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Daily Press Guidance

Wednesday
June 4, 1997

(For internal use only.)

Press Guidance
Wednesday, June 4, 1997

updated to
6-drive on
7/9/97

Announcement

1. Tahoe Summit - Environment

Domestic

1. Medicare - MSAs and Congressional meeting ^{Medicare}
2. FEC Soft money ^{FEC}
3. Education Proposal - Education
4. Disaster Supplemental ^{Fema}
5. Bioethics ^{Bioethics}
6. R&D Tax credit - Tax Reform
7. Comp time - Comp Time
8. AF-1 incident ^{Air Force One}
9. Rossotti/IRS reorganization ^{IRS}
10. INS/ voter rolls
- ~~11. State Dept/ POFIS letter~~
12. GW Parkway - National Parks
13. Veterans Affairs/Budget
14. Pennsylvania Ave ^{Penn Ave}

15. Republican Welfare

Foreign

1. DROC (Congo)
2. Sierra Leone
3. Germany/Kohl visit
4. Cyprus
5. Kazakstan/Iran
6. France
7. India
8. Greece/Turkey
9. Turkey
10. Romania - Ukraine
11. NATO enlargement
12. Russia/ABM Treaty
13. Russia/NIS
14. Iran Elections
15. Korea
16. Indonesia
17. UN
18. China
19. CIA
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21. Middle East
22. Saudi Arabia
23. Fast Track - Foreign
24. Trips and Visitors
25. Burma
26. Bosnia
27. Northern Ireland
28. Gulf War Illness
29. Denver Summit

Lake Tahoe Summit

* On Saturday, July 26, the President will participate in the Lake Tahoe Summit to highlight the Administration's environmental philosophy -- that environmental, social and economic objectives are not incompatible and to showcase Lake Tahoe as a model of success. Lake Tahoe has been successful in large part because of its ability to preserve environmental quality while growing economically. The area faces growing problems including transportation, water quality, land use, watershed protections and forest preservation which will be discussed at the conference.

* POTUS schedule is still tentative but probably to include an environmental event at Emerald Bay on the California side followed by a conference on the Nevada side.

* From Lake Tahoe, POTUS will travel to Las Vegas to speak at the National Governors Association meeting on Monday, July 28. There may be an additional stop in California in between.

APA BRIEFING PAPER ON UPCOMING NEWS STORY

Prepared by: Drucella Andersen
May 30, 1997

News Organization: Prime Time Live Special Report
Subject: Anniversary Story on TWA 800
Reporter: Sam Donaldson
Air Date: Wednesday, June 4, 1997
FAA Official Interviewed: Tom McSweeney, Director, Aircraft
Certification Service

Background:

Sam Donaldson is doing a one-hour documentary on the TWA 800 accident. The one-year anniversary of the accident is July 17. The first 40 minutes of the program will be a moment-by-moment breakdown of the crash and the final 20 minutes will branch out to areas that relate to the crash.

Tom McSweeney was interviewed by Sam Donaldson for the program on May 23. Donaldson's questions focused on the NTSB's recommendations on the center fuel tanks, inerting systems and aging aircraft issues. He questioned why we had not adopted the Board's recommendations. Donaldson indicated that he also had interviewed the NTSB, the FBI and Pierre Salinger for the show.

Issues: Key issues for the accident include:

(1) What has the FAA done to improve safety of 747s since the accident?

Answer: There are basically three possible scenarios for the TWA accident: An electric arc or spark; an overheated pump; or static electricity. In these areas, the FAA has reviewed the airplane designs, certification testing and past service problems. In that review, the FAA uncovered a possible scenario for the accident involving possible shorting of wires in the number 3 fuel tank. We issued an airworthiness directive in January calling for inspections of wiring in the wing fuel tanks, thereby eliminating all possible future occurrences if this was indeed the cause of the TWA accident.

Further, on May 22, 1997, Boeing announced it would issue a service bulletin for additional inspections of the center wing fuel tanks on 747s. These inspections would

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center on wiring integrity and grounding straps; fuel pumps, lines and fittings; and to check the electrical bonding on all equipment. The FAA supports Boeing's plan. We believe that these inspections should be aggressively pursued and we are working with Boeing to establish an acceptable schedule for these inspections.

(2) Why doesn't the FAA adopt the NTSB's urgent recommendations on the center fuel tanks?

Answer: The urgent recommendations the NTSB has made deal with reducing the temperature in the center fuel tank to a point where an explosion would not occur. In fact, in October of 1996 we asked ourselves why we couldn't just add some cool fuel to the center tank, when it would normally be empty, and thereby prevent ignition.

In researching the matter in the technical literature it was clear that the answer was not that simple. There seems to be significant doubt that any amount of fuel added to the center fuel tank will lower the temperature to the point that no explosion will occur. In fact, research being conducted at CALTECH, under contract with the NTSB, very recently has produced results that seem to keep the debate very much open. The need for further technical debate is the very reason the FAA issued its notice to obtain comments on the NTSB recommendations.

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GUIDANCE ON MEDICARE
JUNE 4, 1997

Medicare proposal overall

- * We think this is a very strong package that is the result of a bipartisan working process. It addresses the President's priorities of providing more choice to Medicare beneficiaries as well as protecting Medicare beneficiaries from excessive out-of-pocket cost burdens as well as by protecting quality of care.
- * There are some provisions that we have concerns about, and we will be working with them over these next few days in hopes of addressing these concerns.
- * Regardless, we are confident that by the end of this process, all of these issues will be resolved to the satisfaction of all sides.
- * This package explicitly rejects the structural changes that were proposed in the vetoed budget that were most concerned about, including:

1) broad-based Medical Savings Accounts

2) elimination of balanced-billing protections (that protect people from providers billing beyond permitted Medicare charges)

3) Increase in premium from 25% to 31.5% of program costs (If hadn't it would be \$18 more a month by 2002.)

Q: What about charges that the AMA got what they wanted from this bill in exchange for their position on late-term abortion?

A: Frankly, the AMA won some and they lost some. We have no evidence of a quid pro quo.

MSA Proposal

- * Given our deep concerns about any broad-based Medical Savings Account provision, Mr. Thomas's proposal for an MSA demonstration is a constructive step in the right direction. Nevertheless, we are concerned about the size and scope of the demonstration project proposed by Mr. Thomas, and we look forward to working with him and other Republicans and Democrats on the Committee to develop a more acceptable bipartisan plan.

(If asked) They are well aware of our concerns.

(If asked) Mr. Bowles did not give our approval to any specific details of Mr. Thomas' demonstration, including the number of people who would participate. (He did not say that 500,000 participants would be an acceptable number.)

TOIV
Jennings

QUESTIONS AND ANSWERS ON PRESIDENT'S PETITION TO FEC ON SOFT MONEY

Isn't this an empty gesture -- the FEC is missing a member and is comprised of weak and partisan commissioners, many of whom voted for this system in the first place. When is President Clinton going to name his new FEC appointments?

The FEC is fully capable of acting on this ruling with its current commissioners. As for new appointments, we are in the middle of the appointments process, and will be making any announcements when the time is right.

Is this just for Democrats, as some Republicans have charged?

No -- both parties, including Democrats, raise substantial sums of soft money.

Does this undermine the legislation?

Not at all -- it should be a prod for Congress to pass campaign finance reform legislation. This petition says: there must be a change in this system, and it will happen, one way or another. It's worth noting that Reps. Chris Shays and Marty Meehan -- the House sponsors of this legislation -- have strongly called for the same action. The President strongly calls on Congress to act by July 4, as he urged in his State-of-the-Union Address.

Why not stop taking soft money?

As we have said before, both parties raise huge sums of money -- the Republicans more than the Democrats. We will not unilaterally disarm. The answer is for both parties to stop raising soft money -- voluntarily, as the DNC has challenged, or by law (either through the FEC or preferably by legislation).

What makes you think the FEC is legally able to do this?

The current soft money system is the product of FEC advisory opinions and rules over the past twenty years. The FEC could, under its statutory authority deriving from the 1974 Federal Election Campaign Act (FECA), change the rules to prohibit the use of soft money in federal elections. [Note: There were statutory amendments in 1979, but they authorized the use of hard money for certain joint state-federal party activities.]

GUIDANCE ON FEC/FREE TV COMMISSION/FEC APPOINTMENTS

Soft Money FEC Petition

- * This will be in the form of a letter to the members of the Federal Election Commission.
- * DRAFT fact sheet and letter and Q&A attached

FEC Appointments

Q: Couldn't you strengthen the FEC just by naming your appointees?

A: We're in the process of finding the best nominees for the FEC. But the FEC as currently constituted is fully capable of carrying out this request.

Free TV Time Commission

Q: Can you confirm the Post report that you are going to create a commission to draft a plan requiring television broadcasters to provide candidates with free air time?

A: As you may remember, the Vice President announced this to a number of reporters in February on the anniversary of the signing of the Telecommunications Act, and the President referred to this in his speech in April (????) before the Paul Taylor's group -- Straight Talk ?????? . On that day, he signed an executive order to authorize the creation of this Federal Advisory Committee, and we are currently selecting members.

GUIDANCE ON NEW EDUCATION PROPOSAL

June 4, 1997

Q: What about the proposal to restore deductibility for interest on college loans?

A: There is a lot of interest in this on the Hill and in the education community, and we think it makes sense, if it is restored in a targeted way, as another way of helping to prop open the doors of higher education.

Q: What's the income level?

A: That's still being worked on, but obviously our intent is to target this in a way that it is cost-effective and focused those who most need it.

Attached is Q&A on SATISFACTORY ACADEMIC PROGRESS STANDARD

**Questions and Answers on the Satisfactory Academic Progress Standard
June 4, 1997**

Q. What is satisfactory academic progress?

Satisfactory academic progress is defined by the Department of Education as both a qualitative and quantitative measure to ensure that all schools participating in the Title IV student financial aid programs are offering satisfactory educational services to their students. The parameters set by the Department of Education require schools to have a written policy that measures satisfactory academic progress based on grades and length of time needed to complete the programs they offer.

Q. How is satisfactory academic progress standard enforced?

The Department of Education enforces the satisfactory academic progress standards in three primary ways. First, as part of the Application for Approval to Participate, schools are required to indicate whether they have a policy that meets federal regulations for requiring satisfactory academic progress for recipients of student financial aid. As part of our front-end gatekeeping procedure, schools are required to certify that their programs comply with the satisfactory academic progress standard defined in Title 34 of the Code of Federal Regulations, Section 668.16 and 668.34. Second, the Department requires schools to submit an annual compliance audit verifying their compliance with this requirement. Third, program reviews are periodically conducted by the Department to ensure compliance with the satisfactory academic progress standards.

In short, the Department holds schools responsible for ensuring the consistent application and compliance with the satisfactory academic progress standards.

Q. What is the evidence to suggest that satisfactory academic progress is an acceptable measure?

The majority of participating schools who have been reviewed have been in compliance with the satisfactory academic progress standard.

