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SUBJECT: MEMORANDA OF CONVERSATIONS: THE SECRETARY'S MEETINGS, JUNE 21, 1991 IN TIRANA, ALBANIA

PAGE 02 STATE 241862 232310Z - ENTIRE TEXT.

THERE FOLLOWS THE MEMORANDUM OF CONVERSATION OF THE SECRETARY'S MEETING WITH ALBANIAN PRIME MINISTER YLLI BUFI, HELD ON JUNE 21 AT THE COUNCIL OF MINISTERS BUILDING IN TIRANA ALBANIA.

PRIME MINISTER BUFI OPENED THE MEETING BY THANKING THE AECRETARY FOR COMING TO ALBANIA NOTING THE IMPORTANCE OF THE VISIT AS A SIGNAL OF ALBANIA'S OPENING TO THE WORLD. THE SECRETARY THANKED THE PRIME MINISTER AND ADDED THAT HE WAS VERY TOUCHED BY THE EXTRAORDINARY RECEPTION HE RECEIVED ON ARRIVAL IN TIRANA. THE RECEPTION WAS A CLEAR EXPRESSION BY THE PEOPLE OF ALBANIAN OF THEIR YEARNING FOR

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UNITED STATES DEPARTMENT OF STATE REVIEW AUTHORITY: WILLIAM J. GEHRON DATE/CASE ID: 14 JAN 2002 200100839

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POLITICAL ECONOMIC AND SPIRITUAL REFORM. AS A
REPRESENTATIVE OF THE US GOVERNMENT HE WAS DEEPLY TOUCHED
BY THE ENTHUSIASTIC WELCOME AND TOOK IT TO MEAN THAT THE
ALBANIANS REGARD THE UNITED STATES AS A SYMBOL OF HOPE FOR
A BETTER FUTURE, ONE WHICH WILL BE MARKED BY FREEDOM AND

PROSPERITY AND ALL THAT A FREE MARKET CAN PROMISE. THE SECRETARY SAID THAT IN HIS LIFETIME HE HAS NEVER SEEN ANYTHING QUITE LIKE IT, AND THAT HE AND ALL HIS COLLEAGUES WERE DEEPLY MOVED. TURNING TO ALBANIA'S TRANSFORMATION, IT IS A PROCESS WE HAVE SEEN IN OTHER COUNTRIES OF THE REGION. AS LONG AS THE ALBANIAN GOVERNMENT AND THE ALBANIAN PEOPLE REMAIN COMMITTED TO THE PRINCIPLES OF DEMOCRACY AND HUMAN RIGHTS AND A FREE MARKET ECONOMY THE UNITED STATES WILL "BE IN YOUR CORNER." HE WAS VERY PLEASED THAT THE U.S. COULD SUPPORT THE APPLICATION OF THE GOVERNMENT OF ALBANIA TO JOIN THE CSCE AND ITS PLEDGE TO

PAGE 03 STATE 241862 232310Z SUBSCRIBE TO THE PRINCIPLES THAT ARE IMBEDDED IN CSCE MEMBERSHIP.

PRIME MINISTER BUFI SAID THAT ALBANIA HAS ARRIVED AT ONE OF THE MOST IMPORTANT MOMENTS IN ITS HISTORY. IT IS A TRANSFORMATION AWAY FROM TOTALITARIANISM AND CENTRAL PLANNING TO A NEW DEMOCRATIC SYSTEM BASED ON A MARKET ECONOMY. THERE ARE MANY PROBLEMS INHERENT IN SUCH A FUNDAMENTAL TRANSFORMATION, AND THE GOVERNMENT MUST DEVOTE ITSELF TO THE DIFFICULT TASK OF FINDING POLITICAL SOLUTIONS, TO MAKE SURE THAT THE TRANSFORMATION IS PEACEFUL. THE GOVERNMENT OF ALBANIA WAS VERY ENCOURAGED BY THE SUPPORT OF THE UNITED STATES AND BY THE SUPPORT OF SECRETARY BAKER PERSONALLY IN SUPFORTING ALBANIAN MEMBERSHIP IN THE CSCE.

CONTINUING, BUFI NOTED SOME OF THE PROBLEMS THE GOVERNMENT MUST OVERCOME. THERE IS, FIRST OF ALL, A DEEP ECONOMIC CRISIS ROOTED IN THE FAILURE OF ALMOST 50 YEARS. BUT TODAY, THE ALBANIAN GOVERNMENT IS ENJOYING INCREASED CONFIDENCE THAT IT CAN OVERCOME THE CRISIS. THE CONFIDENCE IS DERIVED FROM THE DEVELOPMENT OF DEMOCRACY, AND THE LEGITMACY DEMOCRACY IMPARTS TO THE GOVERNMENT IN THE FORM OF POPULAR SUPPORT FOR IT TO PURSUE CHANGES IN THE POLITICAL, ECONOMIC AND LEGAL SYSTEMS OF THE COUNTRY.

THE SECRETARY THEN DISCUSSED SOME U.S. PERSPECTIVES ON THE SITUATION AND ON THE DEVELOPMENT OF BILATERAL TIES. HE TOLD BUFI THAT THE U.S. TAKES NOTE OF THE EXTRAORDINARY

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CHANGES UNDERWAY IN ALBANIA. THERE IS NO CLEARER EVIDENCE OF THESE CHANGES THAN THE RECEPTION GIVEN EARLIER IN THE

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DAY BY THE ALBANIAN PEOPLE. THERE HAVE BEEN EQUALLY
STRIKING CHANGES IN THE BILATERAL RELATIONSHIP. THE U.S.
HAS BEEN THROUGH A SIMILAR PROCESS WITH OTHER COUNTRIES
INCLUDING POLAND, HUNGARY, CZECHOSLOVAKIA, BULGARIA,
ROMANIA, AND EVEN MONGOLIA. ALL OF THESE ARE UNDERGOING

FUNDAMENTAL CHANGE TO DEMOCRACY, AND SOME HAVE BEEN MORE

SUCCESSFUL THAN OTHERS. WE ARE VERY AWARE OF HOW HARD IT IS. AT TIMES WE WILL PUSH FOR YOU TO DO WHAT YOU HAVE TO DO. BUT ALWAYS IN A CONSTRUCTIVE WAY AND IN A SPIRIT OF FRIENDSHIP.

