

M S M a i l

DATE-TIME 09 February 96 12:14
FROM Sestak, Joseph A.
CLASSIFICATION ***** CLASSIFICATION NOT FOUND *****
SUBJECT DoD Auth Bill
TO Johnson, David T.
CARBON_COPY Bell, Robert G.
Cullin, Brian P.
Fetig, James L.
Naplan, Steven J.
Schuker, Jill A.
Wozniak, Natalie S.
TEXT_BODY
Dave,
qAs you requested, copy of our paper on DoD bill.r, Joe
[[DODAUTH7.DOC : 3106 in DODAUTH7.DOC]]
ATTACHMENT
FILE DATE 9 February 96 9:45
ATTACHMENT
FILE NAME DODAUTH7.DOC

DEFENSE AUTHORIZATION BILL

Background: The conferees on the FY 1996 defense authorization bill completed their renegotiation of the bill in the wake of the President's December 28th veto. The revised bill satisfactorily corrected the three major issues that led to the veto: (1) the section that would have mandated the deployment of a 50-state missile defense by 2003 was deleted; (2) the section that would have required a Presidential certification/waiver to assign US Armed Forces to UN command was deleted; and (3) the section that would have mandated supplemental budget requests to fund overseas military contingency operations was changed to a non-binding, sense of the Congress provision.

There are a number of other issues about which the administration had expressed concern, but which were not revised. However, the revised bill also contains a number of initiatives of importance to the Administration, including the full military pay and allowances increases, Secretary Perry's family and troop housing improvement initiative, and acquisition reform. For these reasons, the President decided to sign the revised bill.

Consideration for vetoing the bill on the basis of the HIV provision had to be weighed against these and other aspects of the bill which provided for very important advances in national security and the need to have a defense authorization bill that would fund certain military programs for the year. While preferring not to accept an objectionable provision we otherwise would not, the provision needed to be weighed in the balance with the need for a strong and effective national defense.

Points

- ù The bill contains a number of provisions of great importance to the Administration which authorize the Department to continue critical important defense programs and activities and to initiate a number of new reforms. The Act also provides, extends or amends various authorities relating to national defense programs and activities that the Department needs to function effectively and efficiently. Among them are:

- ù The Act contains significant acquisition reform measures which will produce cost savings on which the Defense Department is counting to maintain the integrity of its budget. Sought by the Administration and undertaken with bipartisan support, these measures will further

simplify and
 facilitate the purchase of commercially-available goods and services, streamline
 and
 clarify
 procurement integrity laws, and substantially improve how bid protests for
 informati
 on technology
 are resolved

ù The Military Housing Privatization Initiative, which provides new authority to acq
 uire and improve
 military housing and supporting facilities by using private expertise and capital.
 This is very
 important to maintaining quality of life in our military and high retention levels a
 mong service
 personnel.

ù Authorization for the full increase in pay and allowances for our military
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 el proposed by the
 President.

ù Authorization for necessary military construction and NATO infrastructure
 programs
 , of special
 importance to current work in Bosnia.

ù Continuation of the Department of Energy's science-based Stockpile
 Stewardship pro
 gram, which is
 absolutely crucial if we are to sign and observe a zero yield Comprehensive Test
 Ban
 Treaty.

ù The Administration's proposal to allow the United States to extradite indicted
 war
 criminals and
 provide evidence directly to the International War Crimes Tribunals for the
 Former Y
 ugoslavia and
 Rwanda, encouraging others to fully cooperate with the War Crimes Tribunal.

ù In response to serious concerns about the outmoded approach to the acquisition
 and
 management of
 information technology in the Federal government, the Act simplifies and
 strengthens
 the way
 agencies use and acquire computers and telecommunications, giving them

authority and
flexibility,
but insisting on accountability for results. Consistent with the Administration's efforts under the
National Performance review to create a government that works better and costs less,
the Act
encourages agencies to adopt the best practices of successful companies in the private sector.
ù

M S M a i l

DATE-TIME 09 February 96 12:38
FROM Danvers, William C.
CLASSIFICATION UNCLASSIFIED
SUBJECT RE: Legislative Update [UNCLASSIFIED]
TO Verville, Elizabeth G.
CARBON_COPY Andricos, George M.
Bendick, Gordon L.
Burrell, Christina L.
Danvers, William C.
Davis, William K.

TEXT_BODY

It will include counternarcotics, and presumably it will include Gelbard. Do you want me to push to have an NSC briefer included as well or would Gelbard be sufficient. In either case, we (you) will be asked to chop on their brief ahead of time.

From: Verville, Elizabeth G.
To: Danvers, William C.
CC: /R, Record at A1; @GLOBAL - Global Affairs
Subject: RE: Legislative Update [UNCLASSIFIED]
Date: Friday, February 09, 1996 12:01 PM

Re Mexico, if this includes counternarcotics, which I imagine it will, we should be part of this. Thanks. Liz

From: Danvers, William C.
To: @UP - APNSA Special Assistants; @NSA - Nat'l Security Advisor; Soderberg, Nancy E.
CC: /R, Record at A1; Fuerth, Leon S.; Wise, William M.; @LEGISLAT-Legislative Affairs; @NSC - NSC Staff; @VP - VP Natl Security Affairs
Subject: Legislative Update [UNCLASSIFIED]
Date: Thursday, February 08, 1996 07:43 PM

Note for Tony, Sandy and Nancy:

BOSNIA: We have asked State to scrub harder the proposal for the \$200 million. We received good suggestions from OMB and Sandy and IVO are working it.

HAITI: State will send its MOJ on Dole amend waiver to Hill tomorrow morning. We meet with Dole and other interested staff to discuss impact

waiver has on programs. Have sent you a copy of MOJ. We are waiting for State "script" on UNMIH withdrawal so we can begin briefing the Hill.

HEU: Dan Poneman held an interagency meeting today on HEU waiver. Dan continues to breathe life in this difficult process. We have asked DoE, Bo and Deutsch to make some calls to Hill on this.

MEXICO: Interagency briefing for Feinstein on 26 Feb. If you and Richard agree, we would like to take a preemptive strike on Mexico by putting together an interagency briefing team to go to Hill and brief on a wide range of Mexico-related issues. Amb. Jones is coming to town in a couple of weeks and will meet with members.

CHINA: Susan Brophy chaired a good interagency meeting today. Have put together an overall Hill strategy which we are circulating with other agency LA offices. We would then like to get it to deputies for their blessing.

CUBA: DoD will take care of Richardson.

B-2: Hill reaction to today's announcement was fairly predictable, although some indicated that our rescissions/supplementals may be impacted as a result of today's announcement.

DOD AUTH/HIV: WH working on plan for POTUS that includes direction to DOD and VA. Expect to unveil by Saturday auth. bill signing. Senate has roughly 35 co-sponsors and House has over 70. Torkildsen and bi-partisan group have a "Dear Colleague" out canvassing for support.

M S M a i l

DATE-TIME 09 February 96 14:59
FROM Sestak, Joseph A.
CLASSIFICATION UNCLASSIFIED
SUBJECT FW: DoD Atuth Bill [UNCLASSIFIED]
TO Kelly, Sandra L.
CARBON_COPY NO CC's on THIS MESSAGE
TEXT_BODY

From: Sestak, Joseph A.
To: Bell, Robert G.
CC: /R, Record at A1
Subject: DoD Atuth Bill
Date: Friday, February 09, 1996 02:58 PM

[[DODAUTH7.DOC : 3630 in DODAUTH7.DOC]]

Here it is Bob. r, joe

**ATTACHMENT
FILE DATE** 9 February 96 14:57
**ATTACHMENT
FILE NAME** DODAUTH7.DOC

DEFENSE AUTHORIZATION BILL

Background: The conferees on the FY 1996 defense authorization bill completed their renegotiation of the bill in the wake of the President's December 28th veto. The revised bill satisfactorily corrected the three major issues that led to the veto: (1) the section that would have mandated the deployment of a 50-state missile defense by 2003 was deleted; (2) the section that would have required a Presidential certification/waiver to assign US Armed Forces to UN command was deleted; and (3) the section that would have mandated suppl

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to fund overseas military contingency operations was changed to a non-binding,
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There are a number of other issues about which the administration had expressed
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improvement initiative, and acquisition reform. For these reasons, the President
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Consideration for vetoing the bill on the basis off the HIV provision had to be
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Points

ù The bill contains a number of provisions of great importance to the
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ù Continuation of the Department of Energy's science-based Stockpile
Stewardship pro
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ù In response to serious concerns about the outmoded approach to the acquisition
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information technology in the Federal government, the Act simplifies and strengthens the way agencies use and acquire computers and telecommunications, giving them authority and flexibility, but insisting on accountability for results. Consistent with the Administration's efforts under the National Performance review to create a government that works better and costs less, the Act encourages agencies to adopt the best practices of successful companies in the private sector.

ù

M S M a i l

DATE-TIME 09 February 96 17:13

FROM Blinken, Antony J.

CLASSIFICATION ***** CLASSIFICATION NOT FOUND *****

SUBJECT Defense Bill Talkers

TO Andreasen, Steven P.
Baker, Jane E.
Baldwin, Kenneth
Bell, Robert G.
Dohse, Fred J.
Friedrich, M. K.
Harmon, Joyce A.
Hilliard, Brenda I.
Joshi, M. Kay
Kelly, Sandra L.
Kessinger, Jodi
Millison, Cathy L.
Moody, Angelyn D.
Mulligan, George D.
Schuker, Jill A.
Seaton, James B.
Sens, Andrew D.
Sestak, Joseph A.
Witkowsky, Anne A.

CARBON_COPY NO CC's on THIS MESSAGE

TEXT_BODY [[DEFAUTH.DOC : 4378 in DEFAUTH.DOC]]Comments needed soonest on attached
Def. Authorization talking points which are for internal Administration use.

**ATTACHMENT
FILE DATE** 9 February 96 17:9

**ATTACHMENT
FILE NAME** DEFAUTH.DOC

2/9/96 5 p.m.
DEFENSE AUTHORIZATION BILL
INTERNAL TALKING POINTS

The President will sign the National Defense Authorization Act for 1996 because it s
trengthens our national
defense, improves the quality of life of our service men and women and their

familie
s, and funds vital defense
programs.

The President is, however, strongly opposed to a provision in the bill which require
s the discharge of any military
personnel who is HIV-positive. The President believes that this provision is clearl
y discriminatory and wholly
unwarranted. He fully supports legislative efforts to repeal this provision and, in
the meantime, is committed to
ensuring full benefits for these servicemen and their families.

1. Benefits of the Bill

ù Pay Increase and Bonuses: Bill authorizes full increase in pay and allowances
for
military personnel, as the
President requested -- 2.4% increase in basic pay and allowance for subsistence
and
5.2% increase in basic
allowance for housing. Also extends crucial bonuses to retain skilled personnel in

aviation, nuclear power,
nursing and hazardous field duty.

ù Acquisition Reform: As Administration requested, bill simplifies purchase of
comme
rcially-available goods and
services; streamlines and clarifies procurement integrity laws; simplifies acquisiti
on of information technology
like computers and telecommunications equipment. Consistent with
Administration's e
fforts under National
Performance Review to create government that works better and costs less by
adopting
best practices of
successful private sector companies.

ù Military Housing: Bill provides new authority to acquire and improve military
hous
ing by using private expertise
and capital. Important step to improve quality of life and keep best people in the
service.

ù Military Construction in Bosnia: Authorizes necessary military construction of
spe
cial importance to mission in
Bosnia, including headquarters, barracks, airfields, railroads, bridges and roads.

ù Assist Prosecution of War Crimes in Bosnia and Rwanda: Bill approves President's proposal to allow U.S. to extradite indicted war criminals and provide evidence to International War Crimes Tribunals for the Former Yugoslavia and Rwanda.

ù Corrects Most Deficiencies of Bill President Vetoed 12/28/96: Revised bill corrects three major problems that led to the President's veto -- which Congress upheld. The Bill: (i) no longer mandates deployment of 50-state "Star Wars" missile defense system by 2003 which would have put us on collision course with ABM Treaty; (ii) no longer requires Presidential certification/waiver to assign US armed forces to UN missions; (iii) no longer mandates supplemental budget requests to fund overseas military contingency operations.

2. HIV Provision

The Act contains a provision requiring the discharge of all military personnel living with the Human Immunodeficiency Virus (HIV). The President -- together with Defense Secretary Perry and Chairman of the Joint Chiefs Shalikashvili [see attached statement] -- strongly opposes this provision because it is:

ù Unnecessary: Requires discharge regardless of whether there is any medical or military necessity; a physical evaluation system is already in place to determine fitness for duty of HIV-positive personnel.

ù Discriminatory: Singles out military personnel living with AIDS and differentiates them from those suffering from other illnesses or disabilities for which discharge is not required.

ù Punitive: Service members discharged pursuant to this provision would not receive benefits to which they would otherwise be entitled had they continued to serve until it became medically

ne
cessary for them to retire.

ù Wasteful: Wastes the government's investment in the training of discharged
indivi
duals; disrupts the military
programs in which they play integral role.

ù Unconstitutional: After consulting with the Department of Justice, the President
has concluded that the
provision violates equal protection clause by requiring separation of physically abl
e service members living
with disability without furthering any legitimate military purpose.

3. Administration Actions

ù Seek Immediate Repeal: The President will fully support efforts in Congress to re
peal this provision.

ù Ensure Full Benefits to Affected Personnel: The President has directed the Depar
tments of Defense, Veterans
Affairs and Transportation to take any necessary steps to ensure that affected serv
ice members and their
families receive the full benefits to which they are entitled, including health care
coverage for families,
disability retirement pay and transition benefits such as job training. [See attach
ed Presidential Directive.]

ù Decline to Defend Provision in Court: The President has directed the Attorney Gen
eral to decline to defend
this provision in any court.

Attachments:

ù Statement by Defense Secretary Perry and Chairman of the Joint Chiefs
Shalikashvil

i
ù Presidential Directive
ù

M S M a i l

DATE-TIME 09 February 96 17:21
FROM Sestak, Joseph A.
CLASSIFICATION ***** CLASSIFICATION NOT FOUND *****
SUBJECT DoD Auth Bill
TO Cullin, Brian P.
CARBON_COPY Bell, Robert G.
Fetig, James L.
Johnson, David T.
Kelly, Sandra L.
Naplan, Steven J.
Schuker, Jill A.
Wozniak, Natalie S.

TEXT_BODY
Brian,
Attached is revised version if you do want to send it out as a fact
sheet. Ready to go. r, Joe

[[DODHIV7.DOC : 4375 in DODHIV7.DOC]]

**ATTACHMENT
FILE DATE** 9 February 96 17:19

**ATTACHMENT
FILE NAME** DODHIV7.DOC

DEFENSE AUTHORIZATION BILL

Background: In the wake of the President's December 28th veto, the conferees on the
FY 1996 defense
authorization bill completed their renegotiation of the bill on January 19 and
passed the revised bill in the
House and Senate over the following week. The revised bill satisfactorily
corrected
the three principal issues that
had led to the veto: (1) the section that would have mandated the deployment by
200
3 of a 50-state missile
defense that would have put us on a collision course with the ABM Treaty was
deleted
; (2) the section that

would have required a Presidential certification/waiver to assign US Armed Forces to UN command was deleted; and (3) the section that would have mandated supplemental budget requests to fund overseas military contingency operations was changed to a non-binding, sense of the Congress provision.