GUIDANCE ON DISASTER SUPPLEMENTAL
JUNE 3, 1997

- * Today, Frank Raines joined Senator Daschle and Congressman Gephardt in a press conference to call on the Congress to pass a clean disaster supplemental.
- * It was wrong for Congress to leave for its recess without adopting a clean bill, but they can rectify that mistake by acting now. But that legislation should not include provisions that are designed to draw a veto by the President. It should not include a provision that effectively cancels out a key element of the balanced budget agreement. And it should not include other provisions that do not belong in a disaster supplemental.
- * We've described for you the many long-term disaster assistance plans that have been delayed because of this inaction on the part of the Congress. The longer they go, the greater danger there is that immediate disaster assistance will be affected. There are hundreds of thousands of people in 33 states that are depending on enactment of this legislation. We ought to get it done.
- * Current status: The House and Senate have passed separate bills, but there is no conference agreement yet.
- * FYI, remaining issues:

Continuing Resolution provision

Census sampling (current provisions acceptable, but movement afoot to go back to unacceptable language)

Roads through Federal lands

Law enforcement commission (A.G. veto threat)

- * **It's disappointing that the Congress allowed its more extreme Republican elements, particularly in the House of Representatives, to stop them from providing assistance to the hundreds of thousands of people in 33 States who are depending on their action.**

TOIV
Chow, Rubin

GUIDANCE ON RESEARCH AND DEVELOPMENT TAX CREDIT
JUNE 4, 1997

- * Actually, this is the Research and Experimentation Tax Credit
- * Our budget proposes a one-year extension, and we will obviously work with the tax-writers if they have other ideas.

TOIV

Press Guidance
June 4, 1997

COMP TIME

Q: What's the latest on comp time?

A: Our position hasn't changed. We want responsible comp time legislation.

We continue to have concerns about S.4, the Ashcroft bill: it undermines the 40 hour work week and will amount to a pay cut for some workers; it allows employers to unilaterally pick and choose which employees get offered comp time and it fails to guarantee real employee choice. The Senate Democrats are united in their opposition to S.4 and along with D'Amato and Specter they rejected a cloture petition on S.4.

We're going to continue to work with the Senate Dems and have had some staff level discussions= with the Republicans during which we reiterated our concerns with the Ashcroft bill.

Siewert

Press Guidance
June 4, 1997

AF-1

Background: Late Monday night, May 26th, about 200 miles from Ireland -- Air Force One's (Terrain) Traffic Advisory Collision Avoidance System (TCAS) alerted the pilots of a low level traffic advisory. The pilot checked the system and saw an aircraft at a lower altitude and descending. AF-1 was flying level at 29,000 feet. Shannon Center, the ATC controlling both aircraft, requested AF-1 turn left 20 degrees and climb to 31,000 feet. The Presidential Pilot said at the closest point, the other aircraft was at least 1,000 feet below and three miles to the right of AF-1. According to the pilots, the President was never in any danger.

Procedures were followed and Reduced Vertical Separation Minimums (RVSM) for that airspace were never exceeded. On March 27, a new RVSM program was introduced to Transatlantic airspace. The program reduced vertical separation from 2,000 to 1,000 feet.

Points:

- The President was never in any danger.
- This a case in which systems worked and contrary to some reports, according to the Air Force, this would not be classified as a near miss. In fact, the two planes were separated by at least 1,000 and three miles at their closest point.

Does the President believe that TCAS systems should be required in cargo aircraft (now they are only required on passenger aircraft)?

FAA is reviewing the issue at this time. It is important to note that there are redundancies in the system and this is a case where the system worked. More detailed response will be coming from DOT.

FYI -- the FAA is not responsible for airspace outside the United States. Therefore this would not be under their jurisdiction.

Mellody per guidance from Major Jim Stratford, USAF

Talking Points
Installation of TCAS in Cargo Aircraft

- Air Force One is equipped with Traffic Alert and Collision Avoidance (TCAS) equipment. The system works by interacting with transponders in other aircraft to determine whether they could become a potential collision threat.
- FAA requires all passenger aircraft with more than 10 seats to have TCAS. Up to now, the FAA has not required installation of TCAS in all-cargo aircraft. These aircraft (and passenger-carrying planes) are required to carry transponders, which would indicate their presence to any TCAS-equipped aircraft.
- The Independent Pilots Association has filed a Petition for Rulemaking with the FAA requesting that the agency mandate TCAS installation for all-cargo aircraft. Many factors need to be balanced; the petition raises complex safety and policy issues. The FAA is carefully analyzing the petition to determine what action the agency should take..
- Automatic Dependent Surveillance - Broadcast (ADS-B) is a technology that may improve the range, accuracy and reliability of the data that TCAS uses to avoid collisions. But ADS-B is not in itself a collision-avoidance system; it must be supplemented to provide such protection.
- The FAA continues to work with industry to develop and implement ADS-B. In response to the White House Commission on Aviation Safety and Security recommendation to accelerate modernization of the air traffic system, the agency is developing plans to demonstrate this system.

Press Guidance
June 4, 1997

IRS

In anticipation of the release of a report by the IRS Commission on Restructuring, a proposal to remove the IRS from executive branch oversight and place it largely under the control of a board of private citizens. The Administration is opposed to this idea. Larry Summers yesterday delivered a speech hitting this point.

- As we have said in the past, it is important that the governance of the IRS remain within the government.
- Having said that, we do not want to prejudge the report which has not yet been released.

The following points were highlighted by Summers yesterday:

- Separating the IRS from direct executive control would undermine accountability and tax policy effectiveness.
- Practical difficulties and conflict of interest issues would make such an arrangement difficult.
- Such a board would present grave law enforcement issues that could lead to constitutional challenges.
- These proposals pose an unacceptable risk to our revenue stream.

Rossotti as IRS Commissioner:

Mr. Rossotti is a skilled manager and businessman. He embodies many of the qualities that we have sought out for this position. We will make an announcement at an appropriate time. (Resume is attached).

CHARLES O. ROSSOTTI

Mr. Rossotti is Chairman of American Management Systems, Inc. (AMS), a company he helped to found in 1970. AMS is an independent computer systems and consulting firm with a staff of 7000 employees and 1996 revenues of \$812 million. It has 54 offices in North America and Europe. AMS serves large financial institutions, telecommunications firms, healthcare organizations, government agencies, universities, and other large corporations. Approximately 15% of the firm's revenues are obtained from the Federal government. The firm is publicly held and is traded on the National NASDAQ market.

AMS was started as a new venture in 1970. Mr. Rossotti has been involved in all aspects of the creation and management of the business, including financial, marketing, product development and general management. He continues to consult with major AMS clients.

During 1969 and early 1970, Mr. Rossotti held the office of Principal Deputy Assistant Secretary of Defense in the Office of Systems Analysis (now called Planning and Evaluation). From 1965 to 1969, he held various positions within the Systems Analysis Office, mostly in positions concerning NATO. Upon leaving office in 1970, Mr. Rossotti received the Distinguished Civilian Service Award from Secretary Laird.

Mr. Rossotti currently serves on the board of directors of Intersolv Inc. and Georgetown University. Mr. Rossotti is a member of the Council on Foreign Relations, a trustee of the Committee on Economic Development, a trustee of the George C. Marshall Foundation and a principal of the Council on Excellence in Government.

Previously Mr. Rossotti has served on the boards of Nationsbank of Virginia, Caterair International, National Cathedral School and Potomac School. He also served as Chairman of the Board of the Woodstock Theological Center.

Mr. Rossotti received the Bachelor of Arts Degree, Magna Cum Laude, from Georgetown University in 1962. In 1964, he earned a Masters in Business Administration with High Distinction from the Harvard Business School.

Mr. Rossotti was born in New York City; he is married and has two children, and he enjoys tennis, running and sailing.

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Press Guidance
June 4, 1997

DALLAS ALIEN VOTING FRAUD INVESTIGATION

Background: Today's Washington Times reports that the INS ordered Dallas investigators to stop an on-going investigation into alleged alien voter fraud.

- Allegations that the INS District Director in Dallas acted improperly to halt an investigation into alien voter fraud are totally false. The investigation was temporarily stopped because the planning and coordination crucial to any important investigation had not been done. That has now been accomplished and the investigation has resumed.

Silverman
Conversation with INS

THE WHITE HOUSE
WASHINGTON

June 2, 1997

Dr. Betty Shabazz
Jacobi Medical Center
1400 Pelham Parkway, South
Bronx, New York 10461

Dear Dr. Shabazz:

Hillary and I were so sorry to learn of your injuries. We are keeping you in our thoughts and praying for your strength and comfort.

Sincerely,

Bill Clinton

Talking Points on cancellation of GW Parkway event

- The attached statement by Secretary Babbitt explains why he instructed the National Park Service to cancel plans to close George Washington Memorial Parkway on June 8. The Secretary became aware of the plans to close GW Parkway approximately two weeks ago.
- We have received numerous calls from biking, hiking and other outdoor groups registering their disappointment.
- The Washington Area Bicyclist Association has applied for a permit to stage a protest on the Parkway. The Park Service has not made a decision to grant the permit as of this moment.
- FYI: It is possible that reporters will try to make a connection between Babbitt's opposition to the closing of the GW Parkway and a recent decision to allow a race to go forward at the Colorado National Monument near Grand Junction next November. The second attachment explains his decision on Rim Rock Run. There is no connection or similarities between the two situations. The GW Parkway is a major artery in a traffic intensive region. The Rim Rock Run Race would be in vastly different setting and even then, Babbitt has merely granted a reprieve for this year's race. There is still the possibility that races will not occur in that park in the future.

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GENERAL SERVICES ADMINISTRATION



NEWS

U.S. DEPARTMENT OF THE INTERIOR

For Immediate Release
May 20, 1997

Peter Hamm
202-208-6416

SECRETARY BABBITT SAYS "RIM ROCK RUN" SHOULD PROCEED, SAYS ORGANIZERS MUST PLAN TO ADJUST COURSE NEXT YEAR

Interior Secretary Bruce Babbitt today instructed the National Park Service to issue a special use permit to allow footrace organizers to hold their fifth annual "Rim Rock Run" at Colorado National Monument near Grand Junction, Colorado this November. Rim Rock Drive, which the race is held on, will need to be closed during the race to ensure safety.

"After careful consideration--and with assurances of safety foremost--I believe the event's organizers should be permitted to proceed," Babbitt said. "They've done a lot of work on this. However, they will need to make major adjustments in the race next year."

Colorado Governor Roy Romer and Senator Ben Nighthorse Campbell both offered constructive arguments to the Secretary that the race should be permitted to proceed as planned for one more year. Babbitt said he deeply appreciated their advice and decided their arguments were valid.

Because of serious safety concerns about the impact of the race on Rim Rock Drive--the only road through the Monument--the Colorado National Monument Superintendent had determined the Mesa Monument Striders should not be issued a permit for the race. The Secretary agrees with the superintendent's concerns about safety; thus, Rim Rock Drive will be closed to vehicular traffic for about five hours while the race is held.

