippines and Brunei, with Laos and Cambodia due to join next year, and Burma sometime in the future.

From: John Scherb <mcs@primenet.com>

Subj: 7/24 Straits Times Date: 23 Jul 1996 16:19:02

ARF ends on high note as members agree on goals

By Lee Kim Chew in Jakarta July 24, 1996

THE third annual meeting of the Asean Regional Forum (ARF) ended on a high note yesterday with two

new members, a good exchange of views between East and West on regional security, and a set of principles to determine its membership.

Indonesian Foreign Minister Ali Alatas, who chaired the one-day session, told a press conference: "We've had quite a productive meeting. There was candour and mutual trust, and it was very relaxed. We were comfortable with one another."

Asean and the Western countries in the ARF managed to set aside their differences over Myanmar to agree on the larger goals of the forum in bolstering security in the Asia-Pacific region.

They also expanded the ARF to include Myanmar and India to make it a 21 member forum and endorsed a set of membership criteria which clarified its role.

A divisive debate was averted when the United States and the European Union stated their views without pressing Asean to impose economic sanctions on the Yangon military regime, which they had condemned for suppressing the pro-democracy movement and human rights abuses.

US Secretary of State Warren Christopher acknowledged that Asean and the West pursued different approaches, but he noted that they shared a common interest in wanting to see peaceful political change in Myanmar.

In his address at the ARF meeting yesterday, he said: "It is important that we use our engagement with Burma to promote concrete results, especially after these meetings in Jakarta.

"Burma's participation in the ARF and its closer relationship with Asean make it especially important that the process of reconciliation move forward, not backwards."

He warned that the political stalemate in Myanmar could lead Congress to force US President Bill Clinton to slap economic sanctions on the country.

On Monday night, the US, EU, Canada and Australia devoted much of their time to talk to the Asean ministers about their different approaches towards Myanmar.

The issue was raised again during the morning session yesterday. The discussions were not acrimonious, Malaysia's Foreign Minister Abdullah Badawi said.

"They put their views across. So did we. There was no sound and fury. Asean was not attacked for its constructive engagement policy. They just raised their concerns about Myanmar."

At the meeting yesterday, Myanmar Foreign Minister U Ohn Gyaw was given the floor to explain his government's policies.

Beyond Myanmar, the ministers focused their attention on the objectives of the ARF, which was

conceived by Asean to engage the big powers in confidence-building measures.

Mr Christopher said that the US remained committed to the region's security, and that Sino-US differences would be managed constructively. (abridged)

From: John Scherb <mcs@primenet.com>

*Subject: 7/25 AP: Canada & UN Contact Group
Canada Wants UN To Help Burma*

JAKARTA, Indonesia (AP) - With governments in Southeast Asia and the west split over how to end human rights abuses in Burma, Canada suggested Wednesday that the United Nations take up the cause.

Canadian Foreign Minister Lloyd Axworthy proposed that a U.N.-sponsored contact group of several nations be formed to encourage Burma to end repression and restore political freedom.

He called on Southeast Asian governments, which have repeatedly shunned other western calls for tough action against Burma, to support the proposal.

Axworthy announced the plan during multilateral talks, involving the seven-member Association of Southeast Asian Nations and ten other western and Asian powers.

The European Union has supported the proposal, which is to be presented to the U.N. General Assembly in September.

From: John Scherb <mcs@primenet.com>

*Subj: 7/26 Straits Times Date: 25 Jul 1996 15:05:02
-Dialogue possible even on difficult issues: Jaya
By Lee Kim Chew in Jakarta July 26, 1996*

DESPITE sharp differences over some issues, Asean and its key dialogue partners had found a way to discuss difficult problems without endangering their relationship, Foreign Minister S. Jayakumar said yesterday. Both sides realised that there was a lot at stake and much benefit to derive from good relations even when they disagreed on sensitive issues such as Myanmar.

He said: "Yes, there were specific problems, but we agreed to manage the specific problems in a way that did not undermine or derail the important processes."

This was why the initial fears that Asean's ties with the Western countries would run into problems did not materialise, said Prof Jayakumar, who was summing up his views on the ministerial meetings here.

He cited as an example the talks in the Asean Regional Forum on Myanmar's military regime, which had been condemned in the West for suppressing the pro-democracy movement and human rights abuses.

"This could have been a real problem if it had not been managed properly. There were some countries, particularly the European Union, the US and Canada, which had strong views that the issue be discussed in the ARF," he said.

But Asean countries, which practised constructive engagement with the generals, felt that the forum should neither interfere in Myanmar's internal affairs nor discuss them in a confrontational manner.

