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Daily Press Guidance

**Wednesday
July 23, 1997**

(For internal use only.)

Press Guidance
Wednesday, July 23, 1997

Domestic

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2. **D.C. shortfall** - DC PLAN
3. **Postal increase** to fund Breast Cancer Research - ~~POSTAL INCREASE~~ HEALTH
4. **IRS/Heritage Foundation** - IRS
5. **Tobacco Tax** - Q&A - TOBACCO
6. **Boeing Merger** - stmt., Q&A - FOREIGN
7. **Weld Statement** - APPOINTMENTS / NOMINATIONS

Events

1. **Immunization Event** - CHILD DEVELOPMENT
fact sheet, Q&A, draft POTUS stmt.
2. **Lake Tahoe** - TRAVEL
3. **VP event** - Plan to Produce **Clean Diesels** - ENVIRONMENT - AIR

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GUIDANCE ON BUDGET
JULY 23, 1997

BUDGET ENFORCEMENT PROVISIONS

(As noted in a Post editorial and op-ed today, Congress is considering an "entitlement cap" as a new budget enforcement tool. As in the past, the numbers in this budget are based on estimates of future entitlement spending and revenues. (Discretionary appropriations also estimate outlays, but those are a little more predictable.) Republicans are proposing an entitlement cap and other measures that would force cuts in entitlements and suspension of some tax cuts if spending exceeded projections.)

Attached is a SAP outlining our concerns about their proposal. The talking points are these

- * We support tough enforcement mechanisms as we always have:
 - * Pay-As-You-Go
 - * Discretionary spending caps, enforced by sequester
 - * Dropping PAYGO balances to zero to protect deficit reduction savings
- * Their proposals would be unworkable, unadministrable.
- * Automatic suspension of tax cuts would hinder tax planning, and it is arbitrary because it does not affect all taxes or even all tax benefits.
- * Automatic benefit cuts caused only by slight changes in demographic factors would cause benefits to change for millions of Americans.
- * They would effectively create a potential new unfunded mandate on states if Medicaid is sequestered
- * It undermines PAYGO by not permitting new entitlements even if fully paid for by tax increases.

TAX BILL

- * Now that the Republicans have agreed among themselves on their position with regard to the tax bill, the real negotiations will begin.

- * The President has made very clear what his priorities are for a tax bill. He wants a bill that increases economic growth, that helps working families to improve their lives and educate their children, and that enables us to keep the budget in balance rather than exploding the deficit, as the tax cut of the early 1980's did.
- * While we have not seen all of the details, it's clear that the tax plan they seem to have agreed to does not live up to the budget agreement and in some ways fails to meet these goals.
- * The President has advanced his own ideas for a tax plan based on the balanced budget agreement that focuses on higher education, that provides a tax credit to help families raise their children, including nearly 5 million working families to whom the Republicans would deny the tax credit against their payroll taxes, and that helps those buying and selling homes. Unlike the Republican plan it would not explode the deficit in the out-years.
- * We hope that these differences can be negotiated relatively quickly, but that will depend on the willingness of the Republicans in Congress -- particularly their leadership -- to honor the balanced budget agreement and be fair to working families.

MEETINGS

- * Only meeting scheduled is for 2:00: Raines, Sperling, Hilley with the Budget Committee Chairs and ranking Members (Kasich, Domenici, Spratt, Lautenberg). They hope to get a complete description of where the Republicans are on each of the main issues to lay the groundwork for good negotiations.
- * No tax meeting scheduled at this time; still up in the air



July 23, 1997
(House Floor)

STATEMENT OF ADMINISTRATION POLICY

(THIS STATEMENT HAS BEEN COORDINATED BY OMB WITH THE CONCERNED AGENCIES.)

H.R. 2003 Budget Enforcement Act of 1997 (Reps. Barton (R) TX and Minge (D) MN and 63 cosponsors)

The Administration is committed to enactment of meaningful budget enforcement. Consistent with the bipartisan budget agreement, both the House-passed and Senate-passed reconciliation bills include effective budget enforcement mechanisms: (1) establishment of statutory discretionary caps through 2002, enforced by the current law sequester mechanism; (2) extension of PAYGO restrictions on new mandatory spending and revenue losses; and (3) protection of the reconciliation savings by reducing PAYGO balances to zero. We strongly support these important budget enforcement provisions.

However, the Administration is unable to support H.R. 2003 because it would impose an unworkable and unadministrable system of constraints and automatic triggers on the Federal Budget. The bill calls for a complicated series of projections and findings that could result in automatic entitlement cuts and tax cut suspensions that would be unprecedented in the Federal budgeting system. Following are a few of the practical difficulties raised by the bill.

- o Automatic suspension of tax cuts. The automatic mechanism proposed by H.R. 2003 is unworkable. The bill would call for certain tax cuts over the next five years to be suspended depending on year-to-year revenue estimates. This would hinder orderly tax planning. Moreover, the automatic tax mechanism is arbitrary -- it does not affect all taxes, or even all tax benefits, but only those tax benefits that happen to be coming into effect at the time the revenue estimate is calculated.
- o Automatic Benefit Cuts. Slight changes in demographic factors would cause benefits to change for millions of Americans. For example, if the actuaries of a retirement program change their projections of earned benefits, based on revised earnings histories of new retirees, that estimating change would trigger a sequester of that retirement program.
- o Unworkable Entitlement Cuts. The bill would create complicated, unintended interactions. For example, the bill requires that a sequester in Medicaid be accomplished by reducing Federal matching payments to States. However, the bill does not change the Medicaid entitlement, and States would therefore be required to provide the same services with less Federal funds -- which might be considered a new unfunded mandate. Another example: one-half of the sequester for Medicare Parts A and B would come solely from increasing premiums on beneficiaries under Part B.

- o Inconsistent treatment of taxes and entitlements. Baseline tax revenue is given allowance for growth and inflation, but entitlement spending may increase for inflation and beneficiaries only for programs enacted prior to July 1, 1997. Further, spending sequesters are permanent; the tax cuts suspensions end no later than 2002.
- o Undermines PAYGO. The bill would prevent Congress from making changes in current tax or entitlement law, even if those changes were fully paid for under the pay-as-you-go provision of current law. Entitlements could not be expanded, even if paid for by tax increases, nor could new tax cuts be paid for by reductions in entitlements.
- o Further cuts discretionary spending levels. The bill would, in effect, cut spending under the discretionary caps by one percent, approximately \$27 billion over five years, to establish an emergency reserve. It also assumes zero growth in spending after 2002.
- o Sequesters or tax suspensions could occur even if there is a surplus. Finally, the bill does not address the relationship between its requirements and actual deficit or surplus levels. Under the bill, even if there is a surplus in a particular year, sequesters could be imposed on entitlement programs, and tax cuts could be automatically triggered off.

We recognize that the sponsors believe these effects will not occur in practice because of the expedited procedures for Congressional action contained in the bill. However, the Administration believes that the policy choices inherent in the bill as written are very problematic.

For these reasons, the Administration cannot support H.R. 2003 and urges the conferees to include in Reconciliation, the extensions of PAYGO and discretionary caps as provided for in the bipartisan budget agreement.

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Talking Points

Possible Shortfall in Funding for the District of Columbia

July 23, 1997

Overview

- We remain confident that the Administration and Congress will agree on an acceptable bill for D.C. in the coming weeks.
- But, for all the reasons why we believe we need the President's bill, we now have another:
 - Due to a complicated budget situation (explained below), the city could actually lose over \$200 million in fiscal 1998 (compared to current law) if Congress does not pass the President's D.C. bill.
 - That would put the city worse off than if we had not gone down this road to begin with.
 - If that occurred, the city would be forced to consider a whole new round of spending reductions.
- A fuller explanation follows.

Detailed Discussion

- In each of the past several years, the District has received \$712 million in cash (budget authority and outlays) from the Federal Government:
 - \$660 million in an annual payment, and
 - \$52 million in contributions to the pension system.
- But, anticipating passage of the President's plan, the House and Senate Appropriations Committees changed the allocation this year, providing
 - \$805 million in budget authority, and
 - \$479 million in outlays.
- The \$479 million in outlays is \$233 million below the current allocation to the District.

- Even with reduced outlays, the District still comes out ahead under the President's plan due to technical aspects of scoring pension and other changes.
- At this point, the Appropriations Committees would have a very difficult time reverting to the old formula of \$712 million in budget authority and outlays.
 - The 13 subcommittees have moved far along on their bills and would be very reluctant to return some money (that is, the outlays) for re-allocation to the District.
- The bottom line is, we need to finish our work on the President's plan more than ever.

Breast cancer SAP

July 22, 1997
(House)

H.R. 1585 - Stamp Out Breast Cancer Act
(Rep. Molinari (R) NY and two cosponsors)

The Administration has a long history of strong support for breast cancer research. Between 1993 and 1997, funding for breast cancer research at NIH has increased \$172 million, or 75%.

H.R. 1585 would create a new mechanism for allocating medical research funds, which may raise some practical difficulties. The Administration urges the Congress to consult closely with the National Institutes of Health and the Postal Service before finalizing this legislation.

pls file

Q: Has anyone at the White House directed the Internal Revenue Service to audit conservative organizations?

A: The White House, as a matter of policy, does not discuss particular audits with the IRS, or any other agency. Such communication with the IRS would violate the very strict White House prohibition on this kind of contact. We have no reason to believe anybody has done so.

Q: WHY IS THE PRESIDENT SUPPORTING ADDING NEW REVENUE FROM THE TOBACCO TAX NOW WHEN BEFORE HE OPPOSED IT?

A: The President has always been supportive of using revenue from a tobacco tax for health care investments. For example, the Health Security Act contained a tobacco tax to raise revenue for health care.

The only time that the President has not been fully supportive of efforts to add a tobacco tax was earlier this summer when the proposal on the table seriously threatened to undermine the Budget Agreement. The President did not believe that was the best context to support such a proposal. A \$.20 tobacco tax has now been raised in the context of the budget process and thus the President is fully supportive of this initiative.

Q: IS THE PRESIDENT SET ON USING THE \$8 BILLION OF THE REVENUE FROM A \$.20 TOBACCO TAX EXPLICITLY FOR CHILDREN'S HEALTH?

A: This is not a time to draw lines in the sand. We are currently working through these proposals with Republicans and Democrats in Congress. However, the President is extremely committed to ensuring that we get a substantial investment in children's health care that will extend health coverage to millions of uninsured children. The tobacco tax also has the advantage that it would serve as a financial barrier that would help prevent children from starting to smoke in the first place.

The President is extremely supportive of the proposal passed by the Senate that will allocate \$8 billion of tax revenue to children's health. He is also hopeful that additional revenue from the tobacco tax will be used for other children's investments, such as child care and adoption.

Q: WOULD THE PRESIDENT VETO A CHILDREN'S PROPOSAL THAT DID NOT INCLUDE MEANINGFUL BENEFITS?

A: Again, this is not the time to draw lines in the sand. However, the President has made it quite clear that this investment must provide meaningful health insurance for children. It must give children a full range of benefits to ensure that they get the health care they need without paying excessive costs. This investment also must cover children who are currently uninsured rather than replacing state or private dollars currently being spent on children's health. The President will evaluate any final proposal carefully to make sure that it meets

these principles.

Q: WOULD THE PRESIDENT VETO A PACKAGE THAT DOES NOT INCLUDE VISION AND HEARING BENEFITS AS WELL AS MENTAL HEALTH?

A: The President has stated that he strongly supports the Senate-passed children's health package which includes vision and hearing benefits as well as mental health benefits. He is working to ensure that any final agreement contains these important benefits.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

July 23, 1997

Statement by the President on EU Approval of Boeing-McDonnell Douglas Merger

I am pleased that Boeing and the EU have resolved their differences, and that the EU has agreed in principle to approve Boeing's merger with McDonnell Douglas. The Boeing-McDonnell Douglas merger will promote consolidation and efficiency in the U.S. defense industry, and preserve the jobs of 14,000 workers at Douglas Aircraft Company. Our own independent Federal Trade Commission determined that the merger would not harm competition. We hope that the EU will give the merger final approval expeditiously.

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Press Guidance on EU Review of Boeing-McDonnell Douglas Merger
July 23, 1997

- We are pleased that negotiators for Boeing and the European Commission appear to have reached an agreement on the proposed merger of Boeing and McDonnell Douglas. We believe Boeing has gone the extra mile in order to resolve this dispute, and we expect that the European Commission will approve the merger.
- Our independent Federal Trade Commission ruled unconditionally on July 1 that the merger would not reduce competition in the aircraft industry. We believe it is important that this merger go forward because it will promote consolidation and efficiency in the U.S. defense industry and preserve the jobs of 15,000 workers at Douglas Aircraft Co., which has suffered with the rise of Airbus Industrie.
- Although we did not get directly involved in the negotiations between Boeing and the EU, the President and his senior advisers have been working quietly, behind the scenes for weeks to ensure that the EU would not block the merger. The President made phone calls on his day off this week. The Secretary of State interrupted her vacation to call several of her European counterparts. Our antitrust chief led a delegation to Brussels two weeks ago. We have kept our involvement quiet, so as not to turn up the volume on this issue any further.
- We think this quiet diplomacy has paid off:
 - The EU backed off of its initial demand that Boeing divest Douglas Aircraft Co., after we insisted that would both harm the airlines that currently operate Douglas aircraft and jeopardize the jobs of the 14,000 Douglas workers in Long Beach.
 - The EU also backed off of its initial efforts to use the merger review process to reopen negotiations on the 1992 bilateral aircraft agreement, which limits European government subsidies for new Airbus aircraft, after we warned them not to link trade and competition policy.

On background:

- The Administration has worked quietly behind the scenes to make certain the EU understands 1) that the merger is consistent with the Pentagon's conscious strategy of defense consolidation, and 2) that EU insistence on a divestiture of Douglas Aircraft (the commercial side of McDonnell Douglas) was both anticompetitive and a threat to the jobs of 15,000 workers at Douglas. We made a full court press, but we did so quietly, so as not to further inflame the situation.