That said, there are a number of other issues in the original bill about which the administration had expressed serious concern, but which were not revised. These include the abhorrent mandatory separation provision for HIV-positive service personnel, the restriction on overseas abortions, expansion of the Buy America list, and the directed procurement of specified ships at specified shipyards.

However, consideration of the bill also had to take into account other provisions which provided for very important advances in national security and the need to have a defense authorization bill that would fund certain military programs for the year. While preferring not to accept any objectionable provision, the President had to weigh what he continued to object to in the bill with the need for a strong and effective national defense, the important reforms and initiatives in the bill, and the extent to which we had moved Congress after the veto. For these reasons, the President decided, on balance, to sign the bill.

Positive Features of Bill:

ù Significant acquisition reform measures which will produce cost savings on which the Defense Department is counting to maintain the integrity of its budget. Sought by the Administration and undertaken with bipartisan support, these measures will further simplify and facilitate the purchase of commercially-available goods and services, streamline and clarify procurement integrity laws, and substantially improve how bid protests for information technology are resolved

ù The \$1 billion Military Housing Privatization Initiative proposed by Secretary Per
ry, which provides new
authority to acquire and improve family and unaccompanied military housing and
suppo
rting facilities by
using private expertise and capital. This is very important to maintaining quality
of life in our military and
high retention levels among service personnel.

ù Authorization for the full increase in pay and allowances for our military
personn
el proposed by the President.
Instead of the 2.0% pay increase the President had ordered after the veto, the bill
provides a 2.4% increase in
basic pay and basic allowances for subsistence, and a 5.2% increase in basic
allowan
ces for quarters.

ù Extension of crucial bonuses needed to retain skilled personnel, including those
w
ho work in aviation, nuclear
power, nursing and hazardous duty fields.

ù Authorization for necessary military construction and U.S. share of NATO's
infrast
ructure program, which is
of special importance to current IFOR operations in Bosnia, including building
headq
uarters, barracks,
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ù The Administration's proposal to allow the United States to extradite indicted
war
criminals and provide
evidence directly to the International War Crimes Tribunals for the Former
Yugoslavi
a and Rwanda,
encouraging others to fully cooperate with the War Crimes Tribunal.

ù In response to serious concerns about the outmoded approach to the acquisition
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and acquire computers and telecommunications, giving them authority and
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accountability for results. Consistent with the Administration's efforts under the

National Performance

review to create a government that works better and costs less, the Act encourages agencies to adopt the best practices of successful companies in the private sector.

ù

M S M a i l

DATE-TIME 09 February 96 20:13
FROM Wozniak, Natalie S.
CLASSIFICATION UNCLASSIFIED
SUBJECT February 9 McCurry Press Briefing [UNCLASSIFIED]
TO

Abdulmalik, April B.
Alijanil, Leyla
Andreasen, Steven P.
Andricos, George M.
Appel, Edward J.
Argarin, Jocelyn D.
Armstrong, Fulton T.
Atlas, Edwin L.
Baker, Jane E.
Baker, James E.
Bakke, Kyle D.
Baldwin, Kenneth
Barnes, Shirley E.
Bassett, Leslie A.
Bass, Peter E.
Battenfield, Pat
Beardsley, Tyler S.
Beers, Rand R.
Behring, Deanna M.
Bellamy, Ralph C.
Bell, Robert G.
Bendick, Gordon L.
Benjamin, Daniel
Birkland, Andrea L.
Blacker, Coit D.
Black, Todd F.
Blieberger, Marion H.
Blinken, Antony J.
Bolinski, Charlene C.
Boynton, Peter J.
Bresnahan, Gary E.
Broadway, Jamuna
Brown, Dallas
Brown, Nancy E.
Bruton, Robert G.
Bryan, Lloyd D.
Burrell, Christina L.
Canty, Mary T.
Carter, Michael E.

Cicio, Kristen K.
Clark, Bronya
Clarke, Richard A.
Cooper, Kathleen H.
Cullin, Brian P.
Daadler, Ivo H.
Daniel, Patty A.
Danvers, William C.
Darnes, Victoria J.
Davis, William K.
Deshazer, Macarthur X.
Dimel, Marsha L.
Dohse, Fred J.
Dragone, Karen D.
Dupuy, Shawn L.
Dymersky, Debra L.
Eddy, Randolph P.
Edwards, Joan
Eisenhower, Jamés J.
Fairfax, Kenneth J.
Feeley, John F.
Feinberg, Richard E.
Fetig, James L.
Ficklin, John W.
Flessas, Daniel
Florio, Elaine
Frias, Angela M.
Fried, Daniel
Friedrich, M. K.
Fuerth, Leon S.
Fuhrman, Thomas A.
Gates, Brian K.
George, Christopher
Gerstner, Christina L.
Gladbach, Damon J.
Glinski, David L.
Gorsuch, Robert P.
Gray, Wendy
Grimes, Richard J.
Grummon, Stephen R.
Guekel, Kathi A.
Haines, Mary A.
Hale, John E.
Hall, Wilma G.
Halperin, Morton H.
Hamilton, Roy A.
Harmon, Joyce A.
Harris, Elisa D.
Harrison, Lyle M.
Hawes, David J.

Hawkins, Ardenia R.
Heslin, Sheila N.
Hilliard, Brenda I.
Hill, Roseanne M.
Hilty, JoAnne M.
Hofmann, Stephan D.
Houck, Baerbel K.
Huggins, Peter
Hunerwadel, Joan S.
Jensen, Noelle B.
Johnson, David T.
Jordan, Donald L.
Joshi, M. Kay
Kelly, Sandra L.
Kerr, Andrew S.
Kessinger, Jodi
Kreczko, Alan J.
Kristoff, Sandra J.
Kyle, Robert D.
Leary, William H.
Letts, Kelly J.
Lindsey, Wanda
Lorin, Matthew E.
Lowry, Jay E.
Malley, Robert
Marmol, Madelyn P.
Marshall, Betty A.
Martinez, Alejandro
Mauzy, Stefan T.
Maxfield, Nancy H.
Mazzuchi, Anthony D.
McCormick, Shawn H.
McIntyre, Stuart H.
Merchant, Brian
Miller, Matthew E.
Millison, Cathy L.
Miscik, Judith A.
Mitsler, Elaine M.
Miyaoka, Lester H.
Moody, Angelyn D.
Moore, Lori A.
Mueller, William (Doug) D.
Munson, Robert A.
Naplan, Steven J.
Neil, M. Elise
Noetzel, Jon C.
Norman, Marcia G.
Norris, John J.
Nuccio, Richard A.
O'loughlin, Kathrine

Parco, Jim E.
Gwyn M. Parker
Parramore, Carl W.
Parris, Mark R.
Pascual, Carlos E.
Pease, Bruce E.
Peggins, John W.
Petchel, Beverly L.
Peters, Mary A.
Pifer, Steven K.
Kenneth M. Pollack
Poneman, Daniel B.
Porter, Gidell
Quinn, Mary E.
Ramsay, Martha S.
Reade, Evan G.
Reed, George
Reznik, Victoria (NMI)
Rice, Susan E.
Roundtree, Beverly J.
Salvetti, Lisa M.
Samore, Gary S.
Sanborn, Daniel R. K.
David B. Sandalow
Satterfield, David M.
Saunders, John W.
Saunders, Richard M.
Schifter, Richard
Schmidt, John R.
Schmidt, Sandra E.
Schuker, Jill A.
Schwartz, Eric P.
Sculimbrene, Thomas A.
Seaton, James B.
Sens, Andrew D.
Sestak, Joseph A.
Sevigny, Theodore T.
Sheehan, Michael A.
Showalter, Victoria A.
Sigler, Ralph
Simon, Steven N.
Simons, James R.
Stauffer, Helen L.
Suettinger, Robert L.
Sulser, Jack A.
Tarullo, Daniel K.
Marcel T. Thomas
Turner, Joe T.
Unrue, Michael M.
Van DeCar, Karen J.

Van Tassel, David S.
Veit, Katherine M.
Vershbow, Alexander R.
Verville, Elizabeth G.
Wadsworth, Valon J.
Wales, Jane
Walsh, Helen C.
Ward, JoAnn X.
Weber, Paul A.
Whitworth, Frank D.
Wiley, Mary C.
Wilhelm, Richard J.
Willis, Robin M.
Wilson, Marilyn E.
Wise, William M.
Witkowsky, Anne A.
Woolston, Ann E.
Wooton, Kevin B.
Wozniak, Natalie S.
Wright, Allison M.
Yorkdale, Glenn H.

CARBON_COPY NO CC's on THIS MESSAGE

TEXT_BODY [[MIKE0209.DOC : 5211 in MIKE0209.DOC]]

**ATTACHMENT
FILE DATE** 9 February 96 20:11

**ATTACHMENT
FILE NAME** MIKE0209.DOC

THE WHITE HOUSE

Office of the Press Secretary

Immediate Release February 9, 1996

Fo1

PRESS BRIEFING
BY MIKE MCCURRY

The Briefing Room

2:03 P.M. EST

MR. MCCURRY: Obviously, we're addressing here a specific continue related to this, to the HIV aspects of the bill. And, as you can tell, we can't overstate our objections to that provision. And I simultaneously point out that we're talking here about a \$264.7 billion Defense Authorization bill, very critical to the national security of the United States, very important to people in the military around the world.

As we've said before, the President, along with many members of Congress, Democrats and Republicans, who strongly objected to this provision, felt, nonetheless, that the bill itself is so critical to our national defense that it deserves support. The Pentagon and the administration, during the course of consideration of this bill, strenuously objected to the HIV provision, but more importantly, if you recall, to other provisions of the bill.

The President's veto on December 28th was occasioned because of objections to numerous aspects of the bill, including the HIV provision. But most onerous in the President's view, and those cited in his veto message of December 28th, was the section that would have mandated 50-state deployment of a missile defense system by the year 2003, and the section that would have curbed some of his constitutional responsibilities as Commander-in-Chief, especially as it related to United States forces attached to United Nations. And then, third, the section that would have mandated supplemental budget requests to fund overseas military contingency operations, which we wanted to have as a nonbinding sense of Congress language.

And those changes, all three of those areas, were dramatically improved -- in fact, fixed -- by Congress as they passed the bill that the President will consider tomorrow.

In addition I would point out the bill itself, by allowing the full military pay and allowances increase that the President had called for, was very, very important to people in our uniformed

military around the world. It also contains Secretary Perry's family and troop housing improvement initiative which has been a very key Department of Defense priority. And it also contains substantial improvements on acquisition and procurement reform.

Because of all of these reasons and because this bill continues necessary authorizations for military programs that are so critical to the national defense, the President is favorably inclined towards the bill itself.

Let me tell you that he's expected to take final action on it at 8:00 a.m. tomorrow morning. And we are going to be able to have a background -- or I guess an embargoed briefing after my regular briefing here for those of you who will be writing about the President's decision tomorrow morning so that you can get a little more detail on the overall bill itself.

I'd like to say a couple of things about the bill briefly before you go on to questions. There are a lot of people at OMB and DOD who have worked through the issues that are in the overall bill that are very important to the administration. John Koskinen at OMB has played a leading role with respect to some of the authorization bills, revisions in the way the government acquires and manages information technology. There's a whole portion of this bill related to information technology that's very key.

And I'd also say an unsung hero of that particular provision of the act is Roger Johnson who has got to be considered in all respects one of the most creative leaders of the General Services Administration in its history. He harnessed all the experts in our government on information technology from outside and changed a lot of the provisions in here that relate to information technology. These will make dramatic changes in the way the Defense Department and the Pentagon manages information, the flow of information around the world to U.S. forces and to civilian personnel at DOD.

He's also been able to, in a sense, take us away from a lot of central planning aspects the GSA too often in the past was associated with and has pushed down decision-making to agencies, and I think he deserves a special credit for the provisions of the bill that some members of the administration are going to be in a position to talk to you about later.

A couple of other announcements if you don't mind. Yes?

Q In that directive to DOD and -- et cetera, is that a presidential directive, an executive order? What's exactly

MR. MCCURRY: It is a memorandum to the effect that the Cabinet Secretaries at Defense, Veterans Administration and Transportation, I believe.

Q What's the size of the pay increase in the bill?

MR. MCCURRY: I believe it authorizes the full 3.0 percent

increase, if I'm not mistaken. But I'll defer that question, if you don't mind, to some of the people who will be in a position to brief shortly.

Q Mike, what efforts has the administration made on the Kennedy-Cohen Amendment, and what do the prospects look like?

MR. MCCURRY: Well, we've been in very close consultation with those on the Hill who are also outraged by this provision who are seeking its repeal. Remember, the effective date, as you've just heard, is six months from now. We believe that provides ample opportunity for Congress to reverse this decision and repeal that provision and we will, of course, be supportive and be working with supporters of that legislation.

QQ Well, what are the prospects?

MR. MCCURRY: We are very encouraged by what we hear from the Hill about the provision. We think that the attention that has now been drawn to this issue surely is having an impact on members of Congress, and we hope that there will be a speedy repeal of the provision.

Q Mike, will this memorandum to these department heads be attached to the signing tomorrow, and will a statement on this provision be part of the package tomorrow morning?

MR. MCCURRY: No. By signing the directive today and by General Shalikashvili and Secretary Perry issuing their joint statement today, both of which you'll receive as soon as we're done here, the President has taken the necessary action with respect to that provision today.

Q So this will just be a straightforward bill signing tomorrow?

MR. MCCURRY: That's correct.

Q And he's going to do -- no coverage?

MR. MCCURRY: That's White House photo prior to departure for Iowa tomorrow.

Q No other coverage than that?

MR. MCCURRY: No other coverage than that planned. Correct? Correct.

I've got two other --

Q Why not? Is there any reason for that? You all are out here giving a list of credits that sounds like the end of a movie and then you say we can't even see it.

Q Exactly.

MR. MCCURRY: Well, the President -- he will be, as you

know, it's a very early departure. Tomorrow we will make a photo available.

Q You don't want to get the crew up too early? Is that the idea?

MR. MCCURRY: Let me move on to other issues.

The President today declared a major disaster exists in the state of Oregon and he ordered federal aid to supplement state and local recovery efforts in the areas struck by high winds, severe storms and flooding on January 26, 1996, and continuing. The President's action makes federal funding available to 17 counties in Oregon and in the Warm Springs Reservation. There is a summary and written statement we've got here of some of the assistance packages that will be available.

The President also today declared a major disaster exists in the state of Washington and ordered federal aid to supplement state and local recovery efforts in the areas struck by high winds, severe storms and floods beginning on January 26 and continuing. His declaration affecting, in the case of Washington, 14 counties. And, again, we've got two written statements on both of those.

The President has talked to some local officials, been in close contact with the Director of the Federal Emergency Management Agency, James Lee Witt, who will go to Washington and Oregon tomorrow to survey damage areas on the order of the President. And he has had, I believe, conversations with Senator Wyden and we have also had some conversations with Senator Murray as well. The governors in both states were attempting to reach. The Governor of Oregon is, of course, as you know, was hospitalized overnight.

Q Mike, in seeking reversal or removal of the Dornan provision, might the administration ask Magic Johnson to go up there and testify?

Q Is he a member of the military?

MR. MCCURRY: If I'm not mistaken, he may have some thoughts that he would make available himself in the form of some correspondence, but I'll leave that to others to talk about.

Q What do you mean by that?

MR. MCCURRY: I'll see if I can tell you more.

Q Is he writing a letter to the Hill? Is that --

MR. MCCURRY: Yes. Thank you.