The way Myanmar was handled demonstrated a high degree of flexibility and innovation in the ARF in dealing with sensitive issues, he noted.

Indonesian Foreign Minister Ali Alatas, the ARF chairman, relayed the views of the Western countries to Myanmar's Foreign Minister U Ohn Gyaw, who was given an opportunity to explain his government's policy.

Said Prof Jayakumar: "I personally feel that for the ARF, it was an incremental step forward."

The good offices of the chairman was an instrument the ARF might want to consider to deal with sensitive issues in future.

If this was managed properly, the ARF would have taken a step forward towards reaching the next stage of preventive diplomacy, he added. "We are still at confidence-building. But this recent ARF meeting showed that there is room for innovation, flexibility to advance the process forward."

Among the diplomats, there was a sense that the meetings here achieved what they possibly could with regard to Myanmar. The Western countries now had a better idea of Asean's engagement policy as well as Myanmar's problems.

But there was also a greater expectation of political change in Myanmar now that it was drawn back into the regional mainstream as an Asean observer and ARF member.

The EU, which has been considering economic sanctions against Myanmar, remained unhappy at the status quo. Said Dutch Foreign Minister Hans van Mirlo: "Satisfied is perhaps not the right word for the situation, which is not very satisfying.

"We are satisfied that we could discuss the problem here ... But I recognise there is a problem and we have to see what comes out next."

Secretary of State Warren Christopher had said the US wanted to work with Asean, but it retained the option to take strong action to force political change in Myanmar.

Prof Jayakumar expressed satisfaction that despite the differences, Asean EU relations would be taken to new heights. When Asean and EU ministers met yesterday to discuss cooperation, they emphasised the positive aspects of their relationship, he said.

Both sides understood that the differences had to be managed in a way that did not undermine the big picture.

"This was the unanimous feeling today," he added.

From: John Scherb <mcs@primenet.com>

WSJ: U.S. Tightens up Burma policy July 29, 1996

WASHINGTON -- The U.S. is firming up a Burma policy aimed at providing some protection to Aung San Suu Kyi's democracy movement without hurting U.S. investors already established in that country.

The policy is detailed in an administration-endorsed amendment to an appropriations bill that the U.S. Senate approved Thursday night. The provision, sponsored by Sen. William Cohen, a Republican from Maine, would authorize the U.S. president to ban any further U.S. investment in Burma if he finds that the ruling junta has "harmed, rearrested for political acts or exiled" Ms. Suu Kyi or has committed large-scale repressive or violent acts against other democratic leaders.

The amendment also would deny U.S. visas for junta members and calls for the U.S. to work with the Association of Southeast Asian Nations and other interested nations on a "multinational strategy" to improve human-rights practices in Burma.

A United Front

U.S. State Department spokesman Nicholas Burns said the bill would be a "helpful instrument" for U.S. diplomacy "should the authorities in Burma cross a certain line." He told reporters Friday that the "Clinton administration and Republicans and Democrats in Congress are unified that the U.S. should have these tougher measures available against Burma, should that be necessary."

Several U.S. energy companies, including Unocal Corp. and Texaco Inc., lobbied hard to substitute the Cohen bill for a harsher one proposed by Sen. Mitch McConnell, a Kentucky Republican. The McConnell bill would ban outright all U.S. investments in Burma.

Sen. McConnell was disappointed that the bill would allow the president to waive any of the sanctions for reasons of national security. Still, "it's better than nothing" he said, and pledged to work for approval of the Burma provision in a Senate-House conference.

The senator may have one or two other hurdles to overcome to keep the Burma provision in the final legislation. Rep. Robert Livingston, a Louisiana Republican and chairman of the House Appropriations Committee, is strongly opposed to the inclusion of sanction measures in appropriations bills, and he is expected to be one of the conferees.

U.S. Receives a Cool Reception

Whether the legislation would have any effect on Burma's ruling generals or on the Asean countries -- which prefer a policy of "constructive engagement" with Rangoon -- is another question. In last week's Asean ministerial talks in Jakarta, U.S. Secretary of State Warren Christopher found little support among

his hosts for the U.S. call for concerted international action to ease the plight of Ms. Suu Kyi and her followers.

The U.S. is already a step or two behind the European Union in its efforts to ratchet up the pressure on Rangoon. The recent death of honorary Danish consul James Nichols while in Burmese custody has sparked a movement to boycott European companies doing business with the regime.

Already, two major European companies have abandoned their Burma ties under pressure from human-rights activists. Earlier this month the Danish brewer Carlsberg AS abandoned plans to build a brewery in Burma; a day later, Dutch brewer Heineken NV announced that it, too, would withdraw.