"Superintendent Steve Hickman is doing an exemplary job at Colorado National Monument," Babbitt said. "He made a good decision for the sake of the Monument and all of its users."

When the first Rim Rock Run was staged, it attracted only 25 runners. This year, 250 are expected to compete. Last year, with 175 runners on the narrow road, hazards developed.

"The organizers need to understand that they are, to a certain extent, victims of their own success," Babbitt said. "The race has attracted so many athletes that the Monument can no longer accommodate both the race and the general public simultaneously. So, although the race can still use part of Rim Rock Drive, major changes will be necessary. I urge the organizers to work with Superintendent Hickman to start planning an alternative course."

--DOI--



NEWS

U.S. DEPARTMENT OF THE INTERIOR

OFFICE OF THE SECRETARY

For Immediate Release
May 22, 1997

Peter Hamm
202-208-6416

STATEMENT OF INTERIOR SECRETARY BRUCE BABBITT ON PLANS TO CLOSE THE GEORGE WASHINGTON PARKWAY ON JUNE 8

"I have directed the National Park Service to cancel plans to close the George Washington Memorial Parkway on June 8. This highway is a major traffic artery. As much as I encourage people across America to spend time outdoors, I cannot see the logic in shutting down a major artery that is one of a very limited number of ways motorists can travel north and south in this area.

"There are reasonable alternatives for hiking in our area: Rock Creek Park and the C&O Canal National Historic Park among them. There are no limitless alternatives for motorists. I foresee considerable difficulties that could be endured by both local residents and Washington area visitors who are unaware in advance of the Parkway closure.

"In both Virginia and the District of Columbia, this would cause inevitable delays--and additional workloads for state and local police officers. I cannot allow that to happen."

"It is my understanding that the family and friends of Nancy McBride, who perished in a terrible accident on the Parkway last year, were planning to plant a tree beside the Parkway in her honor on that same date. This ceremony can certainly go forward."

--DOI--



NEWS SUMMARY

U.S. Department of the Interior

Office of Communications

PICK-UP IN ROOM 1530

WEDNESDAY, JUNE 4, 1997

Babbitt Halts GW Parkway Closing No Car-Free Sunday From Beltway to Rosslyn

By Wendy Melillo

Washington Post Staff Writer

Wednesday, June 4, 1997, Page A01

The Washington Post

Interior Secretary Bruce Babbitt has overruled the National Park Service and canceled plans to close a nine-mile section of the George Washington Memorial Parkway to motor vehicles Sunday, angering bicyclists, joggers and skaters who had looked forward to an event that was promoted for almost a year.

Park Service officials had billed it as a day when Washington area residents could appreciate the parkway's scenic beauty without interference from car traffic -- and perhaps decide to drive the road more carefully in the future. Organizers came up with the idea after three people were killed in an April 17, 1996, parkway crash caused by two drivers engaged in a road duel.

But when word of Sunday's event, scheduled for 9 a.m. to 3 p.m., reached Babbitt recently, he canceled it. Banning cars on the section of the parkway between the Capital Beltway and Theodore Roosevelt Island near Rosslyn, even for a few hours on a weekend, would be a traffic nightmare, he said.

"This highway is a major traffic artery," Babbitt said in a news release. "As much as I encourage people across America to time outdoors, I cannot see the logic in shutting down a major artery that is one of a very limited number of ways motorists can travel north and south in this area."

Babbitt's decision has infuriated bicycling enthusiasts. The Washington Area Bicyclist Association has applied for a permit to stage a protest Sunday in which one traffic lane in each direction would be closed to motor vehicles from 8 a.m. to noon and cyclists still would ride the nine-mile route. Park Service officials said that they probably will reject the request but that they will allow a 9 a.m. protest rally in the Roosevelt Island parking lot.

Members of the bicycling group said that almost 20,000 people would have participated in the original event and that about 1,000 people probably will attend the rally.

"The key thing about this event is this is the part of the parkway that has no bike trail," said Peter Harnik, the group's president. "This would have been the first time ever that the parkway in this area was closed, and the event had tremendous appeal."

Park Service officials said they were frustrated with Babbitt's unusual decision to overrule them.

"After the accident, we were trying to focus on the parkway and get people to understand it as a park road and not an interstate," said Audrey Calhoun, superintendent of the parkway. "We are disappointed, because a lot of work went into this."

Although the announcement of the event at first caused some concern from the Potomac chapter of the American Automobile

08/04/87 WED 11:42 FAX 202 208 3231
A ction, AAA officials said their fears abated after the Park Service prepared a detailed plan to the public to the closing.

Working with Maryland and Virginia officials, the Park Service devised several alternate routes for automobile traffic, and messages warning motorists of the closing appeared on the Beltway as recently as Friday.

Babbitt could not be reached yesterday for comment. Interior Department officials said he did not learn of the event, called "Discover the Parkway Day," until last month.

Closing the parkway "is just a bad idea," said Mike Gauldin, Babbitt's assistant and spokesman. "People here have to put up with roads closed for construction, for demonstrations, for motorcades and for bad weather. We don't need another road shut down."

But critics of Babbitt's decision said there is ample precedent for banning cars at certain times on Park Service-controlled roads to give non-motorists a chance to enjoy them. Each weekend, parts of upper Beach Drive in Rock Creek Park are closed to cars, and a 15-kilometer road race each spring closes the George Washington Memorial Parkway from Old Town Alexandria to Mount Vernon.

Sen. Ben Nighthorse Campbell (R-Colo.), who has been sparring with the Park Service over the threatened cancellation of a footrace held for the last five years in a Colorado park, considers Babbitt's decision "bureaucratic bungling."

"What the heck is wrong with closing the parkway for a couple of hours?" Campbell asked. "They need to get out of their offices and get in some shorts and tennis shoes and experience what real people go through in their lives."

J 4, 1997

Governors, tribes, White House agree to new decision-making process

by BOB BAUM

Associated Press Writer

PORTLAND, Ore. (AP) — The four Northwest governors joined leaders of 13 American Indian tribes and a top White House official Tuesday in proposing a new system for governing salmon recovery and hydroelectric power generation in the Columbia Basin.

The announcement came at the end of what the participants termed a historic 2-hour conference called by Oregon Gov. John Kitzhaber.

The aim was to piece together a new decision-making system after the state of Montana and the four tribes with treaty rights to Columbia River fish withdrew from the existing federal process, alleging that their concerns were being ignored.

"I thought it was an important first step in refining the governance process," Idaho Gov. Phil Batt said. "There was an element of urgency throughout all of this that hasn't been there before."

The meeting came as the federal government moves toward electricity deregulation and an overhaul of the Bonneville Power Administration, which markets the electricity generated by most of the Columbia and Snake river dams and pays for the rivers'

DRAFT

PRESIDENT, VICE PRESIDENT TO HOLD LAKE TAHOE FORUM

Senior Administration Officials to Hold Issue Workshops Prior to Presidential Event

The President and Vice President will visit Lake Tahoe on July 25 and 26 to highlight on-going collaborative efforts to resolve issues facing the Lake Tahoe Basin and to discuss the challenges associated with sustaining the environmental and economic health of the lake and its communities.

Prior to the July 25 and 26 events, senior Administration officials will host three issue workshops to consider critical issues and highlight partnerships that have evolved from collaborative efforts in the Lake Tahoe area. The three issue workshops include: Water Quality, June 18 at the Tallac Historic site at Lake Tahoe; Forest Ecosystem Restoration, June 30, at the Hyatt Hotel, Incline Village; and Transportation and Air Quality, July 2, at the University of Nevada at Reno in Reno, Nevada. Recreation and tourism issues will be discussed at each workshop.

The Lake Tahoe Basin Steering Committee, a broad-based local cooperative group, hosted two community forums on May 27 and 28 to facilitate community input into the issue workshops.

Administration officials scheduled to attend the Lake Tahoe events include: Secretary of Agriculture Dan Glickman, Secretary of Interior Bruce Babbitt, Transportation Secretary Rodney Slater, EPA Administrator Carol Browner, and Assistant Secretary of the Army Martin Lancaster.

"Lake Tahoe is an incredible natural attraction that draws millions of people each year," said the President. "We have a shared responsibility to build on our commitments at all levels to be sure the lake and its environs are protected. That is why I believe the collaborative efforts and partnerships that have emerged in the Lake Tahoe communities are so essential to its future."

"The environmental and economic challenges facing the Lake Tahoe Basin are not unlike those facing many other communities throughout America," said the Vice President. "Through public participation and consensus building, the people of the region have put together a model approach to problem solving. That approach needs to be highlighted and encouraged."

For more information about the forum or issue workshops contact the Tahoe Coordination Center at 1-888-823-4925 or 916-573-2649

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DRAFT

Press Guidance

June 4, 1997

**Q & A ON NATIONAL BIOETHICS
ADVISORY COMMISSION RECOMMENDATIONS**

Background: As reported in today's Washington Post, on Saturday June 7, the National Bioethics Commission (NBAC) will hold a meeting to finalize recommendations to the President on the creation of human beings via somatic cell nuclear transfer technology, a form of cloning. The NBAC in consultation with HHS and WH Counsel provided a requested draft of the final report to the Washington Post and this material formed the basis for today's Post article.

Q: The Washington Post reported today that NBAC will recommend a legislative ban on creating a child using the cloning technology that was used to create Dolly the sheep. But the Post reports that the Committee won't prohibit the creation of embryos using technology. Where does the President stand? Does he think we should allow cloned embryos?

A: The President is very concerned about using this new technology to clone human beings. He is deeply troubled by the prospect that it might someday be possible to create a child from one's own genetic material. That is why he asked NBAC to review the issue.

The question of creating embryos for research -- as opposed to creating a child -- is a separate question that raises distinct scientific and ethical issues. The President has already acted in this area. In 1994 he directed the National Institute of Health not to fund the creation of human embryos for research purposes. Congress has also placed restrictions on embryo research.

As you know, NBAC has not issued a final report, and the President has not yet reviewed their recommendations. We will have more to say about it after he has reviewed it.

Silverman
per Jeff Smith/OSTP x66047

Veterans ad about cuts in the budget agreement
May 21, 1997

- * The veterans function of the budget is treated in the budget agreement the same as every other function.
- * In the budget agreement, negotiators agreed at the end to add funds for transportation.
- * To stay within agreed-upon limits on OVERALL discretionary spending, all other non-defense functions were forced to take a very small across-the-board cut.
- * The cuts amount to about 1.5 percent in 1998 (rising to 4 percent by 2002, although I wouldn't volunteer this).
- * We do not believe that these cuts will seriously affect programs on which millions of Americans rely.
- * But, in a larger context, the budget agreement provides about 99 percent of the President's overall request for non-defense outlays over five years.
- * The budget agreement will be good for all Americans, including veterans, because it will help spur economic growth and keep interest rates down.