THE SECRETARY NOTED THAT PM BUFI HAD SAID TO HIM EARLIER THAT HE WOULD ENSURE AS A PERSONAL RESPONSIBILITY THAT THERE WILL BE NO MORE POLITICAL PRISONERS IN ALBANIA. IT IS IMPORTANT THAT THE GOVERNMENT TAKE ACTION QUICKLY TO ENACT A SYSTEM OF LAWS AND TO DEVELOPING RESPECT FOR THE RULE OF LAW AND FOR HUMAN AND MINORITY RIGHTS. ALSO, IT IS NECESSARY TO CONDUCT TRULY FREE AND FAIR ELECTIONS, AND THAT ALL POLITICAL GROUPS HAVE EQUAL ACCESS TO THE MEDIA.

RESPONDING, PRIME MINISTER BUFI ASSURED THE SECRETARY THAT THE GOVERNMENT IS SEEKING TO MAKE THE QUICKEST POSSIBLE REPAIR TO THE LEGAL SYSTEM IN ALBANIA. THE SECRETARY SAID THAT HE WOULD ALSO LIKE TO RAISE THE QUESTION OF FREE EMIGRATION FROM ALBANIA -- THE RIGHT OF PEOPLE TO TRAVEL. FURTHER, IT IS CRITICALLY IMPORTANT THAT THE GOVERNMENT MOVE FORCEFULLY TO DISMANTLE THE ORGANIZATIONS OF TOTALITARIANISM, MOST PROMINENTLY, THE SIGURIMI. IN ROMANIA, FOR EXAMPLE, THE CONTINUING ACTIVITY OF THE SECURITY SERVICES HAS BEEN A FACTOR IN HOLDING BACK REFORM.

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PRIME MINISTER BUFI SAID THAT SIGURIMI IS UNDERGOING FUNDAMENTAL RESTRUCTURING, SUCH THAT ITS ROLE WILL BE REMOVED FROM POLITICAL MATTERS. THE SECRETARY ADDED THAT IT IS IMPORTANT THAT THE ARMY BECOMES SUBJECT TO CIVILIAN CONTROL.

BUFI ASSURED THE SECRETARY THAT THESE CHANGES IN THE CONTROL OF THE MILITARY ARE ALSO UNDERWAY. TURNING TO THE ISSUE OF BILATERAL TIES, BUFI URGED FURTHER DEVELOPMENT OF

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POLITICAL TIES, ESPECIALLY CONTACTS AT HIGH-RANKING LEVELS. HE ASSURED THE SECRETARY THAT THE ALBANIAN GOVERNMENT WILL CONTINUE TO ENHANCE DEMOCRACY AND WILL FOLLOW THROUGH ON ITS COMMITMENT TO REFORM. THE SECRETARY SAID THAT WE CLEARLY UNDERSTAND THE DIFFICULT ECONOMIC SITUATION AND POINTED OUT THAT HE SERVED AS TREASURY SECRETARY FOR THREE AND ONE-HALF YEARS AND IS NO STRANGER TO THESE MATTERS. THE U.S. HAS WATCHED CLOSELY COUNTRIES WHICH ARE CONVERTING FROM CENTRALLY-PLANNED ECONOMIES TO FREE MARKETS. AND WE ARE AWARE THAT IT IS A VERY VERY DIFFICULT TASK. VAROUS COUNTRIES HAVE HAD DIFFERENT DEGREES OF SUCCESS. THOSE COUNTRIES WHICH HAVE HAD THE MOST SUCCESS ARE THE ONES WHICH HAVE TAKEN THE MOST DRAMATIC AND FAR-REACHING STEPS. SMALLER STEPS MERELY

PROLONG THE PAIN. THIS IS APPARENTLY WHAT IS HAPPENING IN THE SOVIET UNION. RAPID STEPS ARE ALSO THE BEST WAY TO MAINTAIN POLITICAL SUPPORT FOR THESE PAINFUL MEASURES. THE SECRETARY COMMENTED THAT THE ARE SOME PEOPLE IN THE UNITED STATES WHO ARE NOT YET CONVINCED THAT ALBANIA IS TRULY COMMITTED TO DEEP ECONOMIC REFORM. HE MENTIONED

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THAT HE HAD RECENTLY RECEIVED LETTERS FROM LEGISLATORS
URGING THAT WE PROCEED WITH GREAT CAUTION IN PROVIDING AID
TO ALBANIA. THE UNITED STATES IS PREPARED TO TAKE
SEVERAL STEPS NOW TO SUPPORT ALBANIA'S ECONOMY, AND IS
WILLING TO CONSIDER ADDITIONAL STEPS AS ALBANIA MOVES
AHEAD. THE U.S. HAS SHOWN ITS POLITICAL BONA FIDES WITH
ITS SUPPORT FOR ALBANIAN MEMBERSHIP IN CSCE AS WELL AS OUR
WILLINGNESS TO MAKE THIS VISIT. AS ALBANIA PROCEEDS WITH
POLITICAL AND MARKET REFORM, WE WILL SHOW OUR BONA FIDES
IN THE ECONOMIC AREA AS WELL.

