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100TH CONGRESS
1ST SESSION

S. 1282

To provide for the imposition of sanctions against countries supporting international terrorism, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 28, 1987

Mr. LAUTENBERG (for himself, Mr. KERRY, Mr. GRASSLEY, Ms. MIKULSKI, Mr. SIMON, and Mr. PROXMIRE) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

A BILL

To provide for the imposition of sanctions against countries supporting international terrorism, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 SHORT TITLE

4 SECTION 1. This Act may be cited as the "Deterrence
5 of State-Sponsored Terrorism Act of 1987".

6 LIST OF COUNTRIES SUPPORTING TERRORISM

7 SEC. 2. (a) Not later than 30 days after the date of
8 enactment of this Act, and thereafter on February 1 of each
9 year, the Secretary of State shall prepare and transmit to the
10 Congress a report setting forth a list of those countries, if

1 any, which he has determined have repeatedly provided sup-
2 port for acts of international terrorism. This list may be re-
3 ferred to as the "terrorist list".

4 (b) Not later than 7 days after the Secretary of State
5 determines that a country on the terrorist list no longer is
6 providing support for acts of international terrorism, the Sec-
7 retary of State shall prepare and transmit to the Congress a
8 supplemental report setting forth his determination, and such
9 country shall be deemed to be removed from the terrorist list
10 upon receipt by the Congress of such report.

11 SANCTIONS AGAINST COUNTRIES SUPPORTING
12 INTERNATIONAL TERRORISM; WAIVER

13 SEC. 3. (a) The sanctions described in subsection (d)
14 shall be imposed against any country which is placed on the
15 terrorist list and shall be effective—

16 (1) 30 calendar days after the name of such coun-
17 try is first placed on such list, except that such sanc-
18 tions or any part thereof, as the President may specify,
19 shall not take effect if, within such 30-day period, the
20 President makes a determination and report described
21 in subsection (c); or

22 (2) in the case of sanctions specified in a determi-
23 nation which is described in subsection (c) and which is
24 disapproved by enactment of a joint resolution under
25 section 5, on the date of enactment of such joint
26 resolution.

1 (b) All or any of the sanctions, as the President may
2 specify, which are described in subsection (d) and which are
3 in effect with respect to a country shall cease to apply—

4 (1) if the President makes a determination and
5 report described in subsection (c), 30 legislative days
6 after the date of such determination; or

7 (2) if the President determines that an emergency
8 situation exists which would justify the partial or com-
9 plete lifting of sanctions, upon his certification of the
10 existence of such an emergency situation to the chair-
11 men of the Permanent Select Committee on Intelli-
12 gence and the Foreign Affairs Committee of the House
13 of Representatives and the chairmen of the Select
14 Committee on Intelligence and the Foreign Relations
15 Committee of the Senate.

16 (c)(1) The determination referred to in subsection (a)(1)
17 or in subsection (b)(1) is a determination by the President
18 that it is in the national interest of the United States, or in
19 humanitarian interests, to take the action described in the
20 appropriate subsection.

21 (2)(A) The report referred to in such subsections is a
22 report which is prepared by the President and transmitted to
23 the appropriate committees of the Congress and which
24 contains the appropriate determination described in para-
25 graph (1).

1 (B) The President shall include in any such report a
2 detailed explanation of his reasons for making a determina-
3 tion under paragraph (1). Any part of such explanation may
4 be included, if necessary, in a classified addendum to such
5 report, except that each such report shall contain an unclassi-
6 fied summary of such explanation.

7 (C) For purposes of this paragraph, the phrase "appro-
8 priate committees of the Congress" means the Committee on
9 Appropriations and the Committee on Foreign Affairs of the
10 House of Representatives and the Committee on Appropria-
11 tions and the Committee on Foreign Relations of the Senate.

12 (d) The sanctions referred to in subsections (a) and (b)
13 are the following:

14 (1) All United States assistance for such country
15 shall be terminated.

16 (2) No technology of such country and no goods
17 (or any part thereof) which are produced, grown, or
18 manufactured in such country may be imported into the
19 United States, except that such technology or goods
20 may be imported into the United States if additional
21 duties are imposed on such imports in regulations pre-
22 scribed by the Secretary of Commerce.

23 (3) The President shall deny to all products of
24 such country duty-free tariff treatment under title V of

1 the Trade Act of 1974 (the Generalized System of
2 Preferences).

3 (4)(A) The Secretary of State shall promptly take
4 whatever steps may be necessary to terminate any air
5 or sea transportation agreement in effect between the
6 United States and such country in accordance with the
7 terms of such agreement.

8 (B) Upon the termination of any such agreement
9 or, if no such agreement is in effect, upon the effective
10 date of sanctions determined under section 3(a), the
11 Secretary of Transportation shall prohibit any aircraft
12 or vessel owned directly or indirectly by the govern-
13 ment of such country or its nationals from engaging in
14 air or sea transportation with respect to the United
15 States.

16 (C) The Secretary of Transportation may provide
17 for such exceptions from the prohibition contained in
18 subparagraph (B) as the Secretary considers necessary
19 to provide for emergencies in which the safety of
20 the aircraft or vessel or its crew or passengers is
21 threatened.

22 (D) For purposes of this paragraph, the term "air-
23 craft" has the meaning given such term in section 101
24 of the Federal Aviation Act of 1958 (49 U.S.C. 1301).

1 (5)(A) The Secretary of the Treasury shall in-
2 struct the United States Executive Director of each
3 international financial institution to vote against any
4 loan or other use of the funds of the respective institu-
5 tion to or for such country.

6 (B) For purposes of this paragraph, the term
7 “international financial institution” includes—

8 (i) the International Bank for Reconstruction
9 and Development, the International Development
10 Association, and the International Monetary
11 Fund; and

12 (ii) wherever applicable, the Inter-American
13 Development Bank, the Asian Development
14 Bank, the African Development Bank, and the
15 African Development Fund.

16 (6) The President shall exercise his authorities
17 under the International Emergency Economic Powers
18 Act (other than section 204) for the purpose of ensur-
19 ing that no such country or any national thereof may
20 transfer out of the jurisdiction of the United States any
21 property or credit in which such country or national
22 thereof has any financial interest.

23 (7) Section 901(j) of the Internal Revenue Code of
24 1986 shall apply with respect to tax credits for the
25 amount of any income, war profits, and excess profits

1 taxes paid or accrued to such country by taxpayers of
2 the United States.

3 (e) Paragraph (2) of section 901(j) of the Internal Reve-
4 nue Code of 1986 is amended—

5 (1) by striking out “or” at the end of subpara-
6 graph (A)(ii);

7 (2) by striking out the period at the end of sub-
8 paragraph (A)(iv) and inserting in lieu thereof “, or”;

9 (3) by adding at the end of subparagraph (A) the
10 following new clause:

11 “(v) which the Secretary of State has,
12 pursuant to section (2)(a) of the Anti-Terror-
13 ism Act of 1987, designated as a foreign
14 country which repeatedly provides support
15 for acts of international terrorism.”;

16 (4) by striking out “or” at the end of subpara-
17 graph (B)(i)(I);

18 (5) by striking out “subparagraph (A), and” in
19 subparagraph (B)(i)(II) and inserting in lieu thereof
20 “clauses (i), (ii), (iii), and (iv) of subparagraph (A), or”;
21 and

22 (6) by inserting at the end of subparagraph (B)(i)
23 the following new subclause:

24 “(III) the effective date determined
25 under section 3(a) of the Anti-Terrorism

1 Act of 1987 with respect to a country
2 described in subparagraph (A)(v), and”.

3 (f) For purposes of this section, the term “legislative
4 days” means the days on which both Houses of Congress are
5 in session.

6 POLICY TOWARD COORDINATION OF SANCTIONS WITH
7 ALLIES

8 SEC. 4. It is the sense of the Congress that, in any case
9 in which any sanction is imposed against a country under
10 section 3, the President should make vigorous efforts to
11 obtain the imposition of a similar sanction by the allies of the
12 United States.

13 CONGRESSIONAL REVIEW; PRIORITY PROCEDURES

14 SEC. 5. (a)(1) Notwithstanding the exception contained
15 in section 3(a)(1), the sanctions described in section 3(d) shall
16 take effect with respect to a country on the date described in
17 section 3(a)(2) if the Congress enacts a joint resolution of
18 disapproval, in accordance with this section, within 30 legis-
19 lative days after transmittal of the report required by section
20 3(a)(1).

21 (2) Notwithstanding the waiver made in section 3(b)(1),
22 the sanctions described in section 3(d) shall continue in effect
23 with respect to a country if the Congress enacts a joint reso-
24 lution of disapproval, in accordance with this section, within
25 30 legislative days after transmittal of the report required by
26 section 3(b)(1).

1 (b)(1) For purposes of this section, the term 'joint resolu-
2 tion' means only a joint resolution introduced in a House of
3 Congress within 3 legislative days after the appropriate com-
4 mittee of such House of Congress receives a report required
5 by section 3(a)(1) or 3(b)(1)—

6 (A) the matter after the resolving clause of which
7 is as follows: "That the Congress hereby disapproves
8 the determination of the President contained in the
9 report submitted on _____, as required by
10 _____ of the Anti-Terrorism Act of 1987", with
11 the appropriate date inserted in the first blank and
12 "section 3(a)(1)" or "section 3(b)(1)", as the case may
13 be, inserted in the second blank.

14 (B) which does not have a preamble; and

15 (C) the title of which is as follows: "Joint Resolu-
16 tion disapproving sanctions under the Anti-Terrorism
17 Act of 1987".

18 (2) A joint resolution, upon introduction in the House of
19 Representatives, shall be referred to the Committee on For-
20 eign Affairs of the House of Representatives or, upon intro-
21 duction in the Senate, shall be referred to the Committee on
22 Foreign Relations of the Senate.

23 (3) For purposes of this section, the term "legislative
24 day" means, with respect to a House of Congress, a day on
25 which such House of Congress is in session.

1 (c)(1) The provisions of this subsection apply to the con-
2 sideration in the House of Representatives of a joint resolu-
3 tion with respect to a report required by section 3(a)(1) or
4 3(b)(1).

5 (2) If the Committee on Foreign Affairs of the House of
6 Representatives has not reported the joint resolution by the
7 end of 15 legislative days after the first joint resolution was
8 introduced, such Committee shall be discharged from further
9 consideration of the first joint resolution and that joint resolu-
10 tion shall be placed on the appropriate calendar of the House.

11 (3)(A) At any time after the first joint resolution placed
12 on the appropriate calendar has been on that calendar for a
13 period of 5 legislative days, it is in order for any Member of
14 the House (after consultation with the Speaker as to the most
15 appropriate time for the consideration of that joint resolution)
16 to move that the House resolve itself into the Committee of
17 the Whole House on the State of the Union for the consider-
18 ation of that joint resolution. The motion is highly privileged
19 and is in order even though a previous motion to the same
20 effect has been disagreed to. All points of order against the
21 joint resolution under clauses 2 and 6 of Rule XXI of the
22 Rules of the House are waived. If the motion is agreed to,
23 the joint resolution shall remain the unfinished business of the
24 House until disposed of. A motion to reconsider the vote by

1 which the motion is agreed to or disagreed to shall not be in
2 order.

3 (B) Debate on the joint resolution shall not exceed ten
4 hours, which shall be divided equally between a Member fa-
5 voring and a Member opposing the joint resolution. A motion
6 to limit debate is in order at any time in the House or in the
7 Committee of the Whole and is not debatable.

8 (C) An amendment to the joint resolution is not in order.

9 (D) At the conclusion of the debate on the joint resolu-
10 tion, the Committee of the Whole shall rise and report the
11 joint resolution back to the House, and the previous question
12 shall be considered as ordered on the joint resolution to final
13 passage without intervening motion.

14 (d)(1) The provisions of this subsection apply to the con-
15 sideration in the Senate of a joint resolution with respect to a
16 report required by section 3(a)(1) or 3(b)(1).

17 (2)(A) If the Committee on Foreign Relations of the
18 Senate (hereafter in this subsection referred to as the "Com-
19 mittee") has not reported a joint resolution at the end of 15
20 legislative days after its introduction, it is in order to move
21 either to discharge the Committee from further consideration
22 of the joint resolution or to discharge the Committee from
23 further consideration of any other joint resolution introduced
24 with respect to the same report which has been referred to
25 the Committee, except that no motion to discharge shall be in

1 order after the Committee has reported a joint resolution
2 with respect to the same report.

3 (B) A motion to discharge under subparagraph (A) of
4 this paragraph may be made only by a Senator favoring the
5 joint resolution, is privileged, and debate thereon shall be
6 limited to not more than 1 hour, to be divided equally be-
7 tween those favoring and those opposing the joint resolution,
8 the time to be divided equally between, and controlled by, the
9 majority leader and the minority leader or their designees.
10 An amendment to the motion is not in order, and it is not in
11 order to move to reconsider the vote by which the motion is
12 agreed to or disagreed to.

13 (3) When the Committee has reported, or has been
14 deemed to be discharged (under paragraph (2)) from further
15 consideration of a joint resolution, notwithstanding any rule
16 or precedent of the Senate, including Rule 22, it is at any
17 time thereafter in order (even though a previous motion to
18 the same effect has been disagreed to) for any Senator to
19 move to proceed to the consideration of the joint resolution,
20 and all points of order against the joint resolution (and
21 against consideration of the joint resolution) are waived.

22 (4)(A) A motion in the Senate to proceed to the consid-
23 eration of a joint resolution shall be privileged. An amend-
24 ment to the motion shall not be in order, nor shall it be in

1 order to move to reconsider the vote by which the motion is
2 agreed to or disagreed to.

3 (B) Debate in the Senate on a joint resolution, and all
4 debatable motions and appeals in connection therewith, shall
5 be limited to not more than 10 hours, to be equally divided
6 between, and controlled by, the majority leader and the mi-
7 nority leader or their designees.

8 (C) Debate in the Senate on any debatable motion or
9 appeal in connection with a joint resolution shall be limited to
10 not more than 1 hour, to be equally divided between, and
11 controlled by, the mover and the manager of the resolution,
12 except that in the event the manager of the resolution is in
13 favor of any such motion or appeal, the time in opposition
14 thereto, shall be controlled by the minority leader or his des-
15 ignee. Such leaders, or either of them, may, from time under
16 their control on the passage of a resolution, allot additional
17 time to any Senator during the consideration of any debatable
18 motion or appeal.

19 (D) A motion in the Senate to further limit debate on a
20 joint resolution, debatable motion, or appeal is not debatable.
21 No amendment to, or motion to recommit, a joint resolution
22 is in order in the Senate.

23 (5) If, before the passage by the Senate of a joint resolu-
24 tion, the Senate receives from the House of Representatives
25 a joint resolution, then the following procedures shall apply:

1 (A) The joint resolution of the House of Repre-
2 sentatives shall not be referred to a committee.

3 (B) With respect to a joint resolution of the
4 Senate—

5 (i) the procedure in the Senate shall be the
6 same as if no joint resolution had been received
7 from the House; but

8 (ii) the vote on final passage shall be on the
9 joint resolution of the House.

10 (C) Upon disposition of the joint resolution re-
11 ceived from the House, it shall no longer be in order to
12 consider the joint resolution originated in the Senate.

13 (6) If the Senate receives from the House of Represent-
14 atives a joint resolution after the Senate has disposed of a
15 Senate originated joint resolution, the action of the Senate
16 with regard to the disposition of the Senate originated joint
17 resolution shall be deemed to be the action of the Senate with
18 regard to the House originated joint resolution.

19 (e) Subsections (b) through (d) are enacted—

20 (1) as exercises of the rulemaking powers of the
21 House of Representatives and Senate, and as such
22 they are deemed a part of the Rules of the House and
23 the Rules of the Senate, respectively, but applicable
24 only with respect to the procedure to be followed in
25 the House and the Senate in the case of joint resolu-

1 tions under this section, and they supersede other rules
2 only to the extent that they are inconsistent with such
3 rules; and

4 (2) with full recognition of the constitutional right
5 of the House and the Senate to change their rules at
6 any time, in the same manner, and to the same extent
7 as in the case of any other rule of the House or
8 Senate, and of the right of the Committee on Rules of
9 the House of Representatives to report a resolution for
10 the consideration of any measure.