Q Under normal circumstances, Greek officials here in

Washington on February 6 circulated a State Department guide, press guidance, regarding the Greek-Turkish dispute over the Greek Island Imia, over the Aegean. This document presented over in Greece as "a Greek national victory" as a State Department and as a White House official statement. The State Department yesterday rejected this as "supposed understanding --" document. I would like to know your position; more specifically, if you're considering -- as a White House official statement, as was reported in Athens.

Before you make your comment, if you want, I can read the document.

MR. MCCURRY: It would not be necessary to read such a document. That is not the position of the White House. Our position on the issue is clear. We have on numerous occasions reaffirmed our commitment to the principle of respect for international treaties, the territorial integrity of Greece and Turkey, and of internationally recognized borders. We have called on both governments to peacefully resolve their disputes, and we've made it clear with respect to the islet Imia, Kardak as it is also called, we take no position.

Q Why do you take no position?

Q -- the document itself? Any position on the document?

MR. MCCURRY: The document itself I am not aware of, but it does not reflect the official position of the United States government, which I've just conveyed.

Q -- a question of territorial sovereignty, whose was it? Whose is it? How can you be neutral?

MR. MCCURRY: The U.S. takes no position on the islet because there are a number of international agreements relevant to

the ownership issue. Some of them date back for decades; some of them involve Italy. There are conflicting international agreements on the question. There are lots of issues related to the Dodecanese Islands, of which the Greeks claim as part -- the particular islet that we're talking about, as part of their territory. And we believe the best venue for addressing those conflicting claims on the question of ownership is the International Court of Justice or some other consensual body.

Q Mike, on Bosnia, you indicated this morning that there was some clarification needed for the rules of picking up, arresting people who were determined to be war criminals. What is the U.S. position? Are you pushing for more clarification or something specific or --

MR. MCCURRY: No, we have -- what we've suggested is that -- I mean, obviously, we continue to believe that war crimes ought to be investigated, they ought to be pursued vigorously by the tribunal.

But based on the experiences that we've seen now in recent days, there needs to be some greater clarity formally set forth as the parties implement aspects of the Dayton Accords. That's why Ambassador Holbrooke, among other reasons, will be going to the region on Sunday. And we believe the parties themselves, working with IFOR and working through the civilian apparatus suggested in the Dayton Accords, can come to agreements on how law enforcement issues will be handled with respect to the investigation of war crimes.

Q So were the Serb soldiers picked up illegally?

MR. MCCURRY: The United States supports the International War Crimes Tribunal and Chief Prosecutor Goldstone has made recommendations with which we've expressed our own assent.

Q What's that mean?

MR. MCCURRY: Let me go back for a second to Leo's question. My understanding is that Magic Johnson has written a letter to Senator Dole and Speaker Gingrich that expresses his own personal views on this issue. And I would say that they are consistent with the view that this provision itself needs to be repealed, and I believe it is available for release, so we can make it available afterwards.

Q Mike, on the HIV provision, is this the sort of thing we're going to see more of in the future, where the President uses legal challenges or legal interpretation to strike down or

water down provisions in bills that he otherwise has to accept?

MR. MCCURRY: Well, hopefully not, because the President would want, in all circumstances, to cooperate with Congress and find a way to resolve issue like this so they don't present him in a position where he needs to challenge those provisions legally. This is an extraordinary circumstance in which he has to take that course, but on balance the President wants to work in an amicable spirit with the Republican Congress and write legislation that is to his satisfaction and to the satisfaction of the congressional majorities.

Q There apparently are reports from Irish state radio saying that the IRA has issued a statement, which they believe is authenticated, saying that they have put an end to their 17-month cease-fire as of Friday, 1800 GMT.

MR. MCCURRY: I have not heard anything to that effect and haven't had any indication that that would be true, but we'll check.

Q Well, has George Mitchell indicated there were any snags in any of the talks?

MR. MCCURRY: To the contrary, as you know, from the

briefings about some of the meetings that have occurred here involving the President, the Vice President, and the National Security Adviser.

Q Mike, can you give us an idea of what is going to be on the agenda for the meeting with Prime Minister Hashimoto, and can you give us an idea how this came together?

MR. MCCURRY: National Security Adviser Tony Lake has just returned from a visit to the Asian region, including a stop in Tokyo where he had the opportunity to see Prime Minister Hashimoto. Out of the conversation that the National Security Adviser had with Prime Minister Hashimoto, there was an agreement that it would be useful for both President Clinton and Prime Minister Hashimoto to have some time together informally so they could get to know each other on a personal basis, and also review those issues that will be dealt with in great detail at the time of President Clinton's state visit to Japan in April.

It seemed to both President Clinton and to Prime Minister Hashimoto very useful for them to have some time to spend together informally in a more relaxed setting prior to the formal state visit that the President will make. And, obviously, it will be an opportunity for them to work on the agenda of the meeting and

also to deal with issues that they can handle prior to the formal deliberations that will occur in Tokyo.

Q Was there any sense that you want to try to clear up any economic problems that are coming up along the way so you can simply focus on the security agreements in Tokyo?

MR. MCCURRY: Well, we've been making very good progress in our economic deliberations with Japan on trade-related issues. Very often in the past, meetings of U.S. presidents and Japanese prime ministers have been dominated by economic issues. But as we've always stressed, we have such a range of interests in common that are important to both our governments, whether it's the cooperation on global issues, the work we do together on everything from the Middle East peace process to environmental protection, in addition to those security issues that are obviously vital in the Asian Pacific Region, especially in these days.

So I think it is safe to say that at a time when the economic relationship is bearing fruit and there is less tension in that aspect of the relationship they would like to be able to make sure they clear the weeds before they get on to the major security issues that they hope to deal with then. But, as always, there will be an expansive review of the issues of mutual concern between both governments.

Q Mike, will the President's trip to Iowa tomorrow and Sunday, should we expect the same kind of tone as we heard in New Hampshire last week?

MR. MCCURRY: Spiritually uplifting, confident and optimistic? Yes.

Q Is he going to mention any of the Republican candidates, or address the issues they've raised? Or does he continue to try and be --

MR. MCCURRY: Who?

Q -- above the fray?

MR. MCCURRY: Who?

Q Will he be able to avoid them?

MR. MCCURRY: I don't believe the President will comment in any great length on the Republican primary race, except to say -- which he will say and has said -- that there are two contrasting visions about what the future of this country looks like if you

talk to the President or if you talk to the variety of candidates running for the Republican nomination. Those differences are real and he has contrasted those in the past and not contrasting specifically with any individual Republican candidate, but as a general proposition, he said the two major parties. He, as President of one party, the Democratic Party, has a different view from the predominant view in the Republican Party.

Q Well, Mike, considering that he has no opposition for the nomination, what does he hope to accomplish in terms of the caucuses?

MR. MCCURRY: Look, the President hopes to accomplish a number of things, and he's suggested some of these in interviews yesterday with Iowa news organizations that we can make available. He said we've come a long way in three years. We have gotten a lot of economic progress. We've made a lot of economic progress. We've certainly improved the life for average American citizens when they think about their future. But we've got a lot more work to do. And the President is excited about that work. He's enthusiastic about where we're going to go, and he wants to go to Iowa to talk about the challenges that face this country and face the citizens of Iowa as we look ahead to the 21st century.

And, of course, also, he wants to make a special appeal to the Democrats of Iowa to support him on Monday night. Even though there's no contest, this is an important part of democracy at the grass roots. The Iowa caucus process is now legendary in its importance and the presidential selection process, and the President thought it right and proper for him to go and ask for the support of those Democrats who will go out on a cold night Monday night to participate in this very important process.

Q Quick question. Is Magic Johnson currently on the President's Commission on AIDS?

MR. MCCURRY: I don't know the answer to that and I

don't -- I don't know the answer to that. We can check.

Q Mike, back to Iowa for a second. I know he was asked about the pending farm bill in, I guess, all of those interviews yesterday. How much of an issue does he plan to make of that tomorrow and Sunday?

MR. MCCURRY: Well, it's a very important issue. It most likely will come up and he will talk to it. The President very much wants a farm bill, especially as we get closer to the start of the 1996 planting season. He wants one that gives farmers flexibility, but also make sure that they have an adequate safety

net available when they face hard times. And he believes we can do that. He believes that there are ways in which we can take the legislation now under consideration and improve it.

Secretary of Agriculture Glickman has been working hard with members of Congress to fine-tune that legislation. The President himself has expressed some of his specific concerns about the Senate bill, but that will be important, Iowa being a heavily agriculture-oriented state and one in which the virtues of the rural components of that farm legislation are very evident.

That's one of the things, by the way, that was done to improve the bill. The fund for rural America, which was refunded in the Senate consideration of the improvements is important and you can see a direct impact of that, certainly, in Iowa.

Q Ambassador Mondale was quoted yesterday as saying that 74,000 American troops in Japan might be moved around some and not reduce the number but some would be taken off Okinawa to assuage some of those concerns there. Can you confirm that and will that be taken up with Hashimoto?

MR. MCCURRY: I can't confirm that specifically. I haven't looked at that issue. There have been good, productive discussions about the issue of the U.S. presence in Japan. There have been good discussions about the status of bases and the configuration of the deployment on Okinawa. And we hope there will be considerable progress on those issues prior to the President's state visit to Japan in April.

Q Can you give us any guidance on the Federal Reserve nominations? How close are they?

MR. MCCURRY: Not any different than I did earlier today. I indicated that there is no -- the National Economic Council and Dr. Tyson specifically has not forwarded a formal recommendation on those vacancies or the tenure of the Chairman to the President. There have been discussions about that, certainly, at the White House. The President has had some discussions himself. But there has been no formal recommendation, and I don't want to speculate on when that might come.

Q What's the precedent for an administration filing a friend of the court brief to argue against, to fight a federal --

MR. MCCURRY: You had the two best people in the world to ask that question and I can't cite legal precedent for you, but they are ample, I am told, based on the conversation earlier.

Q Why isn't the administration prepared today to say that they'll fight it in court?

MR. MCCURRY: I'm sorry -- say again.

Q That they will fight the provision in court. When they were asked, when Quinn was asked, he said they hadn't decided whether they would file a friend of the court --

MR. MCCURRY: No, no, no. He made it very clear that we will -- the legal position that we've taken is very, very clear. What he had indicated was that we hope that issue doesn't arise. We hope either, first, that Congress repeals this onerous provision before it becomes effective in June, or, alternatively, second, that Congress indicated itself that it would not attempt to defend the statute if it were to go into court.

Now, in the best of all circumstances, nobody faces the condition suggested by the bill because there would be -- it would not go into effect and there would be no need for a discharge. But that's the only issue is what happens and who finds standing in court. Our position, I think, as the two lawyers made clear earlier would be quite clear if it went into court.

Q Who is the President taking with him to Iowa? And what do your polls show on the Republicans, who is going to win?

MR. MCCURRY: I don't know that we have an polling data on who would win. There is such an ample availability of polling data on that question from news organizations and from the spin of various Republican candidates that I'm sure you can find all the information you need on that subject.

As to who is going with the President, I don't know the answer to that.

Q On the political side, I mean.

MR. MCCURRY: You mean from the White House staff? I believe Mr. Ickes is going; Mr. Sosnik, our Political Director, is going. If I'm not mistaken, Anne Lewis, who is our Deputy campaign Manager, will be going. The Press Secretary will not.

Q How do you think that your HIV decision today is going to play in Iowa?

MR. MCCURRY: I have no way of predicting, but I know that around the country there has been a great deal of outrage about the provision, a great deal of opposition.

Q On the farm bill, you mentioned the President's concerns with the Senate-passed version. Are they serious enough to warrant threat of a veto?

MR. MCCURRY: No, the President has made it clear he does not want to veto a farm bill. We've got to get a farm bill one way or another, and we think we can make the improvements necessary in the legislation now moving on the Hill that he will be satisfied.

Q Absent those improvements --

MR. MCCURRY: Don't want to speculate. We're thinking optimistically today.

Q Is the President aware of the irregularities in the mayoral campaign finance report of Ambassador Raymond Flynn and, if so, has he talked to the Ambassador or does he plan to talk to him?

MR. MCCURRY: The President understands there have been news reports to that question. I don't believe he's had an opportunity nor, is my understanding, has the State Department had an opportunity to review any official findings by an investigative bodies in Massachusetts.

Q You said in Iowa the President won't single out any particular Republican candidates. Is he likely, though, to go there and "dis" the flat tax, as he has done in the past?

MR. MCCURRY: Well, the President is very interested in tax reform and very keen on making sure Americans understand that real tax reform means tax simplification and tax cuts for those who need them, particularly the hard pressed middle class.

The flat tax proposals the President is familiar with, including most of those that seem to dominate the conversation in the Republican presidential primary, are budget-busting ideas that would result in tax increases on middle income families and that's not the President's idea of tax reform and he will make that abundantly clear to anyone who asks. But he does not do so in an effort to anyhow in one way or another affect the debate in the Republican party. The President is perfectly satisfied allowing the Republicans to debate among themselves how they will raise taxes on middle income families in order to pay for the tax proposals that one candidate described as a nutty idea.

Q Mike, did the White House try to contact the Republican leadership to get them on board today as well, in terms of this effort to reveal the Dornan amendment --

MR. MCCURRY: We will -- we have, the Pentagon, during the course of consideration of this bill on numerous occasions did

convey the views of the administration. We did seek to overturn this one provision, that was not successful during consideration of the bill and the conference report on the bill, itself; and we will now advise the congressional leadership of the decision of the President not to defend the constitutionality of this provision because it now becomes the responsibility of the Republican leadership to direct that that be done if that arises as a matter of law in a court.

Q Because I gather ahead of today's decision by the President there was no attempt to turn it into a bipartisan --

MR. MCCURRY: There has not been yet, but it may very well be because of the concern that this provision is generating around the country that, voluntarily, the Republican leadership might wish to join with the President in his expression of concern on this issue. It would not surprise me in the least if that happens and, of course, that would be welcome.

Q Are you specifically inviting them to do that?

MR. MCCURRY: Well, we will advise them of the President's decision and allow them to make a decision as to whether they wish to join with the President. As I say, if they did join so that there would be a bipartisan consensus between the executive branch and the White House on the need to repeal this legislation, that would be a very welcome, very encouraging development.

Q Is the radio tomorrow still on V-chip or are you going to throw a little defense bill in there?

MR. MCCURRY: Still the violence chip we'll talk about; maybe other subjects, as well.

Q Mike, let me read you a wire story out of London and see if you can --

MR. MCCURRY: I already said I don't know anything about it.

Q This is about -- hear about the explosion?

MR. MCCURRY: No, I haven't heard about that.

Q Large explosion rocked -- area in London's East End

Friday night. Several witnesses said -- described it as an almighty blast by wire service employee. And coinciding with a report about what you were asked earlier --

MR. MCCURRY: Right. Right.

Q Would you try to get us some guidance on that?

MR. MCCURRY: We're aware of the reports. We're making an assessment of the reports that are available to us at this time. We'll have further contact with the embassy in London and we'll comment appropriately when we can.

Q The President talked quite, not just optimistically, but affirmatively, about getting a budget deal in some period of time today. Has he had any other discussions that lead him to feel that confidently, or just -- is this just more of his optimistic outlook?

MR. MCCURRY: He has not had any specific conversations, himself, that I am aware of that lead him to be optimistic. He's aware, of course, that Speaker Gingrich has said some things that express his own optimism. The Speaker at one point having sort of walked from the discussions that the President was conducting and now indicates an interest in having a balanced budget agreement reached maybe even next month. And that is encouraging to the White House, and we hope that will reflect further discussions to come to achieve a balanced budget agreement that the President of the United States very much wants for the people of the United States.