PRIME MINISTER BUFI ACKNOWLEDGED THAT ALBANIA IS THE LAST COUNTRY TO ENTER ON THE PATH OF ECONOMIC REFORM. BUT ALREADY, IN THE SHORT TIME OF SIX MONTHS, ALBANIA HAS TAKEN MANY STEPS AND CAN GUARANTEE THAT THIS PROCESS WILL CONTINUE IN THE FUTURE. THE SECRETARY SAID THAT THE UNITED STATES IS PREPARED TO WORK WITH THE INTERNATIONAL ORGANIZATIONS, INCLUDING THE G-24, TO ASSESS ALBANIA'S NEEDS, PARTICULARLY IN THE HUMANITARIAN AREA, INCLUDING FOOD AID. IN ADDITION, WE ARE PREPARED NOW TO OFFER ALBANIA USD 3 MILLION WORTH OF POWERED MILK, WHICH WE ARE PREPARED TO BEGIN SHIPPING SOON.

RESPONDING, BUFI ACKNOWLEDGED THAT THERE IS A CRITICAL NEED FOR FOODSTUFFS IN ALBANIA AND THAT ALL TOGETHER HE

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EXPECTS THE TOTAL FOOD NEED TO BE ON THE ORDER OF USD 40 OR 50 MILLION WORTH. THE SECRETARY THEN DESCRIBED SOME DETAILS ABOUT THE POWERED MILK AND BUFI RESPONDED THAT IN HIS OPINION THE PROPOSED MILK SHIPMENT COULD SOLVE ALBANIA'S MILK SHORTAGE IN THE COMING YEAR. THE SECRETARY THEN RAISED SOME ADDITIONAL STEPS AND PROVIDED THE PRIME

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MINISTER WITH A WRITTEN DESCRIPTION OF THE MEASURES. THE
SECRETARY NOTED THAT THE TOTAL AMOUNT COMES TO ABOUT USD 6
MILLION. OBVIOUSLY, THIS IS JUST A START AND THE U.S.
WILL BE WATCHING ALBANIA'S PERFORMANCE CLOSELY AND WILL BE
IN CONTACT WITH THE G-24 TO PUT ALBANIAN ON THE LIST OF
COUNTRIES ELIGIBLE FOR MULTILATERAL ASSISTANCE. IN
ADDITION, WE ARE PREPARED TO ASSIST ALBANIA IN DRAFTING A
NEW CONSTITUTION. WE HAVE CONSIDERABLE TECHNICAL
EXPERTISE IN THIS AREA AND ARE ALSO PREPARED TO OFFER
MANAGEMENT TRAINING AND A RANGE OF EXPERTS IN DEVELOPING
DEMOCRATIC INSTITUTIONS. ALL OF THIS ASSISTANCE IS, OF

COURSE, DEPENDENT ON WHETHER ALBANIA REALLY WANTS THEM. THE U.S. DOES NOT WANT TO INJECT ITSELF INTO ALBANIA'S INTERNAL AFFAIRS. SOME OTHER PROGRAMS, INCLUDING A USD 50 THOUSAND GRANT FOR BOOKS FOR DEMOCRACY, AS WELL AS EXCHANGE PROGRAMS TO INCLUDE THE THE FUNDING OF SIX TO EIGHT PARLIAMENTARIANS TO VISIT THE UNITED STATES FOR 30 DAYS. FINALLY, THE U.S. IS PREPARED TO CONSIDER SUPPORTING ALBANIA FOR IMF PROGRAMS. BUT THIS WILL DEPEND ON PROGRESS IN IMPLEMENTING ECONOMIC REFORM.

ONE FINAL POINT ON THE G-24. THE STANDARDS ARE: (1) RULE OF LAW; (2) RESPECT FOR HUMAN RIGHTS; (3) THE INTRODUCTION OF A MULTI-PARTY SYSTEM AND (4) FREE AND FAIR ELECTIONS AND OF GREAT IMPORTANCE, THE INTRODUCTION OF A MARKET ECONOMY. THE SECRETARY CONCLUDED BY NOTING THAT TO THE EXTENT ALBANIA IS WILLING TO MOVE QUICKLY, IT WILL FIND GREAT WILLINGNESS TO HELP.

RESPONDING, BUFI SAID THAT ALL ALBANIANS APPRECIATE THE

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ASSISTANCE THE SECRETARY OFFERED, ESPECIALLY IN THE ECONOMIC FIELD WHERE HIS COUNTRY IS EXPERIENCING THE GREATEST DIFFICULTY. ALSO OF GREAT VALUE WOULD BE U.S. SUPFORT IN THE IMF AND THE WORLD BANK AS WELL AS TECHNICAL ASSISTANCE. ALBANIA IS VERY INTERESTED IN DEVELOPING A RELATIONSHIP WITH THE G-24. ALL THE ASSISTANCE IS VERY

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NECESSARY TO THE SUCCESSFUL IMPLEMENTATING OF ECONOMIC REFORM. ALREADY, ALBANIA'S STATE BUDGET IS IN DEEP DISTRESS.

AT THIS POINT, DEPUTY PRIME MINISTER PASHKO INTERJECTED TO MAKE A FEW COMMENTS TO AMPLIFY BUFI'S DESCRIPTION OF THE STATE OF THE ALBANIAN ECONOMY. ACCORDING TO PASHKO THE STATE BUDGET IS IN DEFICIT BY 80 PERCENT. ALBANIA IS NOW BETWEEN TWO SYSTEMS, AT A POINT OF "ABSOLUTE ZERO." IT HAS NOWHERE TO GO BUT UP. THE ALBANIAN GOVERNMENT MUST INDEED ACT RAPIDLY AND THAT IS PRECISELY WHAT HE PLANS TO DO. PASHKO DESCRIBED HIS PROGRAM OF ECONOMIC REFORM WHICH HE SAID CONSISTS OF TWO PHASES. THE FIRST INTENDS TO CREATE RAPIDLY A FINANCIAL SYSTEM. AT PRESENT, ALBANIA HAS NO EFFECTIVE BANKING SYSTEM. IN OCTOBER, THE GOVERNMENT WILL PROPOSE TO THE PARLIAMENT PHASE II WHICH WILL COMPLETE THE FINANCIAL SECTOR PROGRAM INCLUDING CREATION OF A REAL EXCHANGE RATE FOR THE PURPOSE OF INTRODUCING A CONVERTIBLE CURRENCY. THE SECRETARY ASKED PASHKO WHETHER THE PROGRAM HAD BEEN SHOWN TO THE IMF YET. PASHKO RESPONDED THAT IT IS STILL NOT COMPLETED, AND GESTURING TO HIS PRIME MINISTER SUGGESTED THAT THERE ARE STILL SOME DISAGREEMENTS WITHIN THE GOVERNMENT ABOUT SOME

