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DEPARTMENT OF STATE

Washington, D.C. 20520

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September 1, 1981

MEMORANDUM FOR MR. RICHARD V. ALLEN
THE WHITE HOUSE

SUBJECT: FY 1982 Indochinese Refugee Admissions

The FY 1982 refugee admissions consultations with the Senate and House Judiciary Committees will be taking place in late September. An early Presidential decision is needed on the admissions levels at which we will consult, since the law requires our best efforts to forward the consultation document to the Congress two weeks before the hearings. The only really contentious issue this year is the admissions figure for Indochinese refugees. The Department of State believes that foreign policy and humanitarian imperatives in Southeast Asia require a minimum admissions authority of 120,000, while HHS contends that domestic costs and absorbability for refugee resettlement dictate a maximum of 96,000. We believe that a cost reduction strategy rather than a lowering of the admission numbers is appropriate.

The essential foreign policy considerations on which the 120,000 minimum level is based are outlined in the attached paper prepared by the Bureau of East Asian Affairs and the Bureau for Refugee Programs.

[Handwritten signature]
L. Paul Bremer III
Executive Secretary

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Attachments:

1. FY 1982 Admissions Authority for Asian Refugees
2. Admissions Authority Options for FY 1982

State Dept. review completed

Drafted by: S/R:GDewey:paw
8/27/81

Cleared by: EA:JHHoldridge
PP:INPurcell

FY 1982 Admissions Authority for Asian Refugees

Asian refugee admissions levels support the important foreign policy goals of:

-- avoiding the mass exodus crisis of the summer of 1979, and

-- maintaining the principle of first asylum in the Association of Southeast Asian Nations (ASEAN).

The Department of State has concluded that the minimum FY 1982 admissions level required for a reasonable assurance of obtaining these goals is 120,000. This level considers that:

-- The FY 1981 admissions ceiling is 168,000, and the budget level for FY 1982 is 144,000. ASEAN countries are very familiar with these figures. The figures are also known to potential refugees. A precipitously reduced admissions ceiling could signal to them a lurch in U.S. refugee policy and could provoke another large, dangerous, and unnecessary refugee exodus.

-- While actual FY 1981 admissions will be about 125,000, it has been ASEAN consciousness of the much higher admissions ceiling, to which the U.S. could have resorted if needed, that has maintained first asylum through FY 1981 despite ASEAN concerns over the crescendoing refugee debate in the U.S.

-- Rate of reduction of refugee camp population is a key ingredient in first asylum. OMB notes that a 13% reduction maintained first asylum in 1981; given our earlier assumptions for voluntary repatriation, and other third country resettlement programs, OMB has calculated that a 13% camp population reduction in FY 1982 would require a maximum of only 108,000 admissions. We cannot agree with the assumptions underlining OMB's calculations. It should be noted in particular that both State's and OMB's assumptions included a projected 13,000 for voluntary repatriation in FY 1982. Given the absence of progress to date, very little voluntary repatriation may actually occur. If little or none occurs, our proposed 120,000 ceiling would reduce camp populations by no more than 7% -- one-half the rate required to maintain first asylum in FY 1981 and only marginally capable of sustaining it in FY 1982. The risk in dropping the level further to 108,000 is clearly too great to be adopted.

-- The 120,000 level, marginal and prudently risky as it is, is still a ceiling and not a quota. As we have done in FY 1981, State will continue a highly disciplined admissions program and utilize the admissions authority in FY 1982 only to the extent we judge necessary to maintain ASEAN first asylum, cohesion, and support.

-2-

With respect to the HHS proposed level of 96,000, it must be noted that this number is derived purely from domestic budgetary and absorbability concerns. The FY 1982 HHS budget would have allowed 144,000 Asian admissions -- at a projected welfare dependency rate of 49%. Present experience of nearly 70% dependency leads to the 96,000 ceiling.

Accepting the HHS level places our admission levels and important foreign policy objectives hostage to our inability to deal with unexpectedly high resettlement costs.