Q Did the congressional Republican leadership support the Dornan Amendment at the time it was pending and brought up? Do you happen to know what the votes were on the Dornan Amendment per se?

MR. MCCURRY: Do I know what the votes were?

Q It obviously passed both Houses, or at least --

MR. MCCURRY: It passed. And again, as I said earlier, there were Republicans and Democrats who strongly objected to the Dornan Amendment who nonetheless voted for the bill because this is the FY '96 Defense Authorization bill. This is one of the major pieces of national security legislation to move through Congress every year. The President had vetoed it once, had outlined numerous concerns about the bill, but had identified very large objections to provisions of this bill that related to Star Wars and related to constitutional infringements on his rights as Commander-

in-Chief.

And the Congress, in fairness, responded to those concerns and addressed the bulk of them in the bill. They did not address all of the President's concerns about the Dornan Amendment. They substantially modified it and made it less egregious than it already is, but that, the President on balance felt, could not justify a second veto. Instead he's taken the course he's outlined today, which makes it very clear that he finds this abhorrent and he will seek its immediate repeal and, in any event, be prepared to deal with any adverse consequences.

Q Would it take a vote of Congress, of the full Congress, to defend it in court? Or could the leadership just say, let's do it?

MR. MCCURRY: I don't know. That's an issue of constitutional procedure -- or congressional procedure. I don't know the answer.

Q Mike, one last question on Bosnia. This morning you said with regard -- on the civilian side, the reason for Holbrooke going over is to do some more work on that. Can you kind of outline what Holbrooke's strategy is and what his plans are to help maintain the peace and the Dayton Accord?

MR. MCCURRY: I am very reluctant to do that. I'm sure that issue has arisen at the State Department briefing today, and I'll bet if you check with folks over there, they'll probably have a lot on it.

Q You don't expect his path to cross with any of the Republicans in Iowa?

MR. MCCURRY: I don't know. The place is crawling with Republican candidates, so --

Q I know. They're running all over.

MR. MCCURRY: -- it wouldn't be out of the realm of the possible, but he'll say howdy if he does and move on.

Q Is this briefing on the rest of the defense bill right now?

MR. MCCURRY: Let me just keep rolling here. All right. I just want to alert everyone in the back and those who were -- maybe we're just going to get this on the record. This is now.

I want to establish some ground rules before we proceed here at this time. We are now going in -- we've ended the daily briefing.

END 2:35
P.M. EST

#181-02/09

M S M a i l

DATE-TIME 09 February 96 20:43

FROM Wozniak, Natalie S.

CLASSIFICATION ***** CLASSIFICATION NOT FOUND *****

SUBJECT EMBARGOED: Feb 9 Bell, et al Press Briefing on DoD Auth Bill

TO

Abdulmalik, April B.
Alijanil, Leyla
Andreasen, Steven P.
Andricos, George M.
Appel, Edward J.
Argarin, Jocelyn D.
Armstrong, Fulton T.
Atlas, Edwin L.
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Hawkins, Ardenia R.
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Porter, Gidell
Quinn, Mary E.
Ramsay, Martha S.
Reade, Evan G.
Reed, George
Reznik, Victoria (NMI)
Rice, Susan E.
Roundtree, Beverly J.
Salvetti, Lisa M.
Samore, Gary S.
Sanborn, Daniel R. K.
David B. Sandalow
Satterfield, David M.
Saunders, John W.
Saunders, Richard M.
Schifter, Richard
Schmidt, John R.
Schmidt, Sandra E.
Schuker, Jill A.
Schwartz, Eric P.
Sculimbrene, Thomas A.
Seaton, James B.
Sens, Andrew D.
Sestak, Joseph A.
Sevigny, Theodore T.
Sheehan, Michael A.
Showalter, Victoria A.
Sigler, Ralph
Simon, Steven N.
Simons, James R.
Stauffer, Helen L.
Suettinger, Robert L.
Sulser, Jack A.
Tarullo, Daniel K.
Marcel T. Thomas
Turner, Joe T.
Unrue, Michael M.
Van DeCar, Karen J.

Van Tassel, David S.
Veit, Katherine M.
Vershbow, Alexander R.
Verville, Elizabeth G.
Wadsworth, Valon J.
Wales, Jane
Walsh, Helen C.
Ward, JoAnn X.
Weber, Paul A.
Whitworth, Frank D.
Wiley, Mary C.
Wilhelm, Richard J.
Willis, Robin M.
Wilson, Marilyn E.
Wise, William M.
Witkowski, Anne A.
Woolston, Ann E.
Wooton, Kevin B.
Wozniak, Natalie S.
Wright, Allison M.
Yorkdale, Glenn H.

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TEXT_BODY [[AUTHBRF.DOC : 5126 in AUTHBRF.DOC]]

**ATTACHMENT
FILE DATE** 9 February 96 20:42

**ATTACHMENT
FILE NAME** AUTHBRF.DOC

THE WHITE HOUSE

Office of the Press Secretary

Embargoed for Release
Until 8:00 a.m. EST
Sat., February 10, 1996

PRESS BRIEFING

BY

NSC SENIOR DIRECTOR FOR DEFENSE POLICY AND ARMS CONTROL

ROBERT BELL,

DEPUTY DIRECTOR FOR MANAGEMENT OF THE OFFICE OF OMB

JOHN KOSKINEN,

OMB ADMINISTRATOR FOR THE OFFICE OF PROCUREMENT STEVE

KELMAN,

AND OMB ADMINISTRATOR FOR THE OFFICE OF INFORMATION AND
REGULATORY

AFFAIRS SALLY KATZEN

The Briefing Room

2:37 P.M. EST

MR. JOHNSON: Okay, this briefing is ON THE RECORD but embargoed until the President signs the bill tomorrow, which is scheduled for 8:00 a.m., as Mike said earlier.

This briefing concerns the DOD authorization bill and in the aspects that we have uncovered already during the earlier briefing which took place before Mike's daily briefing. The briefers today are going to be Robert G. Bell, who you all know from yesterday, the Senior Director for Defense Policy and Arms Control from the National Security Council; and also John Koskinen, the Deputy Director for Management of the Office of Management and Budget. Bob Bell is going to speak to most of the provisions of the bill. John is here to address the provisions relating to procurement reform for information technology.

Also available, should you have additional questions, are Steve Kelman, the Administrator for the Office of Federal Procurement Policy at OMB; and Sally Katzen, the Administrator of the Office of Information and Regulatory Affairs at OMB.

Again, this is ON THE RECORD, but it's embargoed until this bill is signed tomorrow morning.

MR. BELL: Thank you, David. In the wake of the President's December 28th veto, the conferees on the Fiscal Year 1996 defense authorization bill completed their renegotiation of the bill on January 19th, and over the course of the next week, passed that bill in the House and the Senate.

In our view, the revised bill satisfactorily corrected the

three principal issues that had led to the original veto. First,

the section in the original bill that would have mandated the deployment by the year 2003 of a 50-state missile defense that, in our view, most likely would have put us on a collision course with the ABM Treaty, that provision was deleted in its entirety. Second, the section of the original bill that would have required the President to certify or waive the law to assign U.S. Armed Forces to U.N. tactical or operational command was also deleted in its entirety.

And third, and last, the section in the original bill that would have mandated a requirement for supplemental budget request to fund overseas military contingency operations was changed from a binding provision to a nonbinding sense of the Congress section.

Now, in a case where Congress has overreached on fundamental matters concerning the President's prerogatives and responsibilities as Commander in Chief under the Constitution and the President has said, no, and that no has been sustained by the Congress in votes on the veto, and then Congress relents and corrects the bill, there is merit in confirming that outcome by signing the revised bill into law.

That said, there were a number of other issues which the administration had identified, which Secretary Perry had pushed hard on on the Hill, which the White House and the National Security Council had made clear on the Hill were objectionable provisions, including: the provision requiring the mandatory separation of HIV service personnel, the provision in the bill on abortion, changes in the "buy American" list, directed procurement in a noncompetitive way of ships at certain shipyards, cuts in the technology readiness program, and the Nunn-Lugar program.

Consideration for vetoing the bill on the basis of these objectionable provisions also had to be weighed, however, against other aspects of the bill which provided for very important advances in national security and our need to have a defense authorization bill that would fund certain military programs for the coming year.

For these reasons, on balance, then, the President decided to sign the revised bill. What I would like to do is briefly review these other provisions in the bill which we had earnestly sought and which in combination with the corrected objectionable provisions led the President, on balance, to decide to accept the bill.

First, the bill contains a \$1 billion military housing privatization initiative established by Secretary Perry which provides new authority to acquire and improve family and

unaccompanied military housing and supporting facilities in areas where base housing is very short and often inadequate. This initiative uses private expertise and capital to meet our military

needs. And in our view, and in the view of the Department of Defense, this is an extremely important initiative in terms of maintaining the quality of life in our military and therefore maintaining high retention levels in our all-volunteer force.

Second, the bill contains necessary authorization for the full increase in pay and allowances. Now, after the veto of the original bill, the President had used his executive authority to grant a two percent pay increase for the military which fell short of the 2.4 percent request in our original budget. With the enactment of this bill, the military will now receive the full 2.4 percent increase for pay, a 2.4 increase in the basic allowance that's provided for food and subsistence, and a 5.2 percent increase in the allowance that the military receives for quarters. So this is important in terms of the morale and well-being of our military.

Third, it's because of this authorization bill, and only because of the authorization bill, that we will extend certain bonuses that are paid to military servicemen and servicewomen in critical areas that are instrumental in maintaining the retention of those individuals.

Just to mention a few: Without this bill, the authority for special bonuses would lapse in the area of aviation, which means that pilots who might otherwise go to the airlines; nuclear submarine and nuclear surface ship operations, which means otherwise those skilled personnel might go to the domestic nuclear power industry; nurses, reservists and hazardous duty pay for jobs that aren't that attractive in the military in every case.

So the bill provides very important bonuses and it's only because of this bill that they can be extended. During the Reagan administration, these bonuses were not sunsetted, but after President Reagan's veto of an authorization bill in the 1980s, Congress changed the bonuses so they would lapse, and they did that to try to build some protection into the process against vetoes of the authorization bill.

Next, the bill provides an authorization for necessary military construction in terms of new starts and, most importantly, in terms of the NATO infrastructure program of special importance to our current operation in Bosnia. Without this bill, the United States cannot contribute its share of necessary infrastructure construction going on with IFOR in Bosnia today. That's a \$161 million share that goes to building headquarters, air fields,

railroads and other parts of the transportation network.

And last, I would just mention on the issue of Bosnia, this bill also includes an administration proposal to change law to allow the United States to extradite indicted war criminals and provide evidence directly to the International War Crimes Tribunal in Yugoslavia, therefore encouraging others to fully cooperate with this process. There are two other parts of this that are very,

very important to us that I'm going to turn to John now to outline in the areas of acquisition reform and information technology reform.

MR. KOSKINEN: Thank you, Bob. It's actually a pleasure to be here taking about something other than the government shutdown. I'm pleased to talk with you today about a continuation of this administration's three year effort, led by the Vice President and the National Performance Review, to provide a government that works better and costs less.

The NPR began by looking at how the government works, and focused on cutting red tape, empowering employees to achieve better results and putting customers first. The restructuring of the government that has taken place includes reducing federal employment by 200,000 people. We now have the smallest government in 30 yrs, all accomplished without significant RIFs or furloughs. Sixteen thousand pages of regulations are being eliminated. The \$200 billion procurement operation of the government has been streamlined to save the taxpayers money. We have provided better tools to government employees to allow them to provide better service.

It's now easier for the government to buy goods off the shelf. Procurement executives can use streamlined procedures for purchases under \$100,000, an increase from the previous \$25,000 limit. We've made it easier for employees to make purchases under \$2500 with government credit cards. We're pleased to discuss significant steps forward in the campaign to improve government performance across the entire government. These provisions apply not only to the Defense Department, but to all government agencies, even though they're provided as part of the DOD Authorization Bill the President will sign tomorrow.

The legislation is the product of a substantial bipartisan effort. The administration worked closely with Senators William Cohen and John Glenn in the Senate, after they introduced legislation in the mid-1995 era focused on information technology. We also worked with Senators Nunn, Levin, and Thurmond on procurement as the bill moved through the Defense authorization conference. In the House we worked with Congressman William

Clinger, chairman of the Government Reform and Oversight Committee, and Congressman Cardiss Collins and Carolyn Maloney. It just shows you can work together on some things.

This bill focuses on the government purchase and management of information technology. We spend \$25 billion a year in this area, which is a lot of money even by Washington standards. A major achievement of the new legislation is to make the agencies individually responsible for the effectiveness of the information technology they purchase.

The Brooks Act, under which GSA oversaw all IT procurement, has been repealed by the passage of this Act. GSA

will now work with OMB to provide guidance and expertise to the agencies, but the agencies will be held responsible. The legislation provides criteria for evaluating information technology systems. We adopted these guidelines from the best practices of major companies in the private sectors. A significant lesson learned from commercial companies was the importance of restructuring the way work is done before you consider automating it. Agencies are also given more flexibility on how they purchase information technology. They can now buy systems in smaller, incremental phases rather than having to buy major systems in one multi-year contract.

Repeal of the Brooks Act also ends the jurisdiction of the General Services Board of Contract Appeals in the information technology area. This has been a source and a cause of lengthy delays and significantly increased costs in agency purchases. Appeals will now go to GAO, which has a much better track record of efficient oversight of procurement policies. The bill also elevates the visibility and importance of information technology in the agencies by creating the position of chief information officer in each agency. This position is now a common one in the private sector.

We also will be able to build on the good work GSA has done under the leadership of Roger Johnson in developing inter-agency task forces to tap the experience and expertise of government executives across all of the agency lines. There is also separate, very significant continuations in the procurement reform that has been the focus of the reinvention efforts of this administration in the past. The Act allows the Office of Federal Procurement Policy to waive any special government contract clauses when the government buys commercial, off-the-shelf products.

The bill also allows the government to reduce the number of suppliers with whom it has further negotiations after receiving initial proposals in order to conduct more efficient procurements.

And the government is also allowed under this bill to develop special, simplified procedures for buying commercial items with a value of up to \$5 million, rather than the present \$100,000 cut-off.

As Bob noted, Sally Katzen, the administrator of the Office of Information and Regulatory Affairs and Steve Kelman, the administrator of the Office of Federal Procurement Policy, are here with me today, and I think there are press packets that have the highlights of these two sections of the bill. And so Sally and Steve or I would be happy to answer questions you may have about this area of the bill, and Bob, I'm sure, will answer any questions you have about the more normal provisions in the authorization bill.

Yes.

Q When it comes to the oversight scheme now, OMB's

going to have more authority rather than GSA. Is there any concern that OMB have enough staff experience in evaluating technology and technology spending to handle that oversight duty?

MR. KOSKINEN: We actually right now review all the information technology acquisitions in the budget process. Sally and her staff have a very experienced staff that, in fact, have just completed putting together a guidebook not only for OMB but for the agencies in the Acquisition and Management of Information Technology, and they oversee the major government circular in this area.

So what really happens is that instead of having a bifurcated or duplicitous -- duplicative -- maybe duplicitous too -- (laughter) -- but duplicative review process that caused agencies to have to go both to GSA and then continue to be reviewed in the budget process, this will, in effect, put the responsibility on the agencies. And there will be a single level of review which continues from the present process of working through the budget reviews.

