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THE WHITE HOUSE
WASHINGTON

175755SS

TAD01

August 2, 1990

ACTION

MEMORANDUM FOR THE PRESIDENT

#'s 12722 + 12723

FROM: BRENT SCOWCROFT

SUBJECT: Emergency Orders for Iraq and Kuwait

Purpose

To freeze Iraqi assets and block transactions with Iraq and to freeze Kuwaiti assets in response to Iraq's invasion of Kuwait.

Background

As a result of Iraq's invasion of Kuwait, it is appropriate for you to exercise your emergency powers under the International Emergency Economic Powers Act (IEEPA). At Tab A is an Executive order freezing Iraqi assets and prohibiting transactions with Iraq. At Tab B is an Executive order freezing Kuwaiti assets.

The Executive orders have been approved as to form and legality (Tab C).

RECOMMENDATION

That you sign the Executive Orders at Tabs A and B.

Attachments

- Tab A Executive Order on Iraq
- Tab B Executive Order on Kuwait
- Tab C Justice Department Opinion

cc: Vice President
Chief of Staff

ANNOUNCED: 8/2/90 (7:16 AM)
TO ARCHIVES: 8/2/90

NOTED
dws

8/2/80

"The President has seen" was stamped in red letters in upper right corner of both EOs. This did not come out on the copies because of the red letters.

Ron Geisler

EXECUTIVE ORDER

12722

BLOCKING IRAQI GOVERNMENT PROPERTY
AND PROHIBITING TRANSACTIONS WITH IRAQ

By the authority vested in me as President by the Constitution and laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), the National Emergencies Act (50 U.S.C. 1601 et seq.), and section 301 of title 3 of the United States Code.

I, GEORGE BUSH, President of the United States of America, find that the policies and actions of the Government of Iraq constitute an unusual and extraordinary threat to the national security and foreign policy of the United States and hereby declare a national emergency to deal with that threat.

I hereby order:

Section 1. All property and interests in property of the Government of Iraq, its agencies, instrumentalities and controlled entities and the Central Bank of Iraq that are in the United States, that hereafter come within the United States or that are or hereafter come within the possession or control of United States persons, including their overseas branches, are hereby blocked.

Section 2. The following are prohibited, except to the extent provided in regulations which may hereafter be issued pursuant to this Order:

(a) The import into the United States of any goods or services of Iraqi origin, other than publications and other informational materials;

(b) The export to Iraq of any goods, technology (including technical data or other information controlled for export pursuant to Section 5 of the Export Administration Act (50 U.S.C. App. 2404)) or services from the United States, except publications and other informational materials, and donations of articles intended to relieve human suffering, such as food, clothing, medicine and medical supplies intended strictly for medical purposes;

(c) Any transaction by a United States person relating to transportation to or from Iraq; the provision of transportation to or from the United States by any Iraqi person or any vessel or aircraft of Iraqi registration; or the sale in the United States by any person holding authority under the Federal Aviation Act of 1958, as amended (49 U.S.C. 1514), of any transportation by air which includes any stop in Iraq;

(d) The purchase by any United States person of goods for export from Iraq to any country;

(e) The performance by any United States person of any contract in support of an industrial or other commercial or governmental project in Iraq;

(f) The grant or extension of credits or loans by any United States person to the Government of Iraq, its instrumentalities and controlled entities;

(g) Any transaction by a United States person relating to travel by any United States citizen or permanent resident alien to Iraq, or to activities by any such person within Iraq, after the date of this Order, other than transactions necessary to effect such person's departure from Iraq, or travel for journalistic activity by persons regularly employed in such capacity by a newsgathering organization; and

(h) Any transaction by any United States person which evades or avoids, or has the purpose of evading or avoiding, any of the prohibitions set forth in this Order.

For purposes of this Order, the term "United States person" means any United States citizen, permanent resident alien, juridical person organized under the laws of the United States, or any person in the United States.

Section 3. This Order is effective immediately.

Section 4. The Secretary of the Treasury, in consultation with the Secretary of State, is hereby authorized to take such actions, including the promulgation of rules and regulations, as may be necessary to carry out the purposes of this Order. Such actions may include prohibiting or regulating payments or transfers of any property or any transactions involving the transfer of anything of economic value by any United States person to the Government of Iraq, its instrumentalities and controlled entities, or to any Iraqi national or entity owned or controlled, directly or indirectly, by Iraq or Iraqi nationals. The Secretary may redelegate any of these functions to other officers and agencies of the Federal government. All agencies of the United States government are directed to take all appropriate measures within their authority to carry out the provisions of this Order, including the suspension or termination of licenses or other authorizations in effect as of the date of this Order.