Private Talks

Mike Jendrzeczyk, the Washington director of Human Rights Watch/Asia, said that despite the public rhetoric, U.S. efforts to consult with Asean governments on Burma policy haven't been entirely unwelcome. He said the governments involved are quietly discussing "contingency plans" if another violent crackdown on Burmese democrats occurs.

The Senate Burma provision wouldn't effect U.S. companies already operating in Burma. According to Investor Responsibility Research Center, a Washington-based group that advises investors, these companies include McDermott International Inc., B.J. Services Co., Halliburton Co., Dresser Industries Inc., Baker Hughes, Inc. and Triton Energy Corp. By far the company with the most to lose from any disruption is Los Angeles-based Unocal. The exploration company owns a 28.26% share of a \$1.2 billion joint venture to develop the giant Yadana natural gas field, southwest of Rangoon in the Andaman Sea.

According to a Unocal briefing paper, the company already has paid more than \$6.6 million to the Burmese government for drilling rights.

The final version of Burma Amendments on HR.3540 passed by the U.S. Senate

(July 25, 1996)

H.R.3540 Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997
(House Appropriation Bill as Passed by Senate)

Policy Toward Burma

Sec. 568. (a) Until such time as the President determines and certifies to Congress that Burma has made measurable and substantial progress in improving human rights practices and implementing democratic government, the following sanctions shall be imposed on Burma:

(1) *Bilateral assistance*: There shall be no United States assistance to the Government of Burma, other than:

(A) humanitarian assistance,

(B) counter-narcotics assistance under chapter 8 of part I of the Foreign Assistance Act of 1961, or crop substitution assistance, if the Secretary of State certifies to the appropriate congressional committees that--

(i) the Government of Burma is fully cooperating with United States counter-narcotics efforts, and

(ii) the programs are fully consistent with United States human rights concerns in Burma and serve the United States national interest, and

(C) assistance promoting human rights and democratic values.

(2) *Multilateral assistance*: The Secretary of the Treasury shall instruct the United States executive director of each international financial institution to vote against any loan or other utilization of funds of the respective bank to or for Burma.

(3) *Visas*: Except as required by treaty obligations or to staff the Burmese mission to the United States, the United States shall not grant entry visas to any Burmese government official.

(b) *Conditional Sanctions*: The President shall prohibit United States persons from new investment in Burma, if the President determines and certifies to Congress that, after the date of enactment of this Act, the Government of Burma has physically harmed, rearrested for political acts, or exiled Daw Aung San Suu Kyi or has committed large-scale repression of or violence against the Democratic opposition.

(c) *Multilateral Strategy*: The President shall seek to develop, in coordination with members of ASEAN and other countries having major trading and investment interests in Burma, a comprehensive, multilateral strategy to bring democracy to and improve human rights practices and the quality of life in Burma, including the development of a dialogue between the State Law and Order Restoration Council (SLORC) and democratic opposition groups within Burma.

(d) *Presidential Reports*: Every six months following the enactment of this Act, the President shall report to the Chairmen of the Committee on Foreign Relations, the Committee on International Relations and the House and Senate Appropriations Committees on the following:

(1) progress toward democratization in Burma;

(2) progress on improving the quality of life of the Burmese people, including progress on market reforms, living standards, labor standards, use of forced labor in the tourism industry, and environmental quality; and

(3) progress made in developing the strategy referred to in subsection (c).

(e) *Waiver Authority*: The President shall have the authority to waive, temporarily or permanently, any sanction referred to in subsection (a) or subsection (b) if he determines and certifies to Congress that the application of such sanction would be contrary to the national security interests of the United States.

(f) *Definitions*:

(1) The term 'international financial institutions' shall include the International Bank for Reconstruction and

Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guarantee Agency, the Asian Development Bank, and the International Monetary Fund.

(2) The term 'new investment' shall mean any of the following activities if such an activity is undertaken pursuant to an agreement, or pursuant to the exercise of rights under such an agreement, that is entered into with the Government of Burma or a nongovernmental entity in Burma, on or after the date of the certification under subsection (b):

(A) the entry into a contract that includes the economical development of resources located in Burma, or the entry into a contract providing for the general supervision and guarantee of another person's performance of such a contract;

(B) the purchase of a share of ownership, including an equity interest, in that development;

(C) the entry into a contract providing for the participation in royalties, earnings, or profits in that development, without regard to the form of the participation:

Provided, That the term 'new investment' does not include the entry into, performance of, or financing of a contract to sell or purchase goods, services, or technology.