Q When do the different pieces of the law take effect? When does the GSPCA jurisdiction go away? When does the FIRMR go away? And what is the -- do you have a schedule yet for the implementing regulations?

MR. KOSKINEN: The bulk of the Act is implemented in 180 days after the President signs it.

Q Has this new process eliminated all of the criticism of the \$600, \$800 coffee pots and so forth? And how

about the rivalry in the services of each doing their own different buying and so forth? Is there more of a leveling out of -- that's the wrong word, but --

MR. KOSKINEN: The whole -- the process over the whole three years, and as I say there's been a significant amount of focus on procurement reform and, in fact, we've had major cooperation with the Defense Department because everybody is concerned about this, and we think that the government is moving, as you can tell by the emphasis on purchasing commercial items off the shelf, is moving to become not only a better buyer, but a much more competitive buyer in the private sector area.

So we think that the legislation already passed, and this legislation, will give us the building blocks and the tools we need to make a significant different. I mean, there are areas in which the government functions very effectively. When we, as private citizens, send a Federal Express package, for instance, it costs, depending on the weight, as much as \$25. The government sends Federal Express packages for under \$3. We just re-bid the FTS2000 telecommunication costs for the government under a rebidding process that we're supporting in other areas in the government, and the real savings will be \$200 million a year. So

there are a number of areas in which the government already is a very effective purchaser.

Q What did you save on not having Star Wars, or a missile defense in every state?

MR. KOSKINEN: I would turn to my defense colleague.

Q How much would that have been in the way of an outlay?

MR. BELL: Well, Helen, if by Star Wars you mean the original recommendation that President Reagan made for an astrodome that would have provided an impenetrable shield over all of America against even a massive Soviet missile attack --

Q I guess I meant the 50 states missile --

MR. BELL: In this Act -- and our estimate is that an effective, operationally effective defense of all 50 states would require a multiple site, land-based ABM defense that's cost would be in the \$20 to \$30 billion range.

Other questions?

Q Under the old way agencies used to have to file the

federal IRM regulations. Since the Brooks Act has been repealed, do those regulations go away, too, or do they have to be modified? Will they be used as guidance? What the status of FIRMR might --

MR. KELMAN: The Federal Opposition Regulatory council will decide what, if anything, from the traditional, special procurement rules for information technology will be preserved in the government-wide regulation, and those decisions will be made over the next few months. But the likelihood is that most of the specific provisions for information technology will disappear.

Q Thank you.

MR. KELMAN: Thank you all.

Q How fat is this bill? Ten thousand pages?

MR. KELMAN: My deputy here, Captain Sosnik, has got a copy of it, Helen. I can show it to you. It's about 1300 pages. And I'd give it to you and suggest a quiz in the morning, but -- (laughter.)

MR. KOSKINEN: Our section is very efficiently a small part of that.

MR. KELMAN: It's 982 pages.

MR. KOSKINEN: Thank you all.

THE PRESS: Thank you.

END 2:50

P.M. EST

MS Mail

DATE-TIME 12 February 96 19:19
FROM Wozniak, Natalie S.
CLASSIFICATION UNCLASSIFIED
SUBJECT DAILY GUIDANCE UPDATE [UNCLASSIFIED]
TO Abdulmalik, April B.
Alijanil, Leyla
Andreasen, Steven P.
Andricos, George M.
Appel, Edward J.
Argarin, Jocelyn D.
Armstrong, Fulton T.
Atlas, Edwin L.
Baker, Jane E.
Baker, James E.
Bakke, Kyle D.
Baldwin, Kenneth
Barnes, Shirley E.
Bassett, Leslie A.
Bass, Peter E.
Battenfield, Pat
Beers, Rand R.
Behring, Deanna M.
Bellamy, Ralph C.
Bell, Robert G.
Bendick, Gordon L.
Benjamin, Daniel
Birkland, Andrea L.
Blacker, Coit D.
Black, Todd F.
Blieberger, Marion H.
Blinken, Antony J.
Bolinski, Charlene C.
Boynton, Peter J.
Bresnahan, Gary E.
Broadway, Jamuna
Brown, Dallas
Brown, Nancy E.
Bruton, Robert G.
Bryan, Lloyd D.
Burrell, Christina L.
Canty, Mary T.
Carter, Michael E.
Cicio, Kristen K.
Clark, Bronya

Clarke, Richard A.
Cooper, Kathleen H.
Cullin, Brian P.
Daadler, Ivo H.
Daniel, Patty A.
Danvers, William C.
Darnes, Victoria J.
Davis, William K.
Deshazer, Macarthur X.
Dimel, Marsha L.
Dohse, Fred J.
Dragone, Karen D.
Dupuy, Shawn L.
Dymersky, Debra L.
Eddy, Randolph P.
Edwards, Joan
Eisenhower, James J.
Fairfax, Kenneth J.
Feeley, John F.
Feinberg, Richard E.
Fetig, James L.
Ficklin, John W.
Flessas, Daniel
Florio, Elaine
Frias, Angela M.
Fried, Daniel
Friedrich, M. K.
Fuhrman, Thomas A.
Gates, Brian K.
George, Christopher
Gerstner, Christina L.
Gladbach, Damon J.
Glinski, David L.
Gorsuch, Robert P.
Gray, Wendy
Grimes, Richard J.
Grummon, Stephen R.
Guekel, Kathi A.
Haines, Mary A.
Hale, John E.
Hall, Wilma G.
Halperin, Morton H.
Hamilton, Roy A.
Harmon, Joyce A.
Harris, Elisa D.
Harrison, Lyle M.
Hawes, David J.
Hawkins, Ardenia R.
Heslin, Sheila N.
Hilliard, Brenda I.

Hill, Roseanne M.
Hofmann, Stephan D.
Houck, Baerbel K.
Huggins, Peter
Hunerwadel, Joan S.
Johnson, David T.
Joshi, M. Kay
Kelly, Sandra L.
Kerr, Andrew S.
Kessinger, Jodi
Kreczko, Alan J.
Kristoff, Sandra J.
Kyle, Robert D.
Leary, William H.
Letts, Kelly J.
Lindsey, Wanda
Lorin, Matthew E.
Lowry, Jay E.
Malley, Robert
Marmol, Madelyn P.
Marshall, Betty A.
Martinez, Alejandro
Mauzy, Stefan T.
Maxfield, Nancy H.
Mazzuchi, Anthony D.
McCormick, Shawn H.
McIntyre, Stuart H.
Merchant, Brian
Miller, Matthew E.
Millison, Cathy L.
Miscik, Judith A.
Mitsler, Elaine M.
Miyaoka, Lester H.
Moody, Angelyn D.
Mueller, William (Doug) D.
Munson, Robert A.
Naplan, Steven J.
Neil, M. Elise
Noetzel, Jon C.
Norman, Marcia G.
Nuccio, Richard A.
O'loughlin, Kathrine
Parco, Jim E.
Gwyn M. Parker
Parramore, Carl W.
Parris, Mark R.
Pascual, Carlos E.
Pease, Bruce E.
Peggins, John W.
Petchel, Beverly L.

Peters, Mary A.
Pifer, Steven K.
Kenneth M. Pollack
Poneman, Daniel B.
Porter, Gidell
Quinn, Mary E.
Ramsay, Martha S.
Reade, Evan G.
Reznik, Victoria (NMI)
Rice, Susan E.
Roundtree, Beverly J.
Salvetti, Lisa M.
Samore, Gary S.
Sanborn, Daniel R. K.
David B. Sandalow
Satterfield, David M.
Saunders, John W.
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Witkowski, Anne A.
Wozniak, Natalie S.
Wright, Allison M.
Yorkdale, Glenn H.

CARBON_COPY NO CC's on THIS MESSAGE

TEXT_BODY

Please review and forward your updates IN BOLD to @PRESS by 10:00 a.m.
Tuesday, February 13. Thank you.

[[FEB12GUI.DOC : 4870 in FEB12GUI.DOC]]

**ATTACHMENT
FILE DATE**

12 February 96 19:14

**ATTACHMENT
FILE NAME**

FEB12GUI.DOC
NATIONAL SECURITY AFFAIRS GUIDANCE

February 12, 1996

EUROPE
Bosnia/Croatia
Russia
Northern Ireland
Greece-Turkey

ASIA
China

MIDDLE EAST
Syria

LATIN AMERICA
Cuba
Colombia

AFRICA
Zaire
Nigeria
Burundi

MISCELLANEOUS

Defense Authorization Bill

BOSNIA/CROATIA

MLADIC THREATS TO IFOR

ù Welcome remarks by SRBH officials that Bosnian Serb military is not severing contacts with IFOR.

ù We saw little to indicate the Bosnian Serb Army complied with orders from Mladic to sever ties with IFOR.

ù We expect continued participation by all parties in the compliance regimes, including participation in Joint Military Commission (JMC) and Civil-Military Commission Meetings. JMCs are reconvening today.

ù NATO has deployed a force into Bosnia-Herzegovina of sufficient size to deter any threats to its personnel.

ON THE DETENTION OF THE SERB SOLDIERS

ù We congratulate the Tribunal's speedy handling of the detainee situation.

ù We were pleased to hear of the release by the Bosnian government of the 4 individuals not suspected of crimes.

ù The United States remains fully committed to the work of the Tribunal and the implementation of the Dayton Accords.

ù President Izetbegovic has assured the United States that only those individuals approved for detention by the tribunal could be apprehended by his government in the future and his government will work out procedures

with the Tribunal to facilitate future detentions.

ù He reiterated his full support for the process and procedures of the Tribunal. This agreement preserves freedom of movement and the commitment to prosecute war crimes.

ù In a related development, Serb political leaders, Saturday said they would restart contacts with IFOR and would instruct the Bosnian Serb military to do the same.

ù All parties agreed over the weekend that the Dayton peace process must continue to move forward.

ù All the parties have responsibilities to the Tribunal, both legally and under the Dayton Agreement. We expect all the parties to continue to honor their commitments to not only the Tribunal but also all agreements in the Dayton Accords.

ù IFOR is monitoring the situation closely. JMC s are meeting today and we will find out if the Bosnian Serb military will continue to cooperate.

ù We continue to believe that war crimes suspects should be investigated, indicted, and prosecuted. But this must take place with respect for due process and in accordance with procedures set forth by the war crimes tribunal.

MOSTAR

ù General Joulwan and NATO Secretary General Solana in Mostar today to pursue resolution of the issues.

ù We believe that both sides should honor the EU agreement on Mostar. Both sides agreed that they will abide by the arbitration before the decision was made.

ON THE DEATH OF SFC DUGAN

ù Memorial services held in Germany on Friday. General Yates, Commander 5th

Corps,
attended.

ù General Maggart, Commander, Fort Knox, will attend funeral tomorrow in Ohio.

ù The circumstances of SFC Dugan's death are still being investigated. It would be inappropriate to speculate on the circumstances until the final investigation is submitted. The investigation is still ongoing.

ù We do know that SFC Dugan died of massive head injuries that were caused by an explosion. The death was not self-inflicted nor caused by hostile action.

ù Whatever the circumstances, the military will use the lessons learned to improve their tactics and techniques.

ù As we have said before, Operation Joint Endeavor entails real risks. But our commanders have provided our troops with the finest training and equipment to confront the challenges in Bosnia.

ù We will continue to take every precaution to protect American troops as they continue to perform this critical mission of securing an enduring peace.

ù SFC Donald Dugan was deployed to Bosnia from Germany with the First Armored Division. He was a Platoon Sergeant in A Troop, 1st Bn., 1st Cavalry Regiment.

ù Our deepest sympathies go out to his family.

MINES

ù The parties have continued to cooperate with the IFOR in identifying minefields and clearing. Mines are the IFOR commanders' greatest concern regarding the safety of the troops. Our soldiers have gone through intensive training on mine awareness.

ù Over 6200 minefields are known. 30% have been cleared; 25% have been marked for clearing; and 45% remain unmarked.

ù Unfortunately, the location of all minefields are not known, even by the parties.

DELAYS IN DEPLOYMENT OF INTERNATIONAL POLICE TASK FORCE

ù The IPTF is designed to monitor and advise the police forces in Bosnia.

ù To date, about 203 police are in Bosnia: 119 in Sarajevo, 34 in Tuzla, 50 in Banja Luka. 81 police monitors from 4 nations are in training in Zagreb.

ù They will be deployed in the region at the discretion of the new IPTF Commissioner, Peter Fitzgerald. We expect a French contingent of 100 police monitors will be deployed to Sarajevo soon.

ù Even with the continued deployment of the IPTF, we will look to the parties themselves to perform law enforcement functions in the areas under their control. In addition, IFOR will be present in the Serb-held areas at least until March 20 --D+90.

ù An agreement was worked out with the High Representative Bildt that permits the Serbian civilian police to remain in Serb-held areas of Sarajevo as a confidence building measure for an additional 45 days provided they honor the laws of the Federation.

ù The Federation government will assume control of the Serbian suburbs in Sarajevo on March 19 as called for by the Dayton Accords.

DEMOBILIZATION

ù All parties are in the process of demobilizing units. Reports are encouraging.

ù General Joulwan, SACEUR and the NATO Secretary General reported over the

weekend t
 hat compliance with
 the D+45 day transfer of territory by the parties is good. We are awaiting the fina
 l report on compliance in
 this area.

ELECTIONS

Background: The first significant step toward holding elections in Bosnia was
 taken
 January 30 with the naming of
 the members of the Provisional Election Commission (PEC). The PEC will be
 responsib
 le for ensuring that free
 and fair elections take place in a timely fashion. Also on the civilian implementati
 on front, the OSCE mission in
 Bosnia, headed by Amb. Frowick, circulated an election plan to all Parties and
 hoste
 d the first meeting on Bosnian
 soil of Serb and Federation political parties since the outbreak of the war.

ù Members of Bosnia's Provisional Election Commission were named last week
 in Saraje
 vo by the OSCE.

ù The seven-person commission includes representatives of the international
 communit
 y as well as
 representatives from the Republic of Bosnia and Herzegovina, the Federation of
 Bosni
 a and Herzegovina
 and the Republica Srpska!

ù Under the Dayton accords, the PEC is the organization responsible for ensuring
 tha
 t free and fair elections can
 take place in a timely fashion.

ù This is an important step in the implementation of the civilian commitments of
 the
 Dayton agreement and
 serves as a symbol of the Parties' willingness to establish stable democratic instit
 utions.

ù Holding free and fair elections is critical to the success of our mission in Bosni
 a. Ultimately, the Parties
 themselves will determine whether strong democratic institutions are built. The

U.S

. stands ready to assist
them in this process.

POWS AND WAR CRIMES

ù President Milosevic has agreed to allow the Tribunal to open an office in
Belgrade

. He also agreed to
cooperate with the additional investigations that Assistant Secretary Shattuck will
be carrying out.

ù According to the Dayton agreement, each party must detain persons reasonably
suspe
cted of violations within
the jurisdiction of the Tribunal for a period of time sufficient to permit appropria
te consultation with the
Tribunal authorities.

ù Prisoners can be detained under these circumstances. However, we expect the
parti
es not to abuse this
proviso for political reasons.

ù Disappointed that Bosnian Government failed prior to January 19 deadline to
regist
er and release 88 prisoners
in Tuzla that were discovered by ICRC February 2.

ù We expect all parties to comply with the exchange of POWs without
conditions.

FUNDING FOR BOSNIA

ù Last week, the Administration sent to Congress a \$991 million reprogramming
reques
t to fund a major portion
of Bosnia operations. It will also send an additional supplemental/recission
reques
t to the Congress in the next
few days, as well as an additional reprogramming request at a later date, to fund
th
e remainder of these
operations through September 30, 1996.

