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DEPARTMENT OF STATE

Washington, D.C. 20520

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June 18, 1979

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MEMORANDUM FOR DR. ZBIGNIEW BRZEZINSKI
THE WHITE HOUSE

Subject: Vice President Mondale's Meeting on
Indochinese Refugees, June 18 at 1:30 p.m.

Attached is a background paper prepared by U. S.
Coordinator for Refugee Affairs Dick Clark for the
Vice President's meeting, scheduled for 1:30 today,
to discuss the Indochinese refugee situation.

Peter Tarnoff
Executive Secretary

Attachment:

As stated.

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DEPARTMENT OF STATE
AMBASSADOR AT LARGE
WASHINGTON

June 18, 1979

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TO: The Vice President
FROM: United States Coordinator for Refugee Affairs
Dick Clark *ACC*
SUBJECT: Indochina Refugees

1. Current Situation

The refugee population in Southeast Asian countries of first asylum now exceeds 330,000 (170,000 in Thailand; 78,000 in Malaysia; 52,000 in Hong Kong; 34,000 in Indonesia; 6,000 in the Philippines). In May alone, about 65,000 new refugees arrived, including 59,000 "boat people" from Vietnam and 6,000 "land refugees" from Laos. In addition, about 90,000 "new Khmer" fled Cambodia, but one-half of them have already been forcibly repatriated by the Thai, and the remainder face a similar threat.

The character of the refugee flow has changed since April 1978 as a result of Hanoi's decision to register and deport large groups of its population to barren "new economic zones" in Vietnam. Many Vietnamese chose to flee by boat rather than face what Le Monde has called "Gulag Vietnam." Hanoi is now offering its entire ethnic Chinese population the choice of domestic deportation or departure by boat (with exit fees ranging up to \$3,000 per adult). Two-thirds or more of the refugees now fleeing from Vietnam, and many Cambodian refugees, are ethnic Chinese.

Refugee arrivals are now exceeding departures by six to one. First-asylum countries thus see themselves threatened with large, indigestible, permanent additions

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of Vietnamese/Chinese. In response, they have strengthened their defenses against this influx. Indonesia and Malaysia have announced they will not take any new boat arrivals. Thailand is forcibly repatriating 80-90,000 Kampuchean refugees and refusing sanctuary to new boat arrivals. These actions will probably moderate, but only a strong positive response by the international community both in pressuring Vietnam and providing stepped-up resettlement can prevent massive loss of life. Hong Kong remains open but is under severe pressure as it receives 2,000 new refugees a day (many from north Vietnam).

2. The Proposed International Conference

British Prime Minister **Thatcher** asked UN Secretary General Waldheim to convene an international conference to draw public attention to the reprehensible nature of Vietnam's policies, highlight the magnitude of the refugee problem, and encourage other countries to increase their acceptance of refugees. We have strongly endorsed this initiative, and the initial response by most governments has been positive.

There is no consensus yet on the forum or site for the conference, but there is agreement by Waldheim and UN High Commissioner for Refugees Hartling to a two stage approach separating political from humanitarian issues. We believe the first step should be an emergency meeting of the United Nations Security Council to consider the tensions in the Southeast Asian region and the Vietnamese policies that cause them, despite the risks of a Soviet veto or addition of other refugee questions to the agenda. Having highlighted the political issues in the Security Council, we would seek authorization for the Secretary General to convene a special follow-on international conference (or, much less desirably, a special session of the United Nations General Assembly) to address the practical issues of greater resettlement opportunities, vastly increased financial support for the care and maintenance of the burgeoning camp population, creation of more refugee processing centers (RPC) in Southeast Asia to relieve the burdens on the countries of first asylum, and reaffirmation of the principle of first asylum. Waldheim seems inclined to a July 19 meeting in Geneva.

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The President's talks with Japanese leaders and other participants at the Tokyo Economic Summit, followed by Secretary Vance's meetings with ASEAN and ANZUS, offer an excellent opportunity to enlist and coordinate broad support for a series of urgent actions (Canada and Japan have already indicated their intention to raise the refugee issue at the Tokyo Summit). We want to achieve a strong consensus not only on the idea of a Security Council meeting followed by an international conference, but also greatly increased participation by the Tokyo participants in resettlement and financial contributions. With ASEAN, we will want to stress their renewed commitment to first asylum.

3. Pressure on Vietnam

Specifically, we want Vietnam to: cooperate with resettlement countries and the UNHCR in processing people for orderly direct departure from Vietnam at a rate at which they can be absorbed by the international community; treat all its citizens in accordance with the UN Charter so that they do not feel compelled to risk their lives by fleeing in small boats; cease abusing those who have expressed a wish to leave so that they can live under bearable conditions while awaiting departure.

Vietnamese tactics and statements have sought to convey flexibility, but their actions in promoting the outflow from their country have remained unchanged over the past eight months.

Two types of international pressure may hold some promise, even though the Vietnamese have proven extremely resistant to pressure of all types in the past.

The Vietnamese might respond if the international community can be mobilized to apply economic pressure. Aid donors might be induced to shift resources from development projects to support for refugees, whether inside Vietnam, in temporary asylum, or in resettlement countries. In 1978, multilateral assistance to Vietnam amounted to \$150 million; in addition bilateral aid was \$130 million (principally from Sweden, Norway, Denmark, Belgium, the Netherlands, and Japan).