Reports on the situation in burma

Sec. 569. (a) Labor Practices: Not later than 90 days after the date of the enactment of this Act, the Secretary of Labor, in consultation with the Secretary of State, shall submit a report to the appropriate congressional committees on--

(1) Burma's compliance with international labor standards including, but not limited to, the use of forced labor, slave labor, and involuntary prison labor by the junta;

(2) the degree to which foreign investment in Burma contributes to violations of fundamental worker rights;

(3) labor practices in support of Burma's foreign tourist industry; and

(4) efforts by the United States to end violations of fundamental labor rights in Burma.

(b) Definition: As used in this section, the term 'appropriate congressional committees' means the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on International Relations of the House of Representatives.

(c) Funding: (1) There are hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1997, for expenses necessary to carry out the provisions of this section, \$30,000 to the Department of Labor.

(2) The amount appropriated by this Act under the heading 'Department of State, international narcotics control' shall be reduced by \$30,000.

BURMA

Of the funds appropriated by this Act to carry out the provisions of chapter 8 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, not less than \$2,500,000 shall be made available to support activities in Burma, along the Burma-Thailand border, and for activities of Burmese student groups and other organizations located outside Burma, for the purposes of fostering democracy in Burma, supporting the provision of medical supplies and other humanitarian assistance to Burmese located in Burma or displaced Burmese along the borders, and for other purposes: Provided, That of this amount, not less than \$200,000 shall be made available to support newspapers, publications, and other media activities promoting democracy inside Burma: Provided further, That funds made available under this heading may be made available notwithstanding any other provision of law: Provided further, That provision of such funds shall be made available subject to the regular notification procedures of the Committees on Appropriations.

/* Written 30 Jul 6:00am 1996 by drunoo@nexus.edu.au in idc:reg.burma +
/* -----" Oil for Food: Alternative to Sanction " -----

OIL FOR FOOD: AN ALTERNATIVE TO SANCTION

Some of our friends who advocate tougher measures from U.S. Government may feel dissatisfied with recent Burma Bill HR.3540. From my view, it may be more effective to control the money flow from companies rather than calling for complete withdraws. This is particularly true for the operation of oil companies.

The SLORC must surely be looking forward to the time of completion of its Yadana gas pipeline and the revenue that followed from the sale of natural gas. It will be much more practical in letting such oil companies building necessary infrastructure and the operation for the time being (human rights concerns must be respected, of course). Important issue is the way to find in limiting the flow of revenue - which will be substantial in amount when the pipeline is completed - to the military government. For the oil companies, it will still take some time to complete the pipeline reported to be after 1998. If things continue to be difficult like now and the political reconciliations in Burma are still not achieved by that time, the measures must be made to divert the flow of revenue to the direct use of the people of Burma and elected government. To generate some thought, I have posted the UN Resolution 986 on Iraq (& We do have enough time to do political ground-work.)

The money flows from other businesses to SLORC are not substantial. The largest foreign exchange income for SLORC in FY 1995 came from tourism, which is only US\$30 million. Though, it may still accumulate to few hundred millions in small revenues, that would be no cause for serious concerns. Such amount would still be a 'petty-cash' in terms of Governments' revenue.

Annoyance to most people was caused by the claim of SLORC's highly inflated figures of investments - such as US\$3. billion. The other problem is SLORC flaunting about the support of international business community to it to the people of Burma. -- With best regards, U Ne Oo.

MID: IRAQ, IN SURPRISE MOVE, EDGES TOWARD UN OIL TALKS IRAQ OIL DAYLEAD

By Evelyn Leopold of Reuters
UNITED NATIONS, Jan 16(1996) Reuter - The United Nations received a letter from Iraq late today apparently signalling Baghdad's willingness to start talks on a controversial limited oil sales deal.

Chief UN spokeswoman Sylvana Foa said that Secretary General Boutros Boutros-Ghali expected such a letter on selling small quantities of oil to buy badly needed food and medicine, as called for by Security Council resolution 986. She later announced a letter had been received from the Iraqi authorities, but declined to give its contents.

Resolution 986 permits the sale of \$US2 billion (\$A2.7 billion) worth of oil over six months in order to buy food, medicine and other goods for the Iraqi population, suffering under stiff sanctions imposed when Iraq invaded Kuwait in August 1990.

Despite pressure from Boutros-Ghali, Iraq had previously turned down Security Council Resolution 986, preferring instead to seek the lifting of sanctions entirely.

Diplomats at the United Nations said Iraq's UN ambassador, Hidar Hamdoon, told envoys to expect such a letter on beginning the talks. He first briefed ambassadors from non-aligned countries on the council and then spoke to others. Hamdoon declined all public comments.

Unclear is whether Iraq wants to talk about implementing the