OF ITS DETAILS. IN ANY EVENT, THE GOVERNMENT PLANS TO

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INTRODUCE IT IN THE PARLIAMENT IN JULY. THE SECRETARY
SAID THAT THE U.S. WOULD BE WILLING TO TAKE A CLOSE LOOK
AT THE PLAN, ON A VERY LOW-KEY, QUIET BASIS TO SEE WHAT
PROBLEMS IT MIGHT ENCOUNTER IN BEING SUBMITTED TO THE
IMF. THE SECRETARY EMPHASIZED THAT ANY SUCH PLAN NEEDS TO
PROVIDE BASIC DATA ON THE ALBANIAN ECONOMY. PASHKO SAID
THAT THE DATA ARE BEING COLLECTED. PRIME MINISTER BUFI
INFORMED THE SECRETARY THAT ALREADY THERE HAVE BEEN TWO
MISSIONS FOR THE IMF IN ALBANIA WHICH HAVE MADE SOME
PRELIMINARY RECOMMENDATIONS. BUFI SAID THAT THE ALBANIAN
GOVERNMENT PLAN WILL STRESS PRIVATE INCENTIVES AND PRIVATE
OWNERSHIP.

THE SECRETARY THEN SAID THAT ONE OTHER PROGRAM THE U.S. COULD CONSIDER WOULD BE SENDING TO ALBANIA THE PEACE CORPS. PEACE CORPS VOLUNTEERS COULD BE STATIONED IN MANY RURAL AREAS OF ALBANIA TO ASSIST IN TEACHING ENGLISH, HELPING WITH AGRICULTURE AND RURAL HEALTH SYSTEMS.

PRIME MINISTER BUFI RESPONDED THAT THIS WOULD BE OF GREAT INTEREST TO THE ALBANIANS. DEPUTY PRIME MINISTER PASHKO

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THEN MENTIONED ONE OTHER ECONOMIC PROBLEMS ALBANIA IS EXPERIENCING. ALBANIA'S FOREIGN DEBT NOW TOTALS OVER DOLS 400 MILLION, MOSTLY IN ARREARS. THE DEBT IS OWED PRIMARILY TO COMMERCIAL BANKS FROM ITALY, FRANCE AND SWITZERLAND. ALBANIA WILL PAY THE DEBT, BECAUSE IT IS SOVEREIGN DEBT BUT IT MAY SEEK A RESCHEDULING FROM ITS CREDITORS.

IN CLOSING, THE SECRETARY THANKED PRIME MINISTER BUFI ONCE AGAIN FOR THE PUBLIC RECEPTION HE RECEIVED AND SAID HE

PAGE 10 STATE 241862 232310Z LOOKS FORWARD TO FURTHER DISCUSSIONS IN THE FUTURE.

3. THERE FOLLOWS THE MEMORANDUM OF CONVERSATION OF THE SECRETARY'S MEETING WITH ALBANIAN PRESIDENT ALIA, HELD ON JUNE 21 AT THE PALACE OF THE BRIGADES IN TIRANA, ALBANIA.

PRESIDENT ALIA OPENED THE MEETING BY WELCOMING THE SECRETARY TO ALBANIA NOTING THAT THE VISIT IS OF HISTORIC IMPORTANCE TO THE COUNTRY, COMING ON THE HEELS OF ALBANIA'S ENTRY INTO THE CSCE AND THE OPENING OF DIPLOMATIC RELATIONS WITH THE UNITED STATES. THE PRESIDENT THANKED THE SECRETARY AND PRESIDENT BUSH FOR HELPING TO MAKE THESE DEVELOPMENTS POSSIBLE.

THE SECRETARY TOLD THE PRESIDENT THAT HE WAS DEEPLY TOUCHED BY THE INCREDIBLE RECEPTION HE RECEIVED EARLIER IN

THE MORNING. HE CONVEYED TO PRESIDENT ALIA THE GREETINGS OF PRESIDENT BUSH. HE MENTIONED THAT HE HAD MET EARLIER WITH THE PRIME MINISTER AND HAD HAD AN OPPORTUNITY TO DISCUSS SOME ECONOMIC AND ASSISTANCE ISSUES AT GREAT LENGTH.

PRESIDENT ALIA NOTED THAT ALBANIA IS ENGAGED IN A DEMOCRATIC TRANSFORMATION WHICH IS NOT WITHOUT ITS DIFFICULTIES. IT IS A TRANSFORMATION INVOLVING THE A FUNDAMENTAL CHANGE IN THE POLITICAL AND ECONOMIC SYSTEMS, WITH MANY SOCIAL SIDE EFFECTS. IN CARRYING OUT THIS TRANSFORMATION, THERE IS A GREAT NEED TO PRESERVE POLITICAL STABILITY, TO PREVENT TERRIBLE CONSEQUENCES TO THE COUNTRY. ALBANIA INTENDS TO TRANSFORM ITS PRACTICES

PAGE 11 STATE 241862 232310Z IN THE AREA OF HUMAN RIGHTS AND TO INTRODUCE A MARKET ECONOMY. THE LATER TASK IS NOT EASY AND IS NOT SOMETHING

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THAT CAN BE ACCOMPLISHED IN ONLY FIVE DAYS. ALREADY, ALBANIANS ARE ENCOUNTERING GREAT DIFFICULTIES BUT THEY ARE NOT DISCOURAGED. THIS POLICY DIRECTION ENJOYS THE SUPPORT OF THE ALBANIAN FEOPLE. ALBANIA WILL ALSO NEED TO COUNT ON THE SUPPORT OF ITS FRIENDS, INCLUDING THE UNITED STATES, TO HELF ALBANIA BECOME A MEMBER OF INTERNATIONAL ECONOMIC INSTITUTIONS WHICH ARE VITAL TO OVERCOMING THE DIFFICULTIES. THE ROAD IS NOW WIDE OPEN FOR MORE RAPID PROGRESS.