- On the exclusive agreements, from a public policy standpoint, we did not consider them problematic. The FTC said the agreements were potentially troubling, but not a reason to block the deal. We did not encourage Boeing to give them up. More generally, we did not second guess Boeing on this or any other aspect of the negotiations.
- We do have some concerns about the way the EU handled its merger review process. Statements from the European side gave the appearance that the process was influenced by political factors and trade policy considerations. Whereas the FTC judged the merger based on its impact on *consumers*, the European side appeared to consider the impact on *competitors* to Boeing.
- Separate from the merger, we do have concerns about the possibility of new government subsidies to Airbus, particularly in light of the EU's recent criticism of the 1992 U.S.-EU bilateral aircraft agreement, which limits such subsidies. We will continue to monitor that situation and vigorously implement the 1992 Agreement.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

July 23, 1997

**PRESIDENT CLINTON NAMES WILLIAM F. WELD AS
U.S. AMBASSADOR TO MEXICO**

The President today announced his intent to nominate William F. Weld, Governor of Massachusetts, to be United States Ambassador to Mexico.

Governor Weld, of Cambridge, Massachusetts, after graduating from law school, served as a law clerk with the Massachusetts Supreme Judicial Court in 1970. Governor Weld then worked for 10 years at the Boston law firm of Hill & Barlow, where he was a partner. In 1974, he served as associate minority counsel to the U.S. House Judiciary Committee during its Watergate impeachment inquiry. He was named U.S. Attorney for Massachusetts by President Ronald Reagan in 1981. In 1986, Governor Weld was appointed Assistant Attorney General in charge of the Criminal Division of the U.S. Justice Department in Washington, D.C. He resigned from that post in 1988 and joined the Boston law firm of Hale & Dorr, where he served as a senior partner until his election as Governor of Massachusetts in 1990. He was elected to a second term in 1994, receiving 71 percent of the vote.

Governor Weld graduated summa cum laude from Harvard College in 1966 and received a diploma in Economics and Political Science, with distinction, from Oxford University in 1967. He graduated cum laude from Harvard Law School in 1970. He and his wife, Susan Roosevelt Weld, have five children and live in Cambridge, Massachusetts. Susan Weld, who holds a law degree and doctorate in Chinese from Harvard University, teaches Chinese and Japanese law at Boston College Law School and is a research fellow at East Asian Legal Studies, Harvard Law School.

**PRESIDENT AND FIRST LADY ANNOUNCE RECORD
CHILD IMMUNIZATION LEVELS
JULY 23, 1997**

Today, the President and the First Lady announced that childhood immunization rates have reached an historic high. According to new data from the Centers for Disease Control and Prevention (CDC), 90 percent or more of America's toddlers in 1996 received the most critical doses of each of the routinely recommended vaccines -- surpassing the goal set by the President when he launched his Childhood Immunization Initiative (CII) in 1993. The President also proposed new child care regulations to ensure that toddlers in federally funded child care are properly immunized, and directed Secretary Shalala to convene a group of state and local officials and private organizations to work together on immunization registries to help parents and doctors track children's immunizations.

Achieving the President's Goals and Reaching Record Child Immunization Levels. The President set an ambitious goal of ensuring that at least 90 percent of all toddlers received the most critical doses of each of the routinely recommended vaccines. CDC's National Immunization Survey, which surveys parents of preschoolers nationwide, reports that the nation has met these goals, and national infant immunization rates are at an all-time high. CDC reports that:

- *Over 90 percent of two-year olds received the most critical recommended doses of vaccines for diphtheria, tetanus, pertussis, measles, polio and *Haemophilus influenzae* type B, the bacteria causing a form of meningitis.*
- *The increases since 1992 have been substantial. For diphtheria and tetanus, immunization rates for toddlers increased from 83% in 1992 to 95% in 1996; polio rates increased from 72% to 91%; measles rates increased from 83% to 91%; and *Hemophilus influenzae* type B rates increased from 28% to 92%.*
- *Most children now receive the Hepatitis B Vaccine, which was not even recommended for infants until 1991. Eighty-two percent of two-year-olds received Hepatitis B vaccine, surpassing the 1996 goal of 70 percent.*

Childhood Immunization Initiative (CII) Has Helped Rates Reach Unprecedented Highs. In response to disturbing gaps in immunization rates for young children in America, President Clinton launched the CII shortly after taking office in 1993. The CII addresses five areas: (1) improving the quality and quantity of vaccine delivery service; (2) reducing vaccine costs for families; (3) increasing community participation, education and partnerships; (4) improving systems for monitoring diseases and vaccination; and (5) improving vaccines. This national initiative coordinates efforts at all levels of government, in the private business community, and among volunteer organizations to protect children from disease through sustained, routine immunization.

Other Clinton Administration Efforts to Increase Childhood Immunization Rates: Funding for childhood immunization has nearly doubled since 1993. In addition, the Clinton Administration has taken other steps to increase immunization, including: (1) granting welfare reform waivers to 17 states to allow them to require parents to immunize their children appropriately as a condition of receiving assistance; (2) permitting states, as part of the welfare reform bill, to develop individual responsibility plans for welfare recipients to urge them to immunize their children; (3) forming partnerships between state and local immunization programs and WIC to encourage parents receiving WIC nutrition benefits to immunize their children; (4) awarding CDC funds to four state education agencies to deliver immunization services to preschool-aged children in elementary school-based health centers; (5) creating a joint HUD, HHS and AmeriCorps pilot program in four cities -- Chicago, Kansas City, Philadelphia and Little Rock -- to boost immunization rates among children living in public housing; and (6) providing AmeriCorps volunteers to do immunization outreach.

Taking the Next Step to Increase Child Immunization Rates: Meeting More Ambitious Goals by 2000. Immunization levels are at an historic high; more than 78 percent of two-year olds in the United States received their *full* series of shots as recommended, up from 55 percent in 1992. However, almost 1 million children under age 2 still miss one or more recommended shots. Therefore, the Clinton Administration is marking the milestone of 1996's unprecedented child immunization rates with firm resolve to continue efforts to raise these rates even further. By the year 2000, the President intends that at least 90 percent of two-year olds receive the *full* series of vaccines, as he called for when he took office.

New Initiatives to Help Reach Our Next Goal. Today, the President announced new actions to expand on the Administration's comprehensive strategy to ensure that even more children receive the necessary vaccinations.

Ensuring that Children in Child Care Settings Are Properly Immunized: Today, President Clinton proposed new child care regulations which will help children in child care receive the immunizations they need on time. The new rule requires that all children in federally subsidized child care be immunized according to state public health agency standards. This regulation will particularly affect those children in child care arrangements that are legal but exempt from state licensing requirements.

Establishing Coordinated State and Community-Based Immunization Registries: Immunization registries are crucial in helping parents and doctors maintain up-to-date records and ensure that proper vaccines are given on schedule. Today, the President directed the Secretary of Health and Human Services to convene a meeting -- with federal, state and local government officials, health care providers and organizations, vaccine manufacturers, information system specialists, and civic leaders -- to work on ways to transfer information among state and community-based registries so that there is an integrated tracking system for children's immunizations across the country.

PRESIDENT CLINTON CONTINUES TO FIGHT TO EXPAND HEALTH CARE COVERAGE FOR OUR NATION'S CHILDREN

Today, President Clinton also emphasized his commitment to assuring that the balanced budget legislation's children's health plan have meaningful benefits and that it include the Senate-passed 20 cent cigarette tax which increases the investment for children's health care from \$16 billion to \$24 billion. This would represent the largest investment in children's health since Medicaid passed over thirty years ago. In making this announcement, the President outlined the principles he will use in evaluating children's health coverage emerging from the Budget Agreement:

- **That coverage is meaningful:** from checkups to surgery --children should get a full range of benefits to ensure that children receive the care they need to grow up strong and healthy. It cannot be a meaningful benefit if it does not include prescription drugs, vision, hearing, and mental health coverage. It must also ensure that families are not forced to shoulder excessive costs for their children.
- **That it supplements not supplants coverage:** these funds must be used wisely. This investment should cover children who do not currently have insurance; it should not replace public or private money that already covers children.
- **That it includes revenue from the Senate-passed cigarette tax:** in an overwhelming bipartisan basis, the Senate passed a 20 cent cigarette tax and allocated revenue from this tax for children's health. Including these additional revenues in the children's health initiative will not only further reduce the number of uninsured children, but it will serve as a financial barrier to help prevent our children from starting smoking in the first place.

Today's announcement builds on the President's previous successes in strengthening health care coverage for children.

- **Children and Immunization.** As the President announced today, 90 percent or more of America's toddlers in 1996 received the most critical doses of each of the routinely recommended vaccines --surpassing the goal set by the President in 1993.
- **Children and Tobacco.** The President issued guidelines to eliminate easy access to tobacco products and to prohibit companies from advertising tobacco to kids. Each day about three thousand children become regular smokers and 1,000 of them will die from a tobacco-related illness. According to former FDA Commissioner David Kessler, the possibility of a comprehensive, public health oriented settlement with the tobacco industry could not have come about without the President's leadership in this area.

- **Children and the Kassebaum-Kennedy Law.** By signing this bill into law last year, the President helped millions of American children keep their health care coverage when their parents lose or change jobs.
- **Children and the Environment.** Earlier this year, the President signed an Executive Order to reduce environmental health and safety risks to children by requiring agencies to strengthen policies and improve research to protect children and ensure that new regulations consider special risks to children.
- **Children and Medicaid.** Throughout his Administration, the President has fought to preserve and strengthen the Medicaid program; its coverage of about 20 million children, makes it the largest single insurer of children. The Administration has partnered with states through Medicaid waivers to expand coverage to hundreds of thousands of children.

Q&As FOR IMMUNIZATION EVENT

Q: Why is it so important that we reached our 1996 goals for immunization?

A: Legislation to launch a new Childhood Immunization Initiative to vaccinate America's infants and toddlers was introduced in the first 120 days of President Clinton's Administration. That initiative set a new and ambitious goal of immunizing 90% of our two year olds with the most important doses by 1996, at a time when rates were much lower. Meeting this goal is a great public health victory because vaccinations are the best and most cost-effective public health tool this nation has to protect its children from many dreaded diseases.

(Background: While rates were almost as high in 1995, we did not meet the 1996 goals because the polio rate was only 88%.)

Q: Why is childhood immunization important?

A: Vaccinations are the best and most cost-effective public health tool this nation has to protect its children from many dreaded diseases. During the 1989-1991 measles epidemic, for example, 55,000 cases of measles were reported with 11,000 hospitalizations and more than 130 deaths, most of them among young children. The diseases are preventable with safe and effective vaccines. By making sure that each of our children receives all of the necessary vaccines helps protect our communities from disease outbreaks.

And children vaccinated on time also save health care dollars. Recent research indicates that for every dollar spent on diphtheria, tetanus, pertussis vaccine, for example, the United States will save \$29 in direct and indirect costs associated with illness from these diseases.

Q: Why are nearly 1 million children under age 2 not fully vaccinated against diseases?

A: While the President's announcement today indicates that we have made enormous strides in ensuring that children get the necessary vaccines, today, nearly 1 million children under age 2 are still not fully vaccinated against diseases. Some of the reasons are:

Parents are still unaware of the need to immunize by age 2. While the Administration's childhood immunization initiative has taken important steps to educate parents and doctors on the importance of receiving proper immunizations, some parents still do not know that their children need to be immunized.

In addition, vaccine schedules can be confusing -- and there is no standardized system for monitoring vaccinations or notifying parents when vaccinations are due. That is why the President is proposing today to take steps to establish integrated state and community-based immunization registries.

And vaccines are expensive. The cost of the full series has increased more than ten-fold from \$27 in 1983 to \$318 in 1996, according to CDC.

Q: Hasn't the Vaccines for Children (VFC) Program had problems?

A: Despite some early implementation issues, today, the VFC program is going strong, with all 50 states participating in the program. Enrollment of private providers into the VFC program has almost doubled since the beginning of the program in October 1994. Over 31,000 private provider sites (which may include multiple providers per site) and approximately 10,000 public clinics are enrolled in the program.

In addition, the VFC program provides a stable source of funding for vaccine purchases, and allows children to receive free vaccines in private doctors' offices as well as in public clinics. For parents, particularly those without health insurance, VFC helps eliminate or reduce the cost of vaccines, which increased from \$27 in 1983 to \$318 in 1996, according to CDC.

And remember, the VFC is only one part of our 5-part Childhood Immunization Initiative.

Q: But exactly what goals weren't met? How many cases?

A: In 1996, there were 4 cases of diphtheria, 196 cases of rubella, 165 cases of Halmophilus influenza Type B, and 443 cases of measles. The goal for all four diseases was zero.

We met our goals for polio (zero cases), tetanus (zero cases) and mumps (725 cases). The goal for mumps was 1600 cases.

Q: I'm confused. You have announced that you've reached 90% coverage for the most critical vaccines. How is the year 2000 immunization goal different?

A: The child immunization goal for the year 2000 is much more ambitious-- it's to get 90% of America's toddlers fully immunized against disease, meaning they have received the full range of necessary vaccines. That rate is now 78% (which is, however, still an historic high).

Take the diphtheria/tetanus vaccine for example. We met our goal of getting two year olds the three most critical doses, but while that rate is now 95%, only 59% of two year olds have received the required fourth vaccination.

Today, the President and the First Lady are announcing new initiatives, such as a child care regulation and an improved immunization registry, that will help us achieve these goals.

Q: How will the child care regulations announced today really help? Don't most states already have state laws like this?

A: These regulations assure that more children will be immunized on time, particularly reach those children in child care arrangements that are legal but exempt from state licensing requirements. There is particular concern that such unlicensed day care may facilitate spread of such diseases since vaccine-preventable diseases are spread person to person. These regulations help address that concern.

Q: Why are registries important?

