Remarks of Ambassador Luigi R. Einaudi
U.S. Permanent Representative to the OAS
OAS Permanent Council
February 5, 1992

Yesterday, the Department of State announced some case-by-case exemptions for firms in the assembly sector in Haiti. I have asked that a copy of State Department Spokesperson Margaret Tutwiler's statement be distributed at this meeting.

This morning the (OAS) Special Committee to Monitor the Embargo (on Haiti) began a discussion of these measures. The discussion did not conclude and will be continued in the next meeting. However, with your permission -- because of the importance of the topic and its interest to the Organization and its member states and because of the extensive and, in part, surprising press coverage that it received -- I thought I should make a few points this morning.

Let me start with the press coverage, and let me in particular read a quotation that was contained in a report filed to The Washington Post from Port au Prince with yesterday's date (February 4, 1992) by the distinguished journalist Lee Hockstader. I now quote a quote contained in that report:

> 'It's easy for the Argentines to say we should toughen the embargo or call for a blockade,' a U.S. envoy said, 'But they're not going to do it and their trade is not going to be affected. It's an American problem.'

I must say that I found that deeply offensive when I read it this morning. And I am reading it not to increase the offensive tone, but rather to simply and straightforwardly say that, in the view of my government, that statement bears no resemblance to the reality -- either with regard to the policies and conduct of the government of Argentina or with regard to the nature of the problem in Haiti.

And, therefore, I wish to state -- even though we do not know who made that statement -- that I apologize for it.

I wish to say first to the ambassador of Argentina that I have recognized his extreme professionalism in his conduct of our work in the Special Committee to monitor compliance with the trade embargo to Haiti, the quality of the questions that he has raised not only in recent discussions but from the very

first day, and the discretion with which he has done that -- a discretion that clearly has not been matched by an unnamed colleague of mine.

Secondly, I would like simply to say that it may be true that the stake -- that is to say the involvement of my country and the citizens of my country -- in the economy of Haiti is very substantially larger than that of any other country or, for that matter, group of countries. Nonetheless, it is a mistake in perception and analysis to think that this means that what ever "it" is in this quotation is an "American problem" -- unless one is to use "American" in its proper sense and say "of the Americas." Because the Haiti problem is also clearly a political problem. And, as such, it is a problem that affects the basis of our cooperation and of our future in the hemisphere.

Now, let me turn to substance. It is dangerous always for an ambassador to speak on the same subject that is being addressed by his Secretary of State at the same time. Secretary Baker is appearing before the Senate Foreign Relations Committee at this time.

I wish to make three comments on what it is that my government has decided to do. First, the changes in our application of our embargo are limited. They are limited in two ways:

-- First, the exemptions that will be granted are not blanket exemptions. That is to say, they will be granted on a case-by-case basis, on the basis of applications by individual companies in an effort to prevent the permanent loss of jobs in a vital sector of the Haitian economy.

-- Second, all other measures of the U.S. unilateral embargo remain in place, such as the prohibition of financial transactions by U.S. citizens with the <u>de facto</u> government and a freeze on all of the assets of Haiti in the United States -- something that I am told amounts to the bulk of Haiti's foreign exchange funds.

Second, new additional measures are being considered. Just as the measures announced yesterday will limit the damage to innocent Haitians, the measures that we are developing are designed to increase the pressure on those guilty of supporting the anti-democractic actions and the repression.

We are, in brief, seeking ways to extend the freeze currently in place on the assets of the Haitian state to individuals and to extend such sanctions to our granting of visas. These measures are legal under U.S. law. There are precedents. Unfortunately, they are difficult to pull together

because we need to have a degree of certainty about the correctness of the targetting of an individual person.

For that reason, I would like, within the framework of the report of the Special Committee to monitor compliance, to ask that all member states and observers bring information that they have on individuals who have financed or are financing illegal activities and violence in Haiti . . . to the Special Committee so that my government can add it to the information that it is developing for this additional new sanction.

Third and finally, I would like very simply to reaffirm the U.S. policy of adherence to the OAS ministerial resolutions -- not merely in terms of the embargo with its humanitarian exception, but also our support for the Secretary General and the negotiations that he and his special representative have undertaken; our support for the constitution of OEA-DEMOC; and, in particular, our continued political commitment to the restoration of democracy in Haiti including the restoration of President Jean Bertrand Aristide to his constitutional functions.

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EXCERPT

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REGULAR STATE DEPARTMENT BRIEFING (excerpt)
February 4, 1992
Time: 12:11 p.m.
Briefer: State Department Spokeswoman Margaret Tutwiler

Q: Do you have anything on the embargo with respect to tightening it, loosening it, or leaving it where it is?

TUTWILER: Retargeting--Mr. Aronson mentioned this last night on the MacNeil-Lehrer show, and I thought that I might get asked a further amplification so I asked him to please help me on what exactly is this retargeting.

What it is is that we have been analyzing the embargo's effects to see how it can be strengthened while at the same time trying to reduce, as much as possible, any unintended suffering by innocent Haitians. The Treasury Department is now prepared to grant, on a case by case basis, licenses to individual companies operating in the assembly sector. It's my understanding, George, the assembly sector is something that was set up in the Reagan administration under CBI, in Haiti, by permitting export of materials manufactured in the United States, assembly of the finished product in Haiti and importing it back to the United States.

The assembly sector normally employs an estimated 40,000 people, almost all of whom are now unemployed. Each of these assembly workers supports, in turn, an estimated additional six to seven dependents. We want to help these workers and ensure Haiti does not lose this source of employment.

At the same time, we are trying to retarget or fine- tune the embargo, to tighten its effects on individuals who may be aiding and abetting, financing the coup or military or police violence. We are currently seeking to develop evidence against such individuals.

Under the authority of the executive order, such individuals could have their assets in the United States blocked and U.S. citizens would be prohibited from any financial dealings with them. We have separate authority to deny such individuals visas for the United States.

We have been monitoring the effects of the embargo from the beginning. We now believe we have enough information to make finer distinctions about the effects of the embargo. Our information is that the sanctions on the assembly sector largely affect innocent Haitians only and have no serious impact on those behind the coup. However, we want to stress that these licenses will be issued by Treasury, our Treasury Department, on a case by case basis. If one of these companies is in fact owned by an individual actively supporting the coup, we do not believe that Treasury would issue a license.