Mike: On the specific figures in the ad -- e.g., veterans denied service -- our staff is checking the numbers. If I get something on it before you brief, I'll contact you again.

-Larry Haas

GUIDANCE ON PA AVENUE AND GSA PLAN TO ELIMINATE PARKING METERS
JUNE 3, 1997

Pennsylvania Avenue

- * When talking about the idea of financial compensation for District's losses, important not to associate this with the broad DC plan, which does not specifically address this issue. You should say these issues are being addressed separately.
- * We are working closely with the Congress and with District officials. We've had good conversations with Congresswoman Norton, and we're well aware of her concerns. Obviously, she has some legitimate concerns on behalf of the District, and we're working with her.

GSA Plan

- * They're in beginning stages of developing EIS on their plan to restrict parking around 80 Federal buildings in downtown Washington area for security reasons.
- * Their proposed plans include elimination of meters and further restrictions on parking.
- * They've had three public hearings, and there will be more meetings with other government agencies, including the District government.
- * **The EIS probably won't be completed until at least February 1998, so there is a long way to go before any final decisions are made on this. But the EIS will review the economic impact of the plan.**

NATIONAL SECURITY AFFAIRS GUIDANCE

June 4, 1997

DROC (Congo)

Fast Track

Sierra Leone

Trips and Visitors

Germany/Kohl Visit

Burma

Cyprus

Bosnia

Kazakstan/Iran

Northern Ireland

France

Gulf War Illnesses

India

Denver Summit

Greece/Turkey

Turkey

Romania-Ukraine

NATO Enlargement

Russia/ABM Treaty

Russia/NIS

Iran Elections

Korea

Indonesia

UN

China

CIA

Algeria

Middle East

Saudi Arabia

DEMOCRATIC REPUBLIC OF THE CONGO (EX-ZAIRE)

Q: Can you give an update on the situation in Kinshasa?

A: Kinshasa is returning to normal. International airlines continue to resume service to the international airport. The Brazzaville ferry remains closed. Commerce is beginning to function normally. Kinshasa's free press continues unabated. Private television and radio and print media are all operating.

There continue to be reports of carjackings and auto thefts, although incidents involving violence have decreased in most areas of the city. GDROC military checkpoints are common, primarily checking documents and vehicle registrations.

Q: When will Ambassador Richardson travel to Kinshasa?

A: We do not have specific dates yet.

Q: With whom will he meet?

A: We presume with President Kabila and key members of the new government.

Q: What will be discussed?

A: The full range of bilateral issues between our two countries. This would include protection of human rights and humanitarian access.

SIERRA LEONE: EVACUATION UPDATE

Q: What is happening with the Nigerian-led offensive against rebels in Sierra Leone? Does fighting continue?

A: There were reports of sporadic fighting between Nigerian Economic Community of West African States Monitoring Group (ECOMOG) forces and rebels throughout the evening of June 2 at Hastings airport. We understand the Nigerians reinforced their presence at Hastings.

There were no signs of any Nigerian soldiers at the Aberdeen Peninsula area from where American and third country nationals (TCNs) were evacuated earlier this morning local time.

Q: What happened to foreigners at the Mammy Yoko Hotel?

A: American and third country nationals fled the Mammy Yoko Hotel after it was overrun by rebels yesterday afternoon. Those who fled sought refuge at other locations on the Aberdeen Peninsula to await evacuation.

Q: Was there a third Kearsarge evacuation? Can you give us details of the operation?

A: **The United States completed a third evacuation of about 12 Americans and almost 1240 citizens of other nations this morning from Freetown. We also evacuated the British and Nigerian High Commissioners and their staffs.**

The operation was completed in about two hours with all evacuees taken to the Kearsarge and then on to Conakry, Guinea.

The combined total of people evacuated by the Kearsarge since Friday is approximately 2500, including about 440 Americans.

Q: What are the nationalities of the evacuees?

A: We are in the process of compiling a breakdown of all the nationalities.

Q: Do peace talks continue? Is there a U.S. role?

A: We understand earlier negotiations led by the British and Nigerian High Commissioners aimed at brokering a return to civilian rule broke down due to conflicts between junior and senior officers in the Sierra Leone military, as well as splits within the Armed Forces Ruling Council (AFRC), and uncertainty the Revolutionary United Front (RUF) rebels who joined the coup would sign on to any agreement.

We are not aware of any ongoing peace talks. However, the United States is using diplomatic channels to urge the military clique to quit and restore the democratically-elected government of Sierra Leone.

Q. Are the Americans in Freetown there voluntarily or do they want to leave?

A. We evacuated all Americans from Freetown who reached the landing sites and wanted to leave. We know of only two Americans in Sierra Leone who remain voluntarily.

GERMANY: KOHL VISIT

- This will be the **SECOND** Filomena's meeting -- they met there in '94.
- In '95 Kohl and the President met here, and then Kohl and his staff had private dinner at Filomena's -- so this is the **SECOND** Filomena's summit, but Kohl has been going there for years.
- Last year the President invited Kohl to Milwaukee.
- As you can see, there is a pattern of annual bilateral meetings, in addition to the many times the President and Kohl have seen each other at international events. For instance, they saw each other in Paris May 27 for the NATO-Russia Summit and again in The Hague May 28 for the Marshall Plan commemoration (the President mentioned in his speech Kohl's boyhood experience with the Marshall Plan). Kohl and the President will also see each other in Denver and again in Madrid for the NATO Summit.
- The relationship is a close and very friendly one. In addition to all these meetings, they talk on the phone fairly often.
- Kohl is actually coming to attend a private Marshall Foundation gala event June 5 (POTUS is not going but Sec Albright is). We understand Kohl will say thank you on behalf of Europe at this event. Don't know details of Kohl's program beyond this. It was decided to take advantage of Kohl's planned travel to hold the annual bilateral meeting.
- As far as the agenda, they will discuss the major foreign policy issues, especially related to NATO in the run-up to the Madrid summit. Expect they will discuss Middle East, and Iran; would also expect Kohl to give POTUS update on European issues.

CYPRUS: NEW PRESIDENTIAL EMISSARY NAMED

State Department Will Announce Today:

President Clinton has named Ambassador Richard Holbrooke as the new U.S. Special Presidential Emissary for Cyprus, to replace Richard Beattie. The President and the Secretary of State have repeatedly stressed the importance they attach to resolving the Cyprus problem. This appointment of one of our most capable negotiators demonstrates our commitment to help promote a final political settlement on Cyprus.

The U.S. is strongly supportive of UN mediation efforts by Secretary General Kofi Annan. Direct talks between Cyprus President Clerides and Turkish Cypriot leader Denktash are expected to begin in July in New York. We urge all the parties concerned to redouble their efforts to make progress toward a comprehensive Cyprus settlement.

Ambassador Holbrooke has no current plans to travel to the region prior to the start of the UN-sponsored negotiations.

KAZAKSTAN MISSILE SALES TO IRAN

- **We do not comment on alleged intelligence information or reports.**
- **We remain concerned about Iranian efforts to acquire advanced weapons systems and technology; we will continue to work with other countries to prevent destabilizing arms transfers to pariah states.**

FRENCH ELECTION

Q: Any comment on Socialist victory? Possibility of communists in government?

A: Congratulate Socialist leader Jospin. France is key ally and partner for U.S. Prepared to work with his government, as we are with all French governments.

Wide range of issues on which we work with France including foreign policy issues like Bosnia, Middle East, Africa, NATO, global issues like combatting narcotics, crime, terrorism, protection of environment and global economic issues. Expect this cooperation with continue with both President Chirac and new government.

If asked about possibility of Communists in government. dependence of Socialists on Communists for parliamentary majority: Expect to work well with new government, based on common interests and values with France. Participation of Communists would not change this.

INDIA: PRITHVI MISSILES

Q: Has India moved Prithvi missiles to the Pakistan border area?

A: We do not comment on alleged intelligence reports.

Q: If so, what effect will this have on Indo-Pakistani peace talks?

A: Senior leaders of India and Pakistan are engaged in a series of meetings aimed at reducing tensions and have declared their intentions to continue a dialogue to resolve their differences.

An open discussion of both countries' security concerns is of particular importance to a successful dialogue, and we hope this will be one of the central issues for their ongoing discussions.

Q: Has Pakistan deployed Chinese M-11 missiles?

A: We take very seriously reports that Pakistan has received M-11 ballistic missiles from China and are following the situation carefully.

Q: Why haven't we applied sanctions?

A: There has been no determination that a transfer of complete missiles or the missile production technology that would trigger category 1 sanctions under the U.S. missile sanctions law has taken place.

Q: Will the U.S. work to defuse this situation?

A: The United States has long held the view that the deployment or acquisition of ballistic missiles by India or Pakistan would be destabilizing and undermine the security of both countries.

We continue to encourage both governments not to deploy ballistic missiles.

Q: Has the U.S. approached India?

A: We have been in frequent contact with the Indian and Pakistani governments on nonproliferation. Both are fully aware of our position.

GREECE/TURKEY

Turkey claims that Cyprus government is assembling Russian missiles and threats of pre-emptive strike against missile sites:

- President Clerides has assured us he will not begin importing components of SA-10s until at least June of next year. We have no evidence that components are already being imported and no reason to doubt Clerides' assurances. .
- We remain opposed to the SA-10 purchase and planned deployment, which we regard as destabilizing. At the same time, we have strongly cautioned Turkey against taking any military action against the missiles.

Possible U.S.-Greece-Turkey trilateral meeting at Madrid in July:

- We know of no plans for such a meeting.

TURKEY -- NEW ELECTIONS CALLED

Q: What is your reaction to the announcement in Ankara that new elections will be held, and that Prime Ministership will be handed over?

A: We have seen a variety of reports that new elections may be held and that there might be a change of prime ministers.

As you know, there has recently been a good deal of political debate in Turkey. The call for elections appears to be another step in Turkey's process of resolving internal political issues.

It is an internal political matter for the Turks to decide, and it would be inappropriate for me to comment any further.

Our views have not changed. We support democracy and secular principles and we expect to work harmoniously with whatever government Turkey's democratic system produces.

ROMANIA-UKRAINE TREATY

- The U.S. warmly welcomes the signing on June 2 of the friendship treaty between Romania and Ukraine.
- The Treaty, which confirms current borders and protects the rights of ethnic minorities, is another welcome example of Europe's new democracies working together to promote good ties, security and tolerance.
- In letters to President Kuchma of Ukraine and President Constantinescu of Romania, President Clinton praised the courageous and far-sighted approach of both nations that led to the successful conclusion of this historic document.
- (If asked). Neither NATO nor the U.S. has made final decisions about the nations that will be invited at the Madrid Summit to join NATO. Certainly, the treaty is another sign of both countries' commitment to the values and standards NATO upholds.
- (If asked). Romania is strongly interested in joining NATO, Ukraine does not seek membership, but supports the process of NATO enlargement for other, interested countries.