A: More than one million children in the United States have not been fully vaccinated. Until fully vaccinated, these children remain vulnerable to one or more of ten deadly childhood diseases that can be prevented by vaccination. Statewide immunization information systems will give providers, at the touch of a button, a child's vaccination status. With this knowledge, providers will be able to use every health care visit by a child as an opportunity to screen and vaccinate the child if needed. And reminder calls or mailouts helps parents keep track of immunizations to make sure children are getting to the doctor's office when the shots are due. These systems will make it easier for providers to know what immunizations the child needs right now, at all times.

Q: How are you going to keep these records confidential?

A: Confidentiality is a high priority and states are responding to this issue in many positive ways, including passing state privacy laws, or amending existing state laws. Well-designed software, that includes layers of access rights and password protection will also improve privacy protections. In addition, both software encryption and hardware encryption devices can be installed between each state's system.

State immunization registries have only one purpose - to get children vaccinated on time. CDC has no need to be able to access the immunization records of individual children. CDC is interested in aggregate data, what percentage of children in a population are vaccinated in order to help plan public health strategies for immunization. The providers who are giving infants and children shots and the parents of these children need to know what shots a child needs and when - not CDC.

Q: Some say that the cost of vaccines is not a barrier to childhood immunization. Is this true?

A: Cost is an important barrier to immunizations for some families. The cost of the complete vaccine series has increased ten-fold in the 14 years. Since parents must pay about \$318 in vaccine costs (up from \$27 in 1983), those without adequate insurance may not seek immunizations from their private doctors, but from public health clinics where vaccine is free or available at nominal cost. Having to make extra visits to public clinics can result in delays and missed opportunities for immunization. A 1992 American Academy of Pediatrics study revealed that 55 percent of pediatricians refer some or all of their patients to a public provider for immunizations.

That is why the Childhood Immunization Initiative has implemented an initiative where children can receive vaccines for free directly from their pediatricians. This initiative is intended to eliminate the possibility that children will not be immunized because they have to take an additional trip to a public health clinic.

While cost is one barrier to immunizing children, there are other important barriers, such as the complicated immunization schedule that is difficult for some families to follow and the fact that some parents still do not understand the importance of having children immunized.

Q: Is it true that the government hasn't met its disease elimination goals for 1996?

A: At the same time CDC set child immunization goals, the agency also set disease incidence goals. This effort involves reducing the actual incidence of vaccine preventable disease among adults and children of all ages. The results will be published in tomorrow's MMWR -- a CDC publication.

Three disease targets were met -- for polio, tetanus, and mumps. For the few diseases for which targets were not met, cases were at or near record lows. We still have work to do. However, we have made remarkable progress in improving our immunization record.

POTUS STATEMENT

For Release Wednesday, July 23, 1997

Today, the First Lady and I are pleased to announce that on October 23, 1997, we will host the *White House Conference on Child Care*. The conference, which will take place at the White House, will examine the strengths and weaknesses of child care in America and explore how our nation can better respond to the needs of working families for affordable, high quality child care.

Over the past decade, the number of American families with working parents has expanded dramatically. Making high quality child care more affordable and accessible is critical to the strength of our families and to healthy child development and learning. It is also good for the economy and central to a productive American workforce.

This nation can and should do better. Each of us -- from businesses to religious leaders to policy-makers and elected officials -- has a responsibility and an important stake in making sure that children of all ages have the best possible care available to them. From infancy through adolescence, in child care settings and after-school programs, children can learn and thrive with the right care, attention, and education.

I hope that this conference will be the beginning of a national dialogue about how best to care for all of America's children and will make a valuable contribution to our effort to improve child care in this country.

THE WHITE HOUSE

Office of the Vice President

FOR IMMEDIATE RELEASE

CONTACT: (202) 456-7035

Wednesday, July 23, 1997

**VICE PRESIDENT GORE ANNOUNCES JOINT INDUSTRY-GOVERNMENT
RESEARCH PLAN TO PRODUCE THE WORLD'S CLEANEST DIESELS**

WASHINGTON -- Vice President Al Gore announced today (7/23) a research plan, developed jointly by the Partnership for a New Generation of Vehicles (PNGV) government and industry technical teams. The plan, which was announced during the Sixth Automotive Technical Symposium for the PNGV hosted by the Vice President, is intended to produce the world's cleanest diesel engines.

The Partnership for a New Generation of Vehicles has as its primary goal the development of vehicles that are three times as fuel efficient as today's vehicles without sacrificing affordability, comfort, safety or emissions control. If these goals are achieved, it will mean significant progress towards addressing climate change. There has not yet been a final decision about the kinds of technologies that will be used in these vehicles. Options include various advanced internal combustion engines, fuel cells, gas turbines, or stirling engines.

The Vice President today confirmed that these fuel economy achievements will not be made at the expense of clean air. The research plan he announced is intended to clean up both the diesels currently on the road and any diesel engines that are used in the PNGV vehicles.

"This emissions research will be the primary focus of the government's diesel research funding," said Vice President Gore. "As with all research projects, this plan will evolve, and we urge all those with interest in the area to work with us to refine the project selection and solve this problem in the most cost effective way."

The Vice President also reiterated the Administration's commitment to continued government investment into long-term research for advanced automotive technologies. The focus on longer range, higher risk technologies will continue beyond 1997 when the first technology selections for the PNGV vehicles will be made. The Vice President made clear that he and President Clinton are committed to the development of super efficient vehicles that ensure both clean air and improved fuel efficiency.

##

REMARKS TO PNGV SYMPOSIUM

Room 450 OEOP

9:00 - 9:30 a.m. July 23, 1997

Meeting requested by Linda Lance
Briefing prepared by Linda Lance

EVENT

This is the sixth in a series of technical symposiums you have hosted on issues involved in the PNGV project. The subject of this one is four stroke direct injection engines -- the first session on advanced internal combustion engines. Attendees are engineers and scientists from auto companies, government, small and large business and universities, including faculty and students. The symposium went all day yesterday, and you are opening the second day with remarks.

YOUR ROLE AND CONTRIBUTION

Your remarks will be open press. The purpose is to address concerns that have been raised about PNGV's consideration of internal combustion engines, including diesels, as options for the first iteration of vehicles. The technical teams, including EPA, as well as the National Academy of Sciences, agree that these engines are properly under consideration because of their nearer term potential for improved fuel efficiency. Your statement will also make clear that:

1. We won't achieve fuel efficiency at the expense of clean air. Rather, you are announcing a diesel emissions research project that will provide clean diesels. This is important even if PNGV doesn't use diesels because those engines are in widespread use in military applications, heavy duty trucks and buses, and in passenger cars overseas.

2. We won't abandon our primary focus on longer-term, higher-risk technologies including fuel cells, hybrid engines, advanced energy storage, and advanced materials. Even if the technology "downselect" by the industry, due at the end of 1997 for the 2004 vehicle, involves internal combustion engines, we will not shift our resources away from longer-range technologies.

PROGRAM NOTES

You will proceed to Room 450 and be briefed in the hold area by Linda Lance. You will then join other speakers on the dias in Room 450.

NORTHERN IRELAND
July 21, 1997

Q: What will happen to the peace process if the UUP votes against the decommissioning proposal at the Belfast talks today?

British and Irish governments have expressed commitment to process, to negotiated settlement. Do not see negative vote as in any way end of process but how they take it forward is up to them, to Senator Mitchell and his colleagues and the parties involved.

Q: Do you think the Ulster Unionist Party will walk out of the talks?
(Note: The Unionist Party of the UK, a small unionist party, has already done so.)

Don't know but certainly hope the UUP will stay in the talks and work to reach a negotiated settlement to conflict.

Q: What is Senator Mitchell's role?

Senator Mitchell is chairing the talks in Belfast.

Q: What is your reaction to the IRA ceasefire declaration?

President has issued statement welcoming declaration. If implemented unequivocally and permanently, opens prospect of achieving just and lasting settlement.

Q: Did the U.S. play a role in getting the ceasefire restored? Has the President been in touch with any of the parties?

As you know, Administration has been in close touch with British and Irish governments and with the political parties, including Sinn Fein, in effort to get ceasefire restored and peace process moving again.

Credit belongs to British and Irish governments and to Northern Ireland's political leaders; hope our efforts were helpful to them.

If pressed: Not going to reveal who we talked to or when, but assure you that Administration fully engaged in peace process at this critical time, as we have been for several years.

Goal of peace process is democratically negotiated settlement. Will continue to work with governments and parties to support the negotiations chaired by Senator Mitchell.

Q: Are you concerned that IRA did not use the word "permanent" in the ceasefire declaration?

This is an unequivocal ceasefire, which we certainly understand to mean that it is to be permanent.

Q: Will you give Gerry Adams a visa?

We do not have an application but, as you know, Mr. Adams has previously been granted visa waivers on the basis of a ceasefire.

Q: Would he be allowed to raise funds here?

Ceasefire was just declared. Not going to comment on issues like this at this point.

Q: Did the President speak with the Irish Prime Minister last week?

A: POTUS called to talk to Prime Minister Ahern, establish personal contact on Northern Ireland peace process, as he had with Prime Minister Bruton.

POTUS and Ahern had exchanged letters since Ahern came to power June 26 but this is first call. They did meet in Dublin in 1995.

President keeps in touch with both Irish and British leaders to support their efforts to achieve a negotiated settlement in Northern Ireland. That was subject of this call.

Discussed Irish and British efforts to move talks into substantive negotiations; ideally with Sinn Fein participation on basis of unequivocal ceasefire.

Agreed this is critical period for peace process; President reiterated offer to do whatever he can to help.

Q: Any response to the press conference by members of Congress last week?

A: President deeply concerned about Northern Ireland -- remains actively engaged. Discussed it on numerous occasions Prime Minister Blair recently; kept in touch with former Irish Prime Minister Bruton, as he plans to do with new Prime Minister, Bertie Ahern.

If pressed:

Q: Who is the Administration dealing with in Northern Ireland?

A: Not going to go into detail on who or when, but certainly can say we are actively engaged with all key players.

Q: Is the British Government doing enough to move the process forward?

A: Believe British government seeking to move peace process forward; aide memoire of June 13 remains forthcoming offer for Sinn Fein participation in talks on basis of unequivocal ceasefire.

If asked:

Q: Any criticism of Mowlam's decision?

A: NIO Secretary Mo Mowlam has been determined and courageous in seeking to move peace process forward in Northern Ireland. Criticism of her on basis of one difficult decision is shortsighted.

If asked:

Q: Would the Administration support the use of UN peacekeepers in this situation?

A: Do not think that UN peacekeepers appropriate or useful in this context.

If asked :

Q: What about State Department Spokesman Nick Burns' comments regarding the British decision?

A: President did not say he agreed with British decision; we have said only that we understand it was difficult decision and we are not going to second guess British. Burns was speaking personally when he speculated that the decision may have been a good one in light of last year's violence.

Reaction to Events in Northern Ireland

- President following events in Northern Ireland with deep concern, saddened by spectacle of renewed confrontation and violence in Northern Ireland.
- We regret that local residents and marchers failed to reach agreement on contested parade.
- *If pressed on whether we support British decision:* Not going to second-guess decision, which Chief Constable explained was made on security grounds.

- *If asked about Adams call for nightly demonstrations:* Urge both communities to move beyond bitterness and confrontation, focus on avoiding future problems. Political dialogue and communal reconciliation are only way forward for Northern Ireland.
- Goal remains a just and lasting political solution; now more than ever, leaders need to work toward that goal.

Q: Is there hope for the peace process with tensions escalating during marching season?

A: Believe people of both communities want to avoid sectarian confrontation over controversial marches. Applaud determined efforts of British government and Northern Ireland leaders to find solution that will avoid exacerbating tension.

Peace process at critical juncture; confrontation over marches not in anyone's interest. Urge residents and marchers to approach issue with generous spirit, seek to avoid confrontation.

Hope men and women of goodwill from both communities will not allow destructive few to determine outcome.

Q: What do you think of statement Blair made in Parliament June 25 on Northern Ireland?

Welcome Prime Minister's statement and British aide memoire made public yesterday. British Government is making a courageous, straightforward effort to get an inclusive process going on the basis of an unequivocal IRA ceasefire.

We urge the IRA, as we consistently have, to declare and implement ceasefire, and to pursue goals by democratic, exclusively peaceful means.

The talks must go forward, ideally with Sinn Fein on the basis of unequivocal IRA ceasefire, without them if necessary.

Q: What do you think of the joint Anglo-Irish strategy on decommissioning that was unveiled June 25?

We welcome paper by two governments on how to handle thorny issue of decommissioning. Their proposal follows suggestion made in Mitchell Report for decommissioning in parallel with progress in talks.

We urge parties in talks to move forward into substantive negotiations on the basis of the reasonable approach outlined in joint paper.

BELFAST TALKS

- Belfast peace talks chaired by Senator Mitchell, which reconvened June 3, offer only way to achieve just and lasting settlement to conflict. Change can only come through dialogue and negotiation, not violence.
- If asked: Senator Mitchell has said he will stay on as talks chairman until either a result is achieved or he becomes convinced that no progress is possible.

CONTACT WITH SINN FEIN

- The President has many times called on the IRA to end the violence and declare an unequivocal cease-fire. Committed to remain actively engaged in search for just and lasting peace.
- The U.S. maintains contact with all parties to reinforce this message and to support the two governments' efforts to move the process forward.
- Also keep in direct, frequent touch with British and Irish officials.
- We do not go into detail on our diplomatic contacts in support of the peace process..
- [If pressed]: We will keep open channels of communication to Sinn Fein as long as we believe that is helpful to the peace process.

Most Recent POTUS O/A's - 7/21/97

What is your reaction to the IRA ceasefire?

- *It's good news. If it is implemented unequivocally and permanently, it opens the way toward achieving a just and lasting settlement.*

Did the U.S. play a role in getting the ceasefire restored? Have you been in touch with any of the parties?

- *As you know, we have been in close touch with British and Irish governments and with the political parties, including Sinn Fein, to try to get the ceasefire restored and the peace process moving again.*
- *The credit belongs to the British and Irish governments and to Northern Ireland's political leaders. I hope our efforts were helpful to them.*

- I am not going to reveal whom we talked to or when, but I can assure you that my Administration is fully engaged in the peace process at this critical time, as we have been for several years.
- The goal of the peace process is a democratically negotiated settlement. We will continue to work with the governments and the parties to support the negotiations chaired by Senator Mitchell.

