



Wed Jan 14 18:30:37 1998 [STATE 7594] D COPY 4 OF 14 Page 1 OF 4

PTP9020

RELEASE IN FULL

~~SECRET~~

PTP9020

PAGE 01 STATE 007594 142331Z

DECLASSIFIED

@INFO: C(01) D(01) EUR(01) INR(01) NSCE(01)  
P(01) READX(01)S(01) SNIS(01) SP(01)  
SS(01) SSO(01) SSOX(01) UNW(01)  
===== 141830L JAN 98 SXA (TOTAL COPIES:014)

@INFO: SWO(00)  
===== 142327Z JAN 98 STePS (TOTAL COPIES:000)

ORIGIN NODS-00

INFO LOG-00 CCOE-00 OASY-00 /000R

007594  
SOURCE: KODAKA.140088  
DRAFTED BY: EUR/WE:JWOJTASIEWICZ:JPW -- 01/09/98 7-4372 SEWEFR 1961  
APPROVED BY: D:THE DEPUTY SECRETARY  
EUR:MGRSSMAN S/NIS/RC:LPASCOE  
D:PGOLDBERG EUR/WE:SEBARNES  
S/S-O:SALEXANDER  
DESIRED DISTRIBUTION:  
NODIS - NOT FOR ADS

-----OF6DA6 142333Z /38

O 142328Z JAN 98 ZFF4  
FM SECSTATE WASHDC  
TO AMEMBASSY PARIS IMMEDIATE  
AMEMBASSY MOSCOW IMMEDIATE  
AMEMBASSY YEREVAN IMMEDIATE  
AMEMBASSY BAKU IMMEDIATE  
AMEMBASSY TBILISI IMMEDIATE  
AMEMBASSY ANKARA IMMEDIATE

Declassification Authority: Geoffrey W. Chapman,  
Senior Reviewer, A/GIS IPS 10/25/2019

~~SECRET~~ STATE 007594

DECAPIONED

NODIS

E.O. 12958: DECL: 1/9/28  
TAGS: PREL, EPET, FR, IR, AJ, AM, AG  
SUBJECT: DEPUTY SECRETARY'S MEETING WITH FRENCH POLITICAL  
DIRECTOR JACQUES BLOT, JANUARY 8, 1998

CLASSIFIED BY THE DEPUTY SECRETARY, REASONS 1.5 (B) AND  
(D).

1. (S) Summary. The January 8 meeting between the Deputy Secretary and French Political Director Jacques Blot was devoted primarily to NAGORNO-KARABAKH and Central Asian energy issues. Blot expressed the view that Russia perceives the U.S. proposal for an East-West energy corridor from Central Asia as a new effort to isolate Russia. The Deputy Secretary denied that there is any U.S. policy to exclude Russia from energy development. He suggested that the U.S. and France should engage in deeper discussions on Caucasus energy policies and then together seek to defuse Russian suspicions. Regarding the U.S. Caspian energy strategy proposal, Blot said France would insist that all PROJECTS must be COMMERCIALLY viable, delivery routes must be diverse, and no country can be

deliberately excluded. He characterized any policy of isolating IRAN as a back-door form of sanctions. The two also shared concerns about recent violence in Algeria, and the Deputy Secretary assessed Iranian President Khatami's January 7 CNN interview as a mixed performance. End Summary.

2. (S) The Deputy Secretary met January 8 with French Political Director Jacques Blot. Blot was accompanied by

NODS-00



Wed Jan 14 18:30:37 1998 [STATE 7594] D COPY 4 OF 14 Page 2 OF 4

Ambassador Bujon and French Embassy Europe-watcher Roland Gaiharague, EUR Assistant Secretary Marc Grossman, Special Negotiator for Nagorno-Karabakh Lynn Pascoe, D Special Assistant Phil Goldberg, and EUR/WE notetaker attended on the U.S. side.

3. (S) Blot led off with Algeria, noting that it appeared from his discussions the previous day in Paris with u/s Pickering that there are no differences between U.S. and French positions. Germany is pushing hard for the EU to do something about the escalating violence (though the Germans have not made specific proposals), while the UK is more cautious. The EU is considering sending a troika delegation to Algeria, but this will need to be discussed first at the January 22 EU Ministerial meeting. The French government is facing increasing pressure from public opinion to do something. The Deputy Secretary said that we too face mounting pressure from public opinion, though the violence in Algeria is not yet receiving the same degree of visibility in the U.S. media that the 1994 genocide in Rwanda received. He agreed that the U.S. and France have no differences on Algeria but we also have no ready solutions. In a meeting the previous day, former Algerian PM Lakhdar Brahimi had been extremely pessimistic. We are reviewing internally what additional steps we might take to help bring an end to the violence.

4. (S) Turning to Iran, the Deputy Secretary noted that there were a number of positive elements in President Khatami's CNN interview the previous day, but the overall message was mixed. For example, Khatami's harsh criticism of the state of Israel was disappointing. Khatami appears to sincerely desire some degree of normalization, but it is far from clear whether he will succeed. The struggle between hard-liners and pragmatists in Iran has been going on since 1978, but the pragmatists always seem to lose. The real test will be whether Khatami can turn rhetoric into action.