11 DEFINITIONS

12 SEC. 6. For purposes of this Act—

13 (1) the term “support” includes—

14 (A) furnishing arms, explosives, or lethal sub-
15 stances to individuals, groups, or organizations
16 with the likelihood that they will be used in the
17 commission of any act of international terrorism;

18 (B) planning, directing, providing training
19 for, or assisting in the execution of any act of
20 international terrorism;

21 (C) providing direct or indirect financial
22 backing for the commission of any act of interna-
23 tional terrorism;

24 (D) providing diplomatic facilities intended to
25 aid or abet the commission of any act of interna-
26 tional terrorism; or

1 (E) allowing the use of its territory as a
2 sanctuary from extradition or prosecution for any
3 act of international terrorism; and

4 (2) the term "United States assistance" includes
5 any assistance of any kind which is provided by grant,
6 sale, loan, lease, credit, guaranty, or insurance, or by
7 any other means, by any agency or instrumentality of
8 the United States Government to or for the benefit of
9 any foreign country, including—

10 (A) assistance under the Foreign Assistance
11 Act of 1961 (including programs under title IV of
12 chapter 2 of part I, relating to the Overseas Pri-
13 vate Investment Corporation);

14 (B) sales, credits, and guaranties under the
15 Arms Export Control Act;

16 (C) sales under title I (including title III) of
17 the Agricultural Trade Development and Assist-
18 ance Act of 1954 and donations under title II of
19 such Act of agricultural commodities;

20 (D) financing programs of the Commodity
21 Credit Corporation for export sales of agricultural
22 commodities;

23 (E) financing under the Export-Import Bank
24 Act of 1945;

- 1 (F) assistance under the Migration and Refu-
2 gee Assistance Act of 1962;
3 (G) programs under the Peace Corps Act;
4 (H) assistance under the Inter-American
5 Foundation Act;
6 (I) assistance under the African Development
7 Foundation Act;
8 (J) financial assistance for foreign persons or
9 groups under the Mutual Educational and Cultur-
10 al Exchange Act of 1961; and
11 (K) assistance of any kind under any other
12 Act.

○

May 28, 1987

CONGRESSIONAL RECORD — SENATE

S 7287

WALLOP, Mr. MATSUNAGA, Mr. GARR, Mr. HUMPHREY, Mr. MITCHELL, Mr. PROXMIER, Mr. RIBOLD, Mr. HELMS, Mr. PACKWOOD, Mr. BOND, Mr. SYMMS, Mr. MIKULSKI, Mr. GRASSLEY, Mr. GRAMM, Mr. WEICKER, Mr. HEINZ, Mr. KERRY, Mr. LEVIN, Mr. PRYOR, Mr. BOREN, and Mr. STEVENS:

S.J. Res. 140. A joint resolution to designate the week beginning July 13, 1987, as "Snow White Week"; to the Committee on the Judiciary.

By Mr. NICKLES (for himself, Mr. BOREN, Mr. BRADLEY, Mr. DASCHLE, Mr. DECONCINI, Mr. DOLI, Mr. EXON, Mr. FORD, Mr. GARR, Mr. GORE, Mr. HEFLIN, Mr. HOLLINGS, Mr. HUMPHREY, Mr. INOUE, Mr. LUGAR, Mr. MATSUNAGA, Mr. METZENBAUM, Mr. MOYNIHAN, Mr. MURKOWSKI, Mr. NUNN, Mr. PELL, Mr. PRESSLER, Mr. PRYOR, and Mr. STEVENS):

S.J. Res. 141. A joint resolution designating August 29, 1988, as "National China-Burma-India Veterans Appreciation Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. FORD:

S. Res. 223. An original resolution relating to the purchase of calendars; from the Committee on Rules and Administration; placed on the calendar.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BREAUX:

S. 1281. A bill to amend Public Law 97-360, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EXTENSION C SET-ASIDE FOR SHIPS INVOLVED IN WORLD HEALTH CARE

● Mr. BREAUX. Mr. President, the legislation I am introducing today would amend P.L. 97-360 under which three surplus Federal ships have been set aside for utilization by Life International. Life International is a non-profit, humanitarian organization which is endeavoring to develop a mercy fleet which would take aid, technical assistance, health care, training and education to the people of the Third World. The bill would extend the set aside of the three ships until September 30, 1992, as well as provide the necessary two-thirds of the retrofit funding on a matching basis. These ships will be used specifically for the provision of health care and other humanitarian services to developing countries.

The bill is nearly identical to a bill (H.R. 1097) that was offered by the chairman of the House Merchant Marine and Fisheries Committee except that I would propose instead to make use of one of the many commercial vessels now "repossessed" by the Maritime Administration [Marad] under the title 11 Obligation Guaranty Program. Many of these vessels are presently mothballed at substantial

annual cost to the Government and are not likely to be re-sold to the commercial market in the near future. Furthermore, the cost of retrofitting certain of these vessel designs would be far less than the type of vessel proposed in the House legislation. I think this represents a far more cost efficient proposal to achieve the very noble and important objectives of Life International.

Mr. President, I ask unanimous consent that my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1281

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled: That the Act entitled "An act to set aside certain surplus vessels for use in the provision of health and other humanitarian services to developing countries", approved October 22, 1982 (Public Law 97-360; 96 Stat. 1718) is amended as follows:

(1) Section 6 is amended to read as follows:

"Sec. 6. This Act applies to—

"(1) United States Ship *General Nelson M. Walker* P2-SE2-R1 currently held in the National Defense Reserve Fleet;

"(2) the United States Ship *Sanctuary* AH-20, which shall be transferred to the National Defense Reserve Fleet; and

"(3) an offshore supply ship currently in the possession of the Maritime Administration."

"(2) Section 7 is amended to read as follows:

"Sec. 7. Funds are authorized to be appropriated without fiscal year limitation, as the appropriation law may provide for the use of the Department of Transportation, to pay for not more than two-thirds of the cost of retrofitting the vessels listed in section 6 of this Act if—

"(1) the vessels are to be used under section 5 of this Act;

"(2) the recipient has satisfactorily demonstrated to the Secretary of Transportation that sufficient funds are available to pay for the recipient's portion of the cost of retrofitting the vessels;

"(3) retrofitting of one vessel is completed before retrofitting begins on each of the succeeding vessels; and

"(4) all work is done in the United States shipyard."

"(3) Add at the end the following:

"Sec. 8. This Act expires on September 30, 1992." ●

By Mr. LAUTENBERG (for himself, Mr. KERRY, Mr. GRASSLEY, Mr. MIKULSKI, Mr. SIMON, and Mr. PROXMIER):

S. 1282. A bill to provide for the imposition of sanctions against countries supporting international terrorism, and for other purposes; to the Committee on Foreign Relations.

DETERRENCE OF STATE-SPONSORED TERRORISM ACT

● Mr. LAUTENBERG. Mr. President, I rise to introduce, along with Senators KERRY, GRASSLEY, MIKULSKI, PROXMIER, and SIMON, a bill aimed at curbing the activities of States that support and sponsor international terrorism. It would do so by creating a presumption in favor of the imposition

of a variety of economic and diplomatic penalties on such countries, and by requiring closer consultation between Congress and the executive branch on our policy toward States that sponsor terrorism.

Last year, Americans were the No. 1 target of international terrorism. In 1986, roughly 27 percent of all terrorist incidents involved American interests or property. 12 Americans were killed by terrorists, and 101 were wounded. Even beyond the lives lost and injured by terrorism, the damage to America's peace of mind, its ability to conduct diplomacy, to protect its interests abroad, and to Americans' ability to travel freely in the world has been incalculable.

Americans have the right to expect that their Government will do everything it can to stop terrorism. But despite tough talk on terrorism, U.S. policy has often neglected the key role that States play in supporting and sponsoring terrorism. And in neglecting that role, it has continued to provide aid, credit, and other benefits to nations long after we've identified them as supporting and sponsoring terrorism against Americans.

Why should we care about State sponsorship of terrorism? Because terrorist groups do not operate alone. Their effectiveness is enhanced considerably by the assistance they receive from their State sponsors. Assistance like money, arms, and explosives. Like recruitment and training, passports, infiltration and escape routes. Like transportation, rapid communications, safe havens, and sanctuary.

This assistance forms an elaborate international life support network on which terrorists depend. Without it, terrorists would be out in the cold. They'd find it a lot more difficult to operate.

The State Department acknowledges the key role played by State sponsors of terrorism. The Department of State's "Patterns of Global Terrorism: 1985, published in October of 1986, States:

That in large measure the range and lethality of terrorism in 1985 derived largely from the active role continually played by sovereign states—most notably Libya, Syria, and Iran. The unprecedented degree of backing by these states and, on some cases, their active participation in terrorist operations continued to make international terrorism very much a problem.

The CIA has also acknowledged the critical role of State sponsors in accomplishing terrorism's dirty business. The late CIA Director William Casey stated in Washington Post's May 22, 1986 edition that:

Libya, Syria and Iran use terrorism as an instrument of foreign policy. They hire and support established terrorist organizations. These countries make their officials their embassies, their diplomatic pouches, their communications channels, and their territory as safe havens for these criminals to plan, direct, and execute bombing, assassination, kidnapping and other terrorist operations.

And while it's often difficult to locate individual terrorists, we have the address of their State sponsors. Secretary of State Shultz is required to keep a list of pursuant to the requirements of the Export Administration Act of countries that demonstrate a consistent pattern of support for and sponsorship of terrorism. That list currently includes Syria, Libya, Iran, South Yemen, and Cuba.

Despite the acknowledged role that certain, well-identified States play in encouraging, supporting, and even sponsoring terrorism against Americans, the United States has often failed to penalize them for their behavior. In many cases, these countries continue to receive U.S. foreign aid dollars, arms, and access to our markets long after they have been found to engage in a consistent pattern of state support for terrorism. We need to stop subsidizing the very countries that subsidize terror.

For example, Syria has been on the Department of State's list of State sponsors of terrorism since the list's inception in 1979. And the Foreign Assistance Act of 1961, section 620(A)(a), 22 U.S.C. section 2371 (a) provides that the United States may not provide any assistance to any country the President determines supports international terrorism, unless he finds that it is in our national security or humanitarian interests to do so, and so notifies Congress.

But according to a GAO report done at my request, it was not until 1983 that we cut off Syria's economic assistance, and not until 1984 that we prohibited all foreign assistance to Syria. Between 1979 and 1983, Syria received \$113.8 million in American aid. The GAO report also shows that it was only last year that we ended Export-Import Bank programs in Syria, terminated Syria's landing rights in the United States, suspended United States sales of Syrian Arab airline tickets in the United States, ended the Export Enhancement Program for Syria, and banned the sale of sophisticated technology like computers and aircraft.

It's not that we don't have the power to stop such policies. It's that we haven't used it.

Although a wide range of laws on our books permit the President to cut off foreign aid and impose other sanctions for the support of terrorism, in many instances, these sanctions are just not imposed.

And there are some sanctions that we don't now have the authority to impose, but that we should. For instance, Syria and every other country on the Secretary of State's terrorist list is eligible for World Bank and other multilateral development bank loans without protest from the United States unless they provide sanctuary to terrorists.

Last year, the World Bank approved over \$75 million in loans to Syria without a single word of protest from the

United States because of their support for terrorism. Even Treasury Secretary Baker conceded in hearings before the Senate Appropriations Committee that the United States should have voted no on this loan because of Syria's record of support for terrorism, instead of abstaining on human rights grounds.

It's clear from the example of Syria that any administration should be compelled to spell out and to justify to the Congress, its policy toward each nation that supports terrorism. Congress should play a more formal role in reviewing the comprehensiveness of sanctions on countries that support terrorism against Americans. And, there should be a presumption in favor of denying foreign aid and other benefits to countries that persist in supporting and sponsoring state terrorism.

The legislation which I have introduced today requires the Secretary of State to keep a list of countries that exhibit a pattern of consistent State support for terrorism, much the same way that he now keeps such a list pursuant to the requirements of the Export Administration Act. When a country is placed on that list, a variety of sanctions, including a cutoff of foreign aid, arms sales, a freezing of that country's assets in the United States, and other sanctions will be presumed to go into effect within 30 days, unless the President waives those sanctions.

If the President does not want those sanctions to go into effect, he must, within 30 days, submit to Congress a detailed explanation of why the imposition of any or all of those sanctions would not be in national security interest of the United States, or in humanitarian interests. Congress then has a period of 30 days to overrule that decision, which it must do by passing a resolution of disapproval.

In the event of an emergency, the President may remove sanctions already in place by providing a certification that such an emergency exists, and giving notice to the heads of the Intelligence and Foreign Relations Committees in the House and the Senate.

If our country is to be taken seriously when we say we want to get tough of terror, we should not be providing foreign aid, arms, loans, and favorable treatment to countries that engage in State support or State sponsorship of terrorism. We must go after not only the members of terrorist rings, but those who bankroll and train the ring-leaders—the State sponsors of terror.

Sanctions send a powerful nonmilitary signal to such States that we will not countenance business as usual with those who support the killing, maiming, and kidnapping of Americans. They demonstrate that we support our policies with actions as well as words, and are prepared to incur costs in our battle against international terrorism.

Mr. President, I ask unanimous consent that a copy of the bill and a section-by-section analysis of the Deterrence of State-Sponsored Terrorism Act of 1987, as well as the GAO report entitled "Terrorism, Laws Cited Imposing Sanctions on Nations Supporting Terrorism," appear in the RECORD after my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

71S. 1282

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Deterrence of State-Sponsored Terrorism Act of 1987".

LIST OF COUNTRIES SUPPORTING TERRORISM

Sec. 2. (a) Not later than 30 days after the date of enactment of this Act, and thereafter on February 1 of each year, the Secretary of State shall prepare and transmit to the Congress a report setting forth a list of those countries, if any, which he has determined have repeatedly provided support for acts of international terrorism. This list may be referred to as the "terrorist list".

(b) Not later than 7 days after the Secretary of State determines that a country on the terrorist list no longer is providing support for acts of international terrorism, the Secretary of State shall prepare and transmit to the Congress a supplemental report setting forth his determination, and such country shall be deemed to be removed from the terrorist list upon receipt by the Congress of such report.

SANCTIONS AGAINST COUNTRIES SUPPORTING INTERNATIONAL TERRORISM; WAIVER

Sec. 3. (a) The sanctions described in subsection (d) shall be imposed against any country which is placed on the terrorist list and shall be effective—

(1) 30 calendar days after the name of such country is first placed on such list, except that such sanctions or any part thereof, as the President may specify, shall not take effect if, within such 30-day period, the President makes a determination and report described in subsection (c); or

(2) in the case of sanctions specified in a determination which is described in subsection (c) and which is disapproved by enactment of a joint resolution under section 5, on the date of enactment of such joint resolution.

(b) All or any of the sanctions, as the President may specify, which are described in subsection (d) and which are in effect with respect to a country shall cease to apply—

(1) if the President makes a determination and report described in subsection (c), 30 legislative days after the date of such determination; or

(2) if the President determines that an emergency situation exists which would justify the partial or complete lifting of sanctions, upon his certification of the existence of such an emergency situation to the chairman of the Permanent Select Committee on Intelligence and the Foreign Affairs Committee of the House of Representatives and the chairman of the Select Committee on Intelligence and the Foreign Relations Committee of the Senate.

(c)(1) The determination referred to in subsection (a)(1) or in subsection (b)(1) is a determination by the President that it is in the national interest of the United States.

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or in humanitarian interests, to take the action described in the appropriate subsection.

(2)(A) The report referred to in such subsections is a report which is prepared by the President and transmitted to the appropriate committees of the Congress and which contains the appropriate determination described in paragraph (1).

(B) The President shall include in any such report a detailed explanation of his reasons for making a determination under paragraph (1). Any part of such explanation may be included, if necessary, in a classified addendum to such report, except that each such report shall contain an unclassified summary of such explanation.

(C) For purposes of this paragraph, the phrase "appropriate committees of the Congress" means the Committee on Appropriations and the Committee on Foreign Affairs of the House of Representatives and the Committee on Appropriations and the Committee on Foreign Relations of the Senate.

(d) The sanctions referred to in subsections (a) and (b) are the following:

(1) All United States assistance for such country shall be terminated.

(2) No technology of such country and no goods (or any part thereof) which are produced, grown, or manufactured in such country may be imported into the United States, except that such technology or goods may be imported into the United States if additional duties are imposed on such imports in regulations prescribed by the Secretary of Commerce.

(3) The President shall deny to all products of such country duty-free tariff treatment under title V of the Trade Act of 1974 (the Generalized System of Preferences).

(4)(A) The Secretary of State shall promptly take whatever steps may be necessary to terminate any air or sea transportation agreement in effect between the United States and such country in accordance with the terms of such agreement.

(B) Upon the termination of any such agreement or, if no such agreement is in effect, upon the effective date of sanctions determined under section 3(a), the Secretary of Transportation shall prohibit any aircraft or vessel owned directly or indirectly by the government of such country or its nationals from engaging in air or sea transportation with respect to the United States.

(C) The Secretary of Transportation may provide for such exceptions from the prohibition contained in subparagraph (B) as the Secretary considers necessary to provide for emergencies in which the safety of the aircraft or vessel or its crew or passengers is threatened.

(D) For purposes of this paragraph, the term "aircraft" has the meaning given such term in section 101 of the Federal Aviation Act of 1958 (49 U.S.C. 1301).

(5)(A) The Secretary of the Treasury shall instruct the United States Executive Director of each international financial institution to vote against any loan or other use of the funds of the respective institution to or for such country.