ù We do not plan for any of the funds for U.S. Bosnia peace implementation
operation

s (IFOR) to come from
 recission of the unrequested funds for weapons programs added to the Defense
 Appropriations Bill by the
 Congress.

Q: Where will funds come from? How much?

A: This reprogramming action is financed by inflation savings resulting from
 revise
 d economic assumptions.
 The supplemental/recission action will be financed from classified intelligence
 prog
 rams, while the source of
 the second reprogramming request is not yet identified. The total amount required
 f
 or U.S. Bosnia military
 operations in FY 1996 is just under \$2 billion.

BOSNIA WAR CRIMES AND IFOR MISSION

ù We are pleased that the IFOR Commander, Admiral Smith, and the head of the
 War Cri
 mes Tribunal, Justice
 Goldstone, have agreed on coordination of their respective missions under the
 Dayton
 peace agreement.

ù Goldstone stated that he is satisfied with the level of support that IFOR will pro
 vide to the Tribunal's efforts,
 Mr. Goldstone reiterated this point when he met with Mr. Lake last Thursday.
 Smith
 said he was satisfied that
 IFOR will be able to provide appropriate assistance to ensure area security for
 Trib
 unal teams carrying out
 investigations and activities at mass grave sites.

ù The U.S. has consistently supported the efforts by the International War Crimes
 Tr
 ibunal and the ICRC to
 investigate war crimes, including through the sharing of intelligence. We will
 cont
 inue these efforts.

ù IFOR's principal task is to enforce the separation of forces called for in the Day
 ton Accords and implement
 other military aspects of the agreement. IFOR is required to provide freedom of
 mov
 ement for its own units.

ù IFOR Commanders also have the authority for supporting tasks, including provision of assistance to the War Crimes Tribunal and other international organizations in their humanitarian missions

ù Monday's statement by Smith and Goldstone confirms our understanding that the IFOR commanders will assist the Tribunal's investigations to the maximum degree possible.

ù In their meeting, Admiral Smith made clear to Justice Goldstone that IFOR has already taken steps to assure security in areas of war crimes sites and to monitor the sites.

COMPLIANCE

ù Ambassador Holbrooke is traveling to the region on Sunday to discuss implementation. He will address the Mostar and detainee issues.

ù Overall, things have been going well and, with minor exceptions, all parties are cooperating with IFOR.

ù Most recent deadline was February 3 (D+45), when parties were required to remove their forces from territory that is changing hands under the agreement.

ù Early indications are that parties complied.

ù The Parties continue to cooperate in marking and removing mines and obstacles. Weather has hampered their completion of this important task.

ù While we were pleased with the release of prisoners last weekend, some prisoners continue to be held in violation of the peace agreement.

ù Disappointed that Bosnian Government failed prior to January 19 deadline to register and release 88 prisoners in Tuzla that were discovered by ICRC February 2.

ù Our position is that all the prisoners should be released without further delay, and that all Dayton deadlines should be respected, without exception.

ù We are working closely with government and ICRC officials in Sarajevo, Geneva and Belgrade to ensure that valid Bosnian concerns about missing persons are addressed, but do not believe this should be linked to the prisoner release requirements of the peace agreement.

ù We expect all foreign forces to depart the country. Foreign forces were required to leave by January 13.

ù IFOR commanders are still in the process of assessing compliance. Many Mujahedin and other foreign forces have been withdrawn from the country. However, we will await the commanders' final report to determine compliance.

If asked about Equip and Train

ù Our planning and consultations are proceeding.

ù But we have made clear to Bosnians that the actual provision of equipment and training will not be able to go forward if they have not complied with Dayton requirements on foreign forces and with other Dayton obligations.

ù The United States will take a leadership role in coordinating an international effort to ensure that the Bosnian Federation receives the assistance necessary to achieve an adequate military balance when IFOR leaves.

ù Training programs and provision of non-lethal assistance can begin now. Provision of small arms can begin

three months after the agreement was signed. We will do nothing that will endanger the safety of American troops on the ground in Bosnia.

ù The program will be totally transparent and we have briefed leaders in Zagreb and Belgrade.

ù We want to promote unity in the Federation and create an effective Federation civilian structure capable of command management of the Federation military.

ù U.S. civilian companies, under contract to the Federation, will assist the Federation in developing its equipment and training requirements and plans. Many retired military have been hired by these companies because of their experience and expertise.

ù The program will be consistent with the Peace Agreement and arms control agreements which result from the Dayton Accords.

RUSSIA/NIS

Current Items

Kuchma Visit

ù Ukrainian President Kuchma to visit U.S. February 20-22 to receive "Freedom Award" from Freedom House.
President, Vice President will meet with Kuchma on February 21.

Christopher-Primakov

ù Christopher and Primakov met February 9-10 in Helsinki. Had good, detailed exchange

ge covering range of
U.S.-Russian issues.

Chechnya

ù Welcome reports that Russian government now looking for compromise
resolution to C
hechen conflict that
addresses interests of all concerned.

ù Our consistent position has been that only reliable path to peace is negotiated se
ttlement that takes interests of
all parties into account. Cycle of violence must be broken.

ù (Grozny demonstration) Situation unclear. Have seen reports demonstration
broke
up after some violence.
Continue to urge avoidance of any actions that could lead to violence.

General Items

Personnel Changes Mean End of Reform/Cooperation?

ù Will have to see impact of overall personnel changes on domestic, foreign
policy.
Expect Yeltsin to set
policy. He has made clear his support for reform and that there is no turning back.
Our best interest to
continue to engage Russia to sustain momentum on reform; not time to
disengage, whic
h would strengthen
hand of regressive forces.

ù U.S. policy unchanged: support political reform and reform to promote market
econ
omy. Not matter of
personalities but implementation of sound policies. Our assistance and IFI
investme
nts make sense only in
this context.

ù Also working to advance common interests: nuclear disarmament; detargetting;
new
trade, investment
opportunities. Strategy of engagement remains in strong interests of both nations.

Yeltsin's Political Future

ù Signs are that Yeltsin likely to run, but no official declaration yet. Has said will announce decision around February 15. Then it's up to Russian people to decide, exercising the democratic habits that are increasingly taking hold in their country.

Russia and NATO

ù U.S. and Russia have different views on logic of NATO enlargement. Have ongoing dialogue with Russians on this issue.

ù For our part, we intend to manage enlargement process in deliberate, transparent manner that strengthens security, stability of Europe as a whole. Russia a key player in building stable, undivided Europe. Our goal is to develop strong, cooperative NATO-Russia relationship in parallel with NATO's process of taking in new members.

(If asked only) Russian Guns

ù Material provided separately on agreement reached February 10.

NORTHERN IRELAND/LONDON BOMBING

MONDAY MEETING

ù Tony Lake will host UUP Leader David Trimble for lunch on Monday, February 12. Expect President to drop by at about 2:00. Part of our continuing, regular contact with all the Parties. Luncheon had been scheduled for some time.

At this point, no plans for USG officials to travel to work on this issue.

U.S. VIEWS ON BOMBING

ù Strongly condemn this attack. Hope those responsible brought to justice swiftly.

ù Sympathy and prayers go out to victims and their families.

ù Deeply concerned that IRA has announced end to cease-fire and taken responsibility for bombing. People of Northern Ireland clearly want peace. No one has right to deny them that.

ù Cannot allow terrorists to derail a peace process so overwhelmingly supported by the people of Northern Ireland.

ù Will do everything we can to assist the two governments in continuing their search for peace.

Will you revoke Adams' visa? Fundraising?

ù It's premature to speculate on the implications of this event.

ù First task is to get cease-fire restored. That is where efforts are focused.

Will you join the Irish and British Governments in refusing to meet with Adams until the cease-fire is restored?

ù We are continuing to talk to all parties.

ù No current meetings are planned with Adams.

Why did Adams call Lake? Did Lake have advance warning?

ù He alerted us to disturbing rumors he was hearing, but nothing specific.

ù Call came shortly before the bomb went off.

Do you have any regrets about issuing Adams a visa or your involvement in the peace process?

ù No regrets about support we have given and will continue to give to searching for peace in Northern Ireland.

Is Adams in control of the IRA? Will you take sides against the IRA now?

ù Really too soon to speculate on all the implications of this.

Does this mean there is a split in the IRA or that Adams knew about the blast?

ù Simply do not know implications at this stage.

Will you press Adams to condemn bombing?

ù We have condemned the bombing and believe everyone should. The most urgent task at hand is to get the cease-fire restored.

Does this mean IRA would have to decommission its weapons before all-party talks could begin?

ù Premature to speculate or comment on what the eventual implications will be for the peace process.

Is cease-fire over?

ù IRA issued a statement to that effect. The cease-fire must be restored. We will work to see but we hope the peace process back on track.

GREECE-TURKEY

AHEPA REMARKS

During his AHEPA remarks, the President supported submitting the Imia ownership issue to an international tribunal, as proposed by the Greek government? Is this a Greek proposal, which the U.S. has decided to adopt?

ù Our understanding is that the Greek government has in the past proposed that disputes of this kind be submitted to an international tribunal, such as the ICJ.

ù The President's statement reflects this understanding of the Greek position.

ù The United States also believes that the International Court of Justice or other consensual forum would be best

placed to judge the many complex issues bearing on the ownership of Imia islet.

ù This is why we proposed this approach as a way solving this particular dispute.

Ownership of Imia/Kardak Islet

Q: What is the U.S. position on ownership of the islet?

A: Let me make clear first of all that the United States reaffirms its commitment to the principle of respect for international treaties, the territorial integrity of Greece and Turkey and of internationally recognized borders. We call on both sides to resolve their disagreements by peaceful means, without force or the threat of force.

The U.S. has not taken a position on who owns the islet. There are apparently a number of international agreements relevant to the ownership question, some dating back many decades and involving Italy, which formerly owned the Dodecanese Islands of which the Greeks claim the islet is part.

There is also some dispute over the validity of one of the documents in question.

We believe that the best venue for addressing such questions of ownership is the International Court of Justice or some other consensual body.

Such a tribunal would be well-suited to gather and evaluate all the necessary information, weigh impartially the legal arguments of both sides, and explain the basis for its rulings.

Q: Do we believe that the ICJ should consider all aspects of all disputes between Greece and Turkey?

A: For the reasons stated above, the ICJ, or other consensual body, would be particularly

larly
well-suited to address the Imia/Kardak ownership issue. Other issues in dispute
bet
ween Greece and
Turkey in the Aegean may be more effectively addressed through direct
negotiations,
mediation by a third
party, or some other mutually agreed method..

Cancellation of Holbrooke Visit

Q: Why did Holbrooke cancel his trip?

A: The trip of the joint State Department and Defense Department team, led by
Assist
ant Secretary
of State Richard Holbrooke and Principal Deputy Under Secretary of Defense for
Polic
y Jan Lodal, has
been postponed to a later date. The delay is due to the ongoing efforts to form a n
ew government in
Turkey, the continuing concern over the situation in the Aegean, and pressing
busine
ss for Assistant
Secretary Holbrooke in Central Europe.

The trip will be rescheduled at a later date.

Q: Did the announcement by the Greek Prime Minister that Holbrooke's visit
would be

incompatible with Greek schedules have anything to do with this decision?

A: I understand that the Greek Prime Minister and Foreign Minister will be
traveling
during the
next few weeks to European capitals to discuss the situation in the Aegean. We
look
forward, however,
to discussions with the Greeks in Washington during the State Visit of President
Ste
phanopoulos, if not
earlier.

(If asked)

Q: Does this mean the planned U.S. Cyprus initiative is off?

A: Not at all. There were no plans for Assistant Secretary Holbrooke to launch a
Cy

prus initiative
 during this trip, due in large part to the fact that one of the key parties in the dispute--Turkey--only has a caretaker government at this time.

Holbrooke had intended his visit as part of a farewell trip to the region. Given the Imia islet crisis, which subsequently intervened, he also hoped to help further calm the waters between Greece and Turkey.

Although the Imia crisis has clearly increased tensions in the region, we are still planning a Cyprus initiative this year.

Indeed, we believe a Cyprus solution could play a key role in reducing the tensions between Greece and Turkey that were on display in the Imia crisis.

Presidential Letters

Q: Did the President send letters to the leaders of Greece and Turkey on the islet issue?

A: The President sent letters to President Demirel, Prime Minister Ciller, and Prime Minister Simitis thanking them for working with us to help resolve the conflict peacefully.

CHINA -- IPR TRADE, TAIWAN, AND PROLIFERATION

CHINA-IRAN MISSILE ACTIVITIES

Background: Today's Washington Post reports that Senator Jesse Helms has written the White House, asking the President to "act decisively" by punishing China for providing Iran with missile technology in violation of the international Missile Technology Control Regime (MTCR).

Q: Today's Washington Post reports that Senator Helms is pressing the Administration

to impose
sanctions against China for transferring missile technology to Iran. What is your response?

A: We take all reports of potential missile proliferation concern very seriously. We continually monitor and evaluate any reports concerning possible transfers that could contribute to missile programs of concern.

The issue of Chinese missile-related cooperation with Iran is of concern to the United States. We have raised this issue with the Chinese Government in the past, and we will continue to do so.

We fully and consistently implement the requirements of the U.S. missile sanctions law. Were we to determine that China had engaged in activities inconsistent with U.S. missile sanctions law, we would apply the law.

NON-PROLIFERATION

-- Non-proliferation -- nuclear as well as missile -- is part of our continuing dialogue with China. We are closely monitoring any arms or technology transfers that might violate U.S. law.

-- We have concerns and are evaluating the information available. At this point, we have not made any determinations that China has taken actions that would trigger the imposition of sanctions.

-- I am not going to comment on any allegations concerning information that may have been gathered through intelligence means.

-- We are not avoiding sanctions. We will make determinations based on the facts and legal requirements. At this point, no decisions have been made.

OVERALL RELATIONSHIP

-- We have made clear to the Chinese and, indeed to the world, that we want our relationship with China to be based on a long term strategy of comprehensive engagement. It is not in our interest to try to "contain" China.

-- Part of that engagement is the talks we are having this week with Chinese Vice Foreign Minister Li. Minister Li is meeting with Under Secretary of State Tarnoff this week. Will also meet with Under Secretary of Defense Slocombe and Deputy National Security Advisor Samuel Berger.

-- We have had a number of sub-cabinet meetings over the last several weeks on a range of foreign policy issues. Among the topics on which we have focused has been China.

-- On January 26, the President's Principal Foreign Policy Advisors met for an hour to talk about our relations with China as we entered the new year. As we said at the time, this was not a decision-making meeting, nor a policy review, but a stock-taking opportunity to take a look at the relationship -- and the issues each cabinet agency would have to deal with -- as we entered the new year.

TAIWAN

-- We are carefully monitoring the situation in the Taiwan Strait over the last several months. We will continue to do so.

-- As we've made clear in the past, the future of Taiwan is a question for the Chinese -- on both

sides of the Strait -- to define. Our interest is for any resolution to be a peaceful one. We have urged, and will continue to urge, both parties to avoid provocative acts.

-- (If asked.) The Chinese have not announced any Military Exercises in the Taiwan Straits.

NORMALIZATION WITH SYRIA

Q: Do you have any response to Syrian FM Shara's call for a normalization of U.S. relations with Syria?

A: The United States has long expressed its hope for improved bilateral relations with Syria.