This Order shall be transmitted to the Congress and published in the Federal Register.



EXECUTIVE ORDER

12723

BLOCKING KUWAITI GOVERNMENT PROPERTY

By the authority vested in me as President by the Constitution and laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), the National Emergencies Act (50 U.S.C. 1601 et seq.), and 3 U.S.C. 301.

I, GEORGE BUSH, President of the United States, find that the situation caused by the invasion of Kuwait by Iraq constitutes an unusual and extraordinary threat to the national security, foreign policy and economy of the United States and have declared a national emergency to deal with that threat.

I hereby order blocked all property and interests in property of the Government of Kuwait or any entity purporting to be the Government of Kuwait, its agencies, instrumentalities and controlled entities and the Central Bank of Kuwait that are in the United States, that hereafter come within the United States or that are or hereafter come within the possession or control of United States persons, including their overseas branches.

For purposes of this Order, the term "United States person" means any United States citizen, permanent resident alien, juridical person organized under the laws of the United States or any person in the United States.

The Secretary of the Treasury is authorized to employ all powers granted to me by the International Emergency Economic Powers Act to carry out the provisions of this Order.

This Order is effective immediately and shall be transmitted to the Congress and published in the Federal Register.



THE WHITE HOUSE,
August 2, 1990

August 2, 1990

MEMORANDUM

Re: Blocking Kuwaiti Government Property and Blocking Iraqi
Government Property and Prohibiting Transactions with Iraq

These orders were submitted by the National Security Council. These orders find that the invasion of Kuwait by Iraq constitutes an extraordinary threat to the national security, foreign policy and economy of the United States and declares a national emergency to deal with that threat.

On that basis, the orders exercise legal authorities, including that granted by the International Emergency Economic Powers Act, 50 U.S.C. 1701, to block all property and interests of the Governments of Kuwait and Iraq and prohibits a variety of transactions with Iraq.

The orders are approved with respect to form and legality.


John O. McGinnis
Deputy Assistant Attorney General
Office of Legal Counsel

THE WHITE HOUSE

WASHINGTON

August 2, 1990

CLERK'S NOTES:

1. At 7:15 a.m., Den Levin, NSC Counsel's Office, called to say that he had the signed originals of two executive orders on Iraq, and thought we would know what to do with them. I told him that, yes, the originals should come to our office for handling.
2. At 7:16 a.m., Laura Melillo announced over our squawk box that two E.O.'s were in the bins. I went over, picked them up and stopped by Cicconi's office and asked John Gardner if he needed copies of the releases. He instructed me to find Cicconi immediately and give him copies. I found Jim in General Scowcroft's outer office and he asked me how I knew of these executive orders. I told him I just heard Laura's announcement over the squawk box. (Nattie Wozniak of Marlin's office advised me in the hallway that she was the one who typed the releases.)
3. At 7:32 a.m., Dan Levin stopped by to say that the signed E.O.'s were in Jim Cicconi's office and that State was working on the report to the Congress.

I asked him how all this came about, and he said that "they" started writing the E.O.'s in the Sit Room sometime after midnight and he was sorry he didn't call us, but instead called OMB since he knew they would know how to put the E.O.'s together.


Sara Emery

THE WHITE HOUSE

WASHINGTON

August 2, 1990

MEMORANDUM FOR RONALD R. GEISLER
Executive Clerk

FROM: TIM SAUNDERS 
Assistant to the Executive Clerk

SUBJECT: Iraq and Kuwait Executive Orders

This morning at approximately 6:10 a.m. I received a phone call at home from Laura Melillo in the White House Press Office. She had worked all night because, she said, Iraq had invaded Kuwait.

Laura said the President had signed two executive Orders and Marlin Fitzwater wanted to put them out. I advised her that Sara Emery would be in our office in little more than 45 minutes and, if possible, before putting the Orders out, she should show them to her.

NATIONAL SECURITY COUNCIL

WASHINGTON, D C 20506

August 2, 1990

ACTION

MEMORANDUM FOR BRENT SCOWCROFT

THROUGH: NICHOLAS ROSTOW *M.*

FROM: DANIEL LEVIN *DL*

SUBJECT: Emergency Orders for Iraq and Kuwait

Attached at Tab I is a memorandum to the President forwarding for his signature two Executive Orders (Tabs A and B) freezing Iraqi and Kuwaiti assets in response to Iraq's invasion of Kuwait and blocking transactions with Iraq.