(B) For purposes of this paragraph, the term "international financial institution" includes—

(i) the International Bank for Reconstruction and Development, the International Development Association, and the International Monetary Fund; and

(ii) wherever applicable, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, and the African Development Fund

(6) The President shall exercise his authorities under the International Emergency Economic Powers Act (other than section 205) for the purpose of ensuring that no

such country or any national thereof may transfer out of the jurisdiction of the United States any property or credit in which such country or national thereof has any financial interest.

(7) Section 901(j) of the Internal Revenue Code of 1986 shall apply with respect to tax credits for the amount of any income, war profits, and excess profits taxes paid or accrued to such country by taxpayers of the United States.

(e) Paragraph (2) of section 901(j) of the Internal Revenue Code of 1986 is amended—

(1) by striking out "or" at the end of subparagraph (A)(ii);

(2) by striking out the period at the end of subparagraph (A)(iv) and inserting in lieu thereof ", or";

(3) by adding at the end of subparagraph (A) the following new clause:

"(v) which the Secretary of State has, pursuant to section (2)(a) of the Anti-Terrorism Act of 1987, designated as a foreign country which repeatedly provides support for acts of international terrorism";

(4) by striking out "or" at the end of subparagraph (B)(i)(I);

(5) by striking out "subparagraph (A), and" in subparagraph (B)(i)(II) and inserting in lieu thereof "clauses (i), (ii), (iii), and (iv) of subparagraph (A), or"; and

(6) by inserting at the end of subparagraph (B)(i) the following new subclause:

"(III) the effective date determined under section 3(a) of the Anti-Terrorism Act of 1987 with respect to a country described in subparagraph (A)(v), and".

(f) For purposes of this section, the term "legislative days" means the days on which both Houses of Congress are in session.

POLICY TOWARD COORDINATION OF SANCTIONS WITH ALLIES

SEC. 4. It is the sense of the Congress that, in any case in which any sanction is imposed against a country under section 3, the President should make vigorous efforts to obtain the imposition of a similar sanction by the allies of the United States.

CONGRESSIONAL REVIEW; PRIORITY PROCEDURES

SEC. 5. (a)(1) Notwithstanding the exception contained in section 3(a)(1), the sanctions described in section 3(d) shall take effect with respect to a country on the date described in section 3(a)(2) if the Congress enacts a joint resolution of disapproval, in accordance with this section, within 30 legislative days after transmittal of the report required by section 3(a)(1).

(2) Notwithstanding the waiver made in section 3(b)(1) the sanctions described in section 3(d) shall continue in effect with respect to a country if the Congress enacts a joint resolution of disapproval, in accordance with this section, within 30 legislative days after transmittal of the report required by section 3(b)(1).

(b)(1) For purposes of this section, the term "joint resolution" means only a joint resolution introduced in a House of Congress within 3 legislative days after the appropriate committee of such House of Congress receives a report required by section 3(a)(1) or 3(b)(1)—

(A) the matter after the resolving clause of which is as follows: "That the Congress hereby disapproves the determination of the President contained in the report submitted on _____ as required by _____ of the Anti-Terrorism Act of 1987", with the appropriate date inserted in the first blank and "section 3(a)(1)" or "section 3(b)(1)", as the case may be, inserted in the second blank.

(B) which does not have a preamble; and

(C) the title of which is as follows: "Joint Resolution disapproving sanctions under the Anti-Terrorism Act of 1987".

(2) A joint resolution, upon introduction in the House of Representatives, shall be referred to the Committee on Foreign Affairs of the House of Representatives or, upon introduction in the Senate, shall be referred to the Committee on Foreign Relations of the Senate.

(3) For purposes of this section, the term "legislative day" means, with respect to a House of Congress, a day on which such House of Congress is in session.

(c)(1) The provisions of this subsection apply to the consideration in the House of Representatives of a joint resolution with respect to a report required by section 3(a)(1) or 3(b)(1).

(2) If the Committee on Foreign Affairs of the House of Representatives has not reported the joint resolution by the end of 15 legislative days after the first joint resolution was introduced, such Committee shall be discharged from further consideration of the first joint resolution and that joint resolution shall be placed on the appropriate calendar of the House.

(3)(A) At any time after the first joint resolution placed on the appropriate calendar has been on that calendar for a period of 5 legislative days, it is in order for any Member of the House (after consultation with the Speaker as to the most appropriate time for the consideration of that joint resolution) to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of that joint resolution. The motion is highly privileged and is in order even though a previous motion to the same effect has been disagreed to. All points of order against the joint resolution under clauses 2 and 6 of Rule XXI of the Rules of the House are waived. If the motion is agreed to, the joint resolution shall remain the unfinished business of the House until disposed of. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order.

(B) Debate on the joint resolution shall not exceed ten hours, which shall be divided equally between a Member favoring and a Member opposing the joint resolution. A motion to limit debate is in order at any time in the House or in the Committee of the Whole and is not debatable.

(C) An amendment to the joint resolution is not in order.

(D) At the conclusion of the debate on the joint resolution, the Committee of the Whole shall rise and report the joint resolution back to the House, and the previous question shall be considered as ordered on the joint resolution to final passage without intervening motion.

(d)(1) The provisions of this subsection apply to the consideration in the Senate of a joint resolution with respect to a report required by section 3(a)(1) or 3(b)(1).

(2)(A) If the Committee on Foreign Relations of the Senate (hereafter in this subsection referred to as the "Committee") has not reported a joint resolution at the end of 15 legislative days after its introduction, it is in order to move either to discharge the Committee from further consideration of the joint resolution or to discharge the Committee from further consideration of any other joint resolution introduced with respect to the same report which has been referred to the Committee, except that no motion to discharge shall be in order after the Committee has reported a joint resolution with respect to the same report.

(B) A motion to discharge under subparagraph (A) of this paragraph may be made only by a Senator favoring the joint resolution, is privileged, and debate thereon shall be limited to not more than 1 hour, to be di-

vided equally between those favoring and those opposing the joint resolution, the time to be divided equally between, and controlled by, the majority leader and the minority leader or their designees. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(3) When the Committee has reported, or has been deemed to be discharged (under paragraph (2)) from further consideration of a joint resolution, notwithstanding any rule or precedent of the Senate, including Rule 22, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for any Senator to move to proceed to the consideration of the joint resolution, and all points of order against the joint resolution (and against consideration of the joint resolution) are waived.

(4)(A) A motion in the Senate to proceed to the consideration of a joint resolution shall be privileged. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(B) Debate in the Senate on a joint resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(C) Debate in the Senate on any debatable motion or appeal in connection with a joint resolution shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the resolution, except that in the event the manager of the resolution is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(D) A motion in the Senate to further limit debate on a joint resolution, debatable motion, or appeal is not debatable. No amendment to, or motion to recommit, a joint resolution is in order in the Senate.

(5) If, before the passage by the Senate of a joint resolution, the Senate receives from the House of Representatives a joint resolution, then the following procedures shall apply:

(A) The joint resolution of the House of Representatives shall not be referred to a committee.

(B) With respect to a joint resolution of the Senate—

(i) the procedure in the Senate shall be the same as if no joint resolution had been received from the House; but

(ii) the vote on final passage shall be on the joint resolution of the House.

(C) Upon disposition of the joint resolution received from the House, it shall not longer be in order to consider the joint resolution originated in the Senate.

(6) If the Senate receives from the House of Representatives a joint resolution after the Senate has disposed of a Senate originated joint resolution, the action of the Senate with regard to the disposition of the Senate originated joint resolution shall be deemed to be the action of the Senate with regard to the House originated joint resolution.

(e) Subsections (b) through (d) are enacted—

(1) as exercises of the rulemaking powers of the House of Representatives and Senate,

and as such they are deemed a part of the Rules of the House and the Rules of the Senate, respectively, but applicable only with respect to the procedure to be followed in the House and the Senate in the case of joint resolutions under this section, and they supersede other rules only to the extent that they are inconsistent with such rules; and

(2) with full recognition of the constitutional right of the House and the Senate to change their rules at any time, in the same manner, and to the same extent as in the case of any other rule of the House or Senate, and of the right of the Committee on Rules of the House of Representatives to report a resolution for the consideration of any measure.

DEFINITIONS

Sec. 6. For purposes of this Act—

(1) the term "act of international terrorism" means an activity that—

(A) involves a violent act or an act dangerous to human life that is a violation of the criminal laws of the United States or of any State, or that would be a criminal violation if committed within the jurisdiction of the United States or of any State; and

(B) appears to be intended—

(i) to intimidate or coerce a civilian population;

(ii) to influence the policy of a government by intimidation or coercion; or

(iii) to affect the conduct of a government by assassination or kidnapping; and

(C) occurs totally outside the United States, or transcends national boundaries in terms of the means by which such activity is accomplished, the persons such activity appears intended to coerce or intimidate, or the locale in which the perpetrators operate or seek asylum;

(2) the term "support" includes—

(A) furnishing arms, explosives, or lethal substances to individuals, groups, or organizations with the likelihood that they will be used in the commission of any act of international terrorism;

(B) planning, directing, providing training for, or assisting in the execution of any act of international terrorism;

(C) providing direct or indirect financial backing for the commission of any act of international terrorism;

(D) providing diplomatic facilities intended to aid or abet the commission of any act of international terrorism; or

(E) allowing the use of its territory as a sanctuary from extradition or prosecution for any act of international terrorism; and

(3) the term "United States assistance" includes any assistance of any kind which is provided by grant, sale, loan, lease, credit, guaranty, or insurance, or by any other means, by any agency or instrumentality of the United States Government to or for the benefit of any foreign country, including—

(A) assistance under the Foreign Assistance Act of 1961 (including programs under title IV of chapter 2 of part I, relating to the Overseas Private Investment Corporation);

(B) sales, credits, and guaranties under the Arms Export Control Act;

(C) sales under title I (including title III) of the Agricultural Trade Development and Assistance Act of 1954 and donations under title II of such Act of agricultural commodities;

(D) financing programs of the Commodity Credit Corporation for export sales of agricultural commodities;

(E) financing under the Export-Import Bank Act of 1945;

(F) assistance under the Migration and Refugee Assistance Act of 1962;

(G) programs under the Peace Corps Act;

(H) assistance under the Inter-American Foundation Act;

(I) assistance under the African Development Foundation Act;

(J) financial assistance for foreign persons or groups under the Mutual Educational and Cultural Exchange Act of 1961; and

(K) assistance of any kind under any other Act.

SECTION-BY-SECTION ANALYSIS OF ANTI-TERRORISM ACT OF 1987

Section 1: Title of bill: Deterrence of State-Sponsored Terrorism Act of 1987.

Section 2: List of countries supporting terrorism:

2(a) Secretary of State's terrorist list.— Within 30 days of the enactment, and thereafter on February 1 of each year, the Secretary of State shall prepare and transmit to Congress a report setting forth a list of those countries, if any, which he has determined have repeatedly provided support for acts of international terrorism.

Rationale.—This creates a special new list on terrorist countries instead of using the list kept by the Secretary of State under the Export Administration Act. That's because this bill sets in motion a whole process for imposing sanctions that was not intended when the Export Administration Act list was set up. Also, the current terrorist list carries notice requirements for the sale of munitions list items and the export of certain items. It is preferable to keep our sanctions and the notice requirements separate.

2(b) Removal of country from list.—When the Secretary of State determines that a country listed on the terrorist list is no longer providing support for acts of international terrorism, he will provide a report to Congress with that determination within 7 days. Upon receipt of that determination, the country will be deemed to be removed from the list.

Section 3: Sanctions against countries supporting international terrorism; waiver:

3(a) Automatic imposition of sanctions.—Whenever a country is placed on the terrorist list kept by Secretary Shultz under this act, sanctions specified in the sections below will be imposed on that country:

(1) within 30 calendar days, unless the President sends a written determination to Congress that imposition of any or all of the sanctions set out below are not in the national interest of the U.S. or in humanitarian interests, and explains in detail why this is so;

(2) if the President sends the written determination specified above and Congress disapproves that finding by a joint resolution, then the sanctions shall go into effect when the joint resolution is enacted.

Rationale.—This preserves Presidential flexibility and authority over foreign policy. However, so that Congress will have the right to learn of the President's rationale, and have an informed basis to review that rationale, it will be provided with his reasons. So that report does not inadvertently require the disclosure of information that might jeopardize intelligence sources or methods, he may include the information in a classified addendum to the report.

3(b) Emergency situations/changed circumstances.—Any or all of the sanctions in effect for a particular country shall cease to apply:

(1) Changed circumstances.—If the President makes a determination that it is in the national interest of the U.S. or in humanitarian interests to remove sanctions, then the sanctions will cease to apply 30 legislative days after the date of such a determination, unless Congress passes a joint resolution

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tion within that period of time disapproving the President's determination.

(2) *Emergency.*—If the President determines that an emergency situation exists which would justify the partial or complete lifting of sanctions, and certifies to the Chairman of the House and Senate Foreign Affairs and Intelligence Committees that an emergency exists.

(3c) *Determination.*—

(1) The determination referred to in subsection (a)(1) or (b)(1) is a determination that it is in the national interest of the United States or in humanitarian interests not to impose sanctions.

(2)(A) *Report.*—The report shall be prepared by the President and sent to the Committee on Appropriations and Foreign Affairs of the House and Senate.

(B) *Detailed explanation.*—The report shall include a detailed explanation for the reasons for making the determination that it is in the national security or humanitarian interests of our country not to impose sanctions. Any part of such explanation may be provided, if necessary in a classified addendum to such report, except that each such report shall contain an unclassified summary of such explanation.

(3)(d) *List of sanctions.*—The following sanctions are to be imposed:

(1) Terminate all U.S. assistance to that country (includes Peace Corps Volunteers, agricultural assistance, arms sales and agricultural financing, military and economic assistance, Eximbank financing);

(2) End the importation of technology and goods which are produced, grown, or manufactured in such country into the United States, or impose additional duties on their import via the Secretary of Commerce;

(3) Deny all products of such country duty-free tariff treatment under the General System of Preferences;

(4)(A) Secretary of State shall take steps to terminate any air or sea transportation agreement in effect between the U.S. and the country;

(B) On the termination of the agreement, or if no agreement, the Secretary of Transportation will prohibit any aircraft or vessel owned by the government of the country or its nationals from engaging in air or sea transportation with respect to the U.S.

(C) The Secretary of Transportation may provide exceptions for emergencies where the safety of the aircraft or vessel or its crew or passengers is threatened.

(5) The U.S. Executive Director of the World Bank, the International Development Association, the IMF, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, and the African Development Fund, will vote against any loan or other use of funds for that country.

(6) No country or national may transfer out of the U.S. any property or credit in which such country or national has financial interest.

(7) Prohibit private citizens from taking tax exemptions for taxes paid to foreign governments while working in terrorist countries. Prohibit corporations from deducting taxes paid to a country from taxes paid to the U.S. government, when the country where they are working has been deemed to be a terrorist country.

Section 4: Coordination with Allies:

A sense of the Congress resolution that whenever sanctions are imposed under this bill, the President should make vigorous efforts to get our allies to do the same.

Rationale:—Sanctions are most effective when coordinated with our allies.

Section 5: Congressional review of President's decision:

Any sanction specified in this bill will be imposed over the President's objection if Congress enacts a joint resolution disapproving the President's determination within 90 days of his sending that determination to Congress.

The Joint resolution will be considered in the Senate and in the House in accordance with expedited procedures which assure the resolution's consideration.

Rationale.—One of the problems with the system as it now works is that Congress does not have an automatic process for reviewing the President's decisions on sanctions and considering whether it agrees or not. This provision provides Congress with that right. However, it does not give Congress any power it does not now have, since Congress could, at any time, impose such sanctions on its own.

Section 8: Definition:

Support for Terrorism.—Furnishing arms, explosives, lethal substances to individuals, groups, or organizations with the likelihood that they will be used in the commission of any act of international terrorism; planning, directing, providing training for, or assisting in the execution of any act of international terrorism; providing direct or indirect financial backing for the commission of any act of international terrorism; providing diplomatic facilities intended to aid or abet the commission of any act of international terrorism; or allowing the use of its territory as a sanctuary from extradition or prosecution for any act of international terrorism.

TERRORISM: LAWS CITED IMPOSING SANCTIONS ON NATIONS SUPPORTING TERRORISM
(National Security and International Affairs Division)

U.S. GENERAL ACCOUNTING OFFICE,
Washington, DC, April 17, 1987.

HON. FRANK R. LAUTENBERG,
U.S. Senate.

DEAR SENATOR LAUTENBERG: This report responds to your January 12, 1987, request that we determine how often a/d under what circumstances laws imposing sanctions on nations supporting terrorism have been invoked.

The Export Administration Act of 1979 requires the Secretary of State to compile annually a listing of countries that support or participate in terrorist acts. Currently Iran, Libya, Syria, the People's Democratic Republic of Yemen, and Cuba comprise the list. Iraq, formerly on the list, was removed in 1982.