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The impact of such economic sanctions would be enhanced if combined with an outcry of international public opinion, including denunciations by key Asian governments and the Nordics against the inhumanity of the Vietnamese. But, psychological factors aside, neither foreign aid nor trade is essential to Vietnam's current military activity in Kampuchea or build-up against China. The Soviet Union can easily offset any financial loss to Hanoi. International pressure would be of greatest effect if it stresses that the Soviets must share responsibility and opprobrium with Vietnam.

4. Increased International Efforts

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At present, about 10,500 refugees are being resettled each month (7,000 to the U.S., 3,500 to other countries), but monthly arrivals now exceed 60,000. Though most resettlement countries plan to continue programs, commitments are made ad hoc or annually. UN High Commissioner Hartling has a proposal, with specific targets for countries, to double the total number of resettlements. This should be a centerpiece of the international conference. In addition to increasing resettlement opportunities in Western Europe and other traditional resettlement countries, the proposed conference might, therefore, consider creating an international fund to promote resettlement of refugees in developing countries, and to underwrite economic development projects based on refugee labor. Some Latin American countries have expressed interest in this idea. Capitalization of the fund would probably have to be about \$500 million. Such an approach would, however, yield only limited results in the short term.

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PRC

Inevitably we are being drawn towards efforts to persuade the PRC to take more refugees, either permanently or temporarily. Some Southeast Asian countries have begun to discuss this with the PRC. The PRC has already taken about 230,000 Chinese and claims it continues to take about 10,000 per month. If we wish to see a substantial increase, we must consider financial aid, probably through the UNHCR, for resettlement in the PRC. We would have to agree to take some refugees with past associations with the U.S. from among those going to the PRC. A collateral PRC contribution could be establishment of a very large temporary asylum camp in the PRC for refugees awaiting onward resettlement.

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Should refugee flows continue anywhere near current levels, and first asylum continue to be granted by the ASEAN nations and Hong Kong, the UN High Commissioner for Refugees' costs for feeding, clothing and sheltering refugees in Southeast Asia will rise sharply. The conference would, therefore, have to address the question of how to raise an additional \$300 to \$400 million for these purposes.

Finally, in order to bridge the gap between the rate of permanent resettlement and the numbers in the camps, there is an urgent need to follow up on the ASEAN/UNHCR-sponsored Jakarta conference agreement of May 15 to establish one or more island Refugee Processing Centers (RPC). An RPC is an area in which the international community can hold refugees until they can be resettled, while relieving the pressure on first asylum. Thus, resettlement countries must be able to make at least generalized long-term commitments on resettlement rates. Indonesia has agreed to establish one RPC to accommodate an initial population of 10,000 refugees, against U.S. and Australian assurances that they will accept the inhabitants of the center in a reasonable time (three years). The ASEAN nations must be encouraged to offer additional and larger island center sites.

5. U.S. Resources

The U.S. refugee program for Indochinese is currently processing an average of 7,000 Indochinese per month through FY 1979 to be resettled in the U.S. The President has authorized a budget request for FY-1980 which would continue this rate through FY-1980, but he has indicated his desire to review this rate before the start of the fiscal year. The direct costs of this U.S. resettlement program in FY-1980 will be \$244.3 million (\$95.3 million to the Department of State for screening, transportation, and resettlement and placement grants to voluntary agencies; and \$149 million to the Department of Health, Education and Welfare for public assistance, medicaid and other social services). It is clear that our projected resettlement rate of 7,000 per month will not be enough to persuade other countries to do more. We must therefore seriously consider responding positively to High Commissioner Poul Hartling's suggestion that we increase

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our rate to 10,000 per month, while supporting him in his efforts to seek significantly larger increases from others. Such an increase would add \$41 million in State Department costs and \$45 million to HEW costs each year.

UNHCR care and maintenance costs for expanding refugee population may quadruple in the coming year. We have had a policy of contributing 50 percent of these costs. There is no alternative to continuing this policy if we wish others to commit themselves to quadruple their own contributions. We estimate that this could involve an FY-1980 budget amendment of as much as \$175 million, in addition to substantial amounts (perhaps \$50 million from the U.S.) required to expand the system of Refugee Processing Centers. We will have to move quickly to define and submit a budget amendment. Costs are rising so rapidly that the UNHCR effort would be in danger of bankruptcy if we waited for a supplemental in 1980.

Finally, the agreement between the UNHCR and Hanoi on direct departures from Vietnam for family reunification (the only present alternative to the unregulated human flood in Southeast Asia) raises serious policy and financial issues. We initially saw this family reunification program as an immigration rather than a refugee program, which would leave the costs of transportation and resettlement in the U.S. to the families concerned, rather than the U.S. Government. However, this would be contrary to policies followed on refugees received directly from the Soviet Union. In any case, most Vietnamese in this country will be eligible for citizenship next summer. In the interim, they will not be able to qualify their relatives for admission under the Immigration and Nationality Act. When they do acquire citizenship, quota restrictions will quickly be exceeded and the flow of immigrants from Vietnam will be shut off. In addition, any significant direct flow from Vietnam could generate welfare costs for which the states would insist on reimbursement. Thus, we must give serious consideration to changes in policy and law if we are not to be vulnerable to charges from Hanoi that we have failed to facilitate the humane emigration we claim to seek.

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