RECOMMENDATION

That you sign the memorandum to the President at Tab I.

Attachments

Tab I Memorandum to the President
Tab A Executive Order on Iraq
Tab B Executive Order on Kuwait
Tab C Justice Department Opinion

Presidential Documents

Title 3—

Executive Order 12722 of August 2, 1990

The President

Blocking Iraqi Government Property and Prohibiting Transactions With Iraq

By the authority vested in me as President by the Constitution and laws of the United States of America, including the International Emergency Economic Powers Act [50 U.S.C. 1701 *et seq.*], the National Emergencies Act (50 U.S.C. 1601 *et seq.*), and section 301 of title 3 of the United States Code.

I, GEORGE BUSH, President of the United States of America, find that the policies and actions of the Government of Iraq constitute an unusual and extraordinary threat to the national security and foreign policy of the United States and hereby declare a national emergency to deal with that threat.

I hereby order:

Section 1. All property and interests in property of the Government of Iraq, its agencies, instrumentalities and controlled entities and the Central Bank of Iraq that are in the United States, that hereafter come within the United States or that are or hereafter come within the possession or control of United States persons, including their overseas branches, are hereby blocked.

Section 2. The following are prohibited, except to the extent provided in regulations which may hereafter be issued pursuant to this Order:

- (a) The import into the United States of any goods or services of Iraqi origin, other than publications and other informational materials;
- (b) The export to Iraq of any goods, technology (including technical data or other information controlled for export pursuant to Section 5 of the Export Administration Act (50 U.S.C. App. 2404)) or services from the United States, except publications and other informational materials, and donations of articles intended to relieve human suffering, such as food, clothing, medicine and medical supplies intended strictly for medical purposes;
- (c) Any transaction by a United States person relating to transportation to or from Iraq; the provision of transportation to or from the United States by any Iraqi person or any vessel or aircraft of Iraqi registration; or the sale in the United States by any person holding authority under the Federal Aviation Act of 1958, as amended (49 U.S.C. 1514), of any transportation by air which includes any stop in Iraq;
- (d) The purchase by any United States person of goods for export from Iraq to any country;
- (e) The performance by any United States person of any contract in support of an industrial or other commercial or governmental project in Iraq;
- (f) The grant or extension of credits or loans by any United States person to the Government of Iraq, its instrumentalities and controlled entities;
- (g) Any transaction by a United States person relating to travel by any United States citizen or permanent resident alien to Iraq, or to activities by any such person within Iraq, after the date of this Order, other than transactions necessary to effect such person's departure from Iraq, or travel for journalistic activity by persons regularly employed in such capacity by a newsgathering organization; and

(h) Any transaction by any United States person which evades or avoids, or has the purpose of evading or avoiding, any of the prohibitions set forth in this Order.

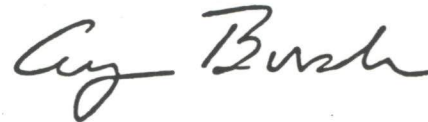
For purposes of this Order, the term "United States person" means any United States citizen, permanent resident alien, juridical person organized under the laws of the United States, or any person in the United States.

Section 3. This Order is effective immediately.

Section 4. The Secretary of the Treasury, in consultation with the Secretary of State, is hereby authorized to take such actions, including the promulgation of rules and regulations, as may be necessary to carry out the purposes of this Order. Such actions may include prohibiting or regulating payments or transfers of any property or any transactions involving the transfer of anything of economic value by any United States person to the Government of Iraq, its instrumentalities and controlled entities, or to any Iraqi national or entity owned or controlled, directly or indirectly, by Iraq or Iraqi nationals. The Secretary may redelegate any of these functions to other officers and agencies of the Federal government. All agencies of the United States government are directed to take all appropriate measures within their authority to carry out the provisions of this Order, including the suspension or termination of licenses or other authorizations in effect as of the date of this Order.

This Order shall be transmitted to the Congress and published in the Federal Register.

THE WHITE HOUSE,
August 2, 1990.



[FR Doc. 90-18381
Filed 8-2-90; 9:44 am]
Billing code 3195-01-M

Editorial note: For a statement by Deputy Press Secretary Popadiuk on the blockage of Iraqi and Kuwaiti property, see the *Weekly Compilation of Presidential Documents* (vol. 26, no. 31).