Federal agencies—primarily State, Treasury, Commerce, and Transportation—have identified 13 laws that authorize the President to invoke sanctions against nations supporting terrorism. No central source identifies individual sanctions with specific laws. However, through research and discussions with agency officials, we were able to identify sanctions since 1979 associated with 11 of the laws. The sanctions included such things as import embargoes, export license controls, freezing assets, terminating new loans and credit extensions, restricting arms sales and foreign assistance, terminating air services, and curtailing other activities between the United States and the nations designated as supporting terrorism. Details regarding the sanctions and the law are included in appendices I through III.

In conducting this review, we obtained executive orders and other documents relating to U.S. policies on terrorism; interviewed officials of the Departments of State, Treasury, Commerce, and Transportation; and identified specific sanctions imposed in response to terrorist incidents occurring from 1979 through 1986. Our work was performed from February through April 1987 in ac-

cordance with generally accepted government audit standards.

Unless you publicly announce its contents earlier, we plan no further distribution of this fact sheet until 30 days from the date of issue. At that time we will send copies to the Departments of State, Transportation, Commerce, and Treasury, and make it available to other interested parties. If we can be of further assistance, please call me on 275-4128.

Sincerely yours,

JOAN M. MCCABE,
Associate Director.

APPENDIX I

CHRONOLOGY OF SANCTIONS BY COUNTRY IN RESPONSE TO TERRORIST INCIDENTS

This appendix contains profiles of the 6 countries against which U.S. sanctions have been imposed and describes the sanctions and the authority cited by federal agencies for those sanctions in response to terrorist incidents. We did not independently review each of the sanctions to determine whether the cited authority was appropriate.

IRAN

The Iranian students' seizure of more than 100 hostages, including 63 Americans, at the U.S. embassy compound in Teheran on November 4, 1979, marked the beginning of the U.S.-Iran hostage crisis that lasted more than 14 months. The following actions were taken as a result of the crisis:

Date and sanction:
November 8, 1979—Halted the shipment of U.S. military spare parts to Iran. Authority cited: Arms Export Control Act.

November 10, 1979—Required all post-secondary students who were Iranian citizens to report on residence and non-immigration status. Authority cited: Immigration and Nationality Act.

November 12, 1979—Restricted the import of crude oil produced in Iran and unfinished oil or finished products made from Iranian crude oil. Authority cited: Trade Expansion Act of 1962.

November 14, 1979—Declared state of emergency against Iran. Blocked all Iranian government property and interests in property and froze Iranian deposits in U.S. banks and subsidiaries of U.S. banks. Authority cited: National Emergencies Act and International Emergency Economic Powers Act.

April 7, 1980—Broke diplomatic relations with Iran; closed Iranian embassy and consulates in the United States; expelled diplomats and consular officials. Authority cited: Authority of the Secretary of State in matters respecting foreign affairs 22 U.S.C. § 2656 (1982). Invalidated all visas issued to Iranian citizens for future entry into the United States; refused to reissue visas or issue new visas. Authority cited: Immigration and Nationality Act.

Embargoed all U.S. exports to Iran, except food and medicine; ordered an inventory of \$8 billion in frozen Iranian assets and an inventory of U.S. financial claims against Iran to be paid out of these assets. Authority cited: International Emergency Economic Powers Act.

April 17, 1980—Prohibited all financial transactions between U.S. and Iranian citizens; imposed an import embargo; banned travel to Iran of all U.S. citizens except journalists; released for U.S. purchase impounded military equipment intended for Iran. Authority cited: International Emergency Economic Powers Act.

April 20, 1980—Prohibited travel to, in, or through Iran by permanent resident aliens. Authority cited: Executive Order 12211—Further Prohibitions on Transactions with Iran, April 17, 1980.

Restricted the use of U.S. passports to, in, and through Iran and regulated departures from and entry into the United States in connection with travel to Iran by citizens and permanent residents of the United States. Authority cited: Executive Order 11295—Rules Governing the Granting, Issuing and Verifying of U.S. Passports, August 5, 1966, Executive Order 12211—Further Prohibitions on Transactions with Iran, April 17, 1980.

January 19, 1981—Transferred Iranian frozen assets from the United States to the Bank of England in preparation for the release and exchange of U.S. hostages.

Iranian Assets Control Regulations revoked and withdrawn. Authority cited: International Emergency Economic Powers Act.

January 20, 1981—Hostages released in exchange for a partial transfer of \$2.9 billion of Iranian assets.

Relations deteriorated further with the bombing of U.S. Marine barracks in Beirut in October 1983. Iranian involvement was alleged, and as a result, the following actions were taken.

Date and sanction:

January 19, 1984—Secretary of State designated Iran as a country that supports terrorism. This automatically placed foreign policy export controls on goods and technologies that could enhance Iran's military or terrorist capabilities. For example, export licenses were required for aircraft valued at \$3 million or more, helicopters over 10,000 pounds, and national security controlled items valued at \$7 million or more destined for military end use. Policy of denial of munitions control list items was set; and foreign military sales were prohibited. Authority cited: Export Administration Act of 1979, and Arms Export Control Act.

May 21, 1984—Prohibited any transfer of blocked property in which Iran has interest except under license from the Department of Treasury. Authority cited: International Emergency Economic Powers Act.

September 28, 1984—President directed stricter export controls on all aircraft, helicopters, related parts, components and avionics. Applications for export of national security controlled items were to be generally denied, with some exceptions. Authority cited: Export Administration Act of 1979.

January 25, 1985 to January 20, 1986—Export licenses valued at \$25.8 million denied. Authority cited: Export Administration Act of 1979.

Relations with the government of Iran have not returned to normal since November 14, 1979, when President Carter declared a national emergency to deal with the threat to national security, foreign policy, and the economy of the United States. Notices of the continuation of this national emergency were transmitted by the President to the Congress and published in the FEDERAL REGISTER on November 12, 1980, November 12, 1981, November 8, 1982, November 4, 1983, November 7, 1984, November 1, 1985, November 10, 1986, in accordance with the National Emergencies Act.

LIBYA

Libyan-U.S. relations declined after Colonel Qadhafi's rise to power in 1969. At that time Libya closed British and American bases, acquired large quantities of arms, and supported anti-Israel and revolutionary causes worldwide. Terrorist activities included providing sanctuary to the perpetrators of the attack on Israeli athletes at the 1972 Munich Olympics and military support in 1979 to Uganda. The United States responded to Libya by removing the U.S. ambassador and disapproving the sale of military

weapons and related items in 1973; denying the sale of Boeing 747 commercial aircraft and imposing antiterrorism export controls in 1979; and finally closing the U.S. embassy in February 1980.

Date and sanction:

December 29, 1979—State Department designated Libya as a country that supports terrorism. This automatically placed foreign policy export controls on goods and technologies that could enhance Libya's military or terrorist capabilities. For example, export licenses were required for aircraft valued at \$3 million or more, helicopters over 10,000 pounds, and national security controlled items valued at \$7 million or more destined for military end use. Policy of denial of munitions control list items and foreign military sales were prohibited. Authority cited: Export Administration Act of 1979, and Arms Export Control Act.

October 1, 1979 to September 30, 1980—Export licenses denied for aircraft valued at \$235.4 million. Authority cited: Export Administration Act of 1979.

A mob attacked and burned the U.S. embassy in Tripoli in December 1979 and subsequent attacks were made on Libyan citizens in Europe and the United States by the Qadhafi regime. The following U.S. actions resulted:

Date and sanction:

February 15, 1980—Closed U.S. embassy in Tripoli. Authority cited: Authority of the Secretary of State in matters respecting foreign affairs 22 U.S.C. § 2656 (1982).

May 6, 1981—Libyan People's Bureau in Washington is ordered closed; personnel to leave the United States in 5 working days. New travel advisory issued to American citizens warning against any travel to or residence in Libya. Authority cited: Authority of the Secretary of State in matters respecting foreign affairs 22 U.S.C. § 2656 (1982).

On August 19, 1981, two U.S. Navy F-14 aircraft were attacked by Libyan fighter aircraft.

Date and sanction:

October 1, 1981 to September 30, 1982—Expanded U.S. controls on exports of certain aircraft, helicopters, aircraft parts, avionics, and off-highway wheel tractors of carrying capacity of 10 tons or more. Denied export licenses for off-highway vehicles valued at \$9 million; four licenses denied for aircraft and parts valued at \$11.2 million; 16 licenses denied for other commodities and technical data valued at \$13.8 million. Authority cited: Export Administration Act of 1979.

December 11, 1981—Declared U.S. passports invalid for travel to, through, or in Libya. Administration calls on Americans residing in Libya to leave "as soon as possible," citing "the danger which the Libyan regime poses to American citizens." This sanction has been continued annually. Authority cited: Executive Order 11295—Rules Governing Granting, Issuing, and Verifying U.S. Passports, August 5, 1966.

Presidential Proclamation 49072 of March 10, 1982, states: "Libyan policy and action supported by revenues from the sale of oil imported into the United States are inimical to United States national security." The following actions were taken as a result:

Date and sanction:

March 10, 1982—President embargoed crude oil imports from Libya. Authority cited: Trade Expansion Act of 1962.

March 12, 1982—President required validated licenses for all U.S. exports to Libya, except food and agricultural products, medicine, and medical supplies. General policy of denying licenses for export to Libya of dual-use, high-technology items and U.S.-origin oil and gas technology and equipment not readily available from sources outside the

United States. Authority cited: Export Administration Act of 1979.

October 1, 1982 to September 30, 1984—Denied 196 export licenses valued at \$349.5 million, including \$33.6 million in aircraft. Authority cited: Export Administration Act of 1979.

March 11, 1983—Terminated non-immigration visa status of Libyans engaged in aviation or nuclear studies. Authority cited: Immigration and Nationality Act.

March 20, 1984—General denial of licenses to export goods or technical data which would directly contribute to the development or construction of Ras Lanuf petrochemical complex. Authority cited: Export Administration Act of 1979.

January 25, 1985 to January 20, 1986—Denied export licenses for aircraft and parts valued at \$3.2 million. Authority cited: Export Administration Act of 1979.

April 10, 1985—Terminated availability of bank programs and credits. Authority cited: Export-Import Bank Act of 1945.

On November 15, 1985, the United States determined that the Libyan government had continued to actively pursue terrorism as state policy and that Libya had developed significant capability to export petroleum products to other nations, thereby circumventing the March 1982 prohibition on U.S. imports of Libyan crude oil. As a result, the following action was taken.

Date and sanction:

November 15, 1985—President embargoed imports of petroleum products refined in Libya. Authority cited: International Security and Development Cooperation Act of 1985.

The United States determined that the Libyan government had supported the attacks on civilians at the Rome and Vienna airports on December 27, 1985. As a result, the President took the following actions:

Date and sanction:

January 7-8, 1986—Declared state of emergency against Libya. Authority cited: National Emergencies Act.

Restricted all commercial transactions in Libya by U.S. citizens and companies; prohibited all contract performance and all new loans or extensions of credit to the Libyan government; and blocked all property and interests in property of the Libyan government and its agencies that were in or that may later come into the United States. Banned exports to Libya, except for humanitarian donations such as food and clothing, and the purchase of goods exported from Libya to a third country; banned all travel transactions to or from Libya by U.S. persons. Authority cited: International Emergency Economic Powers Act.

Banned imports from Libya, except for publications and news materials. Authority cited: International Security and Development Cooperation Act of 1985.

President banned sales in the United States of air transportation which included any stop in Libya. Authority cited: Federal Aviation Act.

July 7, 1986—Prohibited exports to third countries where exported goods or technologies are intended for transformation, manufacture or incorporation into products to be used in Libyan petroleum or petrochemical industry. Authority cited: International Emergency Economic Power Act.

SYRIA

The pattern of Syrian activity in support of international terrorism has been longstanding and varied. From the mid-1970s to the present, Syrians have been directly involved in terrorist activities. These operations have been primarily directed at other Arabs, such as Syrian dissidents, moderate

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Arab states such as Jordan, and pro-Arafat Palestinians, as well as Israeli targets.

December 29, 1979—The Secretary of State designated Syria as a country that supports terrorism. This automatically placed foreign policy export controls on certain goods and technologies that could enhance Syria's military or terrorist capabilities. For example, export licenses were required for aircraft valued at \$3 million or more, helicopters over 10,000 pounds, and national security controlled items valued at \$7 million or more destined for military end use. Policy to deny munitions control list items was set, and foreign military sales were prohibited. Authority cited: Export Administration Act of 1979; Arms Export Control Act.

November 14, 1983—Congress terminated economic assistance program to Syria. Authority cited: Foreign Assistance Act, 1961.

By late 1983 Syria began to rely more heavily on terrorist groups made up of non-Syrians who had bases and training facilities in Syria.

Date and sanction:

November 22, 1983—State Department closed the AID mission. Authority cited: Authority of the Secretary of State in matters respecting foreign affairs 22 U.S.C. § 2656 (1982).

June 5, 1986—Expanded controls on all helicopters regardless of weight. Authority cited: Export Administration Act of 1979.

In 1986, a Jordanian attempted to place a bomb aboard an El Al aircraft in London. During the November 1986 trial, Syrian officials were implicated in the conspiracy and the aftermath. In particular, Syrian officials provided a passport, money, the bomb, and sanctuary. The following actions were taken as a result:

November 14, 1986—Expanded controls to prohibit export of all national security controlled goods and technical data as well as aircraft and aircraft parts and components. The controls applied regardless of value or end-use (regulations pending). Authority cited: Export Administration Act of 1979.

Terminated availability of Export-Import Bank programs. Authority cited: Export-Import Bank Act of 1945.

Prohibited sale of tickets in the United States for transportation on Syrian Arab Airlines. Authority cited: Federal Aviation Act.

Terminated air transport agreement between the United States and Syria after one year, and immediately suspended its operation. Authority cited: Authority of the Secretary of State in matters respecting foreign affairs 22 U.S.C. § 2656 (1982).

Continued withdrawal of U.S. ambassador and reduced embassy staff in Damascus and reduced Syrian embassy staff in Washington. Revised advisory statement on American travel in Syria to alert citizens of the potential for terrorist activity originating there. Advised U.S. oil companies in Syria that continued operations are inappropriate. Authority cited: Authority of the Secretary of State in matters respecting foreign affairs 22 U.S.C. § 2656 (1982).

Placed additional controls on Syrian visa applications—all applications required to be sent to Washington, D.C., for a mandatory security advisory opinion. Authority cited: Immigration and Nationality Act.

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN (PDR YEMEN)

In 1969, after a successful coup by Marxist revolutionaries, PDR Yemen severed diplomatic relations with the United States. Because of this action and continued support of international terrorism, human rights violations, aggression, and avowed commitment to Marxist principles, U.S.-PDR

Yemen relations have been virtually non-existent, and the following sanctions were imposed:

Date and sanction:

December 29, 1979—The Secretary of State designated PDR Yemen as a country that repeatedly supports terrorism. This automatically placed foreign policy export controls on goods and technologies that could enhance PDR Yemen's military or terrorist capabilities. For example, export licenses were required for aircraft valued at \$3 million or more, helicopters over 10,000 pounds, and national security controlled items valued at \$7 million or more destined for military end use. Policy of denial for munitions control list items was implemented and foreign military sales were prohibited. Authority cited: Export Administration Act of 1979 and Arms Export Control Act.

June 5, 1986—Expanded export controls to include all helicopters, regardless of weight. Authority cited: Export Administration Act of 1979.

IRAQ

During 1978 to 1980 the Iraqi government reduced its support to most terrorist groups. By April 1980 a combination of factors, including the hostage crisis in Iran, Soviet invasion of Afghanistan, and Iraq-Iran War, caused a breach in Iraq's relationship with the Soviet Union. This led the United States to work toward a closer association with Iraq. The removal of Iraq from the terrorist-supporting list in 1982 was attributed to the administration's perception of an increasing moderation in Iraq's attitude toward the Arab-Israeli conflict. The following sanctions were applied during 1979 and 1980:

Date and sanction:

December 29, 1979—Secretary of State designated Iraq as a country that supports terrorism. This automatically placed foreign policy export controls on goods and technologies that could enhance Iraq's military or terrorist capabilities. For example, export licenses were required for aircraft valued at \$3 million or more, helicopters over 10,000 pounds, and national security controlled items valued at \$7 million or more destined for military end use. Policy of denial of munitions control list items was implemented and foreign military sales were prohibited. Authority cited: Export Administration Act of 1979 and Arms Export Control Act.

February 6, 1980—Department of Commerce suspended the export license for eight turbine engine cores valued at \$11.4 million (the decision was later reversed in April 1980). Authority cited: Export Administration Act of 1979.

On April 7, 1980, the Arab Liberation Front, supported by Iraq, attacked an Israeli kibbutz, killing three people.

Date and sanction:

August 29, 1980—State Department disapproved a \$208 million sale of commercial jets. Authority cited: Export Administration Act of 1979.

September 25, 1980—Suspended export license for six turbine engine cores previously approved in April 1980. Authority cited: Export Administration Act of 1979.

On March 1, 1982, the United States lifted export restraints against Iraq and removed it from the list of nations supporting terrorism.