However, such an improvement in bilateral relations will only follow a judgment by the United States that Syrian conduct with regard to issues such as terrorism and narcotics trafficking are no longer an obstacle to improved ties.

These issues have been the subject of long-standing discussions between the U.S. and Syria.

Q: Then what is DAS Verstandig doing there?

A: Secretary Christopher has noted the importance of the economic dimension to the peace process. For the U.S. to play our role in helping achieve a comprehensive settlement, we need to assist the parties in developing an economic relationship, as well as a security and political relationship.

DAS Verstandig is in Damascus to get a sense of Syria's economic priorities and expectations, and to improve our understanding of their economic situation and needs.

CUBA

Background: Congressman Richardson secured the release of three Cuban political prisoners and brought them back with him from Cuba to the United States on Saturday. The prisoners, Carmen Julia Arias Iglesias, Luis Grafe Peralta, and Eduardo Ramon Brida were serving jail sentences from between nine and 13 years.

Points

- ù We welcome the release of political prisoners

- ù Appreciate Congressman Richardson's efforts which led to these releases.

- ù We call on the Government of Cuba to release the more than 1,000 persons who remain imprisoned for their political beliefs and to eliminate the provisions of their penal code under which Cuban citizens are arrested for expressing their views.

Q: Was Richardson acting on behalf of the Administration?

A: No. He was acting on his own initiative and carried no message from the Administration.

COLOMBIA

Background: President Samper's former campaign manager, Fernando Botero in a lengthy television interview accused him of accepting \$ millions from the Cali Cartel. These accusations are not new.

Points

-- We are aware of these allegations and are watching them closely.

-- They are and will remain an internal matter for the government and people of
Colo
mbia to
resolve.

If asked about certification:

-- We will make and announce our decision on certification in March.

If asked about visa cancellations:

-- These matters are confidential under U.S. law.

-- U.S. immigration law has very strict requirements with respect to individuals
inv
olved in
narcotics trafficking. With respect to any specific allegations, I would refer you
to State.

[NOTE: Do not confirm/deny that any visas have/have not been canceled.]

ZAIRE: CLOSURE OF RWANDAN REFUGEE CAMPS

Q: What information do you have on Zaire's plans to close Rwandan refugee
camps in Z
aire and
return the refugees to Rwanda?

A: Zaire's announcement that it plans to begin closing its Rwandan refugee
camps com
es after
months of discussions with the United Nations High Commissioner for Refugees
(UNHCR)
and the
Government of Rwanda.

Zaire has not yet started to close the camps but is expected to do so shortly. It
plans to do this
gradually - one camp at a time, beginning with the Kibumba Camp just north of
Goma.

A Special Envoy of the United Nations High Commission for Refugees was in

Zaire last week to discuss the closure of the camps and to ensure that any repatriation be orderly, humane and voluntary.

Information campaigns by UNHCR, Rwandan and Zairian officials are underway to convince the refugees to return to Rwanda. It is hoped that the majority will choose to do so. Those who do not want to return are expected to be moved to other camps in the area.

Q: What is the U.S. position on this decision?

A: Both UNHCR and the United States have been working with all parties in the region to encourage the voluntary repatriation of Rwandan refugees.

We believe that conditions inside Rwanda are conducive to the safe return and reintegration of those who did not participate in the genocide, and certainly preferable to remaining in refugee camps with their lives on hold.

We would not condone, however, the forcible return of these refugees.

NIGERIA

Background: We have gotten a number of inquiries about Nigeria and whether/when we will announce sanctions. Rumors abound about an impending sanctions decision.

Q: There are rumors that the Administration will soon announce sanctions against Nigeria. Is this true?

A: No decisions have been made on unilateral or multilateral sanctions for Nigeria. An in-depth

policy review which began late last year continues. All measures, including oil sanctions, remain under consideration.

Q: What is our policy objectives in Nigeria?

A: Our overriding policy objectives in Nigeria remain the early and peaceful establishment of a stable, democratic, prosperous Nigeria that respects human rights.

BURUNDI

THEMES: 1) Extremists vs. Moderates: U.S. will stand by those who are seeking compromise and reconciliation

2) Coup: U.S. will cut off all assistance and oppose all support in IFIs if a coup occurs

3) Broad Appeal: Burundi has a rich history and tremendous potential that is not being realized due to the current crisis.

Q: What is the U.S. doing about the deteriorating situation in Burundi?

A: The United States is deeply concerned about the situation in Burundi. President Clinton and others in the administration are following developments there very closely. We have, together with our friends in the international community, taken a number of actions to help end the cycle of violence and impunity.

ù The U.S. has provided \$110 million in humanitarian and developmental assistance to Burundi since April 1994.

ù Co-authored a UNSC resolution establishing the Commission of Inquiry to investigate

e the 1993
attempted coup.

ù Assisted the OAU in deploying an observer force.

ù President Clinton sent our Ambassador to the United Nations Madeleine Albright to Bujumbura last Saturday to underscore that the United States supports the Convention of Government and flatly rejects the actions of extremist forces working to undermine President Ntibantungany a.

We care about Burundi because it is a nation rich with history and tremendous potential that is not being realized due to the current crisis. When I visited Burundi in December 1994, I met many leaders, both Tutsi and Hutu, who were valiantly trying to move their country forward. These are the true leaders of Burundi, the ones who reject extremism and are trying to build a constructive future.

Q: Ambassador Albright was carrying a letter from President Clinton to President Ntibantunganya. Can you share its contents with us?

A: The letter said that the United States will not support any group which comes to power by force in Burundi. We will cut off all assistance to such a government and will oppose all economic grants and loans by international organizations. We also might look at employing even stronger measures to isolate those seeking to undermine the Convention of Government.

Q: The U.S. has committed troops to Bosnia, would the U.S. contribute troops to a force for Burundi?

A: We committed troops to the effort in Bosnia because we are part of NATO

which is
serving to
guarantee the peace. I don't anticipate that U.S. troops will be sent to Burundi.
We have pledged to
provide limited logistical support to such a mission if other countries, including those in the region, will
partner with us.

Q: What advice do you have for the people of Burundi?

A: Burundi is at a historic fork in the road. You can go back to 1972 and have
happen in your
country what happened in Rwanda two years ago. But this would cause you to be
totally
isolated from
the world. We don't want to see this happen. We are supporting those people and
institutions in Burundi
who want reconciliation, justice and a constructive future. What path you choose
is
ultimately your
decision, but President Clinton and I say move forward; reject extremism in favor
of
compromise and
achieve the great potential that only you, the people of Burundi, can bring about.

DEFENSE AUTHORIZATION BILL

Background: In the wake of the President's December 28th veto, the conferees on
the
FY 1996 defense
authorization bill completed their renegotiation of the bill on January 19 and
passed
the revised bill in the
House and Senate over the following week. The revised bill satisfactorily
corrected
the three principal issues that
had led to the veto: (1) the section that would have mandated the deployment by
200
3 of a 50-state missile
defense that would have put us on a collision course with the ABM Treaty was
deleted
; (2) the section that
would have required a Presidential certification/waiver to assign US Armed

Forces to
 UN command was deleted;
 and (3) the section that would have mandated supplemental budget requests to
 fund ov
 erseas military contingency
 operations was changed to a non-binding, sense of the Congress provision.

That said, there are a number of other issues in the original bill about which the a
 dministration had expressed
 serious concern, but which were not revised. These include the abhorrent
 mandatory
 separation provision for
 HIV-positive service personnel, the restriction on overseas abortions, expansion
 of
 the Buy America list, and the
 directed procurement of specified ships at specified shipyards.

However, consideration of the bill also had to take into account other provisions
 w
 hich provided for very
 important advances in national security and the need to have a defense
 authorization
 bill that would fund certain
 military programs for the year. While preferring not to accept any objectionable
 pr
 ovision, the President had to
 weigh what he continued to object to in the bill with the need for a strong and eff
 ective national defense, the
 important reforms and initiatives in the bill, and the extent to which we had
 moved
 Congress after the veto. For
 these reasons, the President decided, on balance, to sign the bill.

Positive Features of Bill:

ù Significant acquisition reform measures which will produce cost savings on
 which t
 he Defense Department is
 counting to maintain the integrity of its budget. Sought by the Administration and
 undertaken with bipartisan
 support, these measures will further simplify and facilitate the purchase of
 commerc
 ially-available goods and
 services, streamline and clarify procurement integrity laws, and substantially
 impro
 ve how bid protests for
 information technology are resolved

ù The \$1 billion Military Housing Privatization Initiative proposed by Secretary

Per
 ry, which provides new
 authority to acquire and improve family and unaccompanied military housing and
 suppo
 rting facilities by
 using private expertise and capital. This is very important to maintaining quality
 of life in our military and
 high retention levels among service personnel.

ù Authorization for the full increase in pay and allowances for our military
 personn
 el proposed by the President.
 Instead of the 2.0% pay increase the President had ordered after the veto, the bill
 provides a 2.4% increase in
 basic pay and basic allowances for subsistence, and a 5.2% increase in basic
 allowan
 ces for quarters.

ù Extension of crucial bonuses needed to retain skilled personnel, including those
 w
 ho work in aviation, nuclear
 power, nursing and hazardous duty fields.

ù Authorization for necessary military construction and U.S. share of NATO's
 infrast
 ructure program, which is
 of special importance to current IFOR operations in Bosnia, including building
 headq
 uarters, barracks,
 airfields, railroads, bridges and roads.

ù The Administration's proposal to allow the United States to extradite indicted
 war
 criminals and provide
 evidence directly to the International War Crimes Tribunals for the Former
 Yugoslavi
 a and Rwanda,
 encouraging others to fully cooperate with the War Crimes Tribunal.

ù In response to serious concerns about the outmoded approach to the acquisition
 and
 management of
 information technology in the Federal government, the Act simplifies and
 strengthens
 the way agencies use
 and acquire computers and telecommunications, giving them authority and
 flexibility,
 but insisting on
 accountability for results. Consistent with the Administration's efforts under the
 National Performance

review to create a government that works better and costs less, the Act encourages agencies to adopt the best practices of successful companies in the private sector.

HIV Provision

The Act contains a provision requiring the discharge of all military personnel living with the Human Immunodeficiency Virus (HIV). The President -- together with Defense Secretary Perry and Chairman of the Joint Chiefs Shalikashvili [see attached statement] -- strongly opposes this provision because it is:

- ù Unnecessary: Requires discharge regardless of whether there is any medical or military necessity; a physical

evaluation system is already in place to determine fitness for duty of HIV-positive personnel.

- ù Discriminatory: Singles out military personnel living with AIDS and differentiates them from those suffering from other illnesses or disabilities for which discharge is not required.

- ù Punitive: Service members discharged pursuant to this provision would not receive benefits to which they would otherwise be entitled had they continued to serve until it became medically necessary for them to retire.

- ù Wasteful: Wastes the government's investment in the training of discharged individuals; disrupts the military programs in which they play integral role.

- ù Unconstitutional: After consulting with the Department of Justice, the President has concluded that the provision violates equal protection clause by requiring separation of physically able service members living with disability without furthering any legitimate military purpose.

Administration Actions regarding HIV provision

ù Seek Immediate Repeal: The President will fully support efforts in Congress to repeal this provision.

ù Ensure Full Benefits to Affected Personnel: The President has directed the Departments of Defense, Veterans Affairs and Transportation to take any necessary steps to ensure that affected service members and their families receive the full benefits to which they are entitled, including health care coverage for families, disability retirement pay and transition benefits such as job training. [See attached Presidential Directive.]

ù Decline to Defend Provision in Court: The President has directed the Attorney General to decline to defend this provision in any court.

M S M a i l

DATE-TIME 16 February 96 09:10
FROM Peters, Mary A.
CLASSIFICATION UNCLASSIFIED
SUBJECT Fact Sheet [UNCLASSIFIED]
TO Vershbow, Alexander R.
CARBON_COPY NO CC's on THIS MESSAGE
TEXT_BODY
OK to send on to the speechwriters?[[NTAFACT.DOC : 2355 in
NTAFACT.DOC]]

**ATTACHMENT
FILE DATE** 16 February 96 9:9

**ATTACHMENT
FILE NAME** NTAFACT.DOC

NEW TRANSATLANTIC AGENDA

ISSUE

Joint actions with Europe to make better use of resources and strengthen our partnership in promoting democracy, human rights and free market values around the world.

ADMINISTRATION POSITION

At a Summit in Madrid in December 1995, President Clinton and his European Union colleagues launched a New Transatlantic Agenda designed to move U.S-European cooperation from consultation toward joint action in pursuit of our shared goals around the world. The President has said the New Transatlantic Agenda (NTA) seeks to expand our political and economic relationship with Europe beyond the focus on security that characterized the Cold War era and emphasizes areas that affect our citizens' daily lives, such as the protecting the environment, fighting crime and preventing disease.

BACKGROUND

The goals of the initiative are to promote peace, development and democracy around the world; to respond to global challenges such as crime, narcotics, disease and the environment; to expand trade and investment opportunities; and to promote better communication

between American and European business people, legislators, scientist, artists and citizens. Now that areas for deeper cooperation and joint action have been identified, the initiative will be an ongoing process, focusing on concrete projects.

WHAT WE HAVE ACCOMPLISHED SO FAR

Examples:

- ù A Transatlantic Business Dialogue was held in November in Seville to give the business community the opportunity to tell us and European political leaders what they believe needs to be done to eliminate the remaining obstacles to trade and investment. Working groups have been established to coordinate with government on key business priorities.

- ù We have begun work on a joint study on barriers to trade and are continuing discussions aimed at concluding mutual recognition agreements in a number of areas.

- ù We are working to negotiate an information technology agreement which will lower or eliminate tariffs on computers and other information technology products.

- ù We are undertaking joint assessments of assistance programs to the emerging democracies of Central and Eastern Europe to learn from each other and to avoid duplication of effort.

- ù We are coordinating our assistance to the International Law Enforcement Academy in Budapest to help the emerging democracies better fight organized crime and drug trafficking.

NEXT STEPS

- ù We will seek to build a global early-warning system and response network for infectious disease, like AIDS and the Ebola virus. We will expand cooperation on development of a malaria vaccine.

- ù We are seeking to conclude an agreement on chemical precursors for narcotics production.

- ù We are seeking to identify joint environmental projects in Russia and the newly independent states to help repair the ecological damage there.

- ù We will set up a task force to share experience on labor and employment issues.

ù We plan to expand cooperation on intelligent transportation systems.

ù

M S M a i l

DATE-TIME 16 February 96 12:46
FROM Showalter, Victoria A.
CLASSIFICATION UNCLASSIFIED
SUBJECT RE: NTA Fact Sheet [UNCLASSIFIED]
TO Peters, Mary A.
CARBON_COPY NO CC's on THIS MESSAGE
TEXT_BODY

Thanks Mary Ann. Here's my initial revision; I had one question, which I marked in bold. Please review and send it back to me; I'll then forward it to Jill, with a copy to you. thanks, vinca.

[[NTAFACT.DOC : 3084 in NTAFACT.DOC]]

From: Peters, Mary A.
To: @SPEECH - NSC Speechwriters
CC: /R, Record at A1
Subject: NTA Fact Sheet [UNCLASSIFIED]
Date: Friday, February 16, 1996 10:31 AM

<<Attached File: NTAFACT.DOC>>

Here it is, sorry for delay. Will I get another look at it before it is released?

**ATTACHMENT
FILE DATE** 16 February 96 12:44

**ATTACHMENT
FILE NAME** NTAFACT.DOC

NEW TRANSATLANTIC AGENDA

ISSUE

Implementing the New Transatlantic Agenda.