Presidential Documents

Executive Order 12723 of August 2, 1990

Blocking Kuwaiti Government Property

By the authority vested in me as President by the Constitution and laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*), the National Emergencies Act (50 U.S.C. 1601 *et seq.*), and 3 U.S.C. 301.

I, GEORGE BUSH, President of the United States, find that the situation caused by the invasion of Kuwait by Iraq constitutes an unusual and extraordinary threat to the national security, foreign policy and economy of the United States and have declared a national emergency to deal with that threat.

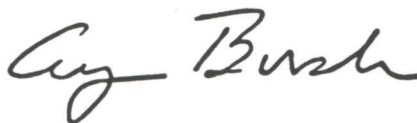
I hereby order blocked all property and interests in property of the Government of Kuwait or any entity purporting to be the Government of Kuwait, its agencies, instrumentalities and controlled entities and the Central Bank of Kuwait that are in the United States, that hereafter come within the United States or that are or hereafter come within the possession or control of United States persons, including their overseas branches.

For purposes of this Order, the term "United States person" means any United States citizen, permanent resident alien, juridical person organized under the laws of the United States or any person in the United States.

The Secretary of the Treasury is authorized to employ all powers granted to me by the International Emergency Economic Powers Act to carry out the provisions of this Order.

This Order is effective immediately and shall be transmitted to the Congress and published in the Federal Register.

THE WHITE HOUSE,
August 2, 1990.



[FR Doc. 90-18382

Filed 8-2-90; 9:45 am]

Billing code 3195-01-M

Editorial note: For a statement by Deputy Press Secretary Popadiuk on the blockage of Iraqi and Kuwaiti property, see the *Weekly Compilation of Presidential Documents* (vol. 26, no. 31).

*Prepared by Middle East Group,
New York*

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

August 2, 1990

EXECUTIVE ORDER

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BLOCKING IRAQI GOVERNMENT PROPERTY
AND PROHIBITING TRANSACTIONS WITH IRAQ

By the authority vested in me as President by the Constitution and laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), the National Emergencies Act (50 U.S.C. 1601 et seq.), and section 301 of title 3 of the United States Code.

CAP

I, George Bush, President of the United States of America, find that the policies and actions of the Government of Iraq constitute an unusual and extraordinary threat to the national security and foreign policy of the United States and hereby declare a national emergency to deal with that threat.

I hereby order:

Section 1. All property and interests in property of the Government of Iraq, its agencies, instrumentalities and controlled entities and the Central Bank of Iraq that are in the United States, that hereafter come within the United States or that are or hereafter come within the possession or control of United States persons, including their overseas branches, are hereby blocked.

Section 2. The following are prohibited, except to the extent provided in regulations which may hereafter be issued pursuant to this Order:

(a) The import into the United States of any goods or services of Iraqi origin, other than publications and other informational materials;

) /

(b) The export to Iraq of any goods, technology (including technical data or other information controlled for export pursuant to Section 5 of the Export Administration Act (50 U.S.C. App. 2404) or services from the United States, except publications and other informational materials, and donations of articles intended to relieve human suffering, such as food, clothing, medicine and medical supplies intended strictly for medical purposes;

(c) Any transaction by a United States person relating to transportation to or from Iraq; the provision of transportation to or from the United States by any Iraqi person or any vessel or aircraft of Iraqi registration; or the sale in the United States by any person holding authority under the Federal Aviation Act of 1958, as amended (49 U.S.C. 1514), of any transportation by air which includes any stop in Iraq;

(d) The purchase by any United States person of goods for export from Iraq to any country;

(e) The performance by any United States person of any contract in support of an industrial or other commercial or governmental project in Iraq;

(OVER)

*Continued by Clark's Office - more -
in weekly compilation of Presidential Documents -
Page 2 of 2*

(f) The grant or extension of credits or loans by any United States person to the Government of Iraq, its instrumentalities and controlled entities;

(g) Any transaction by a United States person relating to travel by any United States citizen or permanent resident alien to Iraq, or to activities by any such person within Iraq, after the date of this Order, other than transactions necessary to effect such person's departure from Iraq, or travel for journalistic activity by persons regularly employed in such capacity by a newsgathering organization; and

(h) Any transaction by any United States person which evades or avoids, or has the purpose of evading or avoiding, any of the prohibitions set forth in this Order.