BOEING-MCDONNELL DOUGLAS MERGER

July 23, 1997

(Note: Press reports that Boeing CEO Phil Condit and McDonnell Douglas CEO Harry Stonecipher will hold a news conference at 1 pm in the East Room of the Mayflower Hotel Washington to discuss their merger.)

- We are pleased that negotiators for Boeing and the European Commission appear to have reached an agreement on the proposed merger of Boeing and McDonnell Douglas. We believe Boeing has gone the extra mile in order to resolve this dispute, and we expect that the European Commission will approve the merger.
- Our independent Federal Trade Commission ruled unconditionally on July 1 that the merger would not reduce competition in the aircraft industry. We believe it is important that this merger go forward because it will promote consolidation and efficiency in the U.S. defense industry and preserve the jobs of 15,000 workers at Douglas Aircraft Co., which has suffered with the rise of Airbus Industrie.
- Although we did not get directly involved in the negotiations between Boeing and the EU, the President and his senior advisers have been working quietly, behind the scenes for weeks to ensure that the EU would not block the merger. The President made phone calls on his day off this week. The Secretary of State interrupted her vacation to call several of her European counterparts. Our antitrust chief led a delegation to Brussels two weeks ago. We have kept our involvement quiet, so as not to turn up the volume on this issue any further.
- We think this quiet diplomacy has paid off:
 - The EU backed off of its initial demand that Boeing divest Douglas Aircraft Co., after we insisted that would both harm the airlines that currently operate Douglas aircraft and jeopardize the jobs of the 14,000 Douglas workers in Long Beach.
 - The EU also backed off of its initial efforts to use the merger review process to reopen negotiations on the 1992 bilateral aircraft agreement, which limits European government subsidies for new Airbus aircraft, after we warned them not to link trade and competition policy.

On background:

- The Administration has worked quietly behind the scenes to make certain the EU understands 1) that the merger is consistent with the Pentagon's conscious strategy of defense consolidation, and 2) that EU insistence on a divestiture of Douglas Aircraft (the commercial side of McDonnell Douglas) was both anticompetitive and a threat to the jobs of 15,000 workers at Douglas. We made a full court press, but we did so quietly, so as not to further inflame the situation.

- On the exclusive agreements, from a public policy standpoint, we did not consider them problematic. The FTC said the agreements were potentially troubling, but not a reason to block the deal. We did not encourage Boeing to give them up. More generally, we did not second guess Boeing on this or any other aspect of the negotiations.
- We do have some concerns about the way the EU handled its merger review process. Statements from the European side gave the appearance that the process was influenced by political factors and trade policy considerations. Whereas the FTC judged the merger based on its impact on *consumers*, the European side appeared to consider the impact on *competitors* to Boeing.
- Separate from the merger, we do have concerns about the possibility of new government subsidies to Airbus, particularly in light of the EU's recent criticism of the 1992 U.S.-EU bilateral aircraft agreement, which limits such subsidies. We will continue to monitor that situation and vigorously implement the 1992 Agreement.

Most Recent POTUS Q/A 's - 7/22/97

Q Mr. President, on Boeing, besides talking to Italian Prime Minister Prodi, what other European leaders have you talked to? And having made some phone calls, what is your sense? Do you get a feeling that there is a chance that the European Commission will not block the Boeing-McDonnell merger?

THE PRESIDENT: I'd like to see a resolution of this. This merger -- the Federal Trade Commission which, as you know, is independent under our law, has ruled that this is clearly not a violation of our laws because there is only room for two big commercial manufacturers. And, indeed, the commercial side of the McDonnell-Douglas business has suffered with the rise of the European company, Airbus.

The European antitrust laws are slightly different Boeing has offered a good-faith resolution of this; they're trying to work through it. Our main concern is that only the antitrust considerations play a role in this decision and that we do everything we can to avoid a more political decision which would lead to an unfortunate trade conflict between the United States and Europe. And we're working hard to avoid that, and I've done quite a bit of work on it over the last three days and will continue to do so.

I think there is a way to work this out, and I'm hopeful that by Wednesday when the Commission meets that an agreement will have been reached.

CANADA SALMON
July 22, 1997

Q: What is the current status of the ferry blockade in Prince Rupert?

A: Blockade has ended and ferry has gone on its way to Ketchikan, Alaska.. *(Background: On Saturday, Canadian fishermen blockaded a U.S. passenger ferry in prince Rupert, British Columbia to protest Alaskan catches of sockeye salmon.. On Sunday, Alaska obtained an injunction against the blockade in Canadian court. However, Canadian officials have not enforced that injunction.)*

U.S. pleased blockade is over but it should not have happened. Harmed many people who have nothing to do with the salmon fishery.

Now we are working with Canadian government to get a process in place to resolve our dispute over Pacific salmon.

Q: Will the U.S. retaliate?

A: We are considering our options very carefully.

Q: Weren't the Canadian fishermen reacting to a perceived violation of the Pacific Salmon Treaty by Alaska?

A: Canada's position on this point reflects a fundamental disagreement over how to interpret the provisions of the Pacific Salmon Treaty. In our view, Alaska's actions are entirely consistent with the treaty.

Alaska has always caught Canadian-bound sockeye incidental to its catch of pink salmon in its traditional pink salmon fishery.

This year, stock abundance has been particularly high and as a result the catches are up.

The relevant point is that the ratio of sockeye salmon to pink so far this season is consistent with -- and in fact is even wider than -- average ratios over the past five years, with more pinks to sockeye being caught. The catch levels reflect the abundance of fish, not a change in fishing practices or a redirection of Alaska's fishery to target Canadian stocks.

Q: But hasn't Alaska caught more than three times the number of fish they caught in this fishery last year?

A: I'm not going to get into specific numbers with you, other than to reiterate that U.S. fishermen are fishing consistent with sound conservation principles. While Alaska may be

catching more fish than last year, they are doing so only because the stock abundance is correspondingly greater. If you want exact numbers, I would encourage you to contact the State of Alaska or the Pacific Salmon Commission.

Q: Didn't Canada deliver a protest note last Friday concerning the Alaska fishery?

A: Yes. Canada did deliver a protest note. We will be responding to the Canadian note shortly.

Q: Has the United States formally responded to the Canadian request for binding arbitration to settle the salmon dispute?

A: Not yet. We expect to do so shortly. As you know, we have rejected binding arbitration in the past. It poses a number of serious problems for us. We continue to believe that the best way to solve this issue is through the resumption of the stakeholders process.

Most Recent POTUS Q/A's - 7/21/97

What is your reaction to the Canadian blockade of one of our ferries? What are you doing about this dispute?

- *I'm sorry that this has gotten to this point. Our fishermen are fishing consistent with sound conservation principles and they haven't done anything wrong.*
- *Prime Minister Chretien and I discussed this in Denver. We agreed that our experts would continue working on this and that the best way to solve this issue is through negotiation.*
- *In the meantime, we have told the Canadians that they need to enforce their own court's injunction and release the Alaskan ferry. This blockade is harming innocent people who have nothing to do with this dispute.*

MIDDLE EAST PEACE PROCESS

July 21, 1997

Q: What is going on with the Peace Process? Why is PM Netanyahu sending an envoy to meet with Dennis?

A: Contacts between the two parties are continuing. Chairman Arafat sent Palestinian negotiator Saeb Erekat to Washington last week to meet with Dennis Ross and U/S Pickering. PM Netanyahu has announced that he is sending Cabinet Secretary Naveh to Washington.

These meetings are part of our ongoing efforts, which have been continuing for some time, to work with the parties to put the process back on track.

Q: What is the "package" that people are referring to? Is this the US initiative?

A: The goal of our current efforts is to find a way for the parties to return to the negotiating table. That effort is ongoing and there is still work to be done.

IF PRESSED

It is policy not to get into the details of our discussions with the parties.

Q: Is Dennis traveling to the region?

A: He has no plans to travel at this time.

Most Recent POTUS O/A's - 7/21/97

It looks like you've decided to step back from active engagement in the peace process. Correct?

- *Not at all. We work at this every day.*
- *And we won't stop pressing, because the alternative to a genuine peace process is genuine turmoil.*

Is it true that you have a new package of proposals to get the talks going?

You know that we don't discuss details of our discussions with the parties, and I am not going to start now. It is crucial that we maintain our ability to serve as an honest broker in this process.

DOLPHIN PROTECTION

July 22, 1997

Q: What is the problem on the Hill with the Tuna-Dolphin bill? Are we in trouble?

A: The administration strongly supports the Breaux-Stevens bill. We believe this legislation best protects dolphins and the marine environment. The President and Vice President are committed to implementing the Panama Declaration.

Legislation has been introduced in both the House and Senate to implement the dolphin protection program of the Inter-American Tropical Tuna Commission (IATTC) which is among the best international conservation regimes in the world.

The "Panama Declaration" -- an international declaration adopted in Panama on October 4, 1996 - strengthens this program further. This legislation is supported by the Administration, the U.S. fishing industry and major environmental groups, including Greenpeace, Center for Marine Conservation, Environmental Defense Fund, National Wildlife Federation, and World Wildlife Fund. The Countries which have signed on to this declaration are Belize, Columbia, Costa Rica, Ecuador, France, Honduras, Mexico, Panama, Spain, the United States, Vanuatu, and Venezuela.

This international program will ensure that dolphin mortalities in the tuna fishery never exceed 5,000. Not long ago these numbers were in the hundreds of thousands. The nations involved have made a commitment to work toward a goal of eliminating all dolphin mortalities.

With over 9.5 million dolphins in the region, this level is five one-hundredths of one percent of the population. This level of mortality is significantly lower than the mortality limits established in the Marine Mammal Protection Act for fisheries in U. S. waters. Because the tuna fishery is conducted almost entirely by foreign vessels on the high seas or in their own waters, it can be regulated only by international agreement.

This program also protects the ecosystem as a whole. It avoids alternative fishing methods, such as setting on logs, which produce a high bycatch of juvenile tunas, billfish, sharks, endangered sea turtles, and other species, all of which tend to congregate around ocean debris. New information on bycatches during the 1996 fishing season reinforces the negative consequences of these alternative fishing methods.

The program is the most strictly enforced international conservation regime in the world. An internationally trained observer works on every boat.

For this international program to take effect, the United States needs to lift the tuna embargoes and define dolphin-safe tuna as tuna caught without killing any dolphins.

To ensure consumer confidence in the label and avoid confusion in the marketplace, other labels would not be allowed. This would mean that only tuna caught without killing any dolphins could be labeled as dolphin safe.

Currently, the House has passed H.R. 408 by a vote of 262-166 on May 21st. In June, the Senate Commerce Committee passed S.39, and it is now for Senate floor action.

If the legislation does not pass, we are likely to lose this valuable international program.

TRIPS AND VISITORS

July 22, 1997

German President Herzog visits on July 24

- German President Herzog will be coming for visit, having lunch with POTUS July 24.
- Two will have chance for private discussion of importance of U.S. German relationship, then join Herzog's delegation for lunch. Delegation includes head of Germany's Jewish community Ignatz Bubis, Steffi Graf, Minister of Transportation Matthias Wissman, Dr. Christoph von Rohr, Executive Director of the New German Laender Industrial Investment council, as well as other government officials.
- President Herzog is head of state, not government but is figure of great moral authority in Germany. President looking forward to chance to talk with him.

Other Trips and Visitors

- President Aliyev of Azerbaijan meets with POTUS August 1.
- President's visits to Brazil, Argentina and Venezuela rescheduled to October 12-17.
- APEC Summit in Vancouver November 24-25.

Most Recent POTUS Q/A's - 7/22/97

Q: What do we know about the Vatican storing Ustashi (Croatian) gold?

Treasury document appears to be first reference to Vatican's role in safeguarding looted gold. State, other agencies working to determine if more information is available.

Committed to full historical review of Nazi gold issue. UK and U.S. have agreed to work together to hold an international conference of historians this fall in London.

Many of neutral countries have established commissions to study Nazi gold issue and many have expressed interest in attending such a conference.

U.S. urges Vatican, along with all European countries, to open historical records and share relevant findings.

mwrok

Q : Mr. President, are you concerned about the revelations overnight that the Vatican may have been involved in stashing Nazi-era gold? And have you been in touch with the Vatican government over this?

THE PRESIDENT: Well, let me say, I have talked to the --all I know is that there was apparently some suggestion that maybe there is a document here, somewhere in the government Archives which would shed some light on that question.

As you know, the United States has taken the lead on this. We've worked very hard. I well remember the first time I heard about it when Mr. Bronfman talked to the First Lady about it. And we've worked very hard on this. And the Treasury Department has assured me that they have historians combing the records, and we will reveal whatever information we have and let the facts take us where they lead us. But we'll keep working on this until we do everything we can to make it right

Q: What is Foreign Minister Axworthy doing here?

Foreign Minister Axworthy flew in to discuss salmon issue with Acting Secretary Talbott, Under Secretary Wirth.

U.S. will certainly express strong unhappiness over blockade of Alaskan ferry over weekend.

Purpose of visit is to discuss how to get process going that will facilitate restoration of stakeholder talks, lead to resolution of salmon issue.

Q: What is the current status of the ferry blockade in Prince Rupert?

A: Blockade has ended and ferry has gone on its way to Ketchikan, Alaska..
(Background: On Saturday, Canadian fishermen blockaded a U.S. passenger ferry in prince Rupert, British Columbia to protest Alaskan catches of sockeye salmon.. On Sunday, Alaska obtained an injunction against the blockade in Canadian court. However, Canadian officials have not enforced that injunction.)

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Most Recent POTUS Q/A's - 7/21/97

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ICELAND
July 23, 1997

(For use after POTUS meeting with Icelandic President)

Q: What is the readout from the President's meeting with the President of Iceland?

A: President Clinton met this morning with the President of Iceland, Olafur Grimsson.

This was the first meeting of the two.