MADRID SUMMIT/NATO ENLARGEMENT

Q: Can you comment on press reports from the Sintra NATO Foreign Ministers meeting that the U.S. believes that only 3 aspiring members -- Poland, the Czech Republic, and Hungary -- should be invited to join the Alliance at the Madrid Summit?

A: At Sintra, NATO foreign ministers held a preliminary exchange of views on the considerations that should guide the Alliance toward its decision at Madrid on whom to invite to begin accession talks.

No decision has been made on the number of new entrants we would support, but most important is that all new members be able to assume the full responsibilities of membership.

We will be reviewing the matter and consulting closely with our NATO allies.

(If pressed: This was the first NATO discussion of the issue of "who." Allies expressed a range of preliminary views, as is normal and healthy. The Alliance will develop a consensus before Madrid.

Why NATO Enlargement is in America's National Interest

At its Madrid Summit on July 8-9, NATO will invite additional states to join the North Atlantic Alliance. Here are reasons why NATO enlargement serves America's national security interests:

1. Enlargement will make NATO stronger and better able to address Europe's security challenges.

- Europe remains a vital American interest. Europe's fate and America's future are joined. We fought two world wars and the Cold War in part to protect the security of Europe and the transatlantic area. Taking wise steps now will strengthen our common security, enhance NATO's ability to address Europe's future security challenges and reduce the possibility of another conflict.
- Stronger collective defense. NATO's core mission remains the collective defense of NATO territory. A NATO that embraces Europe's new democracies -- with capable militaries and a commitment to improve them -- will be better able to fulfill its basic mission.
- Greater ability to address new security challenges. NATO also is addressing Europe's new security threats, from weapons proliferation to ethnic conflict to terrorism. Enlargement increases the number of states willing to share these responsibilities. Central European countries that want to join NATO have already contributed troops and bases to NATO's efforts in Bosnia and have stated their intention to do their part in NATO's security mission in the future. Combined with the Partnership for Peace and NATO's new constructive

partnership with Russia, a larger Alliance will be better able to address the new security challenges of the 21st century.

- Past enlargements made NATO stronger. NATO has enlarged three times before -- adding Greece and Turkey in 1952, West Germany in 1955 and Spain in 1982. Each time, the Alliance benefited from the addition of states committed to the security of the transatlantic area and prepared to contribute to it. Current efforts to enlarge the Alliance will have the same result.

2. Enlargement will help secure the historic gains of democracy in Europe.

- Part of a broader effort to build a new Europe. As President Clinton has stated since 1994, we have an opportunity, for the first time in history, to build an undivided, democratic and secure Europe. NATO can now do for Europe's east what it did for Europe's west -- provide a secure climate where freedom, democracy and prosperity can grow. Such a Europe would be a stronger and better partner in trade, investment, diplomacy and other aspects of security. While other institutions play a role -- including the European Union, OSCE, and others -- NATO remains the keystone of America's involvement in transatlantic security.
- Bolsters progress toward strong democracies and free markets. Joining NATO helped Italy, Germany and Spain reintegrate into the democratic community. Now, the very prospect of NATO membership has encouraged Central European states to continue and deepen their democratic and market reforms. Already, states in the region have strengthened civilian control of their militaries, improved relations with ethnic and religious minorities and accelerated economic privatization -- in part to improve their prospects for membership in and cooperation with NATO.
- Improves and protects the business climate for American firms and workers. Our economic ties with Europe are among the most significant in the world and Europe's fastest-growing economies are now in Central Europe. Growing European markets will yield benefits for American exporters and export-industry workers. The stabilizing effect of NATO enlargement and its encouragement of free market reforms will help create a better long-term environment for trade, investment and economic growth in Central Europe. The resulting prosperity will benefit the United States, as did Western Europe's American-assisted recovery after WWII.

3. Enlarging NATO will encourage prospective members to resolve their differences peacefully.

- NATO enlargement is helping to resolve potentially dangerous conflicts. When he signed the NATO Treaty in 1949, President Truman said that if NATO had existed in 1914 or 1939, it would have prevented the hostilities that tore the world apart. NATO has helped reconcile former adversaries like France and Germany and helped moderate tensions between Greece and Turkey. Today, the prospect of NATO's enlargement has made Europe safer by encouraging the new democracies to improve their ties. Many countries have already reached agreements on border and ethnic issues that otherwise might have become sources of tension

(Hungary-Romania, Poland-Lithuania, Poland-Ukraine, Slovenia-Italy, the Czech Republic-Germany).

4. **Enlarging NATO will erase the artificial line in Europe that Stalin drew, bringing Europe together in security.**
- Eliminates gray zone of insecurity. NATO enlargement will help prevent emergence of a gray zone of insecurity in a region where past insecurity has helped generate the century's worst conflicts. While not all interested European states will be invited at Madrid to join the Alliance, NATO will keep the door open for future members; the first to join shall not be the last. Enlargement, combined with other arrangements like the Partnership for Peace and NATO's new relationship with Russia and Ukraine will yield security benefits beyond NATO's own borders. By contrast, a decision *not* to enlarge NATO would suggest a permanent acceptance of the Cold War dividing line.
- An enlarging NATO is forging a more constructive relationship with Russia. During the Cold War, NATO and Russia were nuclear adversaries. A new NATO, as it prepares to add new members, has also laid the foundation for constructive partnership with a new, democratizing Russia. An important part of that new relationship is the NATO-Russia Founding Act. That document creates a new Joint Council for NATO-Russia consultations, coordination and, when possible, joint action.
- Insecurity is more expensive. NATO membership involves solemn security commitments and financial obligations; like all the other elements of American security, it is not cost- or risk-free. But history shows that the cost of inaction is much higher. The Pentagon estimates that NATO enlargement will cost the U.S. \$150-200 million per year over the next decade. But when the U.S. failed to address Europe's security challenges after World War I, we paid a terrible price in blood and treasure.
- American leadership. NATO enlargement constitutes a tangible expression of America's commitment to remain engaged in Europe and to exert our leadership in efforts to build a safer and more prosperous transatlantic area for the 21st century. This is part of a larger strategy that we must pursue to put behind us the darkest moments of the 20th century and fulfill the possibilities of the 21st.

RUSSIA: ABM TREATY

Q: Has Russia added new elements to the ABM Agreement reached in Helsinki? If so, what are they? What is the U.S. reaction?

A: These ongoing negotiations are confidential. It would be inappropriate for me to comment at this time, either on their substance or on the characterizations in the article.

In their Helsinki Summit Joint Statement concerning the ABM Treaty, Presidents Clinton and Yeltsin agreed on the basis for an agreement on ABM/TMD Demarcation.

In the Standing Consultative Commission, in Geneva, we are working with Russia, Ukraine, Belarus, and Kazakstan to complete that demarcation agreement.

The Russians are not trying to introduce elements that were not in the Helsinki Joint Statement on ABM or that were previously rejected by us.

Current

Shevardnadze Visit

- **President has invited Shevardnadze in August. Specific date to be determined.**

General

Russia-Ukraine

- Welcome Friendship, Cooperation and Partnership Treaty signed by Presidents Yeltsin and Kuchma as well as separate agreement on basing of Black Sea Fleet.
- Yeltsin's constructive visit to Kiev, agreements signed, underscore commitment of Russia and Ukraine to strong, positive relations; contribute to stability in Europe.

NATO-Ukraine Charter

- On May 29 in Sintra NATO and Ukraine initialed text of charter on NATO-Ukraine relationship to reflect Ukraine's unique contributions to European security.
- Yet another important step toward building stable, undivided Europe, showing successful efforts by parties since Kuchma's May 16 Washington meeting with President.

(If asked how this document differs from NATO-Russia Founding Act)

- Similar in many respects -- Charter also represents political commitment between NATO and Ukraine to consult and cooperate on security issues in Europe; neither is legally binding nor gives parties veto power over each other's decisions, actions.

NATO-Russia Founding Act

- Summit of NATO heads of state and government and Russian President Yeltsin held May 27 in Paris to sign Founding Act. Milestone agreement -- lays basis for robust and growing partnership between NATO and Russia.

(see also NATO-Russia and NATO-Russia Founding Act Fact Sheet)

NATO-Russia

- Plans for NATO enlargement proceeding on schedule -- Madrid summit on track; will issue first invitations to prospective new members at July 8-9 meeting.

- Enlargement part of broader effort to build comprehensive European security system, which includes strong NATO-Russia relationship. Going forward in way that does not threaten any nation's security, enhances stability in Europe
- See Russia as partner of NATO in shaping more secure, stable and undivided Europe. That is good for United States, Russia and Europe.

Suspension of Harvard Contracts

- AID suspended certain Harvard Institution for International Development contracts in Russia until further notice. Preliminary AID Inspector General investigation indicates two HIID employees potentially involved in serious conflicts of interest. Refer to AID for details.

Prospects for START II Ratification by Russian Duma

- At Helsinki summit, Yeltsin made clear his commitment to press Duma to ratify START II -- without conditions. In May 27 bilateral in Paris, Yeltsin assured President of commitment to START II, indicated he would press Duma to ratify Treaty.
- In May 20 meeting with Duma leaders on NATO-Russia Founding Act, Yeltsin made pitch for START II ratification.
- START II ratification in both U.S. and Russia's best interests -- provides for stabilizing reductions in strategic forces, reduced costs, and opens the door to negotiations on further reductions in "START III," as agreed in Helsinki.
- Ratification of START II by Russia remains an essential prerequisite to begin START III negotiations toward further reductions in nuclear forces.

Denver Summit of the Eight

- Denver meeting will be Denver Summit of Eight; will build on increased Russian involvement; Yeltsin to arrive and depart with others; will be one press conference by leaders of the Eight.
- Seven will still discuss economic, financial matters; expect this to be small part of agenda.

Q: Any further reaction to the Iranian election?

A: I think the President summed up our views in London.

Iran did have an interesting and hopeful election.

Nonetheless, we have very real concerns about aspects of GOI's behavior, including support for terrorism, attempts to undermine the Peace Process and efforts to acquire weapons of mass destruction and their means of delivery.

Our differences are not with the people of Iran. As the President indicated we favor an end to the estrangement between the people of the United States and the people of Iran and contact between them.

Talks in New York City

Q: Can you confirm that there was a working level meeting in NYC last Friday?

A: The North Koreans communicated with us the week before suggesting a working level meeting be held in NYC between the North Koreans, the South Koreans and the U.S. to explore further unanswered questions around the four-party talks, as well as other issues of concern. The meeting held Friday can be characterized as what has become routine contact between the three parties. I anticipate additional meetings of this nature will be held, but a date for the next meeting has not been set.

Q: What is your comment on meetings between the North and South Korean Red Crosses and the provision of direct food aid to North Korea?

A: North Korea's food shortage is severe and we welcome provision by the South Korean Red Cross of 50,000 metric tons of humanitarian aid to help alleviate those shortages. The meeting of the two Red Crosses is an important element of fending off severe starvation, and an important channel for maintaining direct North-South contacts.