For purposes of this Order, the term "United States person" means any United States citizen, permanent resident alien, juridical person organized under the laws of the United States, or any person in the United States.

Section 3. This ~~order~~ is effective immediately.

Section 4. The Secretary of the Treasury, in consultation with the Secretary of State, is hereby authorized to take such actions, including the promulgation of rules and regulations, as may be necessary to carry out the purposes of this Order. Such actions may include prohibiting or regulating payments or transfers of any property or any transactions involving the transfer of anything of economic value by any United States person to the Government of Iraq, its instrumentalities and controlled entities, or to any Iraqi national or entity owned or controlled, directly or indirectly, by Iraq or Iraqi nationals. The Secretary may redelegate any of these functions to other officers and agencies of the Federal government. All agencies of the United States government are directed to take all appropriate measures within their authority to carry out the provisions of this Order, including the suspension or termination of licenses or other authorizations in effect as of the date of this Order.

This Order shall be transmitted to the Congress and published in the Federal Register.

/s/ George Bush

The White House,
August 2, 1990.

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*Prepare by [unclear] [unclear],
from [unclear]*

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

August 2, 1990

EXECUTIVE ORDER

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BLOCKING KUWAITI GOVERNMENT PROPERTY

By the authority vested in me as President by the Constitution and laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), the National Emergencies Act (50 U.S.C. 1601 et seq.), and 3 U.S.C. 301.

CAP

I, George Bush, President of the United States, find that the situation caused by the invasion of Kuwait by Iraq constitutes an unusual and extraordinary threat to the national security, foreign policy and economy of the United States and have declared a national emergency to deal with that threat.

I hereby order blocked all property and interests in property of the Government of Kuwait or any entity purporting to be the Government of Kuwait, its agencies, instrumentalities and controlled entities and the Central Bank of Kuwait that are in the United States, that hereafter come within the United States or that are or hereafter come within the possession or control of United States persons, including their overseas branches.

For purposes of this Order, the term "United States person" means any United States citizen, permanent resident alien, juridical person organized under the laws of the United States or any person in the United States.

The Secretary of the Treasury is authorized to employ all powers granted to me by the International Emergency Economic Powers Act to carry out the provisions of this Order.

This Order is effective immediately and shall be transmitted to the Congress and published in the Federal Register.

/s/ George Bush

CAP

The White House,
August 2, 1990.

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

August 2, 1990

REMARKS BY THE PRESIDENT
REGARDING IRAQI INVASION ON KUWAIT

The Cabinet Room

8:05 A.M. EDT

THE PRESIDENT: Let me make a brief statement here about recent events. The United States strongly condemns the Iraqi military invasion of Kuwait. We call for the immediate and unconditional withdrawal of all the Iraqi forces. There is no place for this sort of naked aggression in today's world. And I've taken a number of steps to indicate the deep concern that I feel over the events that have taken place.

Last night I instructed our Ambassador at the United Nations, Tom Pickering, to work with Kuwait in convening an emergency meeting of the Security Council. It was convened, and I am grateful for that quick, overwhelming vote condemning the Iraqi action and calling for immediate and unconditional withdrawal. Tom Pickering will be here in a bit, and we are contemplating with him further United Nations action.

Second, consistent with my authority under the International Emergency Economic Powers Act, I've signed an Executive Order early this morning freezing Iraqi assets in this country and prohibiting transactions with Iraq. I've also signed an Executive Order freezing Kuwaiti assets. That's to ensure that those assets are not interfered with by the illegitimate authority that is now occupying Kuwait. We call upon other governments to take similar action.

Third, the Department of State has been in touch with governments around the world urging that they, too, condemn the Iraqi aggression and consult to determine what measures should be taken to bring an end to this totally unjustified act. It is important that the international community act together to ensure that Iraqi forces depart Kuwait immediately.

Needless to say, we view the situation with the utmost gravity. We remain committed to take whatever steps are necessary to defend our long-standing vital interests in the Gulf. And I'm meeting this morning with my senior advisors here to consider all possible options available to us. I've talked to Secretary Baker just now; General Scowcroft and I were on the phone with him. And we will -- after this meeting, I will proceed to deliver a long-standing speech. I will have consultations -- short ones -- there in Aspen with Prime Minister Thatcher and I will be returning home this evening and I'll be here in Washington tomorrow.