The two Presidents discussed plans for a joint Icelandic-Canadian-U.S. commemoration in the year 2000 of the one-thousandth anniversary of the first crossing by Europeans to North America: Leif Erikson's voyage of discovery in the year 1000.

President Clinton also thanked President Grimsson for his efforts on behalf of global environmental issues and for his strong support of the Comprehensive Test Ban treaty.

Current

Yeltsin Rejection of Law on Religion

- Yeltsin rejected draft law on religion; said action motivated by concern that law violated Russian constitution, argued there could be no democratic society in Russia if minority interests “are not protected.”
- Right decision for religious freedom and democracy in Russia; Yeltsin stood up for principle against political expediency, as when he vetoed similar legislation in 1993.
- Makes clear Yeltsin’s concept of democracy for Russia embraces religious freedom.

(If asked -- what now happens to law?)

- Yeltsin has proposed amendments to law, which now goes back to Duma for reconsideration, possible reworking when Duma returns from recess in September.

(If asked -- Administration’s contacts with Yeltsin about the law)

- President raised our concern about religion law; Secretary Albright discussed it repeatedly with Primakov; Embassy Moscow in regular contact with Russian officials.

Additional Background

The law would have required all religious groups to register with the government. Registration is also required in some other countries. The difference is that the Russia law had a number of troubling provisions tied to the registration requirement. Specifically, the law provided for significant official discretion in denying certification, required many religious groups to wait up to 15 years to obtain recognition, and separated religious groups into different categories--each associated with different rights.

* Under the 15-year requirement, religions and sects introduced to Russia since the Soviet period (when there were intense restrictions on religious freedom) would not have been able to obtain full status and their activities would have been severely limited.

* For example, such religious groups would have been denied formal recognition as legal entities, making it impossible for them to own property, produce or distribute

religious literature, invite co-religionists from abroad, train religious workers, etc. Essentially, they would only have been permitted to engage in private worship.

* The law distinguished primarily between "religious groups" (those not meeting the 15 year requirement) and "religious organizations," with the latter enjoying full legal status.

* In addition, organizations operating in Russia for at least 50 years would have been eligible for "all Russia" status, which was associated with some additional rights (such as apparent veto power over the registration of local groups).

* The law also would have severely limited the activities of foreign missionaries. For example, it would only permit Russian citizens to form religious groups.

The perception that the law referred back to restrictive policies from the Soviet period contributed to the concern, felt in this country and elsewhere, about specific provisions. Some observers, including groups in Russia, feared that the law represented a real threat to Russia's democratic transition.

Several aspects of the draft law are contrary to Russia's constitutional protections of religious equality, separation of church and state, and freedom of association, as well as Russia's international commitments and accepted human rights norms. Yeltsin's decision to veto made reference to these constitutional and human rights concerns, so hopefully the Duma's redraft will make significant improvements on the current version.

POTUS-Yeltsin Energy Summit in 1998?

- Leaders of the Eight agreed in Denver to hold ministerial meeting on energy issues in Moscow in 1998, with results to be discussed at next Summit of the Eight (in Birmingham).
- Anticipate President and Yeltsin will meet in 1998, but no specifics yet on date or venue.

Visits

- Azeri President Aliyev to visit Washington July 30-August 1; will see President August 1.

Shevardnadze Visit

- Shevardnadze had good visit, excellent discussions with President and Vice President.
- In July 18 meeting with President, Shevardnadze discussed political and economic reform in Georgia and Georgia's role in Eurasian Transport Corridor. President made clear strong U.S. support for continued reform steps and for Transport Corridor.

- Shevardnadze and President discussed Abkhazia separatist conflict. President said U.S. will work actively to promote resolution, including at July 23-25 UN meeting.
- Shevardnadze and President discussed other developments in/near Caucasus, agreed on importance of regional cooperation in Caucasus, including with Russia and Turkey.
- (see July 18 Joint Statement)
- (If raised) Georgia's handling of adoption cases was raised with Shevardnadze. United States hopes for early, fair resolution.

General

NATO-Russia

- Founding Act signed by NATO leaders and Yeltsin in Paris May 27 milestone agreement -- lays basis for robust and growing partnership between NATO and Russia.
- See Russia as partner of NATO in shaping more secure, stable and undivided Europe. That is good for United States, Russia and Europe. Now will work with Russia to give real substance to Founding Act.
- First meeting of Permanent Joint Council held at ambassadorial level on July 18; agreed to ministerial level meetings in September and December.

Prospects for START II Ratification by Russian Duma

- Believe Yeltsin committed to START II ratification by Duma.
- 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.

RUSSIAN MIR SITUATION
July 23, 1997

Background

There has been no significant change in the status of the Mir since yesterday. The crew is preparing for the arrival of the replacement crew members.

Talking Points

- The Russians have announced that the internal spacewalk to reconnect the power cables from the damaged module will be conducted by the replacement crew, due to arrive August 7 or 8.

- The French astronaut will not be aboard the replacement flight in order to make additional room for repair equipment.

- The current schedule for crew replacement and repair is as follows:
 - o August 5 Replacement crew (2 Russians) launched to Mir
 - o August 7-8 Replacement crew arrives at Mir
 - o August 14 Current Russian crew returns to Earth. (Foale to remain aboard Mir.)
 - o August 20 Internal spacewalk to reconnect power cables from damaged module. (Foale to remain in Soyuz capsule.)
 - o Sept. 3 External spacewalk to inspect -- but not repair -- damaged module and solar arrays. (Foale to remain in Soyuz capsule.)
 - o Sept. 18 (pending NASA review) Launch of Shuttle with U.S. astronaut Wendy Lawrence to replace Michael Foale. Shuttle could carry parts needed for repair of Mir.

- The President is being kept fully informed of the situation by his Science Advisor, Dr. Jack Gibbons.

- Q: Will the United States keep sending astronauts to Mir? Is Wendy Lawrence still scheduled to replace Michael Foale?

- A: NASA's current plans are to send Lawrence to Mir, but a final decision will depend on restoration of the power from the damaged module and on the results of NASA's internal and external reviews of Mir safety.

- Q: Has the President approved Senator Glenn's request to fly on the Space Shuttle?

- A: **The President has a great deal of respect for Senator Glenn and we are aware of his interest in flying again in space. NASA is currently evaluating the Senator's**

proposal in light of the specific safety issues involved and the science requirements that could be met if he were to fly. This is not a process that will be run out of the White House; the decision will be based on NASA's recommendation.

Q. Isn't it time to seriously reconsider our overall space cooperation with Russia?

A. The Shuttle/Mir program is only one facet of our space cooperation with Russia. We also work with the Russians in space science, earth observations, aeronautics and life sciences. We remain committed to the International Space Station and to Russia's participation in it. President Yeltsin has given President Clinton his personal commitment to continue Russia's role in the program. This incident has not called altered our plans for future cooperation.

Most Recent POTUS Q/A's - 7/17/97

Q -- the Mir critical now and are you giving second thoughts to ever sending another American be on the Mir spacecraft?

THE PRESIDENT: Well, when I came to the office this morning I got a briefing about it, and as far as we know right now, they have gotten control of things and there seems to be no immediate crisis. But I have no -- I'm not sure that I have all of the information I need. We have the -- that's the basic report I have now, and it's too soon after the incident for me to draw a conclusion about the question you ask. I can't say that we would not continue cooperation on what little I've heard this morning; I just don't know enough

7/11/97

Q Well, John Glenn wants to go [into space again].

THE PRESIDENT: Yes, I think -- I think it would be a great thing and I do think the argument that he could be -- that he could be helpful in analyzing not only the effects of space travel on a normal person, but also what, if anything, could be learned about weightlessness and that sustained experience that might help us back home to deal with the increasing health challenges of our aging population. I think all that's really important.

RELIGIOUS FREEDOM REPORT

July 22, 1997

[Background: In compliance with a congressional request, the State Department released a report entitled "United States Policies in Support of Religious Freedom: Focus on Christians." It is available on the Internet at <http://www.state.gov>]

Q: Why did the State Department release a report on religious freedom?

- The report was prepared at the request of Congress.

Q: What do you hope to accomplish with this report?

- The Administration has been a leader in promoting religious freedom. We welcome this opportunity to bring attention to the problem of religious persecution and to share what we've been doing to advance religious liberty around the world.

Q: Why does it focus on the treatment of Christians?

- While the report fulfills a Congressional mandate to focus on the situation for Christians, it describes U.S. efforts to address religious persecution more broadly. It includes several examples of cases where the religious rights of other faiths have been violated.
- There should be no confusion: the United States vigorously condemns persecution against any believer and all faiths. We have defended the rights of Muslims, Jews, Buddhists, Baha'is and others to practice their faiths freely. Our efforts to combat religious intolerance have sought to protect the fundamental human right of people of all faiths to worship freely.

Q: What has the Administration done to address religious persecution?

- The report outlines the many ways in which the Administration has worked to support religious freedom, for example:
- Both the President and the Secretary of State have made religious freedom a priority of U.S. human right policy and an important focus of our diplomatic efforts;
- We created the first-ever Secretary's Advisory Committee on Religious Freedom Abroad, a group of distinguished American leaders of religious, academic, and advocacy communities that has been hard at work formulating recommendations to advance religious freedom and reconciliation;
- We highlight the issue of religious freedom in international for a such as the United Nations General Assembly and the UN Human Rights Commission;

Finally, once, the agencies and the PAC are in a position to comment more specifically on its conclusions and recommendations, any new findings will be carefully factored in to the ongoing research and medical care programs.

Q: Rep. Bernie Sanders of Vermont released a letter signed by 86 members of the House calling for the Presidential Advisory Committee on Gulf War Illnesses to reassess its conclusion that the illnesses reported by Gulf War veterans were likely caused by war-related stress in the face of "clear" evidence that exposure to a wide variety of chemicals in the Persian Gulf may be a significant factor in Persian Gulf illness. Has this Congressional request undermined the PAC's ability to provide credible oversight to the government's efforts relating to Gulf War illnesses?

A: We appreciate Rep. Sanders' and Congress' interest in getting to the bottom of the difficult question of Gulf War illnesses. As you know, the President had consistently pledged to leave no stone unturned in helping affected veterans.

The Presidential Advisory Commission's conclusion that stress was a likely cause of illnesses reported by Gulf War veterans was based on a thorough review of the scientific literature available at the time, and was accompanied by a call for a substantial new research program looking into a number of other risk factors in addition to stress, including low-level exposure to chemical warfare agents, multiple chemical sensitivities, and infectious diseases, among others. Such a program -- encompassing over 106 projects between DoD, VA and HHS -- is now underway, and the PAC deserves a great deal of credit for providing its impetus.

As the new research and more thorough investigative efforts by the various agencies produce results, the PAC will continue to play a critical role as an independent guarantor that the overall program meets rigorous standards of scientific and clinical effectiveness.

Q: What is your reaction to the study published in the New England Journal of Medicine showing no evidence that Persian Gulf veterans face increased risk of having children with birth defects?

A: We welcome publication of this first-rate study addressing an important concern of the men and women who served our nation in the Persian Gulf.

The study compared the birth records of children born at military hospitals to virtually all of the nearly 580,000 active duty military members who served in the Persian Gulf with those of a parallel group of 700,000 military personnel who were not deployed to the Gulf. The results should reassure all Persian Gulf veterans, whether or not they have experienced possible Gulf War-related illnesses, that their family planning can proceed without worry about second-generation health problems related to Persian Gulf service.

We also note that this study is just one element in a large and comprehensive research program being conducted by many researchers in coordination with DOD, HHS, and VA.

Additional research designed to address other important health concerns in a thorough and credible manner remains in progress, and we look forward to communicating future results to Persian Gulf veterans as soon as they become available.

Q. 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 my decision in JAN 97 to extend the PAC 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 my 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.

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

A. The PAC has a critical role to play -- we are relying on their expertise and independent assessments to enhance program quality across the full spectrum of government programs.

Discussion of PAC extension would be premature at this juncture given the many initiatives still underway and length of time remaining in the initial extension (31 OCT 97).

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

A. Overall, to date -- (1) DOD & VA toll-free help lines; (2) 80,000+ free medical exams; (3) care for all Gulf War veterans who are sick (whether or not a diagnosis has been possible); (4) 26,000+ compensation claims approved; (5) special legislation paying disability for Gulf veterans with undiagnosed illnesses, with an extension of the presumptive period for undiagnosed illness compensation forthcoming soon; (6) thousands of pages declassified; and (7) 90+ federally-sponsored research projects completed or underway.

Q. What is the status of the DOD/CIA effort to investigate what happened during the demolition at Khamisiyah?

A: Thursday DOD/CIA briefed the press on the models selected for the plume analysis and the uncertainties involved in modeling in general. These models, in combination with the Dugway field test results, will allow us to more accurately estimate the size and intensity of the plume. The plume size coupled with unit locations will tell us how many troops were potentially exposed to chemical agent as a result of the Khamisiyah pit demolition. DOD/CIA will be able to better characterize the nature, magnitude, and geographical

extent of troop exposures on July 24th. This will be useful in looking at whether any correlation between chemical exposure and illness can be discerned.

It is important to note, that medical and health care is available to the veterans regardless of the exposure or location. The VA will also be present at the July 24th brief to discuss current research into low-level chemical agent exposure. All of this effort is linked to the recommendations of the PAC in their December 1996 Final Report

- Our diplomatic posts around the world are giving greater attention to this issue, and have been instructed to work closely with local religious leaders to gather information on religious freedom and to promote religious tolerance;
- And we speak out publicly when there is a problem, including raising our concerns directly with foreign governments and consistently reporting on religious freedom in our annual human rights reports.

Q: How do you respond to the allegation that the report's release was delayed until after the MFN vote on China?

- It is simply not true that the report's release was postponed by the Administration. Rather, we have worked hard to prepare a thorough and accurate report. For example, the State Department consulted with members of the Secretary's Advisory Committee, and their contributions strengthened the report in important ways.
- We are proud that we produced a report that overviews all of our efforts around the globe to address religious freedom, and that includes country-specific summaries of conditions in 77 different countries. *[Note: The press has reported that 78 countries are included.]*

Q: Have certain countries, such as China, been singled out for criticism in the report?

