

Smith, Gayle E. (AF)

From: Wolosky, Lee S. (TNT)
Sent: Monday, November 13, 2000 12:48 PM
To: @LEGAL - Legal Advisor
Cc: @AFRICA - African Affairs; @CRIME
Subject: FW: Update: VBO/Liberian Maritime Registry ~~TOP SECRET~~



correction to facts appears below in red

-----Original Message-----

From: Wolosky, Lee S. (TNT)
Sent: Monday, November 13, 2000 11:56 AM
To: Scharfen, Jonathan R. (LEGAL)
Cc: @LEGAL - Legal Advisor; @AFRICA - African Affairs; @CRIME
Subject: FW: Update: VBO/Liberian Maritime Registry ~~TOP SECRET~~

Jock:

To follow up on our conversations last week and your/my conversations with @africa:

(1) New EO/IEEPA. We will await your informal poll concerning feasibility before proceeding in any fashion. [As I understand your preliminary position, you believe that the statute may be too limiting to the extent that it arguably ties the exercise of presidential authorities to *specific* unusual and extraordinary threats with respect to which a national emergency has been declared, and requires that "any exercise of such authorities to deal with any *new* threat shall be based on a *new* declaration of national emergency which must be with respect to such threat" (emphasis added). Accordingly, for purposes of advocating a blanket eo on UN sanctions, one might need to take the legal/policy position that the specified unusual and extraordinary threat to the United States is the continuing threat to world order presented by violation of UN sanction regimes -- or something similar to that.]

(2) Maritime Registry. As you know, 1.4(c) top officials of the Liberian Maritime Registry (MR) may be involved in illicit arms procurement, in transactions that possibly involve the Victor Butt Organization. State has proposed an aggressive program of IEEPA/Foreign Missions Act sanctions that might target the MR and its US agent ("LISCR"). The near-term implementation of that sanctions program may foreclose or prejudice other options, including 1.4(c) if warranted, future action by law enforcement agencies.

LISCR, no doubt sensing that it is under scrutiny, has reached out to State/AF to present itself in the best possible position. LISCR reps recently met with DAS Mark Bellamy and have indicated their willingness to cooperate with the USG on a forward-going basis. Clearly, the decision as to whether State -- and/or other USG agencies -- can continue to engage LISCR under these circumstances is one that will need to be made by those agencies, in consultation with their lawyers. However, to the extent that it is determined that ongoing USG engagement with LISCR is appropriate, and to the extent that the near-term implementation of the proposed sanctions regime may prejudice such engagement and foreclose other options, NSC might take steps to ensure that full consideration is being given to these issues before a recommendation on the proposed sanctions program goes forward to Deputies.

Will await your guidance as to the most appropriate way to proceed (or not proceed). George Taft at L (647-0755) is generally up to speed on these issues.

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-----Original Message-----

From: Wolosky, Lee S. (TNT)
Sent: Wednesday, November 08, 2000 6:53 PM
To: Scharfen, Jonathan R. (LEGAL)
Cc: Harris, Grant T. (AF); Byrne, Catherine E. (AF)
Subject: FW: Update: VBO/Liberian Maritime Registry ~~TOP SECRET~~

Wanted to discuss briefly your views on (1) below; we have a DAS at AF looking to possibly organize a meeting on this tomorrow - if it appears not to be possible owing to statutory problems, as you suggested, we won't go forward...