I might say on a much more pleasant note, I just hung up from talking to Mr. and Mrs. Swanson, the parents of Tim Swanson, the Peace Corps volunteer who has been held against his will -- held hostage or kidnapped there in the Philippines. And I want to thank everybody in the U.S. government that was so instrumental in working for his release. And, Bob, I hope you'll convey that to the Ambassador and others in our Philippines country team.

Q Mr. President?

THE PRESIDENT: Yes, Helen.

Q Do you contemplate intervention as one of your options?

MORE

THE PRESIDENT: We're not discussing intervention. I would not discuss any military options even if we'd agreed upon them. But one of the things I want to do at this meeting is hear from our Secretary of Defense, our Chairman and others. But I'm not contemplating such action.

Q You're not contemplating any intervention or sending troops?

THE PRESIDENT: I'm not contemplating such action, and I again would not discuss it if I were.

Q What is the likely impact on U.S. oil supplies and prices?

THE PRESIDENT: This is a matter that concerns us and I don't know yet. Again, I'm going to hear from our experts now. Our Secretary of Energy is here, if you'll note, and others who understand this situation very well indeed -- our Secretary of Defense. And we'll be discussing that. But this is a matter of considerable concern and, not just to the United States, I might add.

Q Are you planning to break relations?

THE PRESIDENT: You've heard me say over and over again, however, that we are dependent for close to 50 percent of our energy requirements on the Middle East. And this is one of the reasons I felt that we have to not let our guard down around the world.

Q Are you contemplating breaking diplomatic relations?

THE PRESIDENT: I'm discussing this matter with our top advisors here in just a minute.

Q Is this action in your view limited to Kuwait?

THE PRESIDENT: I've seen -- there's no evidence to the contrary. But what I want to do is have it limited back to Iraq and have this invasion be reversed and have them get out of Kuwait.

Q Do you think Saudi Arabia is threatened or any of the other Emirates?

THE PRESIDENT: I think Saudi Arabia is very concerned and I want to hear from our top officials here, our director of intelligence and others as to the worldwide implications of this illegal action that has been condemned by the United Nations.

Q And you were taken by surprise?

THE PRESIDENT: Not totally by surprise, because we have good intelligence and our intelligence has had me concerned for sometime here about what action might be taken.

Thank you all very much, and I expect I will say something further, because I'm having a joint press meeting with Margaret Thatcher and, at that time, I might be able to take a few more questions on this subject. But the main thing I want to do now is hear from our advisors and then we will go forth from this meeting with -- all on the same wavelength. I'm sure there will be a lot of frenzied diplomatic activity. I plan to participate in some of that myself because at this time it is important to stay in touch with our many friends around the world, and it's important that we work in concert with our friends around the world.

Q Gorbachev?

THE PRESIDENT: Thank you very much.

Obviously -- Helen, you might be interested -- this matter has been discussed at very high level between Secretary Baker and the

foreign minister of the Soviet Union. And so far I've been pleased with the Soviet reaction.

Q Well, do you expect to make decisions?

THE PRESIDENT: That's all I've got to say right now. We've got to go on with this meeting.

THE PRESS: Thank you.

END

8:13 A.M. EDT

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

August 1, 1990

STATEMENT BY THE DEPUTY PRESS SECRETARY

The United States strongly condemns the Iraqi military invasion of Kuwait and calls for the immediate and unconditional withdrawal of all Iraqi forces. We have conveyed this message to the Iraqi Ambassador in Washington and to the Iraqi Government through our Embassy in Baghdad. We deplore this blatant use of military aggression and violation of the U.N. Charter. Together with Kuwait we are calling for an emergency session of the U.N. Security Council.

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

August 2, 1990

STATEMENT BY THE DEPUTY PRESS SECRETARY

National Security Adviser Brent Scowcroft has been chairing an interagency task force in the Situation Room monitoring the Iraqi invasion of Kuwait. The President was informed of the initial signs of the Iraqi action at approximately 9 p.m. yesterday by National Security Adviser Scowcroft and has been receiving periodic updates since.

The United States is deeply concerned about this blatant act of aggression and demands the immediate and unconditional withdrawal of all Iraqi forces. We do not have exact details at this time concerning the extent of the Iraqi action, although it is clearly extensive. We have no reports of any harm to American citizens. The State Department is in constant contact with our Embassy in Kuwait concerning the status of U.S. citizens.