ADMINISTRATION POSITION

With the end of the Cold War, the transatlantic partnership that has defended our security and advanced our prosperity for the past 50 years must be renewed to meet the challenges of our time. The New Transatlantic Agenda (NTA), launched in December 1995, aims to expand our political and economic relationship with Europe beyond

the focus on security that characterized the Cold War era. It emphasizes areas that affect our citizens' daily lives, such as protecting the environment, fighting crime, and preventing disease.

BACKGROUND

At a Summit in Madrid in December 1995, President Clinton and his European Union colleagues launched a New Transatlantic Agenda designed to move U.S-European cooperation from consultation toward joint action in pursuit of common goals. The goals of the initiative are: to promote peace, development and democracy around the world; to respond to global challenges such as crime, narcotics, disease and the environment; to expand trade and investment opportunities; and to promote better communication between American and European business people, legislators, scientists, artists and citizens. Now that areas for deeper cooperation and joint action have been identified, the initiative will focus on concrete projects.

ACCOMPLISHMENTS

ù At a Transatlantic Business Dialogue held in November 1995 in Seville, the business community had the opportunity to tell U.S. and European political leaders what they believe needs to be done to eliminate remaining obstacles to trade and investment. Working groups have been established to coordinate with government on key business priorities.

ù We have begun work on a joint study on barriers to trade and are continuing discussions aimed at concluding mutual recognition agreements in a number of areas [such as...?].

ù We are working to negotiate an information technology agreement that will lower or eliminate tariffs on computers and other information technology products.

ù We are undertaking joint assessments of assistance programs to the emerging democracies of Central and Eastern Europe to learn from each other and avoid duplication of effort.

ù We are coordinating our assistance to the International Law Enforcement Academy in Budapest to help the emerging democracies better fight organized crime and drug trafficking.

NEXT STEPS

ù Build a global early-warning system and response network for infectious disease, like AIDS and the Ebola virus. Expand cooperation on development of a malaria vaccine.

ù Conclude an agreement on chemical precursors for narcotics production.

ù Identify joint environmental projects in Russia and the newly independent states to help repair ecological damage.

ù Set up a task force to share experience on labor and employment issues.

ù Expand cooperation on intelligent transportation systems.

ù

M S M a i l

DATE-TIME 16 February 96 16:36
FROM Danvers, William C.
CLASSIFICATION UNCLASSIFIED
SUBJECT John Hilley [UNCLASSIFIED]

TO Baker, Jane E.
Baldwin, Kenneth
Bass, Peter E.
Cicio, Kristen K.
Dohse, Fred J.
Friedrich, M. K.
Hall, Wilma G.
Harmon, Joyce A.
Hilliard, Brenda I.
Joshi, M. Kay
Kessinger, Jodi
Millison, Cathy L.
Sens, Andrew D.
Veit, Katherine M.
Wiley, Mary C.

CARBON_COPY Andricos, George M.
Bendick, Gordon L.
Burrell, Christina L.
Danvers, William C.
Davis, William K.

TEXT_BODY

Note for Tony, Sandy and Nancy:

Per our conversation with John Hilley the other day, attached is a legislative timeline and summary of key legislative issues that we may face in this session. In addition, we have attached a list of House Republicans to whom he may want to make courtesy calls.

Please let me know as soon as you can if this is OK to send to John.

Thanks.

[[HILLEY.DOC : 4120 in HILLEY.DOC]][[TIMELINE.DOC : 4121 in
TIMELINE.DOC
]]

**ATTACHMENT
FILE DATE** 16 February 96 16:35

**ATTACHMENT
FILE NAME**

HILLEY.DOC

Courtesy Calls for John Hilley

Member

John Kasich (R-OH)
Chairman of Budget Committee. Supports
B-2 decision by POTUS. After he
relinquishes Budget chair, he'll be in
line to be a chair of HCONS
subcommittee. Could also make a run at
full committee--very popular with
freshmen and sophomore Republicans.

Herbert Bateman (R-VA)
Chairman HCONS Readiness Subcommittee.
Wants to expand NATO.

Curt Weldon (R-PA)
Chairman HCONS R&D Subcommittee.
Former college professor--expert on
Russia/NIS. Pro National Missile
Defense, but reasonable in how we get
there.

Jim Longley (R-ME)
Cohen-type Republican. Marine Reserve
LTColonel. Somewhat helpful on Bosnia.
Very involved in defense/foreign policy
issues.

Dave Hobson (R-OH)
On Def Approps Subcommittee. Supports
lowering DOD funding. A bright,
involved Member.

Sherry Boehlert(R-NY)
Moderate Republican. Leader of moderate
Republicans along with Chris Shays.

Henry Hyde (R-IL)

House Judiciary Chair. Spokesperson for traditional House conservatives on foreign affairs issues. Anti-terrorism and Immigration bills pending before his committee. Wants to repeal War Powers.

Sonny Callahan (R-AL)
Chairs Foreign Ops Approps Subcommittee. Has been helpful in limiting cuts to 150 account. Helpful on Bosnia. Works closely with Livingston.

Doug Bereuter (R-NE)
Moderate. Chairman of HIRC Asia Subcommittee. Active on Asian issues. Also involved with North Atlantic Assembly. Opposed us on Bosnia. Works independent of the Republican Leadership.

Peter Torkildsen
(R-MA)
Moderate HCONS Member. Leading the House effort to repeal HIV amendment in DOD Bill.

Jennifer Dunn (R-WA)
On Ways and Means. Runs the influential Wed. Breakfast Club, a group that has provided us with an opportunity to get our message out on Bosnia, NMD, B2, foreign policy issues. Works closely with leadership.

Chris Shays (R-CT)
Leader of the Moderate Repubs. Has respect of leadership for his straight talk and fairness.

Frank Wolf (R-VA)
Conservative. Leading human rights activist in the Republican Party. Particularly concerned about China and Chechyna.

David Dreier (R-CA)
Conservative. Active on trade issues,
helpful on China MFN.

Jim Kolbe (R-AZ)
Moderate. Helpful on trade issues.

Steve Gunderson (R-WI)
Moderate. Working hard to help us out
with HIV repeal.

Amo Houghton (R-NY)
Moderate. Supported us on Bosnia.

Susan Molinari (R-NY)
Moderate. Thoughtful and reasonable.
Lead a CODEL to Bosnia prior to vote.

Bob Livingston (R-LA)
Has been very helpful in securing 150
funds. Intelligent, conservative and
reasonable. Interested in Russia and
ABM Treaty.

**ATTACHMENT
FILE DATE**

16 February 96 16:26

**ATTACHMENT
FILE NAME**

TIMELINE.DOC

**NOTIONAL TIMELINE OF MAJOR FOREIGN POLICY CONGRESSIONAL
EVENTS**

FEBRUARY

- 21st: Bosnia and Jordan Supps sent to Hill
- briefings/consults continue on UN Reform/arrears

MARCH

- 1st: Counternarcotics certifications announced
- 4th: SecDef/CJSC Posture hearings begin

- 5th: Release of State Dept. Human Rights Report
- Conference on Helms/Burton Cuba legislation
- Iran/Libya sanctions legislation moves in House
- 15th: CR expires (includes State Dept.)
- 18th: President's Budget to Hill/Hearings begin
- CWC Hearings before SFRC w/SecState, SecDef
- State Auth./Reorganization bill to Conference
- Legislation to Abrogate ABM Treaty to SASC & HCONS
- EAA Markup by HIRC

APRIL

- 1st: Waiver for State Auth. requirement expires (if CJS Conf. Rpt. enacted)
- Budget Resolution debated/hearings continue
- Possible DOD Authorization Markups by HCONS & SASC
- 30th: CWC discharged from SFRC if not yet reported

MAY

- Possible DOD Auth. bill to House & Senate floors
- FY '97 Foreign Operations Bill marked up in House
- Possible DOD Appropriations Bill marked up in House

JUNE

- China MFN waiver must be renewed
- DOD Authorization Conference
- DOD Appropriations to House floor

JULY

- Likely floor consideration of MFN legislation
- DOD Auth. Conference Report on House & Senate floors
- DOD Approps. Bill to Conference/Conf. Rpt. to floors
- Possible floor consideration of Law of Sea Treaty

AUG. - Recess

SEPTEMBER

- final action on DOD, CJS, For.Ops Approps. bills

OCTOBER - 4th: Congress target adjourn

MAJOR ISSUES FOR 104TH CONGRESS - 2ND SESSION

Foreign Policy

First Tier

Bosnia - Securing assistance for reconstruction efforts, including a \$200 million supplemental/rescission shifting 050 funds to the 150

account. Will need a lot of high level work; any major bumps in the road may be used for partisan purposes; pressure from Dole to be aggressive on equip & train and support for War Crimes Tribunal.

China - MFN battle will be extremely difficult, but it will not be the only China battle we face; can also expect legislation on visas for Taiwan leaders, Taiwan accession to United Nations and WTO; Congress will watch closely all Chinese transgressions in areas such as proliferation, human rights, and threats to Taiwan's security to accuse the Administration of placing economic concerns above all else.

150 Resources - The '97 President's Budget will request an increase for Function 150 over painfully low '96 levels; however, the request will be more than \$2B above the \$17.1B figure for 150 in the '96 Budget Resolution. Many groups and some key Senate Democrats will watch closely to see if the Administration is willing to make a serious fight for international programs.

Haiti - Even though our troops are withdrawing, Republicans will continue to try to find ways to undermine our success in Haiti. They will hold up assistance, and hold hearings to press for resolution of investigations into political murders.

Middle East - We need \$140 million in supplemental funds for Jordan's F-16s (to be offset by a DOD rescission) plus \$30 million as part of our FY 97 budget request; we will also face significant aid demands from Israel if it reaches peace with Syria. We will also likely see attempts by some in Congress to block any efforts to send US troops to the Golan Heights as part of an international peace monitoring effort.

Cuba - Helms/Burton legislation will go to conference in early March. Senate version is acceptable; House bill is not. Probably will be some pressure to bring the conference report to the floors before the March 12th Florida primary.

United Nations Reform/Arrears Clearance - We owe approximately \$1B to the UN. Some in Congress are willing to help us find the money given we press for serious reforms at the UN (budget cuts, agreement to consult with Congress before we support new UN peacekeeping missions). Difficult to imagine a "grand bargain" on UN reform and arrears clearance going anywhere without a budget agreement.

Second Tier

Mexico - The Hill is active on several fronts with regard to

Mexico, including NAFTA, narcotics, immigration, and the peso bailout. Senators Feinstein and D'Amato have introduced legislation targeting these issues. Mexico will continue to be a prime political target during the election season.

Iran/Libya Sanctions - Senate passed bill. We support Iran sanctions (worked with D'Amato on compromise), but would like to change Libya portion of bill to make it more effective. House will take bill up in March and will make Iran provision tougher and less palatable. Probably will not change Libya (we will have to work with Senate on Libya).

Vietnam - Congress will watch every step we take on the lengthy path toward increasing economic ties with Vietnam including any move to waive Jackson-Vanik.

Ireland - Republicans could try to tarnish any claims we have to helping the peace process along. Action-forcing events could be our annual budget request for the International Fund for Ireland in the Foreign Ops bill, possible move to close Sinn Fein office in U.S.

and an effort to deny Gerry Adams a visa.

Russia/NIS - Action on this is usually played out via the foreign aid process; Republicans will continue to condition aid to Russia on issues such as the reactor sale to Iran, Chechnya, and the slow pace of reform. Countries such as Ukraine and Armenia will receive hefty Republican earmarks as "bulwarks" against a resurgent Russia.

State Dept. Authorization/Reorganization - House and Senate bills await an extremely complicated conference (perhaps as early as March); before Congressional Dems are willing to seriously engage, they (and we concur) want the Repubs. to offer viable compromises on abortion/family planning issues and reach a package on funding/reorganization of the foreign affairs agencies that is no more onerous than the Senate's version (i.e. one that does NOT mandate abolishing AID, ACDA, or USIA).

Anti-terrorism Legislation - President sent it to Congress and pressed for it in the State of the Union but it is mired in the House in disputes between moderate and conservative Republicans regarding civil rights.

Defense/Arms Control

050 Funding - Republicans will again attempt to add funds to DOD Topline. They will suggest that we are hollowing the defense budget because we will request less than they do this year, despite the fact that we increase defense spending in the out years of our budget. Likely points of tension in this year's budget where

Republicans will add funds will be procurement and R&D, not O&M. Probable plus ups by Congress could include: B2 and other aircraft programs, as well as additional equipment for the Guard and Reserves. There may also be an effort to add money for the Army as a result of the belief that the army needs funds for Army modernization.

Contingency Deployment - Continuation of 95 arguments. Republicans think that non-defense missions erode DOD ability to train/equip for formal missions. DOD position is to take on all POTUS-directed missions, but want Congressional funding agreed to up front or troop readiness may suffer.

C-17 - DOD will request multi-year procurement this Spring, probably using a supplemental/rescission as the legislative vehicle. Don't expect a big fight.

B-2 - This fight is NOT over. Defense Democrats and Republicans are disappointed with our decision and will seek to add \$800 million in FY 97. Votes on this are close in both houses. DOD/Uniformed Services fully support the President's decision.

CWC - SFRC will hold hearings in March. CWC will be sent to the floor (as agreed by UC) on April 30 unless Helms reports it out sooner. We expect the SFRC to report it out favorably, but with a fight. Floor action in May/June timeframe. Once it gets to the floor, we believe we have the votes to ratify. The real danger is from possible "killer" amendments that would impose conditions making it difficult to impossible for us to ratify the CWC.

ABM - The Republicans will likely introduce and pass legislation to deploy a 50 State National Missile Defense (NMD) by 2003, thus effectively putting us on a collision course with the ABM. Part of a continuous effort to make the President look soft on national missile defense (NMD).

Theater Missile Defense (TMD) - The Republicans will fight our

efforts to stretch out the THAAD program and save \$2 billion in the process. They will also try to add even more money for Navy Upper Tier. Our policy is to equalize funding for THAD and Navy Upper Tier so we can be in a position to choose between one or the other by the middle of the next decade.

M S M a i l

DATE-TIME 16 February 96 19:09
FROM Peters, Mary A.
CLASSIFICATION UNCLASSIFIED
SUBJECT Fact sheet [UNCLASSIFIED]
TO Showalter, Victoria A.
CARBON_COPY NO CC's on THIS MESSAGE
TEXT_BODY
Hope this helps[[NTAFACT.DOC : 4916 in NTAFACT.DOC]]

**ATTACHMENT
FILE DATE** 16 February 96 19:8

**ATTACHMENT
FILE NAME** NTAFACT.DOC

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and European business people, legislators, scientists, artists and citizens. Now that areas for deeper cooperation and joint action have been identified, the initiative will focus on concrete projects.

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ù We have begun work on a joint study on barriers to trade and are continuing discussions aimed at concluding mutual recognition agreements. These agreements would allow U.S. regulators to certify that U.S. products (such as telecommunications equipment, medical devices and electrical equipment) meet EU standards, and vice versa.

ù We are working to negotiate an information technology agreement that will lower or eliminate tariffs on computers and other information technology products.

ù We are undertaking joint assessments of assistance programs to the emerging democracies of Central and Eastern Europe to learn from each other and avoid duplication of effort.

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ù Conclude an agreement on chemical precursors for narcotics production.

ù Identify joint environmental projects in Russia and the newly independent states to help repair ecological damage.

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ù Expand cooperation on intelligent transportation systems.
ù