-----Original Message-----

From: Wolosky, Lee S. (TNT)
Sent: Tuesday, November 07, 2000 6:00 PM
To: Harris, Grant T. (AF); Byrne, Catherine E. (AF); Scharfen, Jonathan R. (LEGAL)
Subject: RE: Update: VBO/Liberian Maritime Registry ~~TOP SECRET~~

I am out at cia tomorrow starting at 3. I'm not sure I am needed for IWG follow-on session, but I would like to join if possible. @trans has two points to follow up:

(1) New EO/IEEPA. Per RAC below, and per previous e-mail traffic and recent discussions with @africa, we'd like to look at a generic eo providing IEEPA authority with respect to all UN sanction regimes, with authority delegated in accordance with the statute to State/Treasury to designate future, specific sanctions busters (whose assets and business contacts become subject to IEEPA authority at the time such secondary designations are made). For obvious reasons, we might do this review in connection with our Liberia review; folks ranging from Taylor/coterie to VBO can fall within the net, and the USG would not in the future need a new eo for each rogue regime it sets out to isolate (which will enable the United States to take effective action more quickly)...

(2) Maritime registry. If appropriate, we would vote to continue USG discussions with the Liberian Maritime Registry's US affiliate. They have apparently been eager to open up and sustain a dialogue. This would obviously be a State lead, but could also conceivably involve participation from NSC and other agencies.

-----Original Message-----

From: Harris, Grant T. (AF)
Sent: Tuesday, November 07, 2000 4:58 PM
To: Wolosky, Lee S. (TNT)
Subject: RE: Update: VBO/Liberian Maritime Registry ~~TOP SECRET~~

sounds good. Also, Jock and Cathy are taking the lead on setting up a meeting on what was talked about at today's IWG tomorrow sometime after 2:00

-----Original Message-----

From: Wolosky, Lee S. (TNT)
Sent: Tuesday, November 07, 2000 4:49 PM
To: Harris, Grant T. (AF)
Subject: RE: Update: VBO/Liberian Maritime Registry ~~TOP SECRET~~

I rescheduled Defense Trade Controls for 1130 tomorrow morning. ok by you?

-----Original Message-----

From: Harris, Grant T. (AF)
Sent: Tuesday, November 07, 2000 10:27 AM
To: Wolosky, Lee S. (TNT)
Subject: RE: Update: VBO/Liberian Maritime Registry ~~TOP SECRET~~

I prefer to talk to Witney again about making the request and seeing what he thinks about us having this kind of meeting.

-----Original Message-----

From: Wolosky, Lee S. (TNT)
Sent: Tuesday, November 07, 2000 10:24 AM
To: Harris, Grant T. (AF)
Subject: RE: Update: VBO/Liberian Maritime Registry ~~TOP SECRET~~

How do you want to handle? I am happy to call Taft if you think that is appropriate. Or you or I can work through AF, although I think it is better for you to do that. Whatever you prefer.

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-----Original Message-----

From: Harris, Grant T. (AF)
Sent: Tuesday, November 07, 2000 10:22 AM
To: Wolosky, Lee S. (TNT)
Subject: RE: Update: VBO/Liberian Maritime Registry ~~TOP SECRET~~

Sure, as long as State/AF is there and doesn't mind.

-----Original Message-----

From: Wolosky, Lee S. (TNT)
Sent: Tuesday, November 07, 2000 10:15 AM
To: Harris, Grant T. (AF)
Subject: RE: Update: VBO/Liberian Maritime Registry ~~TOP SECRET~~

Lowell is the Director of Defense Trade Controls at State. I don't know him either, but I don't think there will be a problem. I'll handle an appt. The whole purpose of the meeting with Taft would be to talk about the IEEPA question, and to discuss Dick's idea (which I am assuming both Gayle and Susan are fine with, at least to see if it is legally possible). As long as the appropriate person from AF is invited to join (witney?), I am not worried about stepping on toes.

-----Original Message-----

From: Harris, Grant T. (AF)
Sent: Tuesday, November 07, 2000 10:09 AM
To: Wolosky, Lee S. (TNT)
Subject: RE: Update: VBO/Liberian Maritime Registry ~~TOP SECRET~~

Sounds fine, but I can only do it after the Beers meeting (I have another meeting I cannot change on the front end). I do not know Lowell-- who is he? Also would prefer these meetings talk about VBO generally and not necessarily focus on IEEPA/UN sanctions question, as I don't want to step on State toes.