At the urging of Kuwait and the United States, the United Nations Security Council will be meeting early this morning to consider this matter. In addition, we have been informed that the Arab League and the Organization of the Islamic Conference will be convening to review the situation. We are urging the entire international community to condemn this outrageous act of aggression.

The United States is reviewing all options in its response to the Iraqi aggression.

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NO NEED TO
SCAN

ADD TO
SCAN FILE

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THE WHITE HOUSE
WASHINGTON

175755SS
TA 001

#6206

August 2, 1990

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: BRENT SCOWCROFT 

SUBJECT: Emergency Orders for Iraq and Kuwait

Purpose

To freeze Iraqi assets and block transactions with Iraq and to freeze Kuwaiti assets in response to Iraq's invasion of Kuwait.

Background

As a result of Iraq's invasion of Kuwait, it is appropriate for you to exercise your emergency powers under the International Emergency Economic Powers Act (IEEPA). At Tab A is an Executive order freezing Iraqi assets and prohibiting transactions with Iraq. At Tab B is an Executive order freezing Kuwaiti assets.

The Executive orders have been approved as to form and legality (Tab C).

RECOMMENDATION

That you sign the Executive Orders at Tabs A and B.

Attachments

- Tab A Executive Order on Iraq
- Tab B Executive Order on Kuwait
- Tab C Justice Department Opinion

cc: Vice President
Chief of Staff

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

#6206

August 2, 1990

ACTION

MEMORANDUM FOR BRENT SCOWCROFT

THROUGH: NICHOLAS ROSTOW *NR*.
FROM: DANIEL LEVIN *DL*
SUBJECT: Emergency Orders for Iraq and Kuwait

Attached at Tab I is a memorandum to the President forwarding for his signature two Executive Orders (Tabs A and B) freezing Iraqi and Kuwaiti assets in response to Iraq's invasion of Kuwait and blocking transactions with Iraq.

RECOMMENDATION

That you sign the memorandum to the President at Tab I.

Attachments

Tab I Memorandum to the President
Tab A Executive Order on Iraq
Tab B Executive Order on Kuwait
Tab C Justice Department Opinion

August 2, 1990

MEMORANDUM

Re: Blocking Kuwaiti Government Property and Blocking Iraqi
Government Property and Prohibiting Transactions with Iraq

These orders were submitted by the National Security Council. These orders find that the invasion of Kuwait by Iraq constitutes an extraordinary threat to the national security, foreign policy and economy of the United States and declares a national emergency to deal with that threat.

On that basis, the orders exercise legal authorities, including that granted by the International Emergency Economic Powers Act, 50 U.S.C. 1701, to block all property and interests of the Governments of Kuwait and Iraq and prohibits a variety of transactions with Iraq.

The orders are approved with respect to form and legality.


John O. McGinnis
Deputy Assistant Attorney General
Office of Legal Counsel

EXECUTIVE ORDER

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BLOCKING IRAQI GOVERNMENT PROPERTY
AND PROHIBITING TRANSACTIONS WITH IRAQ

By the authority vested in me as President by the Constitution and laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), the National Emergencies Act (50 U.S.C. 1601 et seq.), and section 301 of title 3 of the United States Code.

I, GEORGE BUSH, President of the United States of America, find that the policies and actions of the Government of Iraq constitute an unusual and extraordinary threat to the national security and foreign policy of the United States and hereby declare a national emergency to deal with that threat.

I hereby order:

Section 1. All property and interests in property of the Government of Iraq, its agencies, instrumentalities and controlled entities and the Central Bank of Iraq that are in the United States, that hereafter come within the United States or that are or hereafter come within the possession or control of United States persons, including their overseas branches, are hereby blocked.

Section 2. The following are prohibited, except to the extent provided in regulations which may hereafter be issued pursuant to this Order:

(a) The import into the United States of any goods or services of Iraqi origin, other than publications and other informational materials;

(b) The export to Iraq of any goods, technology (including technical data or other information controlled for export pursuant to Section 5 of the Export Administration Act (50 U.S.C. App. 2404)) or services from the United States, except publications and other informational materials, and donations of articles intended to relieve human suffering, such as food, clothing, medicine and medical supplies intended strictly for medical purposes;

(c) Any transaction by a United States person relating to transportation to or from Iraq; the provision of transportation to or from the United States by any Iraqi person or any vessel or aircraft of Iraqi registration; or the sale in the United States by any person holding authority under the Federal Aviation Act of 1958, as amended (49 U.S.C. 1514), of any transportation by air which includes any stop in Iraq;