In May 1982, the House Foreign Affairs Committee voted in favor of a resolution to restore Iraq to the list of countries supporting terrorism. However, the State Department announced in October 1983 that it would not place Iraq on the list because it had no evidence that Iraq had supported international terrorism since publicly denouncing it in 1982.

CUBA

The United States has a long history of sanctions against Castro's Cuba. In the 1960s, under authority of the Trading With the Enemy Act, a total embargo on exports, ban on all imports, and freeze on all Cuban assets in the United States were imposed. Under the Foreign Assistance Act of 1961, foreign aid was denied to countries that allowed their flag ships to carry goods to and from Cuba. In the 1970s, Cuba deployed combat troops to Angola and Ethiopia, increasing its influence in those areas. Cuba's training and support of insurgents and terrorists became evident in the 1980s through activities in Nicaragua, El Salvador, and Grenada. For these reasons, Cuba was added to the list of terrorist nations in 1982.

Date and sanction:

March 1, 1982—Secretary of State designated Cuba as a country that supports terrorism; embargo imposed in 1963 under the Trading With the Enemy Act continued on all imports and exports. Authority cited: Export Administration Act of 1979.

May 15, 1982—Banned business and tourist travel to Cuba. Authority cited: Trading with the Enemy Act.

October 4, 1985—Restricted entry into the United States by Cuban government employees and members of the Cuban communist party. Authority cited: Immigration and Nationality Act.

August 22, 1986—Denied preference immigration visas to persons who left Cuba for third countries. Authority cited: Presidential Proclamation 5517—Suspension of Cuban Immigration; and the Immigration and Nationality Act.

On August 22, 1986, the Administration announced a crackdown on trading with Cuban front companies that attempted to evade the U.S. trade embargo and increased controls on organizations which organize or promote travel to Cuba. Regulations regarding these new controls have not been developed.

APPENDIX II

LAWS AND SANCTIONS IMPOSED AGAINST NATIONS SUPPORTING TERRORIST ACTIVITIES SINCE 1979

This appendix identifies the 11 laws, cited as the authority by federal agencies, and the related sanctions imposed against nations who were identified by the Secretary of State to be repeated supporters of terrorism.

EXPORT ADMINISTRATION ACT OF 1979

Libya, Syria, Iraq, and PDR Yemen—12/29/79—Determined to be terrorist-supporting nations. Foreign policy export controls imposed on goods and technology that would contribute to military potential or enhance terrorist support capabilities.

Libya—10/1/79 through 9/30/80—Denied export licenses for aircraft valued at \$234.5 million.

Iraq—2/6/80—Suspended export licenses for eight turbine engine cores to Italy for use in manufacturing of four frigates with ultimate destination to Iraq (decision reversed in April 1980).

Iraq—8/29/80—Denied license for \$208 million sale of commercial jets.

Iraq—9/25/80—Suspended export of six turbine engine cores.

Libya—10/28/81—Expanded controls on export of certain aircraft, helicopters, aircraft parts, and avionics and off-highway wheel tractors of carriage capacity 10 tons or more.

Iraq—3/1/82—Lifted export restraints: Iraq removed from list of nations supporting terrorism.

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Cuba—3/1/83—Added to the list of terrorist-supporting nations; embargo imposed in 1963 under the Trading With the Enemy Act continued on all imports and exports.

Libya—3/12/82—Required validated licenses for all U.S. exports except food, agricultural products, medicine, and medical supplies. General policy of export license denial for dual-use, high-technology items and U.S.-origin oil and gas technology and equipment not available outside the United States.

Libya—10/1/81 through 9/30/82—Denied export license for off-highway vehicles valued at \$9 million; four licenses denied for aircraft and parts valued at \$11.2 million; 16 licenses denied for other commodities and technical data valued at \$13.8 million.

Libya—10/1/82 through 9/30/83—Denied 56 export licenses valued at \$14.1 million.

Iran—1/19/84—Determined to be terrorist-supporting nation. Imposed export controls on goods and technologies that would contribute to its military potential or enhance its terrorist support capabilities.

Libya—3/20/84—General denial of licenses to export goods or technical data which would directly contribute to the development or construction of the Ras Lanuf petrochemical complex.

Iran—9/28/84—Expanded export controls on certain commodities; export of all aircraft and helicopters, related parts, components, and avionics were generally denied.

Libya—10/1/83 through 9/30/84—Denied 70 export licenses valued at \$335.4 million, including \$33.6 million in aircraft.

Iran—1/25/85 through 1/20/86—Denied export licenses valued at over \$25.8 million.

Libya—1/25/85 through 1/20/86—Denied export licenses for aircraft and parts valued at \$3.2 million.

Syria, PDR Yemen—6/5/86—Expanded controls on all helicopters, regardless of weight.

Syria—11/14/86—Expanded export controls to prohibit all natural security controlled goods and technical data (regulations pending).

INTERNATIONAL EMERGENCY ECONOMIC POWERS ACT

Iran—11/14/79 and 4/80—Blocked all Iranian government property and interests in property and froze all Iranian government assets in the United States; embargoed all U.S. exports to Iran, except food and medicine and all Iranian import; and prohibited all financial transactions between U.S. and Iranian citizens; banned travel to Iran of all U.S. citizens except U.S. journalists.

Iran—5/21/84—Prohibited the transfer of blocked property in which Iran has an interest except under license from the Department of Treasury.

Libya—1/7-8/86—Blocked all government of Libya interests in U.S. property or under control of U.S. citizens; terminated all new loans or extensions of credit and contracts; prohibited transactions by U.S. citizens with Libyan entities; and restricted travel to and from Libya by U.S. citizens; banned all exports from United States to Libya, except for humanitarian donations; and purchase by U.S. citizens of goods for export from Libya to a third country.

Libya—7/7/86—Prohibited exports to third countries where exported goods or technologies are intended for transformation, manufacture or incorporated into products to be used in Libyan petroleum or petrochemical industry.

NATIONAL EMERGENCIES ACT

Iran—11/14/79, Libya—1/7/86—State of emergency declared by the President. Both declarations are still in effect.

ARMS EXPORT CONTROL ACT

Iran—11/8/79—Halted shipment of U.S. military spare parts.

Libya, Syria, Iraq, and PDR Yemen—12/29/79 Iran—1/19/84—Prohibited U.S. sale or transfer of all defense articles. Denied licenses for export munitions list items that are sold commercially.

TRADE EXPANSION ACT OF 1962

Iran—11/12/79—Embargoed oil imports.
Libya—3/10/82—Embargoed crude oil imports.

INTERNATIONAL SECURITY AND DEVELOPMENT COOPERATION ACT OF 1985

Libya—11/15/85—Embargoed petroleum product imports refined in Libya.

Libya—1/17/86—Banned imports from Libya, except publications and news materials.

FEDERAL AVIATION ACT

Libya—1/7/86—Banned sales in the United States of air transportation which includes stops in Libya.

Syria—11/14/86—Prohibited ticket sales in the United States for transportation on Syrian Arab Airlines.

EXPORT-IMPORT BANK ACT OF 1945

Libya—4/10/85 and Syria—11/14/86—Terminated availability of bank programs and credits.

IMMIGRATION AND NATIONALITY ACT

Iran—11/10/79—Ordered all Iranian non-immigrant students to report to the Immigration and Naturalization Service.

Iran—4/7/80—Refused to re-issue new visas and invalidated visas issued for future use to Iranian citizens.

Libya—3/11/83—Terminated non-immigration visa status of Libyans engaged in aviation or nuclear studies.

Cuba—10/4/85—Restricted entry into the United States by Cuban government employees and members of the Cuban communist party.

Cuba—8/22/86—Denied preference immigration visas to persons who left Cuba for third countries.

Syria—11/14/86—Placed vigorous controls on Syrian visa applications—all applications required to be submitted to Washington, D.C., for mandatory security advisory opinion.

FOREIGN ASSISTANCE ACT 1961

Syria—11/14/83—Terminated economic assistance.

Libya, Syria, Cuba, Iraq, and PDR Yemen—10/12/84—Prohibited all foreign assistance.

TRADING WITH THE ENEMY ACT

Cuba—5/15/82—Banned business and tourist travel by U.S. citizens.

APPENDIX III

MAJOR STATUTES CITED BY FEDERAL AGENCIES AUTHORIZING SANCTIONS AGAINST COUNTRIES SUPPORTING INTERNATIONAL TERRORISM

Export Administration Act of 1979; Pub. L. No. 96-72, 93 Stat. 503 (1979), as amended by Pub. L. No. 99-64, 99 Stat. 123 (1985); 50 U.S.C. App. § 2404(b) (Supp. III 1985).

International Emergency Economic Powers Act; Pub. L. No. 95-223, 91 Stat. 1626 (1977); 50 U.S.C. § 1701 et seq. (1982).

The Federal Aviation Act; Pub. L. No. 85-726, 72 Stat. 731 (1958), as amended by Pub. L. No. 99-83, 99 Stat. 190 (1985); 49 U.S.C. App. § 1515 (Supp. III 1985).

National Emergencies Act; Pub. L. No. 95-412 90 Stat. 1255 (1976); 50 U.S.C. § 1601 et seq. (1982).

International Security and Development Cooperation Act of 1985, Pub. L. No. 99-83,

99 Stat. 190 (1985); 22 U.S.C. § 2349aa-9 (Supp. III 1985).

Arms Export Control Act; Pub. L. No. 90-629 82 Stat. 1921 (1968); as amended by Pub. L. No. 99-399 § 509, 100 Stat. 853, 874 (1986); 22 U.S.C. 2783, 2778 (1982).

Export-Import Bank Act of 1945; Act of July 1, 1945, ch. 341, 59 Stat. 526; 12 U.S.C. § 635(b)(1)(B) (1982).

Foreign Assistance Act of 1961; Pub. L. No. 87-195 75 Stat. 424 (1961) as amended; 22 U.S.C. § 2371 (Supp. III 1985).

Trade Expansion Act of 1962; Pub. L. No. 87-794, 76 Stat. 872 (1962); 19 U.S.C. § 1182 (1982).

Immigration and Nationality Act; Act of June 27, 1952, ch. 477, 66 Stat. 166; 8 U.S.C. § 1182 (1982).

Omnibus Diplomatic Security and Antiterrorism Act of 1986; Pub. L. No. 99-399 100 Stat. 853 (1986).

Trade Act of 1974; Pub. L. No. 93-618, 88 Stat. 1978 (1974) as amended; 19 U.S.C. § 2462(b)(7) (1982).

Trading with the Enemy Act; Act of October 6, 1917, ch. 106, 40 Stat. 411 as amended by Pub. L. 95-223, 91 Stat. 1625 (1977); 50 U.S.C. App. § 1 et seq. (1982).
● Ms. MIKULSKI. I join today with my distinguished colleagues to introduce the Anti-Terrorism Act of 1987.

This important piece of legislation is aimed at curbing State-sponsored terrorism by imposing immediate sanctions against countries who repeatedly support terrorist acts.

The grim reality we face is the rising specter of fanaticism and terrorism worldwide. Even more frightening is the fact these are not just isolated incidents of violence perpetrated by a deranged individual. Rather, we are seeing increasingly more sophisticated acts of violence, underwritten by and with the approval of certain governments. Frequently, the target of their attacks is an American.

In 1986 alone, 12 Americans were the innocent victims of terrorist attacks abroad. Some of these people, like the three Marylanders who were killed when a bomb ripped through their plane, were vacationing tourists on their way to visit with their families. Others, like the two American servicemen killed in a West Berlin nightclub frequented by American soldiers, were abroad serving their country. They were killed because they were Americans, were on American planes, worked for American firms, or had some connection with America.

Mr. President, we may not be able to stop all terrorism from happening, but we cannot stop trying. America and its citizens cannot continue to be the target of fanatics whose countries welcome our dollars and our technology, who rely on our knowledge and expertise, but who kill our citizens.

The Anti-Terrorism Act of 1987 will immediately terminate any and all U.S. assistance to governments who are found to repeatedly support and aid terrorist actions. This includes agricultural assistance, Ex-Im Bank financing, and military and economic aid. This bill also ends the importation of any technology and goods which

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are produced or grown in that country, or imposes additional duties.

I am proud to cosponsor this bill, because it sends a message that must be heard: The United States will not deal with any country which practices terrorism as government policy.

Mr. President, I urge all of my colleagues to join in support of this bill. ●
● Mr. GRASSLEY. Mr. President, I'm pleased to join Senator LAUTENBERG and others in sponsoring the Deterrence of State Sponsored Terrorism Act, which is an effort to continue the battle against state-sponsored terrorism.

In the last couple of years, a number of us in Congress have been attempting to put a stop to American Government and private support for countries that subsidize terror. Today, we continue that fight.

It's incomprehensible that nations hostile to the United States have continued to receive assistance from our Government, private individuals, corporations and American-funded international organizations. Support has continued because we have no consistent antiterrorist policy in place. This lack of a consistent policy is underscored by Senator LAUTENBERG's GAO report on terrorism that was released today.

Under our legislation, a number of sanctions would automatically be imposed against nations known to sponsor terrorist activities. When a country goes on the list, an automatic cutoff of foreign aid, arms sales, landing rights, preferential trade benefits and other sanctions would go into effect.

The only way the sanctions could be countermanded is if the President sends Congress an explanation of why such sanctions would not be in the U.S. national security interest. Nevertheless, Congress could still override this determination by a joint resolution. In other words, our legislation will give Congress more input in the process of punishing terrorist countries, while also giving the President the flexibility he may need in dealing with these countries.

For too long, the United States has provided the economic crutches that have helped prop up terrorist nations, such as Syria, Iran, and Libya. Its time to kick these crutches out from under terrorist countries and put an end to state-sponsored terrorism.

I, therefore, urge my colleagues to join us in sponsoring the Deterrence of State-Sponsored Terrorism Act of 1987. ●

By Mr. WEICKER:

S. 1283. A bill to amend title XIX of the Social Security Act to require States to provide coverage under their Medicaid plans for certain children with extraordinary expenses for medical and remedial care; to the Committee on Finance.

MEDICAID COVERAGE FOR CHILDREN ACT

● Mr. WEICKER. Mr. President, today I rise to introduce legislation

that addresses two longstanding and largely overlooked problems: the unaffordably high costs of medical care that fall upon families of children with catastrophic illness and the traumas these costs create for such families.

Private insurance and Medicaid benefits are currently too limited for children with catastrophic illness—both in terms of coverage and eligibility. The parents face overwhelming financial as well as emotional burdens. Often, these young parents have no savings. If they do, they must exhaust their assets and face a permanent and mounting debt in order to provide care their children need.

Consider the case of Timmy, a toddler who lives in Hartford, CT. Timmy had good health until an accident at 7 months nearly suffocated him. He survived, but his brain injuries resulted in cerebral palsy. His father works two minimum-wage jobs to keep the family solvent; Timmy's mother stays home to provide full-time care. His father's employer does provide health insurance, but there is a fairly standard copayment of 20 percent. Even with this insurance, the copayment required of Timmy's family, in the first 3 months of 1987 alone, amounted to \$6,000.

What can families like Timmy's do? Should they pay for physical therapy, but cut back on speech therapy? Or should they opt for speech therapy, but forego college savings for the child or siblings? It's clear that although only one child becomes ill, the entire family suffers.

Nor is the dilemma for Timmy's family unusual. Remember the children with cystic fibrosis, cerebral palsy, muscular dystrophy, leukemia, hemophilia, sickle cell anemia, juvenile arthritis, spina bifida, congenital heart disease, traumatic spinal cord injuries, and burns—the list goes on. Some are slowly terminal, others stable and capable of improvement, still others entirely curable, though at great cost. Together they define the tragedy of thousands of children and families. And for each one, how well the ailing child and his or her family copes and adapts is contingent upon what resources are available.

Families both above and below the poverty line are threatened by the financial and emotional nightmare that catastrophic childhood illness becomes. Recognizing that "catastrophic" is a relative term, this legislation seeks to separate Medicaid eligibility for catastrophic health care for children from poverty levels defined variously by each State. Instead, eligibility will be tied to a percentage level of a family's adjusted gross income spent on allowable medical expenses. Once the threshold level is met, the child is eligible for appropriate Medicaid benefits.

All States will be required to adopt this catastrophic program within the categorically needy classification of Medicaid. By use of an early and peri-

odic screening, diagnosis, and treatment (EPSDT) benefit specifically designed for children with disabling and catastrophic health care needs, an interdisciplinary care coordination team will consider each child's specific needs and accordingly design and oversee the individual care plans. The benefit package will include but not be limited to those already existing within the categorically needy system of Medicaid. This initiative recognizes that catastrophic illness brings with it a depletion of all family resources—financial and emotional—and so care and service benefits will focus on maintaining family integrity and adaptability. Emphasis will be placed on home care with provision for the essential services of respite by a skilled caregiver and home adaptive equipment as indicated.

Ninety percent of the funds for this 5-year Medicaid program will come from the Federal Government provided that States do not change existing Medicaid eligibility requirements and services. The State Medicaid offices will be responsible for the entire financial administration of the program and will determine eligibility in individual cases.