A preferable way to deal with the problem would be to flag the potential funding gap for the President -- and subsequently for the Congress -- but note concurrently the need to implement a strategy for reducing the dependency rate. A cost reduction strategy is now being developed with HHS. Additionally, we have already agreed to review admission levels with HHS and Justice during the course of FY 82, and can thereby propose responsible adjustments to these levels which may be required by joint domestic and foreign policy considerations.

EXPLANATORY NOTES

- A: These figures represent the actual camp population as of October 1, 1980 (Col. A), and our best estimate of what the camp population will be on 10/01/81 (Cols. B - D).
- B: While total land and boat arrivals in FY-81 are expected to amount to 127,000, we expect that a larger Orderly Departure Program, plus slight adjustments in the arrival rates of other groups of refugees, will raise FY 1982 arrivals to 139,000. This estimate includes 72,000 boat people from Vietnam (which is reflected in the SRAP minimum estimate), another 3,000 Vietnamese land refugees, 32,000 lowland Lao arrivals, 8,000 highland Lao (Hmong) refugees, and 12,000 new Khmer arrivals. In addition, our estimate includes 12,000 persons who will leave Vietnam through the ODP.
- C. These figures represent actual FY-81 resettlements to the U.S., plus our resettlement rates under the three options under review.
- D. Third country resettlements, despite UNHCR initiatives to resettle refugees in Suriname and Belize, will decrease in FY 1982. Unfortunately, the amount of the decrease is directly related to reductions in the rate of resettlement to the U.S.; i.e. the more we cut our rate, the more France, Canada, and Australia will reduce their programs. The figures in columns 3 - D reflect this situation.
- E. While there has not been a significant voluntary repatriation program in FY 1981, we are hopeful that about 13,000 refugees will voluntarily repatriate to Kampuchea or Laos in FY 1982. However, this is an optimistic view; should voluntary repatriation not increase to the levels expected, the end of FY 1982 camp populations will be that much higher.
- F. The end of year 1982 refugee population based on the foregoing assumptions.
- G. The actual difference for FY 1981, and the projected difference for FY 1982, between the beginning of year and end-of-year refugee populations.

- 2 -

- H. The percentage reduction in the refugee population during the fiscal year. This calculation includes the effects of voluntary repatriation programs. Even so, the only U.S. admissions option that approaches the FY 1981 offtake rate is Option 1. Even here, the rate of population reduction in FY 1982 is less than that experienced in FY 1981. In fact, Option 3 would only hold the refugee population constant in FY 1982.

- I. If there is not a significant voluntary repatriation program in FY 1982, the rate of population decrease will be much lower than that experienced in FY 1981. In fact, Option C would actually lead to a 5 percent net increase in the refugee camp population. This would almost certainly trigger severe actions by the first asylum nations.

Document No. 0770E

FOR FY 82 ESTIMATED

<u>FACTORS</u>	<u>NOTE</u>	<u>FY 81 ACTUAL</u> (Col. A)	<u>OPTION 1</u> (Col. B) 120,000 resettlements to the U.S.	<u>OPTION 2</u> (Col. C) 108,000 resettlements to the U.S.	<u>OPTION 3</u> (Col. D) 96,000 resettlements to the U.S.
Begin Refugee Populations	A	346,000	299,000	299,000	299,000
Total Arrivals (includes ODP)	B	127,000	139,000	139,000	139,000
To U.S.	C	125,000	120,000	108,000	96,000
To Third Countries	D	49,000	40,000	35,000	30,000
To Voluntary Repatriation	E	0	13,000	13,000	13,000
Net Refugee Population end of FY	F	299,000	265,000	282,000	299,000
Net Refugee Population Reduction	G	47,000	34,000	17,000	0
% Reduction in Population with voluntary repatriation	H	13%	11%	6%	0
% Reduction in Population without voluntary repatriation	I	13%	7%	2%	5% increase in camp populations