-----Original Message-----

From: Wolosky, Lee S. (TNT)
Sent: Tuesday, November 07, 2000 10:05 AM
To: Harris, Grant T. (AF)
Subject: RE: Update: VBO/Liberian Maritime Registry ~~TOP SECRET~~

You are right. I am forgetting what day it is. So I guess I am suggesting we do these two meetings around the Beers one. Ok by you?

-----Original Message-----

From: Harris, Grant T. (AF)
Sent: Tuesday, November 07, 2000 10:04 AM
To: Wolosky, Lee S. (TNT)
Subject: RE: Update: VBO/Liberian Maritime Registry ~~TOP SECRET~~

You told me the Beers meeting was Thursday.

-----Original Message-----

From: Wolosky, Lee S. (TNT)
Sent: Tuesday, November 07, 2000 10:02 AM
To: Harris, Grant T. (AF)
Subject: RE: Update: VBO/Liberian Maritime Registry ~~TOP SECRET~~

You and I are going to State at 10am tomorrow to meet with R Beers. I suggest we also do a short session with George Taft and Will Lowell. I will try to get an appointment with Lowell.

-----Original Message-----

From: Harris, Grant T. (AF)
Sent: Tuesday, November 07, 2000 10:01 AM
To: Wolosky, Lee S. (TNT)
Subject: RE: Update: VBO/Liberian Maritime Registry ~~TOP SECRET~~

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I spoke with Witney, and Gayle talked to Susan Rice. We have asked them to raise this with State/L

-----Original Message-----

From: Wolosky, Lee S. (TNT)
Sent: Tuesday, November 07, 2000 9:56 AM
To: Harris, Grant T. (AF)
Subject: FW: Update: VBO/Liberian Maritime Registry ~~TOP SECRET~~

Grant: What is status of second item? Have Susan/AF tasked L?

-----Original Message-----

From: Clarke, Richard A. (TNT)
Sent: Tuesday, November 07, 2000 7:13 AM
To: Wolosky, Lee S. (TNT)
Subject: RE: Update: VBO/Liberian Maritime Registry ~~TOP SECRET~~

where are you on talking to Customs and to Defense Trade Controls in State?

where are we on getting an new EO on UN sanctions?

-----Original Message-----

From: Wolosky, Lee S. (TNT)
Sent: Monday, November 06, 2000 6:03 PM
To: DeRosa, Mary B. (LEGAL); Smith, Gayle E. (AF); Clarke, Richard A. (TNT)
Cc: Rosa, Frederick M. (TNT); Harris, Grant T. (AF); Byrne, Catherine E. (AF)
Subject: Update: VBO/Liberian Maritime Registry ~~TOP SECRET~~

On November 2, African Affairs chaired a meeting in the whsr on the Liberian Maritime Registry (MR) and its possible involvement in illicit arms procurement on behalf of the RUF. 1.4(c)

1.4(c)

State has previously looked at the MR in the context of its proposed program of sanctions against Charles Taylor. Possible measures against the MR and its US affiliate ("LISCR") include IEEPA sanctions and action under the Foreign Missions Act (three employees of LISCR are apparently accredited Liberian diplomats).

We learned that State/OFM -- in looking at the Foreign Missions Act question -- recently sent a former FBI agent and current OFM employee to conduct interviews at LISCR, which is a Delaware corporation owned or operated by US citizens. At this point of the meeting (which I joined a few minutes late), I indicated that the meeting should only appropriately address foreign policy/national security issues associated with the MR and the issue of illicit arms procurement. I said that nsc could not be involved in questions involving possible criminal conduct involving US citizens and corporations.

Attendees at this meeting included the following individuals: Don Booth (State/AF), Tom Burns

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(State/OFM), 1.4(c)
1.4(c) Stephen Miller (State/AF), John Olson
(State/AF), Ted Strickler (State/OFM). From NSC: Cathy
Byrne, Grant Harris, me and Christiana Briggs (tnt intern).