Relatively little is known about the segment of our population that must cope with catastrophic childhood illness because the services across the country are fragmented by the State-by-State Medicaid system. No recent national studies on these families currently exist. The legislation requires a continuous study of the population served over the 5-year period, an analysis of the program's cost-effectiveness, and an assessment of the psychological and social implications of catastrophic childhood illness for families.

Mr. President, modern medicine has advanced to the point where catastrophically ill children who once faced the prospect of an early death can now expect to live well into adulthood. But as the prognosis has improved, the financial costs have soared. How can we expect individual families to pick up where Medicaid and private insurance benefits end out of their own ever-diminishing pockets? We have a basic responsibility to the dignity of the family and the needs of our children. This Nation must shoulder the burden of catastrophic medical expenses so that our children may experience the joy of prolonged life to its fullest.

Mr. President, I encourage expeditious consideration of this legislation by the Senate Finance Committee and ask unanimous consent that the text of this bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1283

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

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SECTION 1. SHORT TITLE; REFERENCES.

(a) **SHORT TITLE.**—This Act may be cited as the "Medicaid Catastrophic Coverage for Children Act of 1987."

(b) **AMENDMENTS TO THE SOCIAL SECURITY ACT.**—Except as otherwise specifically provided, whenever in this Act an amendment is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Social Security Act.

SEC. 2. REQUIREMENT OF COVERAGE UNDER STATE MEDICAID PLANS.

(a) **STATE PLAN REQUIREMENT.**—Section 1902(a)(10)(A)(i) (42 U.S.C. 1396a(a)(10)(A)(i)) is amended—

(1) by striking "or" at the end of subclause (ii),

(2) by striking the semicolon at the end of subclause (iii) and inserting in lieu thereof "; or", and

(3) by adding at the end thereof the following:

"(iv) who is a qualified disabled child (as defined in section 1905(r))."

(b) **DEFINITION.**—Section 1905 (42 U.S.C. 1396d) is amended by adding at the end thereof the following:

"(r)(1) The term 'qualified disabled child' means an individual who—

"(A) has not attained 21 years of age,

"(B) has an acute and chronic disabling mental or physical condition (whether congenital or acquired), and

"(C) with respect to whom the family of such individual has incurred expenses for medical care or remedial care in a year that are equal to the lesser of—

"(i) 10 percent of the family's countable income, or

"(ii) \$10,000.

"(2) In the case of a family with more than one child that meets the requirements of subparagraphs (A) and (B) of paragraph (1), subparagraph (C) of such paragraph shall be applied by substituting '12½ percent' for '10 percent' in clause (i) and by substituting '\$13,000' for '\$10,000' in clause (ii).

"(3)(A) For purposes of paragraph (1), except as provided in subparagraph (B), a family's countable income for a year shall be an amount equal to the sum of the adjusted gross incomes of family members for the most recently completed taxable year.

"(B) For purposes of paragraph (1), in the case of a child the family of which can demonstrate to satisfaction of the State agency that the family's countable income for a year will be substantially less than its adjusted gross income for the most recently completed taxable year, the family's countable income shall be determined on the basis of the family's estimated income for the year involved.

"(C) For purposes of paragraph (1), in the case of a child that is eligible for medical assistance under a provision of this title other than section 1902(a)(10)(A)(iv), the family income of the child shall, for purposes of this subsection, be determined on the basis of the same methodology that is applied in determining eligibility under such other provision.

"(4) For purposes of paragraph (1), the term 'medical care' shall have the meaning given to such term in section 213(d)(1) of the Internal Revenue Code of 1986, and an expense shall be treated as having been incurred for medical care if such expense is allowable as an expense paid for such care for purposes of section 213 of such Code (or would be allowable but for the limitation contained in subsection (a) of such section).

(c) **BENEFITS.**—

(1) Section 1902(a)(10) (42 U.S.C. 1396a(a)(10)) is amended, in the matter following subparagraph (E)—

(A) by striking "and" before "(IX)", and

(B) by inserting before the semicolon at the end the following: "(X) the medical assistance made available to individuals described in section 1905(r)(1) shall, subject to subsection (p), include the care and services described in paragraphs (1) through (21) of section 1905(a), and the making available of such care and services to such individuals shall not, by reason of this paragraph (10), require the making available of such care and services, or the making available for such care and services in such amount, duration, and scope, to any individuals not described in such section, and (XI) in the case of individuals described in section 1905(r)(1), the care and services specified in paragraphs (1), (2)(A), and (6) of section 1905(a) shall be made available without limitation on the number of days or the number of visits, and the making available of such care and services to such individuals in such amount, scope, and duration shall not, by reason of this paragraph (10), require the making available of such care and services in the same amount, duration, and scope to any individuals not described in such section."

(2) Section 1902 is further amended—

(A) by redesignating the subsection (1) added by section 3(b) of the Employment Opportunities for Disabled Americans Act as subsection (o) and transferring such subsection after and below subsection (n), and

(B) by adding at the end thereof the following new subsection:

"(p)(1) The care and services provided to an individual described in section 1905(r)(1) shall be provided pursuant to a plan of care (or providing such care and services to such individual) that is established and periodically reviewed by a multidisciplinary care coordination team, in cooperation with the individual and his or her parents, a physician, a hospital discharge planner or social worker, a visiting nurse, and a representative of the agency administering or supervising the administration of the program (established by the State under title V of this Act) for providing services for children with special health care needs. Such plan shall be coordinated, to the maximum extent practicable, with any individualized education program or individualized family service plan established with respect to the individual under the Education of the Handicapped Act.

"(2) The plan of care established with respect to an individual pursuant to paragraph (1) shall be based upon the early and periodic screening and diagnosis of the individual (in accordance with section 1905(a)(4)(B)) and shall specify—

"(A) the care and services (described in paragraphs (1) through (21) of section 1905(a)) that are required by the individual,

"(B) the frequency and duration of such care and services,

"(C) the setting or settings in which such care and services may appropriately be provided."

(d) **FEDERAL MEDICAL ASSISTANCE PERCENTAGE.**—Section 1905(b) (42 U.S.C. 1396d(b)) is amended by adding at the end the following new sentence: "Notwithstanding the first sentence of this subsection, the Federal medical assistance percentage shall be 90 percentum with respect to amounts expended as medical assistance for individuals described in section 1905(r)(1)."

(e) **MAINTENANCE OF EFFORT.**—Section 1902(a) (42 U.S.C. 1396a(a)) is amended—

(1) by striking the period at the end of the paragraph (47) added by section 9407(a) of the Omnibus Budget Reconciliation Act of

1986 and inserting in lieu thereof a semicolon.

(2) by striking the period at the end of the paragraph (47) added by section 11005(b) of the Anti-Drug Abuse Act of 1986 and inserting in lieu thereof "; and".

(3) by redesignating the paragraph (47) added by section 11005(b) of the Anti-Drug Abuse Act of 1986 as paragraph (48) and transferring such paragraph after and below paragraph (47), and

(4) by adding at the end thereof the following:

"(49) provide that, for the 60-month period beginning on October 1, 1987—

"(A) the standards for determining eligibility under the plan are no more stringent than the standards in effect on May 27, 1987,

"(B) if medical assistance is included under the plan for any group of individuals on May 27, 1987, the plan will continue to include medical assistance for such group during such period, and

"(C) the medical assistance included under the plan for any such group during such period is not less in amount, duration, or scope, than the medical assistance provided for such group under the plan on May 27, 1987."

(f) **CONFORMING CHANGES.**—

(1) Section 1902(a)(17) (42 U.S.C. 1396a(a)(17)) is amended by inserting "and section 1905(r)" after "subsection (1)(3)".

(2) Section 1903(f)(4) (42 U.S.C. 1396b(f)(4)) is amended by striking "section 1902(a)(10)(A)(ii)(IX) or" and inserting "subsection (a)(10)(A)(iv) or (a)(10)(A)(ix)(IX) of section 1902 or".

(g) **EFFECTIVE DATE.**—

(1) The amendments made by this section shall be effective for calendar quarters beginning on or after October 1, 1987, and before October 1, 1992.

(2) The Secretary of Health and Human Services shall provide for a continuing study, during the period for which the amendments made by this section are effective (as specified in paragraph (1)), of the populations to which medical assistance is provided by reason of such amendments, of the cost effectiveness of providing medical assistance to such populations, and of the socioeconomic implications of providing such assistance. The study shall be conducted by the Secretary, in consultation with appropriate specialists. The Secretary shall report to the Congress annually on the progress of the study, and not later than April 1, 1992, shall submit to the Congress recommendation with respect to the desirability and feasibility of extending the period for which such amendments are effective, together with any changes in law that the Secretary deems appropriate better to effectuate the purposes of such amendments.

SEC. 3. RELATED TECHNICAL AMENDMENT.

(a) **WAIVERS FOR HOME AND COMMUNITY-BASED SERVICES.**—Section 1915(c)(3) (42 U.S.C. 1396n(c)(3)) is amended by striking "and section 1902(a)(10)(B) (relating to comparability)" and inserting in lieu thereof "section 1902(a)(10)(B) (relating to comparability), and section 1902(a)(10)(C)(i)(III) (relating to single standard for income and resource eligibility)".

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall be effective as if included in the enactment of the Omnibus Budget Reconciliation Act of 1986. ◊

By Mr. GRASSLEY:
S. 1284. A bill to extend the date that an application must be filed for former spouses to receive certain re-

United States Senate

COMMITTEE ON FOREIGN RELATIONS

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| AGENDA |
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LEGISLATION TO IMPOSE SANCTIONS AGAINST COUNTRIES
SUPPORTING INTERNATIONAL TERRORISM -- S. 1282

Thursday, October 15, 1987

10:45 a.m. SD-419

WITNESSES: 1) The Honorable Frank R. Lautenberg (D-NJ)
2) The Honorable L. Paul Bremer, III
Ambassador at Large for Counter Terrorism
Department of State

Panel

- 1) William R. Farrell, Ph.D.
Professor of Management
Naval War College
Newport, RI
- 2) Bradley R. Larschan, Esq.
Milbank, Tweed, Hadley & McCloy
Washington, D.C.

Subcommittee on Terrorism, Narcotics and
International Operations/OPEN
SENATOR KERRY WILL PRESIDE
10/13/87 Monica/x45342

Frank Lautenberg

United States Senator
for New Jersey



For Immediate Release
Oct. 15, 1987

For Further Information
Jim Abbott 202/224-9708

Lautenberg Calls For Passage of Bill to Curb State-Sponsored Terrorism

WASHINGTON, D.C., Oct. 15, 1987 -- Testifying today before a Senate Foreign Relations subcommittee, U.S. Sen. Frank R. Lautenberg (D-NJ), called for passage of legislation he has introduced which will curb the activities of countries that support and sponsor international terrorism.

Lautenberg made his remarks before the Senate Foreign Relations Committee's Subcommittee on Terrorism, Narcotics and International Operations.

"All too often the U.S. has failed to use economic and diplomatic sanctions available to us in our efforts to bring about an end to international terrorism," said Lautenberg. "This legislation would require the automatic imposition of all possible sanctions unless the President and Congress agreed otherwise."

Under the Lautenberg bill, countries identified as supporting and sponsoring terrorist acts would lose U.S. financial aid, credit and other benefits, including Peace Corps volunteers, agricultural assistance, arms sales, and military and economic assistance.

"Last year, Americans were the number one target of international terrorism," said Lautenberg. "12 Americans were killed by terrorists and 101 were wounded. Beyond the lives lost and injured by terrorism, America has suffered damage to its peace of mind, its ability to conduct diplomacy, to protect its interests abroad, and to the ability of its citizens to travel freely abroad."

"Americans have the right to expect that their government will do everything it can to stop terrorism and to make certain that terrorists themselves are left out in the cold."

Sanctions against countries listed by the State Department as supporting terrorism would go into effect unless the President asks the Congress not to impose them.

TESTIMONY ON PROPOSED ANTI-TERRORIST LEGISLATION

S. 1282

PRESENTED TO

THE SENATE FOREIGN RELATIONS SUBCOMMITTEE
ON TERRORISM, NARCOTICS, AND INTERNATIONAL OPERATIONS

BY

L. PAUL BREMER, III
AMBASSADOR AT LARGE FOR COUNTER-TERRORISM
DEPARTMENT OF STATE

STAT

OCTOBER 15, 1987

Good morning, and thank you for the opportunity to testify before this committee. It is a pleasure to discuss with this committee a topic which a recent Roper poll showed more American citizens-- some 69 percent-- desired government action on than any other foreign policy issue.

I am happy to report to you that the administration's counterterrorism policy is showing results. The fact is that, although terrorism continues around the world, one is much more likely these days to read news stories about terrorist arrests than about sensational hijackings. And gripping news accounts of terrorist atrocities have quietly given way to brief reports from Western capitals on the successful apprehension, prosecution, and punishment of terrorists.

Progress against Terrorism

Over the last 18 months, there has been a measurable drop in international terrorism.

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- o From 1981 through 1985 international terrorism grew from some 500 incidents per year to about 800 incidents.

- o But in 1986 terrorism dropped six percent. So far in 1987 it is down another 10 percent. The decline would be greater but for Afghan-sponsored terrorism in Pakistan.

- o Contrary to the impression many Americans have, terrorism in Europe dropped dramatically last year-- over 33 percent.

- o And in 1986 there were only two airline hijackings, the lowest number since we began keeping track over 20 years ago.

While these numbers are encouraging, they do not convey the full sense of what is happening. Terrorism can strain and has strained relations among even the friendliest states, but there is, I believe, a growing consensus about the response to terrorism. This is the key change in our counterterrorism fight.

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Ten years ago the terrorists seemed to have the initiative. They attacked or hijacked seemingly at will. Their grievances were, if not respected, often heard sympathetically. The West was on the defensive. A number of countries reached de facto agreements with foreign terrorists, saying, in effect: "Do not attack our interests, do not conduct operations on our soil and in return, we will grant you free transit and domicile within our borders."

In the mid-1980's, there has been an important shift in emphasis in the West's fight against terrorism. Now our fellow democracies are banding together and cooperating. The dynamics of the situation have shifted, with much of initiative now on our side. And, over time, it has become clear that the terrorists never keep their end of the bargain. Sooner or later accommodation leads to blood on your own doorstep.

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The United States has worked with like-minded nations to develop multilateral agreements and declarations about terrorist attacks on civil aviation, internationally protected persons, passenger liners and hostage-taking. These documents reflect an important degree of agreement in principle where there was none a decade ago. In my many contacts at the policy and working levels around the world, I find a new sense of resolve about terrorism: a sense of resolve which is saying, "let's let the professionals-- the police, immigration and customs and intelligence services-- do their jobs."

Networking is a popular word these days. But networking is not just something for yuppie stockbrokers. Among the Interior ministers in Europe, within Interpol, within military organizations and intelligence agencies, the professionals are meeting each other and sharing tactics, intelligence and ideas. There is today a counterterrorism network and we are all benefiting from it.

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The United States has been in the forefront of the counterterrorism battle.

- o On the eve of the Venice summit, Attorney General Meese traveled to Paris for an unprecedented ministerial-level meeting on terrorism with representatives of the European Community and the Summit Seven.

- o Bilaterally, we are working to tighten extradition treaties. We provide Anti-terrorism Assistance to some 40 nations who have the will, but not the means to resist terrorism. Our government has made firm diplomatic representations to a number of countries about their relations with terrorist organizations and we have seen results.

- o We also act unilaterally when we cannot secure cooperation or circumstances make it infeasible to coordinate our actions. A Lebanese terrorist named Fawaz Younis, accused of directing the hijacking of a Jordanian airliner with U.S. nationals aboard, was recently arrested in international waters by the FBI.

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He is jailed near here awaiting trial. This is a direct result of a vigorous, imaginative, unilateral U.S. action.

U.S. Government Counterterrorism Policy

The United States follows a three-part strategy for dealing with terrorism.

1. The first element is a policy of firmness towards terrorists. Giving in to terrorist demands will only breed future demands, demands which are likely to be greater than those of today. As a father, I learned long ago that behavior rewarded is behavior repeated.

While the Iran-Contra affair may have caused some to doubt our steadfastness in resisting terrorist demands, I can assure you that there is no sense in the counterterrorism community that we should change our policy. No country, no terrorist should believe that there is anything to be gained by threatening the United States with terrorist action. We will not make concessions. We will not deal.

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2. The second element of our strategy consists of practical measures to bring terrorists to justice. By practical measures, I mean the identification, tracking, apprehension, prosecution and punishment of terrorists. In the past 18 months more and more terrorists have been tried and jailed around the world, usually after receiving the kind of stiff sentences which were unheard of only a few years ago.

3. The third element of our policy, pressure on terror-supporting states, relates directly to the Committee's current interest, so I would like to address it in more detail.

State support for terrorism

In the administration's view, state supported terrorists are substantially more dangerous than those operating independently. State sponsorship gives clear advantages to the terrorist. For example:

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- o When a terrorist obtains legitimate travel and identification documents from a patron state, it becomes harder to identify and track him. When Nezar Hindawi went to London to blow up an El Al flight last year, he carried an authentic Syrian Service passport.