- The report covers 77 countries around the globe, including several in Western Europe. No individual country is singled out for special criticism.
- **The real story is what the U.S. is doing to address problems where they exist. As the report shows, we have been active in encouraging greater religious tolerance in a number of countries.**

[Only If Asked]

Q: Does the attention on this issue mean that the Administration would support the Wolf-Specter bill on religious persecution? *[Background: Representative Wolf and Senator Specter introduced legislation—the Freedom from Religious Persecution Act—mandating the creation of a White House office to monitor religious persecution and imposing automatic sanctions on countries found to engage in religious persecution.]*

- As demonstrated by the report, we are deeply committed to defending religious liberty, and we share the concern of the authors of the bill about the serious problem of religious persecution.
- **We are looking closely at specific provisions in the bill and we have concerns about some elements of the legislation.**

We look forward to working with Members of Congress, the Secretary's Advisory Committee, and the American public to explore ways to advance religious liberty abroad.

LIBERIA
July 23, 1997

Q: Is Charles Taylor the confirmed election winner? How will the USG deal with him?

A: As it has been widely reported, with the majority of the ballots counted, Charles Taylor has a substantial lead over the other Presidential candidates. However, the counting is not complete and results are neither official nor final. We will reserve comment about relations with a new Liberian government until a winner is confirmed.

Q: Do we have reports from the international observers?

A: Yes. Many of the organizations have released statements congratulating Liberians on an orderly electoral process. Copies are available in the State Department press office.

KENYA
July 21, 1997

Q: Has there been recent violence in Kenya?

A: We have no reports of violence in Kenya since the clashes between students and police in Nairobi last week. Police did not interfere with a memorial service Friday for victims of violence earlier in the month.

Q: What is the U.S. view of the Government's statement that it will enact reforms in this Parliamentary session (before elections) and President Moi's decision to "automatically" license rallies except under exceptional circumstances?

A: The statement by Vice President Saitoti that the ruling party, KANU, had agreed to amend 11 laws targeted for reform by the opposition is extremely encouraging. We also see recent steps toward dialogue between the Government and opposition as positive.

Most of the laws identified by the opposition for repeal or revision relate to government powers over such basic freedoms as speech and assembly. Concrete steps to amend these laws, especially if implemented by the Government in a democratic spirit, would constitute real progress towards a free and fair electoral climate. Real action on these issues would also do much to restore a climate of civil peace in Kenya.

We believe that a dialogue on reform needs to be made as inclusive as possible. The Government of Kenya needs to work with the broadest possible representation of pro-reform forces if the country is to find a lasting solution to political violence.

President Moi's announcement Wednesday that licenses for public rallies will be issued automatically, except under "exceptional circumstances," pending revision of the Public Order Act is also a positive step. More important, however, given that opposition groups have said they will not apply for licenses at all, is that the Government not respond with force to any peaceful public gathering, licensed or unlicensed.

Q: Is the U.S. concerned that the Kenya Government will make only cosmetic reforms in an effort to deflect pressure and divide the opposition (Washington Post, 7/21/97, p. A18).

A: We are encouraged by the government's stated determination to move forward as rapidly as possible on democratic reforms. Donor embassies in Nairobi, including ours, have set out explicit criteria for the democratic reforms necessary for free and fair elections. These will not be cosmetic changes.

To produce a real solution to political violence, however, the process of reform needs to be inclusive. The government needs to engage the most representative elements of the

political opposition and democratic reform movements in dialogue, even as it takes action on easily identified areas of reform.

BOSNIA
July 21, 1997

RS Power Struggle/Plavsic Expulsion from SDS

- We continue to monitor the political developments in Republika Srpska and the situation involving Republika Srpska President Plavsic and the Pale hardliners. The challenge to the authority of the elected president is clearly an attempt to avoid implementing Dayton.
- We are not surprised that the SDS and President Plavsic have parted ways. This does not in anyway change to powers or authorities of President Plavsic. We hope and expect this can help foster the start of a genuine democratic process in Republika Srpska and a viable opposition to the hard-line nationalist leadership of the SDS.
- We support the rights of the legitimate democratically elected authorities to exercise their appropriate powers. The OSCE and the High Representative, among other experts, have concluded that Mrs. Plavsic's actions are legitimate and authoritative. We fully accept that judgment. We note that thousands of Bosnian Serbs have taken to the streets of different cities in Republika Srpska in support of President Plavsic.
- The legitimate authorities and institutions of Republika Srpska must be respected and that Radovan Karadzic should be handed over for trial in the Hague.
- We are calling for a diffusion of tensions and demanding that President Plavsic have full access to media in Bosnia; for the Special Police to stand-down from the current crisis; and for all police to cooperate fully with the International Police Task Force in restructuring and reform. We have told the RS authorities to end their media campaign of propaganda and disinformation that is exacerbating tensions in the RS.
- The international community will not tolerate the use of force or violence as a course of action in the current situation.
- In response to the uncertainty, SFOR has increased its alertness and presence in the Banja Luka area in order to better maintain security and stability.

Force Protection/Risk of Bosnian Serb Reprisals

- Protection for our troops is always a priority. Our security posture is appropriate to the situation on the ground. We are constantly evaluating it and will adjust it if we need to. I am not going to discuss the specifics of our security precautions.
- Tensions remain in some areas of Republika Srpska. We have clearly communicated to the RS leadership our expectation that they must calm their people and get on with the business of implementing Dayton, including handing over war criminals.

- We are concerned about the a recent string of incidents of violence or harassment. There have been a number of explosions targeted at international organizations, including the OSCE, IPTF and SFOR. We are grateful no one has been seriously injured. There is no evidence that the central RS authorities are directing these attacks.
- All the parties must understand that they should not challenge SFOR. We will hold the Parties' leadership responsible for keeping their people under control.
- They should know we would deal very effectively, very swiftly with a forceful response. We'll do what we have to do to protect our troops.

Has the policy changed on SFOR ending its mission in June 1998?

- The President has repeatedly said that the SFOR mission will end in June 1998.
- The critical question is what we do between now and then. We have to focus our energy on assisting the parties with full implementation: common institutions, refugees, economics, war criminals and police training.
- What role, if any, NATO plays, in or out of Bosnia, after June 1998 has not been decided — let alone what role we would play.

If asked whether we absolutely ruling out United States troops in Bosnia after June 1998

- SFOR's mission should end on schedule in June 1998. US political and economic engagement will continue well beyond that.
- It is too soon to speculate as to what, if any, role there may be for NATO following the completion of SFOR's mission. Our focus is on intensifying civilian implementation across the board so that parties themselves can assume greater responsibility for their own future after SFOR's mission is completed.

Is SFOR is planning to detain Karadzic or Mladic or other indictees?

(Dole/Lieberman Press Conference)

- We continue to remain deeply concerned with the presence of war criminals in Bosnia, including Karadzic. We remain concerned about his potential influence -- in violation of agreements that he not be involved in political life -- and will not be satisfied until he is brought to justice in the Hague.
- The recent action by SFOR is an important step toward justice in Bosnia, a key ingredient to long-term peace. We will not be satisfied, however, until all indicted war criminals stand trial at the Hague.

- SFOR is authorized to detain war criminals encountered in the course of its regular duties and if the tactical situation permits. SFOR has no plans to hunt war criminals.
- The recent SFOR operation conformed to what is described above. These indicted war criminals had been encountered in the course of SFOR's regular duties. Of course, any indicted war criminals would be subject to detention in such circumstances.
- It is the Parties who bear the responsibility for turning over war criminals. We continue to press the Parties to live up to these obligations.

French Objected to Second War Criminals Operation? (NYT)

- The SFOR action was conducted under existing NATO authority that had been approved by all NATO allies. Having encountered these individuals in the course of their regular duties, SFOR concluded they should detain these individuals; NATO political authorities agreed with that view.
- That was the extent of this operation and it is concluded. Of course, any indicted war criminal is subject to detention under these procedures (if encountered in the course of regular duties and the tactical situation permits). All participating SFOR forces operate under these procedures.
- All allies are committed to seeing that indicted war criminals are brought to justice. We have enjoyed close cooperation with the French on all aspects of our shared efforts in Bosnia.

(if pressed, cannot comment on possible future operations)

Milosevic Named FRY President?

- The July 16 action by the Serbian Parliament to name Slobodan Milosevic as the new FRY President comes as no surprise and will not change our relationship with Belgrade. It remains that Serbian authorities must do more on a variety of issues before we can make progress with our relationship.
- These issues include facilitating Bosnian Serb compliance with Dayton, cooperating with the International War Crimes Tribunal, and recognizing the rights of the Kosovar minority in Albania.
- Until we see progress in these areas, there will be little if any improvement in the relationship and Serbia will remain isolated from a prosperous and free Europe.

Amendments for Date Certain Withdrawal from Bosnia

- President's senior advisors have recommended a veto if such a measure were to remain in the Authorization bill after the House-Senate Conference. Even though we have no plans to

extend the SFOR mandate past June 1998, requiring a withdrawal from Bosnia by a date certain interferes with the President's foreign policy prerogatives and is counterproductive.

- A withdrawal by a date certain – with no regard for the situation on the ground and progress to be made on civilian implementation – would call into question our commitment to implementation of the Dayton Accords, our reliability as a NATO ally, and our commitment to peace and stability in Europe. To our troops on the ground and those who have served in Bosnia, this legislation would question the purpose and value of their service and sacrifice.

As the President has emphasized, our focus should be on the hard work that needs to be done in the next year on civilian implementation. U.S. political and economic engagement in Bosnia will remain essential after SFOR's mission is done, and we can only succeed if the parties and the international community remain assured of U.S. leadership and commitment

Most Recent POTUS Q/A's - 7/21/97

What is your position on the standoff between Bosnian Serb President Plavsic and her party?

- *The challenge to the authority of the elected president is clearly an attempt to avoid implementing Dayton.*
- *I hope this split will help start a genuine democratic process among the Bosnian Serbs and a viable opposition to the hard-line nationalist leadership of the SDS party.*

Have you changed your position on the June 1998 deadline?

- *I have repeatedly said that the SFOR mission will end in June 1998.*
- *The critical question is what we do between now and then. We have to focus our energy on assisting the parties with full implementation: common institutions, refugees, economics, war criminals, and police training.*
- *What role, if any, NATO plays, in or out of Bosnia, after June 1998 has not been decided -- let alone what role we would play.*

Is it true that France is objecting to a second operation to nab high-level war criminals?

- *Obviously, I am not going to comment on possible future operations. But I do want to say that we have enjoyed extremely close cooperation with the French on all aspects of our shared efforts in Bosnia.*

Does the stabbing attack on the American soldier, along with other recent incidents, mean that our troops are in increased danger? What are you doing about that?

- *Protection for our troops is always a priority. Our security posture is appropriate to the situation on the ground. We are constantly evaluating it and will adjust it if we need to. I am not going to discuss the specifics of our security precautions.*

CAMBODIA
July 18, 1997

Q: How does the announcement that Cambodian Foreign Minister Ung Huot is the new FUNCINPEC candidate for First Prime Minister affect U.S. policy?

A: The announcement has little affect on U.S. relations with Cambodia. We consider Norodom Ranarridh to be still the official First Prime Minister until he has been replaced through the procedures set out in the Cambodian constitution -- i.e. that the First Prime Minister is chosen democratically by the party that won the most recent (1993) election -- FUNCINPEC -- through proper procedures and free of coercion and intimidation; and that he is approved by the King. We urge the Cambodian Government to respect these procedures. We have worked with Ung Huot (PRON: OONG WHOT) in his capacity as Foreign Minister and respect him.

Q: Other countries seem to believe this appointment will "legitimize" Hun Sen. Does the U.S. agree?

A: We remain deeply concerned at both the way a democratically-elected government was destroyed by military force, and outraged by a series of executions and arrests of FUNCINPEC supporters in the aftermath of the fighting. While we are gratified that the party that won the 1993 election will retain some positions, we urge that the appropriate democratic procedures be followed. As we have said, the imposition of a dictatorship in the disguise of a coalition is not an acceptable outcome, nor is it consistent with the Paris Accords.

Background: Yesterday, those members of FUNCINPEC who remain in Cambodia chose Foreign Minister Ung Huot as their candidate to replace Ranarridh as First Prime Minister in Cambodia. That may be confirmed at a FUNCINPEC party meeting later this month. There also are reports that Ranariddh is preparing to appoint a successor.

Q: What is the status of events in Cambodia?

A: The situation in Phnom Penh remains calm. Sporadic, low-level violence continues in the northwest. The majority of those Americans wishing to leave Cambodia have already done so. The U.S. Embassy will be down to its reduced staff level by July 20. The State Department task force on Cambodia has been disbanded.

[IF ASKED ONLY about US forces at Utapao] U.S. forces in Thailand brought in to assist in case of a need for emergency evacuation are being redeployed.

Q: Should Secretary Albright have met with Hun Sen and Ranarridh during her recent trip, in order to counsel against violence?

A: The Secretary made repeated efforts to arrange a meeting with the two co-Prime Ministers in conditions that were acceptably secure. We were well aware of the deteriorating security situation in Phnom Penh. In the end, Ranariddh and Hun Sen refused to meet with her, indicating that they both were more focused on their internal struggle than on accepting advice from the international community.

Q: Will U.S. continue to provide economic aid to the Hun Sen government?

A: We have suspended most of our aid programs for 30 days while we conduct an intensive review of all our programs. Some basic human needs programs are still being funded. We are consulting with other donors about their programs of assistance. At the end of the 30 days (August 9), depending on the circumstances at that time, we would anticipate resumption of those programs that provide humanitarian, people-to-people support. We do not intend to resume a full aid program until our five principles are met (end to fighting that overturned democracy; FUNCINPEC free to operate; free and fair elections in 1998; maintain Paris Accords; no Khmer Rouge in the government).

Q: What about reports of executions and illegal arrests of opposition members?