RESPONDING, THE SECRETARY THANKED THE PRESIDENT AGAIN FOR HIS WELCOME AND COMMENTED THAT HE AGREED WITH "PRACTICALLY EVERYTHING" THE PRESIDENT HAD SAID. THE SECRETARY NOTED THAT HE HAD ONE DISAGREEMENT WITH RESPECT TO THE ISSUE OF THE SPEED OF MARKET REFORM. ECONOMIC REFORM IS A CHANGE FROM ONE SYSTEM DIAMETRICALLY OPPOSED TO THE OTHER. IT IS PARTICULARLY DIFFICULT BECAUSE OF ALBANIA'S HISTORY OF ISOLATION. BUT THIS IS ALL THE MORE REASON WHY ALBANIA MUST TAKE STEPS AGGRESSIVELY AND NOT WAIT TOO LONG. IT IS IMPORTANT NOT TO DRAG OUT THE PROCESS BECAUSE SUCH SMALL STEPS CREATE AS MUCH PAIN AS LARGER STEPS. IT IS LIKE SWIMMING IN THE OCEAN. IT IS SOMETIMES EASIER TO JUMP RIGHT IN THAN TO GET IN THE WATER SLOWLY. THE INTERNATIONAL COMMUNITY WILL WANT TO HELP WHEN THEY ARE CONVINCED THAT ALBANIA IS INDEED COMMITTED TO A MULTI-PARTY SYSTEM, FREE AND FAIR ELECTIONS, AND ESPECIALLY WHEN ITS CLEAR THAT ALBANIA IS PREPARED TO TAKE THE NECESSARY ECONOMIC STEPS. THE SECRETARY SAID THAT HE HAS BEEN THE SECRETARY OF STATE DURING AN EXTRAORDINARY

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TRANSFORMATION IN THE WORLD AND NOTED THAT HE HAS WORKED
CLOSELY WITH POLAND, HUNGARY, CZECHOSLOVAKIA, BULGARIA,
ROMANIA, MONGOLIA AND WITH THE SOVIET UNION IN HELPING TO

AFFECT ECONOMIC CHANGE. IT IS CLEAR THAT THOSE COUNTRIES WILLING TO TAKE DRAMATIC STEPS ARE THE ONES THAT ARE SUCCEEDING THE MOST. ONE CAN ONLY MAINTAIN POLITICAL SUPPORT SO LONG WITHOUT THE NECESSARY ECONOMIC REFORM. THE INTERNATIONAL COMMUNITY WILL WANT TO HELP AND THE UNITED STATES IS PREPARED TO HELP AS WELL. IT IS ALSO CLEAR THAT THE ALBANIAN PEOPLE YEARN FOR FREEDOM IN ALL OF ITS POLITICAL, ECONOMIC AND RELIGIOUS ASPECTS. IT HAS BEEN SHOWN MANY TIMES IN THE PAST THAT "THE GENIE CANNOT BE PUT BACK IN THE BOTTLE." THERE IS NO CHOICE BUT TO CONTINUE AHEAD IN THE TRANSFORMATION. AN ECONOMY BASED ON INCENTIVE, COMPETITION, RISK, REWARD, AND PRIVATE OWNERSHIP WILL WORK. THE UNITED STATES WILL WANT TO HELP

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ALBANIA SO LONG AS ALBANIA IS COMMITTED.

PRESIDENT ALIA ASSURED THE SECRETARY THAT ALBANIA IS INDEED COMMITTED TO COMPLETING THE TRANSFORMATION THAT IT HAS STARTED. U.S. SUPPORT IS ESPECIALLY IMPORTANT TO ALBANIA, WHICH WOULD LIKE TO EXPAND BILATERAL RELATIONS FURTHER. IT WOULD BE A VERY POSITIVE DEVELOPMENT IF PRESIDENT BUSH COULD VISIT ALBANIA IN THE NEAR FUTURE. THE SECRETARY TOLD ALIA THAT UPON HIS RETURN HE WILL TELL PRESIDENT BUSH ABOUT HIS TALKS IN TIRANA AND WILL DESCRIBE TO HIM THE RECEPTION HE RECEIVED UPON HIS ARRIVAL. THE SECRETARY SAID THAT HE WILL SEE IF HE CAN INTEREST THE PRESIDENT IN MAKING A VISIT BUT NOTED THAT THE PRESIDENT'S TRAVEL SCHEDULE IS EXTREMELY TIGHT.

COMPTHON THE

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THE SECRETARY THEN TURNED TO SOME POLITICAL ISSUES IN ALBANIA. HE SAID THAT HE HAD JUST COME FROM YUGOSLAVIA AND SAID THAT HE IS "VERY, VERY CONCERNED" ABOUT THE SITUATION. THE UNITED STATES HAS BEEN FOLLOWING THE SITUATION VERY CLOSELY AND BELIEVES THAT A DISINTEGRATION OF YUGOSLAVIA COULD HAVE VERY SERIOUS IMFACT ON NEIGHBORS AS WELL AS ON THE PEACE AND STABILITY OF THE REGION. HE SAID THAT HE TALKED WITH THE SERBS ABOUT HUMAN RIGHTS AND ESPECIALLY MINORITY ISSUES, INCLUDING THE SITUATION IN KOSOVO.