Ramos Horta and White House Meeting

[Note to briefer: Ramos Horta or his supporters requested meetings with the President and the Vice President last year, and both meeting requests were turned down (or not acted upon). However, we are not aware that any other WH meetings were requested. Had they been, NSC staff would likely have met with Horta.]

Q: Any comment on the WP story regarding a decision not to see Nobel laureate Jose Ramos-Horta at the White House?

A: No such decision of this kind has been made.

Q: Would the President agree to see Ramos Horta in the future?

A: I can't speculate on what the President's schedule will or will not permit.

Q: What about other officials in the White House meeting with Ramos Horta?

A: A number of NSC officials have interests and responsibilities relating to Indonesia, including East Timor.

Should they receive requests for a meeting, I expect that they would have an interest in seeing Mr. Ramos Horta, and that a meeting of some kind would be arranged.

Q: Didn't the White House turn down a request for a Ramos-Horta meeting with the President?

A: While the President's schedule did not permit a meeting with Ramos Horta on his last visit, other senior Administration officials, including Undersecretary of State Tim Wirth and Assistant Secretary of State John Shattuck, met with Mr. Ramos-Horta.

We share Mr. Ramos-Horta's concerns about human rights in East Timor, as well as the need for reconciliation, and we recognize his tireless efforts to bring the plight of the people of the territory to the attention of the international community.

As Mr. Ramos-Horta himself has said, and I quote, "President Clinton is knowledgeable and sensitive about East Timor."

In March, we once again cosponsored a resolution at the UN Human Rights Commission on the situation in East Timor, and the President has raised this issue in meetings with Indonesian President Soeharto.

We have also strongly supported the efforts of the UN Secretary General to encourage dialogue among the Indonesians, the Portuguese and the people of the territory.

Election Process

Q: What is the Administration's view of the violence associated with the election process in Indonesia?

A: We deplore efforts to suppress the peaceful expression of political views or attempts to influence the election process. We encourage all elements of the Indonesia political spectrum to exercise restraint and work to ensure the late May elections are free and fair.

- The Administration has proposed a package of reforms concentrating on three broad areas: budget, personnel and oversight. We would not begin to pay our arrears until after the UN demonstrated that it had adopted these reforms. In only two years, the Administration's reforms would reduce the costs to the U.S. taxpayer of American membership in the UN system by nearly 10%.
- We have a window of opportunity in 1997 to achieve our reform objectives but it will soon close. The appointment of a new reform-minded UN Secretary General has increased the momentum for UN reform. In addition, this is the year that the UN's assessment rates and two-year budget will be set.
- The NYT story characterized our negotiations with the hill as "stalled". That is not the case. Much progress has been made, though perhaps not as fast as we would prefer and significant issues still remain. The administration supports the concept of benchmarks; the negotiations are over specifically which benchmarks should be enacted into US law.
- The President is asking the Congress to pay the arrears over two years to give our negotiators the diplomatic leverage they need to secure these reforms. Many nations do not believe American promises to pay our arrears -- they've heard it all before. Five years is therefore too long and will not be credible. If we can demonstrate to other member states that the United States will pay off its debts in a credible amount of time, then we have a good chance of succeeding. But if we cannot, then our chances are practically nil.

ANNIVERSARY OF TIANANMEN TRAGEDY

Q: Do you have any comment on the anniversary of the June 1989 Tiananmen tragedy?

A: This week marks a tragic anniversary for the Chinese people. In the Spring of 1989, Chinese students, workers and others began a series of peaceful demonstrations in Beijing that spread throughout the country. During the next several weeks, the world's attention was focused on Beijing's Tiananmen Square, which was filled with tens of thousands of Chinese citizens. On June 3-4, 1989, the world watched as the Chinese Government crushed the pro-democracy demonstrations.

We have urged the Chinese Government on many occasions to make a full accounting of those who disappeared in the Tiananmen tragedy of June 1989, and to release all political and religious prisoners. On this tragic anniversary, we once again urge China to take these steps.

The Chinese Constitution and the Universal Declaration of Human Rights guarantee freedom of speech and petition, and we call on the Chinese Government to allow its citizens to exercise these rights freely.

CHINESE EXECUTION/ARBITRARY POLICE POWER

Q: Do you have any comment on the summary execution in Xinjiang of eight Muslims, charged with bombing buses there?

A: We are aware of reports of growing problems with terrorist incidents in Western China, but have little reliable information on the situation. While our abhorrence for terrorist acts is well-known, we also have significant concerns about the absence of due process in China's criminal justice system.

Q: Is China a police state, as the New York Times article implies?

A: Certainly the level of police presence in many areas of China is intrusive, and its intolerance for political dissent constitutes one of the principal disagreements the United States has with China. We also note the article points out the rapid process of change that has taken place in China over the last 2-3 decades. We believe the direction of change has been toward a broadening of some democratic rights in China, and we hope that trend will continue.

GEPHARDT OPPOSITION TO MFN

Q: Minority Leader Gephardt has come out in opposition to MFN renewal for China. Is this a blow to the Administration's renewal efforts?

A: Mr. Gephardt opposed MFN last year. We disagree with him, but respect his decision to do so again this year. However, this does not in any way change the President's view that extending normal trade status to China is the best way to integrate China further into the family of nations, and to secure our interests and ideals. Every President who has confronted the issue has supported MFN for China.

If we were to revoke normal trade status we would isolate ourselves cut off our contact with the Chinese people and undermine our influence with the Chinese government. Revocation would undermine America's security, non-proliferation, and economic interests. Engagement is the best way to advance the rule of law or respect for human rights in China. If we are to help shape China's direction, we must actively engage China on all fronts, using the appropriate tools at our disposal, not the blunt instrument of MFN revocation.

MFN

WHY CONTINUATION OF NORMAL TRADE STATUS IS IN THE NATIONAL INTEREST OF THE UNITED STATES:

- **ENGAGEMENT:** President Clinton's strategy is clear: US interests are best served by a secure, stable, open and prosperous China. The manner in which we engage China will help determine whether it becomes integrated into international norms and institutions or whether it becomes more isolated and unpredictable. This vote must be about how best to promote U.S. interests--not an endorsement of China's policies. Extending to China the same normal trade treatment we give to virtually every nation on earth will help further integrate China--and promote the interests of the American people.
- **INTERNATIONAL COOPERATION:** China's adherence to international norms is fundamental to advancing the interests of the American people. On nonproliferation, China has joined us in the NPT, CTBT, and CWC regimes. China is a constructive contributor to maintaining stability on the Korean peninsula and bringing North Korea into peace talks. We have a strong bilateral program to combat alien smuggling, narcotics trafficking and terrorism. Negotiations on China's adherence to WTO norms and standards are moving forward, building on past trade successes such as last year's intellectual property accord. MFN extension supports our efforts to subject China to the same international discipline as other major powers and builds on cooperation in important areas.
- **HONG KONG:** Hong Kong is the gateway of trade between the US and China. Revocation of MFN would seriously weaken the people of Hong Kong just when they need to assert their strength and autonomy. The Hong Kong Government estimates that revocation would: slash trade by \$20-\$30 billion, eliminate 60,000-85,000 jobs, cut economic growth by well over 50% and reduce income by \$4 billion. That's why Hong Kong leaders across the political

spectrum, including Hong Kong Democratic Party leader Martin Lee and Governor Patten favor renewal of MFN.

- **JOBS:** Today an estimated 170,000 U.S. jobs depend on exports to China. U.S. exports to China have more than tripled over the past decade and China is now our fifth largest trading partner, accounting for \$12 billion of U.S. exports. Revocation would derail the talks on China's entry into the World Trade Organization, under which China would reduce its trade barriers substantially, creating new export opportunities for U.S. companies and workers. Revocation would invite retaliation against U.S. exporters and investors. Revocation would also hurt U.S. consumers, who could pay upwards of half a billion dollars more in a single year because of higher tariffs on such products as shoes and clothing.
- **HUMAN RIGHTS:** Engagement does not mean endorsement. The Administration has consistently pressed its human rights concerns with China, including most recently in Geneva at the UN Human Rights Committee. Over time normal trade and continued economic engagement opens up Chinese society. Every year, thousands of Chinese employees of U.S. companies visit this country, gaining exposure to our politics, economy and personal freedoms. Revoking normal trade status will diminish these growing ties and play into the hands of those in China who want less openness.
- **RELIGIOUS FREEDOM:** Revocation would also set back the cause of winning religious freedom in China. This is the view of the China Service Coordinating Office, an organization serving more than one hundred Christian organizations in China. They fear the following effects: doors will be closed for service through educational, cultural and other exchanges; revocation would undermine Hong Kong and Taiwan, hurting their Christian outreach to the mainland
- **TAIWAN:** Revocation would damage Taiwan's economy, with \$20-30 billion invested in the mainland. Taiwan's economic viability is in the interest of the American people.

Iran Files

Q: What do you think about CIA destroying its records on the 1953 coup?

A: The destruction of the CIA records on its 1953 operations in Iran leaves us with an incomplete understanding of those significant events. It is important now that CIA try to piece together the record of its activities in Iran during that period from the memories of those involved. We understand CIA will undertake such a project.

If asked:

Q: How about two DCI's telling the American people that CIA would release these records when they had actually been destroyed thirty years ago?

A: Obviously DCI Gates and DCI Woolsey had no reason to believe that the documents were not still intact.

If pressed:

Q: How about that CIA not letting the DCI know that they had destroyed documents?

A: I would refer you to the Agency for the details on when the documents were destroyed and when this information came to light.

Openness/Guatemala Issue

- We would note that CIA has taken extraordinary steps toward openness over the past five years.
- The Agency, for the first time, is about to release to the public volumes of documents relating to a covert action, the 1954 coup in Guatemala.
- We are confident that CIA will continue to release documents of historical interest, consistent with the protection of sources and methods, but understand that such a process necessarily takes time.

Budget/Suit

- The President has previously endorsed the public disclosure of the aggregate appropriation for intelligence and intelligence-related activities of the United States at the time the appropriations are passed by Congress.
- Former DCI Deutch, in testimony to the Congress, agreed. The administration would support such a provision in the intelligence authorization act.

ALGERIA: BUS BOMBING IN ALGIERS

Q: What is your reaction to yesterday's bus bombings in Algiers, which appear to be linked to the upcoming elections?

A: We condemn these brutal acts of terrorism in the strongest terms. We deplore the loss of life and the injuries to innocent civilians. The U.S. offers its condolences to the families of the victims, and calls for an end to the violence that has plagued Algeria for so many years.

Q: Will such attacks have an impact on the June 5 elections?

A: The legislative elections will be an important crossroads in Algerian political development. Peaceful, honest elections could help Algeria emerge from the violence that followed the cancellation of elections in 1992. Terrorism and violence have no role in such processes.