A: Although many of these reports are vague, we nonetheless are very concerned about this, and have made clear to senior Cambodian leaders that this is unacceptable. We are also concerned about reports of intimidation of Cambodians who have been working to build a civil society, labor organizers and journalists.

Q: Will you support Ranariddh in mounting an armed opposition the Cambodian government?

A: Officially, we still recognize Ranariddh as First Prime Minister, and treated him as such in meetings with senior State Department officials last week. We continue to urge both sides to reconcile differences peacefully, avoid violence, maintain the Paris Accords, and continue plans for democratic elections in 1998. We also remain opposed to any role for the Khmer Rouge in Cambodia's government.

Most Recent POTUS Q/A's

Are you stopping aid to Cambodia until there are new supervised elections?

- *We're suspending our aid programs while we conduct an intensive review. We're talking to other donors about their programs.*
- *Though it depends on circumstances when the review is finished, we expect to resume those programs that provide humanitarian, people-to-people support for basic human needs.*

Q: Does this package represent the status quo as some on the Hill have argued?

A: Not at all. If implemented, the Secretary General's proposals should ensure significant change at the UN. While we have yet to review all the details of the proposals, we support the emphasis on improving management, reducing overhead and total costs, and sharpening the focus of the UN on its core missions. We were heartened to see the positive editorials in the New York Times and Washington Post that acknowledged the importance of these reforms.

Q: What do you think about the proposal for a new revolving credit fund?

A: The UN has experienced significant cash flow problems and needs to find a mechanism to overcome them, but this proposal needs to be carefully examined.

Q: What do you think of proposals to raise the profile of UN efforts in the areas of disarmament and proliferation as well as counternarcotics and international crime?

A: We support the UN's move to make itself more relevant by addressing concerns that we consider of utmost importance.

Q: What is the Administration's reaction to Senate passage of the U.N. arrears bill?

A: There is much in the bill that the Administration supports. The agreement to pay more than \$800 million in U.S. arrears to the UN is a major step forward.

Appreciate good-faith efforts that Helms, Biden, and others made on this issue.

The bill contains provisions that cause us concern. As the legislative process moves ahead we will work with Congress on them.

Q: The United States' summit partners have been critical of the arrears package. Comment?

A: I believe that overall the package is an important step in the right direction.

We know that persuading other UN member states to embrace these reforms will be a challenge for U.S. diplomacy.

Are confident the UN members will agree that a reformed UN will be stronger, more effective, and more relevant, and they will support this initiative.

We believe UN needs to embrace extensive reforms if it is to remain relevant in meeting the challenges of the next century - many of which we are addressing here in Denver.

Most Recent POTUS Q/A's - 7/21/97

What is your reaction to Kofi Annan's new reform proposals for the UN?

- We are still reviewing the full set of proposals -- so I don't want to go into any specifics. I want to emphasize, though, that we fully support the overall process, and regard Secretary General Annan's initiatives as a valuable contribution to that process.

The U.S. has been criticized for being the bully on the block on this issue -- how do you respond to that?

- We are not alone in calling for reform -- I think it's fair to say that all of our UN partners know that reform needs to happen to ensure that we have the best, most efficient United Nations we can.

KOREA
July 22 1997

Q: Did the North Koreans use the Nunn-Laney visit to send a message to the U.S. or South Korean governments? How would you characterized their discussions?

A: Following their trip to North Korea, Sen Nunn and Ambassador Laney provided both the U.S. and South Korean governments a brief overview of their discussions and observations. As their press statement released in Seoul indicates, they had frank and useful discussions with both Ministry of Foreign Affairs and Korean Peoples Army officials about promoting peace and stability on the Korean peninsula. We note that Sen Nunn and Ambassador Laney emphasized the value of four party talks and the need for the North to undertake economic and agricultural reforms to solve its long-term difficulties. We look forward to a more complete report of their discussions after they return to the United States.

Q: What is your reaction to July 15 incident in the DMZ? Will it have an effect on the August 5 four party preparatory talks in New York?

A: North Korea bears full responsibility for the incident in the DMZ. The United Nations Command has filed a complaint with the North Koreans at Panmunjom. The incident underscores the importance of the four party process which will get underway August 5.

Q: Can you confirm that former Senator Nunn and former Ambassador Laney will visit North Korea?

A: Yes, Former Senator Sam Nunn and former American Ambassador to South Korea James Laney plan to pay a private visit to North Korea 20-22 July and South Korea 22-24 July to discuss Korean Peninsula issues.

The trip is private, and is occurring at the invitation of North Korea. U.S. officials have briefed Senator Nunn and Ambassador Laney on Korean peninsula issues. We of course look forward to hearing their impressions on their return.

Q: What is your reaction to recent statements by international groups that the famine in North Korea is worsening?

A: The food shortages in North Korea inflict a horrible cost on the North Korean people who already are suffering from impoverishment. The international community has responded generously to calls for emergency humanitarian assistance, and the United States has contributed some \$50 million to the UN World Food Program appeals.

We are participating in the current WFP food appeal through the contribution of 100,000 tons of food. But the long term answer is not short-term food aid; the North's prospects for agricultural production sufficient to feed itself will only improve through structural

economic and agricultural reform. That reform can be greatly assisted through the four party peace talks, which we hope to launch in August.

U.S./ROK/DPRK Talks

Q: The United States and North Korea met in New York July 2 for bilateral talks. What was the substance of the discussions and were there any results?

A: The United States and North Korea met as part of our on-going effort to address issues of concern to both sides, as called for in the Agreed Framework. The talks were not related to the 30 June trilateral meeting between the United States, South Korea and North Korea that discussed four-party peace talks issues. The two sides discussed a wide range of issues, from missile talks and MIA concerns to the food situation in North Korea. The talks were informational in nature and will continue at the working level in the future.

Q: What is the significance of the preparatory talks that were announced in New York?

A: The agreement by North Korea to participate in preparatory talks 5 August in New York is the first real step toward realizing President Clinton and President Kim's offer of peace talks that will lead to a permanent peace on the Korean peninsula. China will join the preparatory talks during which we will establish the venue, timing, procedures and agenda for the plenary session of the four party peace talks.

Q: How long will the preparatory talks last and when do you anticipate the start of the plenary session of the four party talks?

A: We do not have a specific time limit on the preparatory talks. We anticipate each of the four nations involved will come to the talks prepared to work toward the earliest date for the start of the plenary session.

If Asked:

Q: What is China's reaction to the announcement by the United States, South Korea and North Korea that four-party preparatory talks involving China will start August 5, in New York? Has China agreed to participate?

A: China previously endorsed the four-party process and recently has issued a statement welcoming the agreement reached June 30. In its statement China agrees to participate in the four-party talks and continue to cooperate and play a constructive role in the process of establishing a peace mechanism for the Korean peninsula. We welcome China's positive statement and look forward to the contribution it will make in the talks.

Q: Has the U.S. interviewed the North Korean defector Hwang? What is your assessment of his information?

A: The U.S. routinely is given access to North Korean defectors by the South Korean government. Trained U.S. intelligence professionals conduct interviews of the defectors. In the case of Hwang, we recently sent a team to Seoul to interview him. We are in the process of evaluating the information Hwang has provided. It would be inappropriate to comment on the substance of Hwang's comments before that evaluation is complete.

Most Recent POTUS Q/A's - 7/21/97

What's your reaction to the exchange of fire incident on the DMZ?

- First, though no US troops were directly involved, our forces in the DMZ are always in a very high state of readiness.
- But also, this was a clear threat to the security of the region and proves once again how dangerous the Korean Peninsula is, and how important the success of the Four-Party talks will be to arriving at a lasting peace there.

Why are you sending more aid to North Korea?

- We've announced that we will donate another 100,000 tons of food through the World Food Program, adding to the \$50 million we have already contributed.
- The food shortages inflict horrible suffering on the North Korean people.

HOTUNG MEETING

July 15, 1997

Q: Did NSA Berger meet in the fall of 1995 with a UK citizen and Hong Kong resident named Eric Hotung? Was it in exchange for a campaign contribution? Why was the meeting scheduled? What was discussed?

A: Eric Hotung is active in Hong Kong, having authored op-eds and other commentary on developments in Asia. He has had meetings with senior working level U.S. officials during previous visits to the U.S. They have found him to be an individual with some interesting ideas about political developments and prospects in the region.

Sandy Berger's calendar indicates that he had a five-minute meeting with Mr. Hotung on October 4, 1995. [If asked: The meeting was arranged at the request of the White House Political Office, according to Mr. Berger's calendar.]

Mr. Berger has no recollection of the meeting or what may have been discussed at the meeting.

There was nothing improper or inappropriate about such a meeting.

THOMPSON HEARINGS
July 21, 1997

Q: What about Senator Thompson's allegation that White House officials not only knew about possible PRC involvement in campaign funding from an FBI briefing of NSC officials, but knew or should have known from other sources or indicators as well?

A: The issue raised by Senator Thompson concerning the FBI briefing of two NSC officials about China's alleged attempt to fund U.S. political campaigns has already been thoroughly reviewed.

The contemporaneous notes of one of the NSC participants, a career FBI special agent, clearly reflect that the NSC officials were asked not to disseminate this material. The decision not to disseminate, however, was made without reference to the FBI request. Hindsight would have obviously yielded a different decision.

As to the Senator's remarks that the White House had independent access by other means to the FBI-briefed allegations of possible illegal activity, we can find nothing to substantiate his assertion.

Q: What about the Senator's assertion that the PRC has undertaken efforts to influence U.S. elections in violation of U.S. law?

A: As the President said before it would be a very serious matter for the United States if any country were to attempt to funnel funds to one of our political parties for any reason. The Vice President and the Secretary of State brought this issue to the specific attention of the government of China during their visits this spring.

The Department of Justice has an ongoing investigation on these issues; I understand they have drawn no conclusions.

Q: Did Huang meet with Sandy Kristoff in September '94 on APEC?

A: At the time, Sandy Kristoff was working for the NEC on APEC issues. In the fall of '94, in preparation for the Jakarta APEC Leaders Meeting, Ms. Kristoff's office handled the logistical arrangements for a number of inter-agency meetings to prepare for the President's trip to Jakarta. These meetings were sometimes chaired by Ms. Kristoff, sometimes by others, e.g. those responsible for scheduling. It is likely that Mr. Huang was cleared into the White House under Ms. Kristoff's name for one of these meetings.

Ms. Kristoff has no recollection of ever having met with Mr. Huang; he played no role in the policy issues that she worked on.

What about Senator Thompson's assertion that the PRC has undertaken efforts to influence U.S. elections in violation of U.S. law -- and Senator Lieberman's statement in support of that assertion with respect to Congressional elections?

- I am not going to comment on that. As you know, there is an ongoing investigation.
- As I've said before it would be a very serious matter for the United States if any country were to attempt to funnel funds to one of our political parties for any reason. The Vice President and the Secretary of State brought this issue to the specific attention of the government of China during their visits this spring.

KUWAIT
July 16, 1997

Q: What can you tell us about the Administration's involvement in the Kuwaiti artillery deal?

A: Yes, the Vice President wrote a letter recommending our equipment.

Yes, we are encouraging the Kuwaitis to buy from us, because we believe we have the best equipment to offer.

If asked about Washington Times story saying we are close to lifting our Latin America arms embargo:

- Our policy remains under review.
- No decisions have been made.

Latin American arms transfer policy

Q: Has the President decided to permit the sale of advanced fighter aircraft to Chile?

A: The President has decided to authorize the state department to issue marketing licenses in order to allow companies who wish to compete for Chile's prospective purchase of advanced fighter aircraft to participate in the process. A decision has not yet been made, however, on whether to permit such sales to Chile.

Q: Does this mean the policy on arms transfers to Latin America is still under review?

A: Yes. In light of the changes underway in Latin America, the administration has been taking a very careful look at its policy on advanced arms transfers to Latin America and whether it should move to a case-by-case review of requests to transfer advanced arms to Latin America. That policy remains under review. However, Chile's process for deciding which fighter aircraft to purchase has already begun. In order not to prejudice U.S. companies from competing for the sale while the policy review continues, the president decided to authorize companies to at least participate in the current technical stage of the bidding process.

Q: What were the president's reasons for this decision and how does it fit in the administration's overall policy toward Latin America?

A: For many years, the United States has exercised a policy of restraint related to arms transfers to Latin America, particularly of advanced weapons systems. This policy of restraint was imposed at a time when military governments dominated Latin America and when there was considerable tension between some Latin American states. The policy reflected U.S. desire to reduce conflict and avoid an arms race in the region.

Now democracy is taking hold in all but one country in the hemisphere, a remarkable achievement, and economic integration and political cooperation are making great advances. As a result, tensions have diminished and the risk of inter-state conflict among neighbors is lower than it has been in decades.

Our main goals in Latin America are to promote and strengthen these democracies, to support the economic and social development of the hemisphere's citizens, to encourage growth, expand trade and assure access for American exports, and to cooperate on counternarcotics and other fields. We are also committed to promoting restraint in arms purchases, confidence-building and transparency measures among countries in the region.

Q: When will the president make a decision on whether US companies can actually sell fighter aircraft to Chile?

A: The administration will continue reviewing the matter and will ultimately make a decision based on several factors, including the sale's impact on regional stability and restraint and consolidation of democracy.

SUPERCOMPUTERS

July 1, 1997

Q: The Administration has just published a list of entities in Russia, China, India, Pakistan, and Israel that require a license for U.S. exports because of potential involvement in nuclear weapons-related activities. Isn't this list too little, too late?

A: Of course not. We have a responsibility to ensure that U.S. technology does not assist foreign nuclear weapons programs. Even where proliferation has already taken place, limiting the flow of technology can limit further development. At the same time, we recognize that the growth and spread of high technology, such as computers, make absolute controls impossible. The list we published is designed to inform U.S. exporters of particular end-users of concern, thereby facilitating other legitimate commercial transactions with these countries.

Q: Why does the Administration oppose Congressional efforts to tighten computer export controls?