- o A state-supported terrorist has a ready source of weapons and a ready means to transport them. Embassies are exempt from search by international convention and the baggage handlers at state-owned airlines don't interfere when directed not to examine a particular parcel. Once again, the Hindawi case is instructive. His bomb came into the United Kingdom on Syria's official airline.

- o Countries like Libya, Syria and Iran make a terrorist's work easier by providing a place to train. A terrorist operating alone, especially if a fugitive, has a hard time finding an isolated location to fire automatic weapons or assemble and detonate explosives.

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- o Similarly, simple refuge supplied by patron states constitutes important support. Being able to live without fear of immediate arrest and punishment is of enormous psychological value to a terrorist.

- o Finally, financial support from state sponsors allows terrorists to spend more time on operations because they need not rob banks or traffic in drugs to raise money.

Benefit to the State Sponsor

The sponsoring state receives benefits as well:

- o Terrorism can be an inexpensive form of warfare. A small group of terrorists costs less per year than a company of regular soldiers and can cause far more havoc in an enemy state than could that company of soldiers.

- o Using terrorist surrogates makes it easier for the sponsoring state to deny responsibility for actions which, if taken overtly, could lead to war. Shortly after the Abu Nidal Organization moved to Syria in 1983,

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it stage a series of attacks on Jordanian interests. I think it no coincidence that these attacks ceased following a Syrian-Jordanian rapprochement.

- o A state can also use terrorists to murder dissidents abroad. Qadhafi, for example, has hired terrorists to kill Libyan opponents in many countries, including the United States. In May, two Libyans tried to kill the former Libyan Ambassador in Vienna. After their attempt failed, they fled into the Libyan People's bureau there. We believe this incident shows why European governments should take particular care to monitor the size and activities of Libyan embassies in their countries.

U.S. Responses to State-Supported Terrorism

So our policy recognizes the need to deal with state-supported terrorism. Our response should be carefully tailored to each individual case in order to use the leverage that works best with that particular country.

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Libya

Libya was on the U.S. Government's list of terror-supporting states when it was first published in 1979 and remains on the list today. Over the years the U.S. has responded to Libyan actions with a mixture of policy tools: we closed our embassy there and later ordered the Libyan embassy here closed; we imposed economic sanctions, and exhorted our friends to do the same. And eventually, we used military force. After that, the Europeans, too, imposed political, diplomatic and economic measures on Libya.

This policy has worked. While other nations have been slower to respond, today Libya is politically isolated. During the past year, Libyan-supported terrorist operations have declined, although Qadhafi still appears ready to use terrorism as a policy tool.

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Syria

Syria too is a "charter member" of the list of terror-supporting states and, in spite of some encouraging signs, remains on the list. While Syria has long been involved in terrorism, she was particularly active from 1983 to 1986. As I mentioned earlier, Syria began using the Abu Nidal Organization (ANO) as a surrogate in 1983 in a series of attacks on Jordan. These attacks stopped following a Syrian-Jordanian rapprochement.

While the Jordanian attacks ceased, other ANO attacks, generally planned and trained for in Syria or in Syrian-controlled areas of Lebanon, continued. While based in Syria, the ANO was responsible for many attacks, including the Rome and Vienna airport massacres of December 27, 1985, and the September 6, 1986, murder of 22 worshipers at a Synagogue in Istanbul. And Syria continues to play host to a number of other terrorist groups.

to the continuation of U.S. foreign assistance. By enacting S. 1282, the Congress would establish as a firm public policy of the United States the refusal of the American people to subsidize regimes which sponsor international terrorism.

III. POLICY RECOMMENDATIONS

Mr. Chairman. There are two general policy considerations concerning S. 1282 which I wish to bring to the Committee's attention. First, and, perhaps, foremost, is that no matter how stiff the U.S. economic sanctions imposed against state sponsors of terrorism, nothing will replace the effectiveness of a firm and united diplomatic and economic response by the major industrialized states. This was recognized at the Tokyo Summit but, as is so often the case, there has been little or no follow up.

There is one thing the Congress can do to encourage other states to join with the United States to oppose state-sponsored terrorism; that is, to include within S. 1282's

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encouraging signs. Still we intend to keep our remaining sanctions in place and to leave Syria on the list of terror-supporting states until we see evidence of a fundamental change in Syrian policy towards terrorism.

Iran

Virtually since it came to power, the current Iranian regime has used terrorism. Over the years, it has attacked U.S. targets, European interests, moderate Arabs and its own dissidents.

The United States has taken an increasingly tough position toward Iran in response to its continuing support for terrorism and its refusal to cease hostilities in the Iran-Iraq war. Following the bombings of the US embassy buildings and the Marine Barracks in Lebanon, we placed Iran on the list of countries supporting international terrorism.

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When a country is placed on that list, export controls are imposed on selected "dual use" items. We have specifically banned the export to Iran of a variety of items and equipment which could support terrorist and/or military operations, including helicopters, aircraft, outboard engines, chemical weapon precursors and several other national-security controlled items.

We currently are expanding the list of national security controlled items. We are also studying other measures which we can take against Iran, including cutting off the import of Iranian oil. This is an extremely complex issue, but let me emphasize here that the administration is completely supportive of the objectives of the recently proposed legislation on the subject. We want to craft our policy so that these objectives are best met.

Iran has been under little concerted international pressure until recently, but is now increasingly isolated. Other countries have been reluctant to sever profitable commercial dealings, particularly in the absence of international cooperation. However, Iran's continued outrageous behavior

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is beginning to exact a toll with other countries. For example, relations with France have chilled with the onset of the so-called "embassies war," which began when a French magistrate demanded the right to question a non-diplomatic employee of the Iranian embassy in Paris about terrorist activities in France.

The Lautenberg Bill

As you can see from the foregoing review, we agree with the underlying assumption of Senator Lautenberg's bill: Economic pressures can be useful against countries supporting terrorism. However, we oppose the bill in its current form for four reasons:

1. It is seldom desirable to impose all possible economic sanctions at one time.

Seldom is a state which sponsors terrorism solely, or even heavily, dependent on economic relations with the United States. That is why we need to consider most sanctions as having an impact which is as much or more

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psychological and political than economic. And we must keep in mind that the purpose of sanctions is to bring about a change in behavior on the part of the target state.

We believe it prudent to avoid the automatic linking of economic measures to a political determination.

Remembering that it is political effect we seek, we are more likely to succeed if we have available a range of sanctions which can be applied over time than if we are required to impose an entire package imposed at once.

For example: Had we used all our economic sanctions against Syria when it was put on the terrorist list in 1979, we would have had nothing left to reinforce the political steps taken last November. Of course, there may also be times when we would want to impose all the available sanctions at once.

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2. The bill can force the President to send a mixed signal.

Senator Lautenberg's bill, it might be argued, gives the President needed flexibility by permitting him to waive the imposition of certain sanctions. However, this amendment would in effect force him to send a mixed signal by requiring public explanation of why he is not imposing certain sanctions.

By simultaneously declaring a state to be a supporter of terrorism and explaining publicly why he is not imposing certain sanctions, the President invites confusion in the target country. Since he must cite "national interests" to avoid imposing the sanction, he would weaken the deterrent effect of the unimposed sanction or sanctions. Beyond that, the target country is likely to take the President's refusal to impose a sanction as U.S. recognition of some "mitigating circumstance."

There are times when we cannot avoid sending mixed signals. But we should avoid requiring them in U.S. law.

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3. The bill's provision for Congressional override sets the stage for a potentially divisive debate at a time when we should show unity.

Should Congress choose to exercise its option to attempt to override the President's decision to withhold a given sanction, the target state will enjoy the spectacle of watching the administration and Congress debate just what we should do to it. Such a display would surely undermine the effects accomplished by placing the nation on the list in the first place. Sometimes the executive and legislative branches see things so differently that such a debate cannot be avoided. But again, we think it unwise to build the potential for such a conflict into our laws.

4. The bill can reduce our chances of operating in concert with other nations.

By tilting the playing field towards early economic sanctions, our ability to act in concert with other nations is diminished. If the President follows the

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path of least resistance and imposes all sanctions at once, we could reduce the chances of sanctions by other nations which might be reluctant to be seen as "bowing to U.S. pressure." Also, if we have already imposed our sanctions, we will have nothing left in reserve to use to complement the actions of other nations, as we did with Syria.

I do not want to suggest that the administration is uninterested in economic sanctions, or even in future legislation in support of sanctions. On the contrary, within the administration, my office has been instrumental in leading a discussion about new measures which, after appropriate executive branch review, we may ask for legislation to support.

Conclusion

Much of the recent progress in counterterrorism has been made possible by Congressional action. Our Anti-terrorism Assistance program depends on authorizations and funding from the Congress. Younis was arrested under statutes passed in 1984 by a Congress eager to assist the administration in combatting terrorism.

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The funds and authorities we have received have been used to good effect. This will continue to be the case. Around the world there is a cooperative spirit which we have not seen before. After nearly 20 years of disarray in the face of terrorism, the West is beginning to unite to confront terrorists as criminals.

I do not want to leave the impression that our problems are solved, that there are not disagreements among friends, or that we will not suffer reverses in the months ahead. I do believe that the progress we are making is real, substantive and permanent. We are not going to eliminate terrorism, but we are making the world a more dangerous place for terrorists and safer for the rest of us.

Thank you very much.

TESTIMONY OF

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MILBANK, TWEED, HADLEY & MCCLOY
WASHINGTON, D.C.

BEFORE THE

SUBCOMMITTEE ON TERRORISM, NARCOTICS AND
INTERNATIONAL OPERATIONS OF THE
SENATE COMMITTEE ON FOREIGN RELATIONS
HEARING ON
STATE-SPONSORED TERRORISM AND
S. 1282, "DETERRENCE OF STATE-SPONSORED
TERRORISM ACT OF 1987"

OCTOBER 15, 1987

I. INTRODUCTION

Mr. Chairman and Members of the Committee, my name is Bradley R. Larschan. I am an associate attorney with the Washington, D.C. office of the law firm Milbank, Tweed, Hadley & McCloy. */

Mr. Chairman. It is no longer open to question that certain states sponsor international terrorism. According to the Department of State's Office for Combatting Terrorism, at least 70 terrorist attacks were state-sponsored in 1983; 125 in 1984; 96 in 1985; and 63 in 1986. The proliferation of state sponsors of terrorism indicates the pervasiveness of the problem. The states most commonly identified as sponsors of international terrorism are: Algeria; 1/ Bulgaria; 2/ Cuba; 3/ Czechoslovakia; 4/ Iran; 5/ Iraq; 6/ Libya; 7/ North Korea; 8 the Soviet Union; 9/ Sudan; 10/ Syria; 11/ and South Yemen. 12/ In

large part, Mr. Chairman, this state-sponsored terrorism is aimed at the United States and our allies. State-sponsored terrorism is low intensity, surrogate warfare carried out by these foreign governments as a means of conducting their foreign policy. 13/

State sponsors of terrorism provide a range of support for international terrorist groups. Without this support, these terrorist groups could not hope to conduct the scale of operations they currently perpetrate. The support given by state sponsors of terrorism ranges from financial backing to actually allowing their territory to be used as a base of operations from which to launch terrorist acts in other states and to which the terrorists return and are granted safe haven.

Mr. Chairman, S. 1282 is an important step toward effectively responding to state-sponsored terrorism.

II. STATE-SPONSORED TERRORISM

While I am reasonably certain we would all agree that state-sponsored terrorism poses a significant problem for the United States, it has been difficult for a variety of reasons to formulate a public policy to thwart it.

Democracies are particularly vulnerable to state-sponsored terrorism, in part because the state sponsor of terrorism and the "victim state" play by different rules. We in the United States adhere to rather high standards of conduct, including observing due process and fundamental fairness. For the most part, we are careful to fulfill our international obligations and observe our state responsibility under international law. One of the most fundamental international law requirements is to prohibit using armed force against another state. However, the corollary of the international law requirement to refrain from the threat or use of force against the territorial integrity or political independence of any state is that

each state is under a duty to take any measure necessary to prevent its territory from being used to launch attacks against other members of the international community. 14/

This law of state responsibility is an indisputable cornerstone of international law, the aim of which is to promote stability and certainty in international relations.

State sponsors of terrorism, however, violate the international law of state responsibility as it suits them. If the more fanatical state sponsors were large military powers, they would tend toward projecting military power to intimidate weaker states, or even waging conventional warfare, in the pursuit of imposing their political will on others. However, most state sponsors are militarily inferior to the states they oppose. After an evolutionary process, they have adopted the tactic of using international terrorists as surrogates to wage low intensity warfare. From an analytical perspective, one could view these terrorists as members of the armed forces of the state

sponsor -- with an additional advantage: when convenient, the state sponsor can deny any direct connection with the terrorist act.

International terrorist groups, most notably the PLO, have been quite receptive to state sponsorship. Among other things, state sponsors have been rather generous with international terrorist groups. While it is impossible to know the extent of financial assistance state sponsors give to international terrorist groups, the amount annually is probably in the low hundreds of millions of dollars. 15/ Equally important, certain state sponsors provide terrorists with safe haven. While the terrorist is on his own when he leaves the territory of the state sponsor, he is afforded the legal protection of the state sponsor when he returns. This protection includes the refusal to extradite or try the terrorist. 16/

At least for the moment, a sufficient commonality of interest exists in terms of political aspirations so that

there appears to be no end in sight to the continuation of state-sponsored terrorism -- although it should be noted that the involvement of particular states is cyclical, since the use of terrorists as surrogates hinges upon foreign policy considerations.

State-sponsored terrorism has been successful partly because, as I mentioned earlier, we play by different rules. The critical element to a successful policy of sponsoring international terrorism is to gear terrorist acts to a level short of provoking a military response from the victim state. As we have seen over the past few years, that threshold is quite high.

There are essentially two reasons why the threshold for Western democracies, like the U.S., to respond to state-sponsored terrorism is so high: first, because we traditionally conceptualize the appropriate response in military terms; second, because the Department of State often asserts that a firm, public response will cause more

harm than it will do good.

A. Military Response.

As for the first point, any military reaction to state-sponsored terrorism is a bold step for a democracy to take, both in terms of its domestic politics and foreign policy considerations. The U.S. raid on Libya is, perhaps, the best example. The U.S. Government believed it had sufficient proof to indicate that the Libyan Government was responsible for sponsoring, in varying degrees, a great many international terrorist incidents over a number of years. And yet, the U.S. air strike was highly controversial. There was considerable debate within the United States over the appropriateness of the action. Moreover, the U.S. found little, if any, support among its allies. This raises the rather interesting question of precisely how despicable a terrorist act must be, and how much proof a government must possess and make public, before it will again undertake a military response against a state sponsor of terrorism. One

thing is clear, however: if the state sponsor of terrorism is on the ball, it will gear its actions just below that threshold.

B. Conflicting Foreign Policy Concerns.

Even more troublesome is the intersection of general foreign policy concerns with the specific problem of state-sponsored terrorism. Briefly put, this is the recurring problem of Western governments, including the U.S. Government, softening or suspending their reaction to a state sponsor of terrorism because of general foreign policy considerations. Perhaps the leading example of this is the way the U.S. has dealt with Syria -- which may very well be the world's foremost sponsor of international terrorism. Even though the U.S. Government reportedly has clear and unequivocal evidence that Syria has and continues to sponsor international terrorism, concerns about Soviet influence in the Middle East, the regional balance of power and Syrian President Hafez al-Assad's skillful diplomacy, among other

factors, have greatly moderated the U.S. reaction to Syria's role as a state sponsor of terrorism.

As Senator Lautenberg has observed, Syria has been on the State Department's list of state sponsors of terrorism since 1979 -- when the State Department first began keeping this list. However, it was not until 1983 that the United States Government cut off economic assistance to Syria -- and not until 1984 that all foreign assistance was ended. Between 1979 and 1983, Syria was given \$113.8 million in U.S. aid. According to a GAO report prepared at Senator Lautenberg's request, 17/ Export-Import Bank programs were available for Syria until 1986. Also in 1986, the U.S. failed to make any attempt to block \$75 million in World Bank loans to Syria.

The continued existence of these hurdles and the recurring problem of state-sponsored terrorism indicates that a fundamental flaw exists in U.S. policy. Offering the Khomeini regime arms for hostages encouraged more hostage-

taking in Lebanon. Attempts by the British in the early part of this decade to conduct business-as-usual with state sponsors of terrorism only whetted their appetite, culminating in the shooting of a British constable in St. James Square and the attempt to blow up an Israeli airliner at Heathrow Airport.