MORDECHAI/AL BAZ

- APNSA Berger will meet with Israeli Defense Minister Mordechai (12:30 pm) and Egyptian Presidential Adviser Osama Al Baz (5:30 pm) today to discuss the peace process and ways to move it forward..

PALESTINIAN AUTHORITY: SHOULD WE BE GIVING AID?

Q: How can the U.S. continue to disburse aid to the Palestinians in light of reported links between the Palestinian Authority and the killings of three Palestinians allegedly for selling land to Israelis?

A: The facts of these killings are still under investigation, but we have made very clear to the Palestinians that we condemn in the strongest manner any extrajudicial action, including alleged retaliation for land sales.

The death penalty is inappropriate punishment for the sale of land under any circumstances.

We note that Chairman Arafat has publicly rejected the imposition of the death penalty in such matters, but we remain concerned about statements of members of the Palestinian Authority.

It is important to understand where our assistance is directed. It is directed at projects which benefit Palestinians living in the West Bank and Gaza, including, for example, efforts to enhance water supplies and improve sewerage systems.

U.S. aid to the Palestinians helps give ordinary Palestinians a stake in the peace process and in good relations with the U.S. and the larger world community.

To deny aid to these people would make their daily circumstances more difficult. It cannot enhance stability in the area. It would make peace more difficult to pursue.

We intend to keep pressing these larger goals, even while we press the Palestinian Authority on our immediate concerns over its member's statements or actions.

IRAQI-SYRIAN BORDER OPENING

Q: What is your reaction to increasing Iraqi-Syrian ties through border openings and trade talks?

A: We have seen recent reports of such developments but cannot confirm them.

There are conflicting reports, for example, that the Syrian Foreign Minister said Damascus has not yet made up its mind on opening the border with Iraq.

We will discuss these issues with the Syrians.

Syria may of course participate in limited trade in humanitarian supplies with Iraq under the provisions of UNSC resolutions, just like other states.

It is of course important for Syria to continue upholding UN sanctions on Iraq until Baghdad fulfills its obligations to the Security Council.

ISRAEL: EAST JERUSALEM LAND PURCHASES

Q: What do we know about the Moscowitz Foundation using illegal monies gained from gambling operations in the U.S. to fund Israeli land purchases?

A: As best we understand it, this seems to be an issue of tax policy or private fund transfers.

I would therefore refer you to the Treasury Department.

Khobar Bombing

Q: What about the Sayegh story?

A: This is an ongoing investigation.

I am not going to comment on this issue.

- Committed to getting fast track through the Congress.
- Will continue to work with Congress to pass fast track authority.
- High level Administration officials have been meeting with key members on both sides of the aisle to push this legislation forward.
- Hopeful that we will succeed.

Q: It has been reported that the President is planning to delay his request for fast track authority to accommodate the budget process. Is that true? Does this signal Administration retreat on fast track? Has Gephardt scared the President off?

A: Not at all. The President is still firmly committed to seeking fast track authority to open foreign markets. It is critical if we want to continue creating good jobs for American workers.

Every President since Ford has had fast track authority for key periods, and the reasons for it now are more compelling than ever. Over 11 million U.S. jobs now depend on exports, and these jobs pay 13-16 percent more than the average U.S. job. Today, 95 percent of the world's consumers live outside the U.S., and the vast majority of those consumers live in the emerging and fastest growing markets of Latin America and Asia. We simply must continue to open these markets for U.S. exports if we are to succeed in the global economy.

We cannot afford inaction. If we are not seizing opportunities to break down trade barriers and open foreign markets, we can be sure other countries will act -- to the benefit of their companies and their workers.

The United States has nothing to fear. We are the most competitive large economy in the world as judged by independent experts. But our ability to define the nature of our trade relationships will in significant measure determine our leadership role in the next century. Fast track authority is the most important factor determining these relationships.

As you know, we have been consulting with Congress to develop bipartisan support for this legislation. We think that is the best way to build a strong foundation for this effort. We will continue to consult with Congress as to the substance, tactics and timing of the fast track initiative.

Q: It has been reported that the Administration is weighing the dropping of labor and environmental goals from fast track trade authority legislation, a move certain to infuriate labor unions. Is this true?

A: As we have stated before, our goal is to build the broadest possible support for the fast track legislation. To that end, Ambassador Barshefsky and others have been consulting actively with members of Congress representing all points of view on this subject, and with all interested parties, including organized labor. We will continue to do so with the goal of enacting legislation that receives broad support.

TRIPS AND VISITORS

- President Kiro Gligorov of the Former Yugoslav Republic of Macedonia in Washington June 17 for working visit with the President.
- Denver Summit of the Eight June 20-22.
- Australian Prime Minister John Howard to meet with President Clinton at the White House on June 27.
- POTUS will travel to Denmark in July in conjunction with the July 8-9 NATO Summit in Madrid.
- President's visits to Brazil, Argentina and Venezuela rescheduled to October 12-17.
- APEC Summit in Vancouver November 24-25.

Visit of President Aliyev of Azerbaijan

Background: The President wrote Aliyev May 10, inviting him to visit Washington, "perhaps in late July or August." Amb Kauzlarich delivered the letter to Aliyev on Saturday, who promptly had the part regarding the invitation read to the Azeri press.

- POTUS has invited Aliyev to visit Washington; date TBD, possibly in the late summer.

Visit of President Shevardnadze

Background: VOA informs us that the Georgian state news agency is reporting that Shevy is coming here in August to see Clinton.

- The President wrote to Shevardnadze on May 31 (letter presented on June 2 by Amb. to Shevy) inviting him to DC for a meeting sometime in August (date to be tied down in near future). Shevy accepted the invitation on the spot.

Q: What is the USG's reaction to the ASEAN foreign ministers' decision to admit Burma, Laos, and Cambodia into ASEAN during that organization's July 25-26 ministerial meeting in Kuala Lumpur, Malaysia?

A: Our concerns about the SLORC's (State Law and Order Council) policies are well known. It has violated the rights of its own citizens and taken actions that undermine stability in the region by producing refugee flows and allowing Burma to remain a major source of narcotics.

ASEAN shares these concerns and, like the U.S., wants to see them addressed.

We have acknowledged that decisions about ASEAN's membership are for ASEAN member nations to make.

We nonetheless regret that ASEAN appears to have invited Burma to join its organization at this time.

We will look to ASEAN to urge the SLORC to seriously address our mutual concerns by entering into a productive dialogue with democratic forces in Burma and by ceasing its actions that damage stability in the region.

Q: Doesn't this decision constitute a rejection of U.S. and Western pressure to keep Burma out of ASEAN?

A: The U.S. relationship with ASEAN spans a range of important political, security, and economic issues of joint concern.

We look forward to continuing to work with this key group of nations to further our mutual interests in stability and economic growth in Southeast Asia.

At the same time, we now look to ASEAN to persuade the SLORC to enter into a productive dialogue with democratic forces in Burma and to cease its actions that have undermined stability in the region.

Bosnia Implementation Plan/European Trips

- The President engaged our European Allies on the way ahead on Bosnia in his meetings in Europe last week. At the President's direction, we have recently conducted an extensive policy review and developed a Bosnia implementation plan aimed at reinvigorating U.S. and international efforts to bring self-sustaining peace to Bosnia. A key conclusion of our review is that Dayton remains the only viable framework for long-term peace.
- Secretary Albright briefed our re-energized approach to our Contact Group partners and the parties at the Peace Implementation Council Steering Board Ministerial on May 30. She followed up on her travel to the region over the weekend by further pressing the parties hard on their obligations.
- Both Allies and the parties welcomed our renewed efforts to ensure timely, concrete progress on implementation. Secretary Albright was particularly firm and specific in her meetings with the parties on the need for improved performance in areas such as war crimes, public security, refugee returns and joint institutions.
- Dayton's continuing success is evident in the substantial progress we have made since we began the implementation effort: stopping the fighting, separating the warring factions, holding successful national elections, creating joint institutions, making great strides in economic reconstruction, and gradual momentum on freedom of movement and return of refugees and displaced persons.
- The implementation plan is a detailed step-by-step road map aimed at creating a self-sustaining peace beyond June 1998, establishing courses of action and benchmarks in all priority implementation areas.
- Priority areas are:
 - bringing war criminals to justice;
 - improving indigenous public security capabilities to maintain law and order;
 - preventing a resumption of fighting after SFOR departs by promoting military balance through completion of train and equip program and arms reductions;
 - advancing development of democratic, self-sustaining joint institutions and promoting the rule of law;
 - securing consistent progress on the return of refugees and displaced persons and the ability of all Bosnians to move freely throughout the country; and
 - enhancing economic reconstruction, inter-entity commerce and accelerated distribution of economic assistance to all areas of Bosnia;.
- The plan calls for a strategy to develop and apply greater incentives and other forms of leverage to give the parties a stake in implementing Dayton and to overcome their differing visions of Bosnia's future. **We will link cooperation with Dayton with all aspects of our implementation effort using economic, political and every other form of leverage we have available.**

- We will also be launching an intensive campaign to reinvigorate the international effort. The goal is to re-focus implementation efforts and rally the international community on areas where we expect greater support, such as international police.
- We are introducing new programs to effectively and quickly target economic assistance to "Open Cities" that accept return of refugees and displaced persons from other ethnic groups.
- Implementation of Dayton and bringing long term peace and reconciliation to Bosnia remains a long term process and much work remains to be done. Nevertheless, we should take heart in all that we have accomplished and re-focus our efforts in order to finish the job.

Train and Equip Program

- The international Train and Equip program is successfully helping to establish a stable military balance in Bosnia, which is one of the keys to establishing a lasting peace in the region. The recently announced delivery order of 116 refurbished howitzers and 21 heavy equipment transporters from U.S. Army excess stocks to Bosnia is part of the ongoing program to meet the defense requirements of the Federation, as identified shortly after Dayton, and within the parameters of the Bosnia arms control agreements.
- The T&E program continues to facilitate concrete progress in the formation of joint Federation defense structures that will be critical to strengthening the Bosniak-Croat Federation. The latest step forward in this regard, announced in Sarajevo last week, are the agreements between Presidents Izetbegovic and Zubak on a joint Federation Military Strategy and on key commands.

War Criminals

- We continue to remain deeply concerned with the slow progress on war crimes front in Bosnia. Recent convictions in a German Court and by the International Criminal Tribunal are important steps toward justice in Bosnia, a key ingredient to long-term peace.
- With these convictions and the recent delivery of indicted war criminal Zlatko Aleksovski to the Hague, it is clear we are making slow progress on war crimes. We will not be satisfied, however, until all indicted war criminals stand trial at the Hague.
- We continue to press the parties to fulfill their obligations to turn over indicted war criminals. We are also examining a variety of ways we can help the Tribunal to bring indicted war criminals to justice. We have made no decisions on how to assist the Tribunal. We are reviewing many different options.