TURNING TO A DIFFERENT ISSUE, THE SECRETARY SAID THAT THE GREEK FOREIGN MINISTER HAD ASKED HIM TO RAISE WITH PRESIDENT ALIA SOME MATTERS PERTAINING TO THE GREEK MINORITY IN ALBANIA, SPECIFICALLY ALLOWING GREEK ORTHODOX CLERGY TO COME TO ALBANIA TO CONDUCT RELIGIOUS SERVICES FOR THE GREEK MINORITY. THE GREEK FOREIGN MINISTER ALSO ASKED HIM TO RAISE THE SUBJECT OF ESTABLISHING ADDITIONAL CONSULATES IN ALBANIA. FINALLY, THE GREEK FM ASKED HIM TO RAISE THE ISSUE OF DISTRIBUTING ASSISTANCE TO THE GREEK

MINORITY AND NOTED ALBANIA'S RESPONSIBILITIES UNDER HELSINKI IN THE TREATMENT OF MINORITIES.

RESPONDING TO THE SECRETARY'S PRESENTATION, ALIA SAID THAT HE TOO IS "VERY, VERY CONCERNED" ABOUT THE DESTABILIZATION OF YUGOSLAVIA AND WHAT IT COULD MEAN FOR ITS NEIGHBORS. ALBANIA FOLLOWS ISSUES IN YUGOSLAVIA VERY CLOSELY BECAUSE THERE ARE ABOUT THREE MILLION ALBANIANS LIVING IN YUGOSLAVIA. HE CAUTIONED THAT THE ALBANIANS ARE NOT

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ASKING FOR REUNIFICATION BUT THIS LARGE ALBANIAN
POPULATION IN YUGOSLAVIA HAS ITS OWN HUMAN RIGHTS PROBLEMS
AND SHOULD ENJOY RIGHTS AND A NATIONAL IDENTITY. THE
SUPPRESSED ALBANIAN PEOPLE THERE WILL BE A CONTINUING
INFECTION IN YUGOSLAVIA. ALBANIA IS INTERESTED IN PEACE.
POLITICAL STABILITY IN ALBANIA IS DIRECTLY RELATED TO THE
SITUATION IN KOSOVO. HE SAID THAT CURRENTLY YUGOSLAVIA
DOES NOT RECOGNIZE KOSOVO EVEN THOUGH IT IS UNDER THE
DIRECT RULE OF SERBIA AND IS, IN EFFECT, UNDER

THE SECRETARY ASKED IF ALIA COULD CONVINCE THE ALBANIANS IN KOSOVO TO PARTICIPATE IN THE POLITICAL PROCESS IN YUGOSLAVIA, INSTEAD OF BOYCOTTING IT. ALIA RESPONDED THAT THIS IS A MATTER FOR THE PEOPLE OF KOSOVO; THAT ALBANIA AVOIDS INTERFERING IN KOSOVO; THAT ALBANIA CAN HARDLY AFFORD TO DO OTHERWISE, IT IS A VERY SMALL COUNTRY. THE SECRETARY NOTED THAT BY PARTICIPATING IN THE POLITICAL PROCESS, THE ETHNIC ALBANIANS WOULD CONSTITUTE A MAJORITY POLITICAL PARTY. IT IS IMPORTANT THAT EVERYONE AVOID BLOODSHED AND FIND SOLUTIONS TO PROBLEMS THROUGH DEMOCRATIC AND PEACEFUL MEANS.

TURNING TO THE SUBJECT OF MESSAGES FROM THE GREEK FOREIGN MINISTER, ALIA NOTED THAT HE HAS TALKED TO HIM ON SEVERAL OCCASIONS REGARDING THE GREEK MINORITY. THE GREEK MINORITY LIVES LIKE THE ALBANIAN MAJORITY. IF THINGS ARE BAD FOR THE ALBANIANS, THEY ARE BAD FOR THE GREEK MINORITY; IF THINGS ARE GOOD FOR THE ALBANIANS, THEY ARE GOOD FOR THE GREEK MINORITY. THERE IS NO NATIONAL SUPPRESSION OF THE GREEK MINORITY. AS FOR THE ISSUE OF

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GREEK ORTHODOX PRIESTS, ALBANIA HAS FREEDOM OF RELIGION.
ON THE SUBJECT OF CONSULATES WITH GREECE ALBANIA IS ALSO
INTERESTED IN OPENING CONSULATES IN GREECE AND WILL BE
NEGOTIATING DIRECTLY WITH THE GREEK GOVERNMENT ON MUTUAL
OPENING OF CONSULATES.

ALIA CONCLUDED THE MEETING BY AGAIN ASKING THE SECRETARY TO CONVEY HIS GREETINGS TO PRESIDENT BUSH AND EXPRESSING

THE HOPE THAT THE PRESIDENT CAN SOON VISIT ALBANIA.

4. THERE FOLLOWS THE MEMORANDUM OF CONVERSATION OF THE SECRETARY'S MEETING WITH ALBANIAN NON-GOVERNMENT OFFICIALS

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AT THE DAJTI HOTEL, TIRANA.

THE SECRETARY OPENED THE MEETING BY THANKING THE PARTICIPANTS FOR COMING AND ASKING THAT EACH OF THEM DISCUSS THEIR OWN VIEWS OF THE TRANSFORMATION UNDERWAY IN ALBANIA. THE SECRETARY NOTED THAT IT IS CLEAR THAT ALBANIA IS UNDERGOING FUNDAMENTAL CHANGE AND MOVEMENT TOWARD DEMOCRACY. IT IS A PROCESS THAT WE HAVE SEEN IN OTHER COUNTRIES OF THE REGION BUT PERHAPS NOWHERE IS IT MORE DRAMATIC THAN IN ALBANIA, WHICH IN ADDITION TO SUFFERING FROM A TOTALITARIAN SYSTEM ALSO SUFFERED FROM GREAT ISOLATION. THE SECRETARY NOTED THAT 1-1/2 YEARS AGO HE WAS MEETING WITH A GROUP OF NON-GOVERNMENT OFFICIALS IN BULGARIA AND THAT NOW MANY OF THEM HAVE BECOME PART OF THE GOVERNMENT.