5. (S) The discussion then turned to NAGORNO-KARABAKH. Blot reported that during Armenian PM Kocharian's recent visit to Paris the French perceived no real change his position and no prospect for a real start to negotiations. Blot wondered whether PM KOCHARIAN and President Ter-Petrosian really have different positions, or whether perhaps they have informally agreed that Ter-Petrosian will emphasize one message for us while KOCHARIAN will EMPHASIZE another for Nagorno-Karabakh. The French do not see any real means of pressure on NAGORNO-KARABAKH: the Russians are informally allied with the Armenians and the U.S. and France are constrained by domestic political sensitivities from the diaspora. Therefore, the best approach may be to propose additional incentives, both in economic and security areas, to make the package that is currently on the table more attractive to Nagorno-Karabakh. The Deputy Secretary agreed there is a real possibility that Ter-Petrosian and Kocharian could close their positions in a way we would not want. Pascoe noted that while the Armenian-American community still strongly supports Nagorno-Karabakh, it seems to be increasingly aware that time is not on Armenia's or Nagorno-Karabakh's side.

6. (S) The Deputy Secretary asked for clarification: Did Blot believe we should concentrate on adding incentives for Nagorno-Karabakh to our step-by-step proposal or open the way to a comprehensive proposal? Blot responded that we had to stay firm on the step-by-step approach, but we could be flexible on the timing of the discussions on the two parts. But there could be no link holding implementation of one hostage to the other. If agreement could be reached within six months on the cessation of the armed conflict, that phase could proceed to implementation while negotiations continued on status.

7. (S) Referring back to Blot's remark about an informal



Wed Jan 14 18:30:37 1998 [STATE 7594] D COPY 4 OF 14 Page 3 OF 4

Russian-Armenian alliance, the Deputy Secretary asked what Blot thought the Russian strategy was. Blot replied that, frankly, he thought Russia viewed the Nagorno-Karabakh issue more in the context of its relations with the United States than with Armenia. In his view, the Russians believe our overall strategy in this part of the world is to reduce Russian influence, and therefore they would be seeking above all to consolidate and protect that influence. Indeed, Blot felt that the Russians perceive the U.S. proposal for an East-West energy corridor from central Asia as a new attempt to isolate Russia, and that

this has spilled over into a deterioration of the climate within which the MINSK Group works. To head this off, he suggested that he, the Deputy Secretary, and Russian Deputy FM Pastukhov discuss not only NAGORNO-KARABAKH, but general policy toward the Caucasus in their next MEETING.

8. ~~(S)~~ The Deputy Secretary replied that we are aware that the Russians are suspicious of our intentions, particularly regarding energy development in Central Asia. However, it is by no means our policy to exclude Russia from energy development. The one country we seek to isolate in this region is Iran. He suggested that he and Blot first have a deeper bilateral exchange on our energy strategy for this region. Then, as we develop harmony between us, we should sit down with Pastukhov, in the context of the Ninsk group to discuss the broader strategic context in which our efforts on Nagorno-Karabakh can go forward.

9. ~~(S)~~ Blot then turned directly to the U.S. Caspian energy strategy proposal, which he said U/S Pickering had outlined for him the previous day in Paris. He said France strongly supports the overall concept of stabilizing the region by economic means, but would insist on three fundamental principles for such a strategy. First, any project must be commercially viable and be supported by the industry. Second, a primary objective should be energy security, meaning diversification of petroleum delivery routes. Third, there can be no objective to isolate any country. Blot noted that such a policy of isolating a particular country could be seen as a back-door form of sanctions. Sanctions are the responsibility of the UN Security Council and there has been no UNSC decision to impose sanctions against Iran. If the United States insists on such a political aim, the Caspian energy strategy would be met with strong reservations by France and other EU countries.

10. ~~(S)~~ The Deputy Secretary reiterated that it is categorically not U.S. policy to exclude Russia from energy developments. Our only condition is that Russia define its interests in ways that are consistent with its international obligations. The U.S. and France do have differences over Iran and ILSA, which we are trying to work out. He reiterated that he would like to meet soon for deeper discussions on our Caspian policies, particularly as they impact on relations with Russia. Grossman added that there are also links between this

subject and U.S. - EU discussions on Turkey. He pointed out that our strategy envisions multiple pipelines from Central Asia. Multiple includes routes through Russia.

11. ~~(S)~~ In closing, the Deputy Secretary and Blot agreed that they would be in touch by telephone for additional discussions on Caucasus/Caspian/Russia issues before the Barents Sea Council meeting January 18-19, where the Deputy Secretary ANTICIPATED he might meet with FM Primakov. They also agreed that the three Minsk Conference co-chairs should try to meet in Paris in the first week of February.

TALBOTT

~~SECRET~~



Wed Jan 14 18:30:37 1998 [STATE 7594] D COPY 4 OF 14 Page 4 OF 4

**N  
O  
D  
I  
S  
  
N  
O  
D  
I  
S  
  
N  
O  
D  
I  
S**