(d) The purchase by any United States person of goods for export from Iraq to any country;

(e) The performance by any United States person of any contract in support of an industrial or other commercial or governmental project in Iraq;

(f) The grant or extension of credits or loans by any United States person to the Government of Iraq, its instrumentalities and controlled entities;

(g) Any transaction by a United States person relating to travel by any United States citizen or permanent resident alien to Iraq, or to activities by any such person within Iraq, after the date of this Order, other than transactions necessary to effect such person's departure from Iraq, or travel for journalistic activity by persons regularly employed in such capacity by a newsgathering organization; and

(h) Any transaction by any United States person which evades or avoids, or has the purpose of evading or avoiding, any of the prohibitions set forth in this Order.

For purposes of this Order, the term "United States person" means any United States citizen, permanent resident alien, juridical person organized under the laws of the United States, or any person in the United States.

Section 3. This Order is effective immediately.

Section 4. The Secretary of the Treasury, in consultation with the Secretary of State, is hereby authorized to take such actions, including the promulgation of rules and regulations, as may be necessary to carry out the purposes of this Order. Such actions may include prohibiting or regulating payments or transfers of any property or any transactions involving the transfer of anything of economic value by any United States person to the Government of Iraq, its instrumentalities and controlled entities, or to any Iraqi national or entity owned or controlled, directly or indirectly, by Iraq or Iraqi nationals. The Secretary may redelegate any of these functions to other officers and agencies of the Federal government. All agencies of the United States government are directed to take all appropriate measures within their authority to carry out the provisions of this Order, including the suspension or termination of licenses or other authorizations in effect as of the date of this Order.

This Order shall be transmitted to the Congress and published in the Federal Register.



THE WHITE HOUSE,
August 2, 1990

EXECUTIVE ORDER

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BLOCKING KUWAITI GOVERNMENT PROPERTY

By the authority vested in me as President by the Constitution and laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), the National Emergencies Act (50 U.S.C. 1601 et seq.), and 3 U.S.C. 301.

I, GEORGE BUSH, President of the United States, find that the situation caused by the invasion of Kuwait by Iraq constitutes an unusual and extraordinary threat to the national security, foreign policy and economy of the United States and have declared a national emergency to deal with that threat.

I hereby order blocked all property and interests in property of the Government of Kuwait or any entity purporting to be the Government of Kuwait, its agencies, instrumentalities and controlled entities and the Central Bank of Kuwait that are in the United States, that hereafter come within the United States or that are or hereafter come within the possession or control of United States persons, including their overseas branches.

For purposes of this Order, the term "United States person" means any United States citizen, permanent resident alien, juridical person organized under the laws of the United States or any person in the United States.

The Secretary of the Treasury is authorized to employ all powers granted to me by the International Emergency Economic Powers Act to carry out the provisions of this Order.

This Order is effective immediately and shall be transmitted to the Congress and published in the Federal Register.



THE WHITE HOUSE,
August 2, 1990

TO: MEMO FOR RECORD

FROM: PRESIDENT

DOC DATE: 02 AUG 90
SOURCE REF:

KEYWORDS: IRAQ
EO

KUWAIT

PERSONS:

SUBJECT: EXECUTIVE ORDER / BLOCKING KUWAITI GOVT PROPERTY

ACTION: PRES SGD EO DUE DATE: 06 AUG 90 STATUS: C

STAFF OFFICER: ROSTOW LOGREF:

FILES: WH NSCP: CODES:

DOCUMENT DISTRIBUTION

FOR ACTION

FOR CONCURRENCE

FOR INFO

HAASS
LEVIN
NSC CHRON
ROSTOW

COMMENTS: _____

DISPATCHED BY _____ DATE _____ BY HAND W/ATTCH

OPENED BY: NSMEN CLOSED BY: NSMEN DOC 5 OF 5

UNCLASSIFIED
ACTION DATA SUMMARY REPORT

RECORD ID: 9006206

DOC ACTION OFFICER

CAO ASSIGNED ACTION REQUIRED

001	PRESIDENT	Z	90080208	FOR INFORMATION
002	SCOWCROFT	Z	90080208	FWD TO PRES FOR SIG
003	PRESIDENT	Z	90080208	FOR SIGNATURE
004		X	90080208	PRES SGD EO
005		X	90080208	PRES SGD EO

UNCLASSIFIED