DR. BERISHA, OF THE DEMOCRATIC PARTY, WAS THE FIRST TO SPEAK. HE THANKED THE SECRETARY FOR WHAT HE DESCRIBED AS

PAGE 16 STATE 241862 232310Z A HISTORIC DAY. AFTER SO MANY YEARS OF HEARING BITTER WORDS FROM THE ALBANIAN REGIME ABOUT THE UNITED STATES, THE SECRETARY CAN SEE FOR HIMSELF THAT THE IMPACT OF THOSE WORDS DID NOT IN ANY WAY AFFECT THE FRIENDSHIP OF THE ALBANIAN PEOPLE FOR THE UNITED STATES OR THEIR YEARNING FOR DEMOCRACY. ALBANIA HAS SUFFERED FROM A VERY TROUBLED PAST BUT IT WAS NOW THE PEOPLE WHO HAVE MADE IT POSSIBLE FOR THESE GREAT CHANGES UNDERWAY. IN THE DEMOCRATIC PARTY IN ALBANIA, WE HAVE HAD IN OUR HEARTS THE PRINCIPLES OF HELSINKI, AND DURING THE TIME WHEN ALBANIA REMAINED ISOLATED, THE INTELLECTUALS NEVER ACCEPTED MARXIST-LENINISM. FROM THE BEGINNING WE HAD THE SUPPORT OF INTERNATIONAL DEMOCRATIC FORCES. ABOVE ALL, THE CORRECT POLICY OF THE UNITED STATES GOVERNMENT AND IN PARTICULAR, THE VOICE OF AMERICA HAS BEEN A MAJOR SOURCE IN SUSTAINING THE COMMITMENT TO DEMOCRACY OF THE ALBANIAN PEOPLE. IN ADDITION, WE HAVE HAD CONSIDERABLE HELP FROM THE NATIONAL DEMOCRATIC INSTITUTE (NDI) AND THE NATIONAL REPUBLICAN INSTITUTE (NRI). THEY HAVE MADE IT POSSIBLE FOR MANY ALBANIANS TO VISIT THE UNITED STATES IN RECENT MONTHS.

CONTINUING, DR. BERISHA SAID THAT ALBANIA HAS KILLED COMMUNISM BUT IS STILL FACED WITH ITS REMNANTS WHICH ARE HIGHLY TOXIC. SERIOUS POLITICAL PROBLEMS REMAIN WHICH MUST BE ADDRESSED. WAYS NEED TO BE FOUND TO REHABILITATE

THOUSANDS OF POLITICAL PRISONERS WHO HAVE SPENT MANY YEARS

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IN COMMUNIST PRISONS. AT THIS POINT, THE SECRETARY NOTED THAT EARLIER IN THE DAY HE HAD RAISED THE ISSUE OF POLITICAL PRISONERS WITH THE FOREIGN MINISTER AND THE

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PRIME MINISTER AND THAT THE PRIME MINISTER HAD GIVEN HIM
HIS PERSONAL ASSURANCES THAT ALL POLITICAL PRISONERS WILL
BE RELEASED. WE WILL CONTINUE TO PRESS FOR THESE
PRISONERS TO BE RELEASED. IF THERE ARE STILL PRISONERS WE
WOULD APPRECIATE A LIST OF THEM SO THAT WE CAN PRESS TO
HAVE THEM RELEASED. THE SECRETARY ALSO NOTED THAT HE HAD
ALSO RAISED THE CONTINUING ACTIVITIES OF THE SIGURIMI.
HERE TOO, WE WANT TO KNOW WHETHER OR NOT THE GOVERNMENT IS
FOLLOWING THROUGH ON ITS COMMITMENTS. THE SECRETARY ALSO
NOTED THAT HE EARLIER BROUGHT UP THE ISSUE OF FAIR AND
EQUAL ACCESS TO THE MEDIA.

BERISHA THEN CONTINUED. HE EXPLAINED THAT WITHOUT THE TOTAL DESTRUCTION OF THE OLD SYSTEM AND THE CREATION OF A NEW ONE, NO ALBANIAN CAN FEEL SAFE. THEREFORE, THE ERA OF STALINIST CENSORSHIP HAS GIVEN WAY BUT THE PRESS IS NOT YET COMPLETELY FREE. ALBANIA IS GOING TO NEED CONSIDERABLE HELP. ABOVE ALL, IT WILL NEED TECHNICAL ASSISTANCE IN BUILDING THE INSTITUTIONS OF DEMOCRACY AND OF A MARKET ECONOMY. IT WILL ALSO NEED FINANCIAL HELP, LOANS, TO HELP IN THE RECONSTRUCTION OF THE COUNTRY. ANOTHER PROBLEM IS THE ALBANIANS IN YUGOSLAVIA. THIS IS A VERY SERIOUS ISSUE. MILOSEVIC IS A STALINIST AND THE PROBLEMS OF ALBANIANS IN KOSOVO ARE OF GREAT CONCERN TO THEIR ALBANIAN BROTHERS. THE ALBANIANS IN KOSOVO MUST BE TREATED ACCORDING TO THE STANDARDS FOR MINORITIES SET BY THE UNITED NATIONS.