Mr. Chairman, S. 1282 is a positive step toward shaping a U.S. response to state-sponsored terrorism by providing automatic consideration of sanctions against state sponsors of terrorism. Albeit with considerable Presidential discretion, S. 1282 would make it clear that there is a price to be paid for perpetrating international terrorist acts against American citizens and interests. S. 1282 is also a refreshing approach to dealing with the two existing hurdles to responding decisively to state-sponsored terrorism. First, economic sanctions may be applied at a considerably lower threshold than military sanctions. Indeed, it is nothing short of preposterous that

the U.S. gave foreign assistance to Syria, even as it was sponsoring terrorist acts against Americans. Mr. Chairman, the American people are not under an obligation to subsidize international terrorism against anyone -- particularly against U.S. citizens.

S. 1282 would also go far to addressing the second problem; namely, it would make it clear to all that the policy of the U.S. Government is to impose economic sanctions against state sponsors of terrorism. Indeed, this is an area where the more mandatory the process, the more effective will be the policy. State sponsors of terrorism should be made to understand that if they aid international terrorist conduct, economic sanctions will certainly follow. The essential ingredient to any terrorism policy is certainty. U.S. economic sanctions may not prevent a state from sponsoring terrorism; but the state sponsor of terrorism must consider, when evaluating its self-interest, the certainty of the U.S. response. The state sponsor must

be under no misconception that, through skillful diplomacy, it can avoid U.S. economic sanctions. To be sure, certain states nevertheless may sponsor terrorism; however, the U.S. should make its position crystal clear.

If anything, Mr. Chairman, S. 1282 contains too much Presidential discretion. Under S. 1282, a variety of sanctions, including a cut off of foreign aid, arms sales, a freezing of that country's assets in the United States and other sanctions would go into effect within 30 days, unless the President specifically waives those sanctions. If those sanctions are waived, he must, within 30 days, submit to Congress a detailed explanation of why the imposition of any or all of the sanctions would not be in the national security interest of the United States, or in humanitarian interests.

While this will certainly hold the State Department's feet to the fire, the Committee may wish to consider eliminating all discretion -- at least with respect

to the continuation of U.S. foreign assistance. By enacting S. 1282, the Congress would establish as a firm public policy of the United States the refusal of the American people to subsidize regimes which sponsor international terrorism.

III. POLICY RECOMMENDATIONS

Mr. Chairman. There are two general policy considerations concerning S. 1282 which I wish to bring to the Committee's attention. First, and, perhaps, foremost, is that no matter how stiff the U.S. economic sanctions imposed against state sponsors of terrorism, nothing will replace the effectiveness of a firm and united diplomatic and economic response by the major industrialized states. This was recognized at the Tokyo Summit but, as is so often the case, there has been little or no follow up.

There is one thing the Congress can do to encourage other states to join with the United States to oppose state-sponsored terrorism; that is, to include within S. 1282's

scope the anti-terrorism treaties to which the United States is a party. These include, among others, the 1961 Tokyo, 18/ 1970 Hague 19/ and 1971 Montreal 20/ aircraft hijacking conventions; the Hostages Convention; 21/ and the four 1949 Red Cross Geneva Conventions. 22/ I recognize and support the provision in S. 1282 to encourage international cooperation to deal with state-sponsored terrorism.

However, including various anti-terrorism treaties would give teeth to the existing international law rules; it would also serve as a common point for Western democracies to oppose state-sponsored terrorism. The U.S. would, of course, be free to enact its own additional provisions.

My other recommendation, Mr. Chairman, is to bring to bear another potent force against state sponsors of terrorism: the truth. Congress should encourage the administration to publicize state-sponsored acts of terrorism. The effectiveness of this strategy was demonstrated in 1986 when Libya's links to international

terrorism were revealed and publicized by the world press.

The world public was able to see for itself precisely what

Colonel Qaddafi was up to.

IV. CONCLUSION

Mr. Chairman. Giving in to state sponsors of international terrorism has only one effect: it leads to more terrorism. S. 1282 is a big step forward to standing up to state-sponsored terrorism. The greater the certainty of the U.S. response to such acts, the more carefully the state sponsor must consider its ultimate self-interest. While no one expects S. 1282 to put an end to state-sponsored terrorism, it is a constructive first step to dealing with one of the most outrageous violations of international law and human existence.

Thank you Mr. Chairman.

FOOTNOTES

- */ The opinions expressed herein are those of Mr. Larschan and do not necessarily represent those of Milbank, Tweed, Hadley & McCloy or its clients.
- 1/ C. Sterling, The Terror Network 195-96, 254 (1981).
- 2/ See generally C. Sterling, The Time of The Assassins (1983); Terrorism: The Role of Moscow and Its Subcontractors, Hearings before the Subcomm. on Security and Terrorism of the Senate Comm. on the Judiciary, 97th Cong., 1st Sess. 3-4 (1981) (statement of Robert Moss).
- 3/ Report Prepared for the Subcomm. on Security and Terrorism of the Senate Comm. on the Judiciary, State-Sponsored Terrorism, S. Rep. No. 56, 99th Cong., 1st Sess. [hereinafter cited as 1985 Senate Terrorism Report]. See generally The Role of Cuba in International Terrorism and Subversion, Hearings before the Subcomm. on Security and Terrorism, of the Senate Comm. on Judiciary, 97th Cong., 2d Sess. (1982).
- 4/ 1985 Senate Terrorism Report, supra note 3, at 62, et seq.

5/ The U.S. State Department has labeled Iran, "the world's leading supporter of terrorism" in 1984. United States Department of State, Patterns of Global Terrorism: 1984 4 (Nov. 1985). See also Reagan, The New Network of Terrorist States, 85 Dep't State Bull. 7, 7 (Aug. 1985) (address before the American Bar Ass'n). See generally "The Iranian hand that Stirs the Lebanese pot," The Economist, Sept. 27, 1986, at 37, col. 1.

6/ See generally "Iraq is Now Seeking a Moderate Image," N.Y. Times, July 30, 1978, at A9, col. 1.

7/ "Madrid Asserts 2 Had Orders From Libya to Attack Americans," N.Y. Times, May 11, 1986, at A1, col. 2; "Libyan Said to Scout Targets," Wash. Post, Apr. 30, 1986, at A16, col. 3; Woodward & Tyler, "U.S. Targeted Qaddafi Compound After Tracing Terror Message," Wash. Post, Apr. 16, 1986, at A24, col. 1; Cannon, "Reagan Acted Upon 'Irrefutable' Evidence," Wash. Post, Apr. 15, 1986, at A1, col. 5; Fleming & Walker, "US claims Libya plans dozens of terrorist attacks," Financial Times (London), Apr. 14, 1986, at 1, col. 3; Lee, "American Ambassador Charges Libyans Were Behind Disco Bombing: Burt Says Evidence of Tie is 'Very Clear'," Wash. Post, Apr. 8, 1986, at A1, col. 6; Oberdorfer, "U.S. Libya Near State of Undeclared War," Wash. Post, Apr. 6, 1986, at A35, col. 1. Hoffman, "US Accuses Qaddafi of Terror

Master Plan," Wash. Post, Apr. 6, 1986, at A1, col. 6; Dickey, "Libya Seen Likely to Delay Response: Diplomats in Tripoli See Qaddafi Building World Terror Network," Wash. Post, Mar. 27, 1986, at A23, col. 1; Boyd, "Reagan Based Mission Approval on Reports of Danger to Envoys," N.Y. Times, Mar 26, 1986, at A1, col. 4; "Reagan's Case Against Qaddafi," Wash. Post, Mar. 26, 1986, at A23, col. 3; Weinraub, "Terrorists Train at 15 Libyan Sites, U.S. Official Says," N.Y. Times, Jan. 7, 1986, at A1, col. 6; 1985 Senate Terrorism Report, supra note 3, at 18-19, et seq; Keller, "State Dept. Study on Terror Group Cites Libyan Link," N.Y. Times, Jan. 1, 1986, at A1, col. 3; Adelman, "Libya: A Source of International Terrorism," 82 Dep't State Bull. 60 (Jan. 1982).

Ambassador Adelman, when he was Deputy U.S.

Representative to the United Nations, claimed that Libya maintained a dozen terrorist training camps. Id. at 60-61. For an excellent account of the Libyan training camps, see C. Sterling, supra note 1, at 262-64. See also Kifner, "Egypt Says Libya Was Behind Hijacking," N.Y. Times, Nov. 27, 1985, at A10, col. 1; Gwertzman, "U.S. Is Stepping Up Watch On Libyans," N.Y. Times, Nov. 27, 1985 at A11, col. 1 (claiming that Libyan-supported Palestinians were responsible for the hijacking to Malta of Egypt Air Flight 648. About 50 people were killed in the incident; most died when Egyptian commandos stormed the plane); Rogg, "Egypt

Reports Foiling a Libyan 'Hit Squad'," N.Y. Times,
Nov. 12, 1985, A5, col. 1; "Mubarak Assails Qaddafi,"
N.Y. Times, Nov. 19, 1984, at A10, col. 3; Prial,
"France Expels 5 Iranian Students, Reportedly Trained As
Terrorists," N.Y. Times, Dec. 31, 1983, at A5, col.1;
Weinraub, "Libyans Arm and Train World Terrorists," N.Y.
Times, July 16, 1976, at A1, col. 1. See generally
O. Demaris, Brothers in Blood: The International
Terrorist Network 183-84, 187, 405-06 (1977); C. Dobson
& R. Payne, The Carlos Complex: A Study In Terror 124-
142 (1977).

One interesting aspect of Libya's involvement in
international terrorism was the call by that state's
legislature for the formation of suicide terrorist units
to attack the United States and Israel. "Suicide Squads
Urged by Libya to Hit U.S., Israel," Wash. Post, Mar. 5,
1986, at A27, col. 3.

8/ 1985 Senate Terrorism Report, supra note 3, at 13;
Cannon, "President Assails 'Terrorist' Nations:
Unspecified Action Is Threatened," Wash. Post, July 9,
1985, at A1, col. 6; C. Sterling, supra note 1, at 103
See also the photograph purportedly of Palestinian
terrorist Abu Nidal and an unidentified North Korean
army officer. "Terrorist In Training?," Wash. Post,
Jan. 7, 1986, at A11, col. 1.

9/ See Patterns of Global Terrorism: 1984, supra note 5, at 4; 1985 Senate Terrorism Report, supra note 3, at 10, passim. See also R. Cline & Y. Alexander, Terrorism: The Soviet Connection (1984); Omang, "Soviets Using Terrorism, Shultz Asserts," Wash. Post, June 25, 1984, at 1, col. 1. A particularly well researched work on the subject is S. Elad & A. Merari, The Soviet Bloc and World Terrorism, Jaffee Center for Strategic Studies, Tel Aviv University, Paper No. 26 (Aug. 1984). See generally Terrorism: Origins, Direction and Support, Hearings before the Subcomm. on Security and Terrorism of the Senate Comm. on the Judiciary, 97th Cong., 1st Sess. (1981). Crozier states that the main training camps for terrorists in the U.S.S.R. are in Moscow, Baku, Simferopol, Tashkent and Odessa. B. Crozier, "Soviet Support for International Terrorism," International Terrorism: Challenge and Response 64, 67 (Proceedings of the Jerusalem Conference on International Terrorism 1980).

10/ "U.S. Issues a Warning on Sudan," N.Y. Times, Nov. 21, 1985, at A12, col. 1; Randal, "U.S. Aide Tells Sudan It Can Count on Help; But Crocker On Visit, Cites Concern At Presence of 'Terrorists' in Khartoum," Wash. Post, Jan 7, 1986, at A10, col. 5.

11/ Bernstein, "French Link Syria To Terror Group," N.Y. Times, Oct. 1, 1986, at A7, col. 1; "Syria 'is mother ship for terrorists'," Financial Times, May 20, 1986, at col. 1; Gwertzman, "U.S. Is Pressing Assad on Abu Nidal," N.Y. Times, May 20, 1986, at A3, col. 1; B. Rubin, "The Untouchable: Why Assad's terror goes unpunished," New Republic, June 2, 1986, at 16; "Syria and Terrorism," Wash. Post, May 13, 1986, A18, col. 1; Tagliabue, "Syria Tied to Berlin Bombing and to Attempt on El Al Jet," N.Y. Times, May 11, 1986, at A1, col. 1; Halloran, "Israeli Defense Chief Links Syria to Abortive Bombing of El Al Jet," N.Y. Times, May 8, 1986, at A1, col. 1; DeYoung, "Britain, Germany Probe Possible Syrian Role in Terrorist Activities," Wash. Post, May 8, 1986, at A1, col. 5; Markham, "Suspect Reportedly Admits Syria Directed a March Berlin Bombing," N.Y. Times, May 7, 1986, at A1, col. 1; Friedman, "New Syrian Ties Found in Suicide Terror War," N.Y. Times, Feb. 16, 1986, at A1, col. 4; 1985 Senate Terrorism Report, supra note 3, at 17-18, et seq. It was reported that in 1982, the then head of France's external intelligence service, Pierre Marion, met Rifaat Al-Assad, the brother of Syria's President Hafez al-Assad, and the purported head of Syria's secret services. As a result of the meetings, Marion was quoted as saying "that Abu Nidal would no longer operate on French territory." Marion said his "objective was to convince him [al-Assad] to spare

French territory" from terrorism. Bernstein, "Ex-Paris Aide Gave Warning To Syria," N.Y. Times, Oct. 5, 1986, at A11, col. 1.

- 12/ C. Sterling, supra note 1, at 159, 254. The PFLP reportedly maintains an elite training camp, Camp Khayat, near Aden. Id. at 90.
- 13/ See, e.g., Larschan, "Legal Aspects to the Control of Transnational Terrorism: An Overview," 13 Ohio N. U. L. Rev. 117, 139 (1986) & sources cited therein. See generally Friedlander, "Terrorism and Self-Determination: The Fatal Nexus," 7 Syracuse J. Int'l L. & Com. 263 (1980).
- 14/ The law of minimum standards of state responsibility was discussed in the criminal case of The Alabama Claims Arbitration, 1 Malloy, Treaties, Conventions, International Acts, Protocols and Agreements between the United States and Other Powers 700 (1910).
- 15/ See, e.g., Hijazi, "Ex-Aide to Arafat, Now a Foe, Says P.L.O. Has a Fortune in Banks," N.Y. Times, June 29, 1986 at A16, col. 1. See also C. Dobson & R. Payne, The Weapons of Terror: International Terrorism At Work 78-94 (1979).

There is little reliable data on the financial dealings and sources of funds of terrorist groups. However, a glimpse at the magnitude of the sums involved was given by Crozier, who reported that on Jan. 25, 1973, Libya's leader, Muammar Qaddafi, temporarily broke with the PLO and suspended his \$40 million a year allowance. Crozier, "Libya's Foreign Adventures," Conflict Studies No. 41 at 6 (Dec. 1973). Another source put Libya's contribution to transnational terrorism at \$100 million annually plus "bonuses" for spectacular successes such as the Munich Olympics massacre, which reportedly netted the PLO an additional \$10 million. Ellenberg, "The PLO and Its Place In Violence and Terror," in International Terrorism In the Contemporary World 173 (M. Livingston ed. 1978), quoting Laffin, "Murder Incorporated," The Spectator (London), Aug. 30, 1975. Recently the Italian Government has probed Libyan financing of terrorism through a series of European bank accounts. Jenkins, "Italy Probes Libyan Banking Network," Wash. Post, July 24, 1986, at 1, col. 4. Sterling goes on to cite former Libyan planning minister Omar el-Meheishi as placing that country's 1976 contribution to terrorism at \$580 million. C. Sterling, supra note 1, at 260.

16/ See, e.g., Larschan, "Extradition, the Political Offense Exception and Terrorism: An Overview of the Three

**Principal Theories of Law," 4 B.U. Int'l L. J. 231
(1986).**

- 17/ GAO, Terrorism: Laws Cited Imposing Sanctions on Nations Supporting Terrorism, GAO/NSIAD 87-133-FS (Apr. 1987).
- 18/ Convention on Offenses and Certain Other Acts Committed on Board Aircraft, signed at Tokyo, September 14, 1963, 20 U.S.T. 2941, T.I.A.S. 676 (1963).
- 19/ Convention for the Suppression of Unlawful Seizure of Aircraft, signed at The Hague, December 16, 1970, 22 U.S.T. 1642, T.I.A.S. 7192 (1971).
- 20/ Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation, signed at Montreal, September 23, 1971, 24 U.S.T. 564, T.I.A.S. 757 (1971).
- 21/ Convention (I) for the Amelioration of the Condition of Wounded and Sick Armed Forces in the Field, signed at Geneva, August 12, 1949, 6 U.S.T. 3114, T.I.A.S. 3362; Convention (II) for the Amelioration of the Condition of the Wounded, Sick and Shipwrecked Members of Armed Forces at Sea, signed at Geneva, August 12, 1949, 6 U.S.T. 3217, T.I.A.S. 3363; Convention (III) Relative to the Treatment of Prisoners of War, signed at Geneva,

August 12, 1949, 6 U.S.T. 3216, T.I.A.S. 3364;
Convention (IV) Relative to the Protection of Civilian
Persons in Time of War, signed at Geneva, August 12,
1949, 6 U.S.T. 3516, T.I.A.S. 3365.

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