A: The President's 1995 decision to streamline computer export controls was based on an assessment of technological trends and national security concerns. In particular, we focused controls on high powered computers to end users of concern. Overall, this new system has worked well. It has facilitated U.S. computer exports for peaceful purposes, while blocking exports to proliferation programs.

Of course, no export control system is perfect. We are already responding to the small number of problems that have been detected. Legal investigations are underway. We have raised the issue with foreign governments at very senior levels. We are taking administrative measures to tighten controls, such as the recently published list of entities.

Additional controls as proposed by some in Congress would not be helpful in maintaining the balance in our current policy between national security interests and economic competitiveness.

U.S. High Performance Computers/China

Q: Is it true that the U.S. is investigating the transfer of a U.S. supercomputer to a Chinese military research and development facility?

A: Yes. This matter is being investigated by the Commerce Department, and we have already raised our concerns with the Chinese government. Obviously, I can't go into the details, but we are taking the appropriate steps to deal with this situation.

Q: What has the Administration determined about the reported shipments of 46 "supercomputers" to China?

The Administration revised export controls on computers in early 1996, consistent with our national security and nonproliferation concerns. Systems between 2,000 and 7,000 MTOPS (Millions of Theoretical Operations per Second) may be exported to civil end-users/uses in countries like China without prior permission.

We require companies to keep specific records of all such exports, which we are reviewing. If problems are identified with any of these shipments, we have the legal and administrative means to address them and I can assure you we will use that authority.

Q: Can you comment on the report that a Chinese government weapons development facility has acquired a U.S. supercomputer?

The matter is being investigated by the Department of Commerce. Because there is an active investigation, however, further comment at this time would be inappropriate.

Q: What are the export controls on computers destined for China?

In January 1996, the Administration implemented the following computer export policy to, among other countries, China:

Computers at any level require an export license when the exporter knows, or has reason to know, that the shipment is being made to a facility engaged in the design, development and production of weapons of mass destruction.

Computers up to 2000 MTOPS may be sold to all other end-users in China, including military end-users, without a license.

Computers up to 7000 MTOPS may be sold to strictly civilian end-users for civilian uses, without a license.

Computers above 7000 MTOPS, for all end-users/end-uses, require a license.

Q: Isn't it difficult for a company to know in every case whether an end-user is civilian, or military, or engaged in proliferation activities?

It can be. That is why U.S. exporters have been clearly instructed to contact the Commerce Department when they are uncertain about an end-user.

Q: Doesn't this shipment show that the Administration's computer decision has allowed a serious breach to our national security - namely that a U.S. supercomputer is now helping the Chinese government build weapons?

SWISS GUARD
July 22, 1997

Background: In late 1996 or early 1997, Christopher Meili, a guard at the Union Bank of Switzerland prevented the shredding of documents related to the Holocaust, in contravention of regulations related to the Swiss investigation into bank activities of that era. He was subsequently fired -- and filed suit against the bank president. Congress has now passed a private bill granting him permanent residence status(not citizenship).

Q: When will the President take action on the bill?

A: The President has until July 30 to sign. We received last Friday. Don't know when the President will sign.

--If asked: Know of no reason why President would veto this bill.

June 25, 1997

Q: Where are we more than a year after the Khobar bombing?

About a year ago a terrorist bomb exploded in front of Khobar Towers in Dhahran, Saudi Arabia, killing 19 Americans. We share the special grief this day brings to the families of the airmen who died a year ago.

Since then, we have made every possible effort to bring those responsible to justice, a process that is still ongoing. As we have pursued this investigation, we have received cooperation from the Saudi authorities. We have enhanced our military security by moving our facilities in Saudi Arabia, with substantial Saudi cooperation and funding.

We will continue to give this investigation top priority. We have reached no conclusion regarding responsibility for Khobar. Just as we have in other terrorist cases, we will take all the time necessary to complete a thorough investigation. Because this is an ongoing criminal investigation, I cannot comment on the details of our current activities.

Q: Many reports are pointing the finger at Iran. Is this where your investigation is leading? If Iran or those under Iranian influence prove responsible will we react militarily?

As this is an ongoing criminal matter, I cannot comment on our investigations. Nor will I comment on what action we may or may not take in a hypothetical situation.

(Taken from Ken Bacon's DoD Briefing on July 22, 1997)

Q: Has Secretary Cohen had a chance to read the report? And if so, is he going to announce his decision this week or next week?

A" **Probably next week, towards the end of the week, I would guess. And yes, he has read it and he continues to review it and to work on it. I would hope there will be a decision next week.**

Q: One year later, not one commanding officer has been court-martialed or even fired for their negligence in allowing 19 of those under their command to be killed. Where is the accountability?

These matters are still under review by the Secretary of Defense, who said just two weeks ago that he is in the process of going through the Downing report, the General Record report and the IG report. I refer any further questions to the Defense Department.

Q: Will U.S. forces in the region be on increased alert during the anniversary period?

USCENTCOM continues to monitor and enhance force protection measures to minimize potential risk to U.S. forces in the region.

Q: What is status of Sayegh?

Mr. Sayegh was deported from Canada to the U.S. He is in custody. I cannot comment any further.

Q: Was Sayegh working for Iran? What about reports that he was in Iran at the time of the bombing?

We will not comment on an ongoing investigation.

Q: Can you confirm that Sayegh is linked to Khobar? Did you make a deal for his extradition?

A: The Canadian government decided to deport Sayegh to the U.S. The deportation was based on the fact that the U.S. was the last country he had been in prior to entering Canada.

He has arrived in the U.S. and been taken into custody. I cannot comment further on this matter.

HAITI
July 15, 1997

Q: Does the U.S. support extension of the UN mission in Haiti?

A: In a November 1996 letter to the UN Secretary General, Haiti's President Preval formally requested a continued international presence in Haiti for up to one year. In May, he publicly stated that that full 12 month period would be required before the Haitian National Police would be able independently to ensure a secure and stable environment. Based on that request, our assessment of the security situation in Haiti, and our judgment of the pace of progress being made by the Haitian police, we support a continued UN mission in Haiti for an additional four-month period.

LANDMINES
July 17, 1997

Q: What happened at the July 16 meeting on landmines?

A: In January, when the President announced that the U.S. would pursue a ban on anti-personnel landmines through the Conference on Disarmament, he also decided that we would assess our progress after the second part of the CD session had ended on June 28.

We are now in the process of taking stock. At the July 16 meeting senior officials exchanged views on the state of play with respect to negotiating a ban on anti-personnel landmines and prospects for achieving our goal of a comprehensive, global ban on anti-personnel landmines.

No conclusions or decisions have been reached.

The Administration will continue to review the issue.

Leahy Legislation

Q: Senator Leahy has announced that he is introducing legislation further curbing U.S. use of anti-personnel landmines. What is the Administration's position on this new legislation?

A: The President has committed the United States to aggressively pursue an international agreement to ban use, stockpiling, production and transfer of APL, with a view to completing the negotiation as soon as possible.

We are pursuing that goal in the Conference on Disarmament (CD) in Geneva, working to establish a negotiating mandate as soon as possible.

The CD offers the most practical alternative for achieving a global ban. Its membership is broad and geographically representative. It has a proven track record. The CD includes most of the countries which are historically the world's landmines producers. It is precisely these countries which need to be part of a ban to ensure the ban will be effective.

The proposed legislation would prohibit funding for new U.S. deployment of anti-personnel landmines (APL) beginning January 1, 2000.

This would be inconsistent with U.S. APL policy, which seeks a global agreement to ban APL and reserves the option for the U.S. to use self-destructing/self-deactivating APL in military hostilities to safeguard American lives and hasten the end of fighting.

The United States views the security situation on the Korean Peninsula as a unique case and in the negotiation of a global APL ban will protect our right to use APL there until alternatives become available or the risk of aggression has been removed.

We note that the legislation does take into consideration a key element of U.S. APL policy in allowing for the possibility of an exception for U.S. deployment of APL on the Korean Peninsula, provided the President submits an annual report to Congress certifying that new deployments are "indispensable to the defense" of South Korea.

However, this recognition of our security requirement in Korea does not outweigh the disadvantages of the proposed legislation, especially in undermining our strategy of seeking negotiated global ban rather than a unilateral measure.

Q: How significant is the decision yesterday at the Conference on Disarmament?

On June 26 in Geneva the 61 nations of the Conference on Disarmament agreed to set up a special coordinator on anti-personnel landmines. Ambassador Campbell of Australia will serve in this role.

The special coordinator will act as a facilitator to develop a mandate for next steps in negotiations on anti-personnel landmines.

This agreement is an important step forward toward the establishment of negotiations on anti-personnel landmines in the CD.

We look forward to early progress in the next CD session beginning on July 28.

Q: What is your position on the Canadian-led "Ottawa Process"?

A: We welcome the Ottawa Process as providing important momentum toward the common goal of a ban on anti-personnel landmines.

During the visit here of Prime Minister Chretien, this issue was discussed. We and the Canadians agreed to meet to see if we could "narrow our differences."

Pursuant to this agreement, experts met in Ottawa in mid-June. These meetings were a good first step.

A U.S. delegation was present as observers at this week's "Ottawa Process" conference in Brussels. Negotiations on the Ottawa Process treaty text will begin in Oslo in September.

Between now and September we will continue our close consultations with the Canadians and others.

No decision has been made on whether we will participate in the Oslo meeting.

Q: Is there a policy review underway?

A: Now that the first six months of this year's CD session has concluded we are taking stock of our progress there. We are also taking stock of progress in the Ottawa Process.

We want to ensure we remain on the most effective path for achieving the goal the President set forth last year -- achieving a comprehensive ban on anti-personnel landmines that is worldwide.

Q: When will this "stock-taking" exercise be concluded?

A: This assessment will be conducted over the course of the summer.

Most Recent POTUS Q/A's - 7/21/97

There was a meeting yesterday at the White House -- what was the outcome?

- In January, when I first announced that we would pursue a ban through the Geneva Conference on Disarmament process, I also said we would take stock of our progress at the end of June -- when the second session in Geneva ended.
- We are now in the process of doing that -- so I have my senior officials looking at the state of play and at the prospects for our reaching our goal of a comprehensive, global ban.
- We've not yet come to any conclusions -- we are continuing to review the issue.

Why aren't you participating in the Ottawa process?

- I'm deeply committed to a comprehensive, global ban on landmines. And we've taken important steps in that direction.
- The CD in Geneva is the best forum because it includes the majority of landmine producing countries.
- We've seen positive signs of progress in Geneva. These first steps are just a start, but important.
- We're also consulting with the Canadians to ensure that the Ottawa Process is complementary.

Do you oppose Senator Leahy's legislation?

- We share the same goal. He's made a tremendous contribution.
- But we differ on approach. I think the best way to reach a global ban is through a negotiation in which key countries -- those that are part of the problem -- are contributing to its solution.

The Administration's international trade agenda is on track and moving forward at full speed. In APEC, the Free Trade Area of the Americas, and in the WTO, the United States and the Clinton Administration are setting the agenda to open markets, expand trade, and increase domestic prosperity. More than 25% of our economic growth in the past four years has been driven by export growth.

- In the last six months, the U.S. led the world to conclude trade agreements in information technology and telecommunications which covered more than \$1 trillion in global trade. We just led the developed countries of the world to conclude an historic anti-corruption agreement among the 29 developed nations in the OECD. We are moving forward in financial services talks at the WTO.
- The President was personally involved in securing the ITA agreement, working with APEC leaders last Fall to build support for this agreement. APEC has already embarked on "ITA II" to expand the reach of this agreement and will consider other sectoral trade agreements this year.

The President and the Administration are actively engaged with the Congress on the trade agenda.

- We are now working in Congress to preserve MFN trade status with China -- normal trade relations -- a critical measure to protect the economic health of Hong Kong because half of U.S.-China trade goes through Hong Kong.
- We have secured commitments from the congressional leadership to address "fast track" on an expedited basis this Fall and conclude this year. This effort will involve the President, the Vice President, and the resources of the White House.

We would like to see Congress approve "fast track" in the Fall to ensure that we can gain the best possible trade terms on a reciprocal basis for U.S. companies and workers. The trade agenda has not been held back by the absence of "fast track" negotiating authority. We are moving forward in the FTAA, within APEC, and in the WTO on a wide range of negotiations including financial services.

- Fast track is important because trade barriers in the fastest growing markets in the world are much higher than ours, and fast track will increase our leverage to bring those barriers down and open markets.
- We will work with the Congress this summer to build consensus on the scope of fast track and how to address labor and environmental issues.

GULF WAR ILLNESSES

July 18, 1997

Q: What is your reaction to the recent GAO report criticizing the government's Gulf War illnesses-related research efforts and specifically suggesting that health problems experienced by Gulf War veterans may have been caused by exposure to chemical or biological weapons?

A: Will not be satisfied until we have all the answers possible, all the facts available. If evaluation of the GAO report -- not yet released -- indicates that any shift in emphasis or additional research needed, these decisions will be taken.

We welcome the GAO's contribution to the other efforts currently underway to increase our understanding of Gulf War veterans' illnesses and provide them with the most effective care and treatment possible.

We plan on carefully reviewing the report and getting the reactions of the Presidential Advisory Committee and the agencies concerned. Any new findings and recommendations will be carefully considered for incorporation into the ongoing research and medical care programs.

I think it is important to note that the PAC has played a critical role in initiating and overseeing this process, and that many of the efforts currently underway were a direct response to PAC recommendations.

From the day I took office I have been committed doing the right thing to help our veterans. I view the GAO report in the same spirit: as another opportunity to shed light on the best possible program to help our veterans. My hope is that this new report will be helpful to further improve our ability to help the veterans who served their country in the Persian Gulf.

Q: Recent developments suggest that GAO, DOD and the PAC have significant differences of opinion on the causes of Gulf War illnesses. What does this mean to veterans?

A: First and foremost, I support all efforts -- by the agencies involved, by the PAC, and by Congress -- that may contribute to improving current programs for our Gulf War veterans.

In terms of any differences of opinion at this stage, remember that Gulf War illness causation issues are numerous and complex, and the research available to date is limited -- which is why the ongoing government research program encompasses more than 106 projects.