DR. BERISHA EXPLAINED THAT THE OPPOSITION HAD BEEN PUSHED INTO HAVING ELECTIONS IN MARCH. THE OPPOSITION FELT THE TIMING WAS PREMATURE, BUT DID NOT FEEL IT COULD REFUSE AN

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OFFER OF DEMOCRATIC ELECTIONS. THE RESULTS NEXT TIME WILL
BE VERY DIFFERENT. THE SECRETARY NOTED THAT A SIMILAR
PHENOMENON HAD TAKEN PLACE IN BULGARIA WHERE THE
COMMUNISTS HAD LOST THE CITIES BUT MANAGED TO WIN IN THE
COUNTRYSIDE. AS AN ASIDE, HE COMMENTED THAT THE ALBANIAN
OPPOSITION MIGHT WANT TO CONSIDER HOW TO COOPERATE MORE
CLOSELY IN ORDER TO ENSURE BETTER SUCCESS IN THE
ELECTIONS. THE SECRETARY NOTED THAT HE HAS CONSIDERABLE
EXPERIENCE IN POLITICS AND THAT UNITY FOR AN OPPOSITION IS

COME DOEN DIE

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VERY IMPORTANT.

THE NEXT SPEAKER, SABRI GODO, WAS FROM THE REPUBLICAN PARTY. HE TOLD THE SECRETARY THEY HAD THEIR NATIONAL

CONFERENCE ONLY THE DAY BEFORE AND THAT IN ADDITION TO WHAT DR. BERISHA HAD SAID, HE WANTED TO POINT OUT THAT THE COMMUNIST PARTY IN ALBANIA STILL CONTROLS MOST OF THE LOCAL GOVERNMENTS AND THAT THIS HAS TO CHANGE.

THE NEXT SPEAKER, SKENDER GJINUSHI, WAS FROM THE SOCIAL DEMOCRATIC PARTY. HE NOTED THAT ALBANIAN MEMBERSHIP IN THE CSCE WAS A GREAT EVENT. HE SAID THAT THE SECRETARY'S VISIT PROVIDED THE SPIRITUAL HELP TO THE ALBANIAN PEOPLE IN OVERCOMING THEIR CRISIS. HE SAID THAT HE IS HOPEFUL THAT IN THE NEXT ELECTION THE OFPOSITION WILL WIN. A STRENGTHENED OPPOSITION IN A NEW GOVERNMENT WILL BE ABLE TO TACKLE SOME OF THE SERIOUS POLITICAL PROBLEMS. HE NOTED THAT THE NEW ELECTION LAW COULD HELP PROVIDE MORE FAVORABLE CONDITIONS.

THE NEXT SPEAKER, RUXHDI COBA, WAS FROM THE PEOPLE'S PARTY

PAGE 19 STATE 241862 232310Z (CHRISTIAN-ISLAMIC) PARTY. HE TOLD THE SECRETARY THAT HE IS LIKE A "A MESSIAH" TO THE ALBANIAN PEOPLE WHO HAVE YEARNED FOR REESTABLISHMENT OF RELATIONS WITH THE UNITED STATES. HE SAID THAT THE OPPOSITION WILL WORK MUCH BETTER TOGETHER IN THE NEXT ELECTION AND THAT THERE IS NO QUESTION THAT IT CAN WIN.

THE NEXT SPEAKER WAS DR. YLLI POPA OF THE FORUM FOR THE PROTECTION OF HUMAN RIGHTS. HE ECHOED DR BERISHA'S CONCERN ABOUT REHABILITATING POLITICAL PRISONERS NOW RETURNING TO THEIR VILLAGES AND HOMES WHERE THERE IS NO WORK TO BE FOUND. THEY ARE STRUGGLING TO DEAL WITH THESE PROBLEMS. IN ADDITION, THERE NEEDS TO BE A GENERAL AMNESTY FOR ALBANIANS OVERSEAS SO THAT THEY CAN RETURN TO ALBANIA. THE SPEAKER ALSO PRAISED VOICE OF AMERICA AND CALLED FOR EXTENDING ITS ALBANIAN SERVICE BROADCASTING HOURS.

THE NEXT SPEAKER WAS MARSETA LJARJAS FROM THE "ALBANIANS FOR ALBANIANS" CHARITABLE SOCIETY. SHE NOTED THAT HER ORGANIZATION IS INVOLVED IN PROVIDING FOOD ASSISTANCE. ALBANIA WILL NEED CONSIDERABLE FOOD ASSISTANCE IN THE MONTHS AHEAD.

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THE NEXT SPEAKER WAS GEZIM SHIMA, OF THE INDEPENDENT TRADE UNION. HE NOTED THAT THAT HE HAD RECENTLY BEEN RELEASED AFTER 28 YEARS IN PRISON. HE TOLD THE SECRETARY ABOUT THE ACTIVITIES OF THE UNION AND ASSURED HIM THAT IT WOULD CONTINUE THE STRUGGLE UNTIL COMMUNISM IS FINALLY ENDED. THE SECRETARY POINTED OUT THAT THE TRADE UNION IS EXTREMELY IMPORTANT BECAUSE MUCH OF ITS MEMBERSHIP MAY BE

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MOST SERIOUSLY AFFECTED BY THE ECONOMIC CHANGES THAT ALBANIA IS ABOUT TO UNDERGO. IT IS IMPORTANT THAT THESE WORKERS UNDERSTAND THE NEED TO STICK WITH ECONOMIC REFORM AND NOT GET FAINT OF HEART AFTER SIX MONTHS.

FINALLY, A REPRESENTATIVE OF OMONIA, THE GREEK MINORITY GROUP, NOTED THE SPECIAL CIRCUMSTANCES OF THE GREEK MINORITY AND THE FACT THAT IT HOPES TO ASSURE ITS RIGHTS GUARANTEED IN THE PARIS DOCUMENT OF THE CSCE.

THE SECRETARY CONCLUDED THE MEETING BY THANKING THE PARTICIPANTS FOR ATTENDING AND WISHING THEM WELL IN BUILDING A NEW ALBANIA.

EAGLEBURGER

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