## Congress of the United States

Washington, DC 20515

July 23, 1998

Dear Colleague:

We are proud to stand with Ambassador "Pete" Peterson, our fellow veteran and former Congressional colleague, in endorsing the President's decision to extend the Jackson-Vanik waiver for Vietnam and in opposing H.J. Res. 120. We all have a deep interest in our bilateral relationship with Vietnam and believe strongly that the waiver is an important tool for the advancement of American interests in Vietnam.

The President's decision to waive the Jackson-Vanik amendment in March, and to extend the waiver in June, has encouraged measurable Vietnamese cooperation in processing applications for emigration under the Orderly Departure Program, or ODP, and the Resettlement Opportunity for Vietnamese Returnees agreement, or ROVR.

The Jackson-Vanik amendment exists to promote freedom of emigration from non-market economies. The law calls for a waiver if it would enhance opportunities to emigrate freely. The numbers indicate that opportunities for emigration from Vietnam have clearly increased since the President waived the Jackson-Vanik amendment.

The evidence that Vietnam has liberalized its emigration policy is compelling. As of July 13, 4,388 Vietnamese had departed for the United States under ROVR. Since the waiver was granted, Vietnam has eliminated the requirement for ODP applicants, including Montagnards and former re-education camp detainees, to obtain exit permits prior to being interviewed by American officials. Vietnam has cleared for interview over 80 percent of all remaining ROVR applicants, and we expect many more to be cleared shortly.

Critically, on the day the President announced his decision to extend the Jackson-Vanik waiver, the Vietnamese government announced it would allow U.S. officials to interview all Montagnard ODP cases. Previously, many of these individuals were off-limits to American interviewers, raising concern among many of us that Vietnam was denying Montagnards eligibility for emigration under the ODP. Clearly, the Vietnamese understood that the Montagnard issue was important to the United States, and they responded by meeting our demand for access to this group of people.

In short, Jackson-Vanik is working. Vietnamese cooperation on outstanding emigration applications has increased. Vietnam has made important progress on its commitments under the January 1997 ROVR agreement with the United States. The vast majority of remaining ROVR applicants have been cleared for interview by U.S. officials. Pre-interview exit permits are no longer required for ODP applicants. American officials will soon be actively interviewing Montagnards who wish to emigrate under the terms of the ODP.

Remarkably, the Administration expects to complete almost all ODP refugee interviews by the end of this year.

The Jackson-Vanik waiver has given momentum to this process. Revoking the waiver would likely stall this momentum, to the detriment of those we seek to help emigrate freely.

We would ask those who would overturn the President's extension of the Jackson-Vanik waiver for Vietnam the following questions: Would a successful resolution of disapproval do anything other than sacrifice the progress we have witnessed since March? Would revoking the waiver advance the cause of those Vietnamese who benefit dramatically from their government's cooperation on emigration matters? How would those individuals who have successfully departed Vietnam this year have fared if the United States had not used the Jackson-Vanik waiver to encourage Vietnamese compliance with our emigration priorities?

We should also note the significant effect of the Jackson-Vanik waiver on U.S. businesses operating in Vietnam. The waiver has allowed the Overseas Private Investment Corporation (OPIC) and the Export-Import Bank (EXIM) to support American businesses in Hanoi, Ho Chi Minh City, and elsewhere. Competitors from other industrialized countries have long had the benefit of lending and insurance guarantees provided by their own governments. Without such governmental support, American businesses in Vietnam suffered.

There can be little doubt that the American business community in Vietnam has a moderating influence on the political leadership there. As advocates of economic reform and a healthy bilateral relationship, they deserve our support. Withdrawing OPIC and EXIM guarantees would hurt U.S. business in Vietnam and halt the progress on economic normalization that may soon lead to a bilateral trade agreement and Vietnam's accession to the World Trade Organization. It would reinforce the position of hard-liners in Hanoi who believe Vietnam's opening to the West has proceeded too rapidly. We should do all we can to encourage this opening by supporting the U.S. companies that bring trade and investment to Vietnam.

A number of outstanding differences continue to stand in the way of closer U.S.-Vietnamese relations. Human rights, including the freedom to speak, assemble, and worship, remain subject to the whims of political leaders in Hanoi. Political and economic reforms lag far behind American expectations. Our companies operating in Vietnam suffer from bureaucratic red tape and corruption.

Ambassador Peterson and the embassy staff in Hanoi are working diligently to address these legitimate concerns. At the same time, the 30 Joint Field Activities conducted by the Department of Defense in the past five years, and the consequent repatriation of 233 sets of remains of American military personnel during that period, attest to the ongoing cooperation between Vietnamese and American officials on our efforts to account for our missing servicemen. We are confident that such progress will continue.

Just as those who insisted that Vietnamese cooperation on POW/MIA issues would cease altogether when we normalized relations with Vietnam were proven wrong, so have those who insisted that Vietnam would cease cooperation on emigration issues once we waived Jackson-Vanik been proven wrong by the course of events since March. Those of us with long experience dealing with the Vietnamese, including Ambassador Peterson and U.S. military leaders responsible for our POW/MIA accounting, recognize that cooperation begets cooperation, and that the carrot is as effective as the stick in furthering our cause with the Vietnamese.

It is important to stress that the Jackson-Vanik amendment relates narrowly to freedom of emigration. It does not relate to the many other issues involved in our bilateral relationship with Vietnam. The Jackson-Vanik waiver is a tool we can selectively use to encourage free emigration. The waiver has contributed to that objective. Using it as a blunt instrument to castigate the Vietnamese government for every issue of contention between our two countries will not advance America's interest in free emigration from Vietnam.

We cannot process applicants under ODP and ROVR without Vietnamese cooperation. Such cooperation is put at risk by the resolution of disapproval. As people who care deeply for the Vietnamese citizens whose fate may hang in the balance, we urge our colleagues in Congress to support the President's decision to extend the Jackson-Vanik waiver for Vietnam.

Sincerely,

John McCain

Chuck Hagel

Max Cleland

John Kerry

Bob Kerrey

Chuck Robb