If pressed about sending teams of special police or commandos to arrest war criminals:

- We have been examining several options to assist and enhance the ability of the Tribunal to bring indicted war criminals into custody. One option may be to establish some sort of capability to execute the court's arrest warrants. We are studying the feasibility of these options but have made no decisions yet.

Radovan Karadzic

- Karadzic was removed from office and remains banned from any public or political role as agreed by Republika Srpska. We continue to monitor the situation and will insist that Republika Srpska live up to their agreement. We remain concerned about his potential influence and will not be satisfied until he is brought to justice in the Hague.

Supplemental Amendment for Date Certain Withdrawal from Bosnia (passed by Senate)

- We strongly urge that this legislation not be further pursued. President's senior advisors would recommend a veto to the bill if an amendment is adopted that would mandate a date certain for withdrawal of U.S. forces from Bosnia — even a date of June 1998, when SFOR's mission is scheduled to end.
- An amendment requiring a withdrawal by a date certain — with no regard for the situation on the ground or prospects for self-sustaining peace — would seriously restrict the flexibility of our military commanders in completing their mission and jeopardize the secure environment needed for civilian implementation.
- We continue to believe SFOR's mission (18 months) should provide sufficient time to establish the conditions to maintain security and stability without an outside military presence. We have no desire or plan to extend the mission beyond mid-1998.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

June 3, 1997

STATEMENT BY THE PRESIDENT

Resumption of Belfast Talks

Today in Belfast, Senator George Mitchell reconvened the talks on the future of Northern Ireland that began almost a year ago. I call on the political leaders to seize this precious opportunity and begin the hard but worthwhile work of negotiating a just and lasting settlement. To engage in serious negotiations, to be willing to make principled compromises, requires courage and creativity. Now is the time for the representatives of the people to show the good sense and good will that I saw in such abundance when I visited Northern Ireland. The United States will continue to stand with them as they take on, with the two governments, the demanding task of shaping a peaceful and prosperous future in which all the people of Northern Ireland will have an equal stake.

As I have said so many times, ideally all the elected parties should be at the table when the decisions that shape the future are made. If the IRA declares and implements an unequivocal cease-fire, I am confident that Sinn Fein will be invited to add its voice to the other parties' at the table as they forge a new future for themselves and their children.

###

High-Level Talks with Sinn Fein

- The United Kingdom has taken strong steps in pursuit of a cease-fire in Northern Ireland that would lead to inclusive peace talks.
- We have been urging the IRA to declare an unequivocal cease-fire as a precondition for Sinn Fein's participation in such talks.
- Those discussions have been ongoing since the previous cease-fire was broken.
- The U.S. has had contacts at high levels with all of the parties to reinforce this message. Some of these contacts have been well-publicized, such as last week's meeting between British Northern Ireland Secretary Mowlam and National Security Advisor Berger.
- We have not, however, chosen to publicize all of our contacts.

IRA Approved Off-Duty Policeman's Murder?

- Do not have any official confirmation of this press report.
- Understood that different group, INLA, claimed responsibility for this brutal murder.

BRITISH ELECTION -NI RESULTS

Background: Clear that Gerry Adams has won back the West Belfast seat he lost to the SDLP in 1992. That was expected. The biggest news is that Sinn Fein strategist Martin McGuinness has won a seat too, defeating hard-line unionist and DUP candidate Willy McCrea in spite of splitting the nationalist vote with an SDLP candidate. It looks like the UUP (mainstream unionists) will either keep 9 seats or get 10.

- Important election in Northern Ireland, fought on completely different issues than in rest of UK.
- If asked reaction to SF seats: Hope party leaders will conclude that democracy works, offers only way forward to just and lasting settlement in Northern Ireland. Time to take gun out of Irish politics forever and get down to work.

PEARSON DEPORTATION

Background: DOJ has decided to appeal the lower court's ruling that Brian Pearson is eligible to stay in the U.S. Pearson served time for an IRA bombing (of a military/ policy barracks--no one injured) before coming to the U.S.

- This decision was made by the Department of Justice on legal grounds. Questions concerning the case should be referred to DOJ.
- If asked: This is a deportation case; our policy toward Northern Ireland was not at issue. That policy is clear --we strongly condemn IRA terrorism and will continue to support efforts to achieve a just and lasting peace in Northern Ireland.

MITCHELL RESIGNATION AS SAPASS FOR ECONOMIC INITIATIVES IN IRELAND

[Background: It has not been made public yet but Senator Mitchell has submitted a letter to POTUS resigning his position as Special Advisor to the President and Secretary of State for Economic Initiatives in Ireland -- a position he has held since late 1994. Ideally, we would prefer to announce it at same time his successor is named, which will take a few weeks.]

- Yes, Senator Mitchell has decided to give up position as Special Advisor to President and Secretary of State for Economic Initiatives in Northern Ireland. Will of course continue as chair of Belfast peace talks; in fact, understand his decision to resign the economic job based on need to devote his time to the talks.
- We are moving to select a successor to Senator Mitchell to oversee Administration support for economic initiatives. Creating jobs through investment and trade is key to underpinning Northern Ireland peace process over long term.

CONTINUED IRA VIOLENCE

- Strongly condemn continued IRA violence in Northern Ireland and in Britain, urge immediate, unequivocal cease-fire.
- Belfast peace talks (now in recess until June) have best chance of long-term success if they are inclusive (that is, if Sinn Fein participates) but that can only happen after IRA cease-fire.

ON WHETHER IRA NEEDS TO DISARM BEFORE JOINING TALKS

- U.S., like British and Irish governments, have accepted the report issued last year by Senator Mitchell and his colleagues, which suggested decommissioning of arms in parallel with talks.

What is your reaction to the findings in the Presidential Advisory Committee (PAC) supplemental letter report that (1) there was information even prior to the Gulf War raising cause for concern about chemical weapons storage at Khamisiyah; and (2) that there was "substantial mismanagement and lack of communication" between the military and intelligence community on this information?

- Important here at the outset to note that we are where we are today -- with all of the recent and continuing document releases -- because of the President's direction to get out all of the facts, and DOD and CIA's commitment to carry out that direction...
- DOD and CIA have already stated for the record that their handling of Khamisiyah-related information should have been better, and they are both committed to capturing the appropriate "lessons learned"...
- Moreover, both agencies currently have their IG staffs investigating the related issues, and their reports are expected this summer...

Why was there, in the PAC's words, "no serious [executive branch] effort to examine the possibility of chemical warfare agent exposure of U.S. troops at Khamisiyah until late 1995" when there were documents available raising this concern by December 1991?

- No question that the recently-released documents should have been identified and released much earlier; this figured prominently in the President's decision in JAN 97 to extend the PAC he established in MAY 95 in order to provide independent oversight of the ongoing process...
- These documents are being identified and released now in response to the President's direction to get out all of the facts...
- As to why these documents did not come to light earlier, the various ongoing IG and other investigations at DOD and CIA should help us to understand what happened...

The PAC found that there is no single entity integrating the data for a comprehensive assessment of the government-wide response to Khamisiyah; the PAC also questioned how individual accountability will be addressed. What is the White House view?

- First, the PAC's recommendation that a "presidential-level" entity to integrate intelligence community "lessons learned" is consistent with the Administration's commitment to take full advantage of the Gulf War experience to improve our preparedness and planning for future deployments -- this recommendation will be carefully considered when the President receives the PAC's interim letter report and the accompanying agency responses...
- DOD and CIA have asked former SEN Warren Rudman to advise both agencies on the GWI problem. SEN Rudman is well-qualified to undertake a review of all investigative findings, and his efforts will enhance our ability to integrate the intelligence "lessons learned"...
- With respect to accountability, our understanding is that there is no evidence to date of individual misconduct. If and when any such evidence comes to light, the DOD and CIA IG and other investigators tackling the many issues involved would document and refer that evidence to their respective agency heads as a matter of course...

The PAC believes that an EPA-type approach would be appropriate for the long-delayed Khamisayah modeling effort and that veterans deserve to learn the results of a full-range of modeling scenarios (including worst-case events). What is your reaction?

- DOD and CIA recently formed a joint modeling team to take this work forward to conclusion as rapidly as possible, with the projected completion date of 21 JUL 97...
- The PAC's assessment that EPA-type modeling may be useful or even more appropriate will need to be evaluated by the joint DOD/CIA team...
- In terms of targeted notification letters, DOD has already sent out letters to those personnel within 50 kilometers of Khamisayah, and will conduct additional notifications if necessary...
- Most important here is that the issue of notification has no bearing on the eligibility of veterans for physical examinations, health care, and compensation -- and DOD and VA have strongly encouraged all Gulf War veterans to take full advantage of the available programs...

Is DOD using the Privacy Act as a "shield" to block the PAC's "unfettered access" to the critical information they need?

- Our understanding is that earlier this year DOD lawyers noted Privacy Act legal concerns about certain information being provided to the PAC in response to their requests...
- We have confirmed that the Privacy Act does have application and have been informed that the required legal steps are being taken to obtain the consent of individuals providing information for release of that information to the PAC...

Is the PAC likely to be extended again given the many problems still remaining?

- The PAC has a critical role to play -- the White House is relying on the PAC's expertise and independent assessments to enhance program quality across the full spectrum of government activity related to Gulf War illnesses...
- Any discussion of extending the PAC would be premature at this juncture given the many initiatives currently underway and the amount of time remaining before the end of the initial extension period (31 OCT 97)...

The intelligence community admits making mistakes in its handling of the Gulf War illnesses investigation, and the many recently-declassified documents clearly should have come out much sooner. With much of the related activity occurring during George Tenet's tenure at CIA, does the Director-designate retain the President's full confidence?

- Absolutely.
- The CIA has contributed a tremendous amount to our knowledge about chemical weapons in the Gulf War theater and specifically about exposure incidents that might be related to undiagnosed Gulf War illnesses.
- George Tenet is fully supportive of the President's commitment to get out all the facts, and has increased the level of resources devoted to the Gulf War illnesses problem when new information indicated the need to do so.

What has the Administration done for Gulf War veterans who are sick?

- Through the dedicated efforts of DOD and VA personnel, veterans are receiving the care they need for Gulf War illnesses, whether diagnosed or undiagnosed.
- Overall, to date -- (1) DOD & VA toll-free help lines; (2) 80,000+ free medical exams; (3) 26,000+ compensation claims approved; (4) special legislation paying disability for Gulf veterans with undiagnosed illnesses, with an extension of the presumptive period for undiagnosed illness compensation forthcoming soon; (5) thousands of pages declassified; and (6) 90+ federally-sponsored research projects completed or underway.

DENVER SUMMIT

Q: Why are we not inviting African leaders to Denver, given that we are talking about Africa in Denver?

A: It is the general practice of the G-7 leaders not to meet with other heads of state and government at their annual meetings. Every year, a large number of such requests are received and it would fundamentally change the nature of the meetings if participation in the meetings were to be expanded significantly.

(IF ASKED): Russia's special circumstances and its status as a major industrialized democracy have led the G-7 to invite Russia to participate on a regular basis in recent years.