Laos sees itself as the hub through which the trade and investment will travel, using the bridge and at least three proposed highways from Thailand, through Laos, to China, Vietnam, and Cambodia. The bridge probably will improve Laos's investment climate and aid the export sector by lowering prohibitively high transport costs. Nonetheless the government's refusal to approve construction of a second bridge until the impact of the first can be studied indicates continuing concerns.

(CONFIDENTIAL)

Rwanda: Downward Spiral

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Peacekeepers, ministers killed. A UN spokesman yesterday said Rwandan troops had kidnapped and killed 11 Belgian troops attached to the UN, according to press reports.

The social affairs, information, and agriculture ministers are also believed dead, according to Embassy Kigali. Two other ministers reportedly were abducted.

The combatants. The army high command asserts a missile fired by Hutu hard-liners in the presidential guard (PG) downed the aircraft carrying Rwandan President Habyarimana, Burundi President Ntaryamira, and the Rwandan army chief of staff, according to Embassy Kigali and DAO Yaoundé.

Comment: The PG hard-liners were operationally in a position to take action; we lack hard evidence on the downing because the PG has sealed off the crash site. Notably, no one in the Rwandan high command is blaming the Rwandan Patriotic Front (RPF) for shooting down the plane.

Next steps. The high command appears predominant and is focused on suppressing the PG and rogue soldiers, according to Embassy Kigali and DAO Yaoundé. It is attempting to establish a "crisis committee," including government ministers, to serve as the basis of an interim government. (CONFIDENTIAL)

Dept. of State, RPS/IPS, Margaret P. Grafeld, Dir () Release (X) Excise () Deny (X) Declassify Date 4/12/01 Exemption B1, 1.5 (b)(d) BI.