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Daily Press Guidance - August 4, 1997

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Daily Press Guidance

Monday
August 4, 1997

(For internal use only.)

Press Guidance
Monday, August 4, 1997

Domestic

1. D.C. Plan - DC Plan

Events

1. Climate Change - climate change
2. National Urban League - Events

Foreign

1. Latin America
2. NYC Terrorism Incident
3. Middle East
4. Iran/Khatemi Inauguration
5. China
6. Northern Ireland
7. Fast Track
8. Gulf War Illness
9. Canada Salmon
10. Trips and Visitors
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18. Landmines

Q and A for the President:

Legislative Changes for the District of Columbia

August 4, 1997

Q: Critics are asking that you not sign the budget bill, because it has management changes for the D.C. that would undermine "home rule." Will you sign the bill, and do you agree with the criticism?

A: As you know, the D.C. changes are contained in our historic balanced budget agreement that is going to balance the budget for the first time in a generation, strengthen our economy into the future, and help families all over America, including Washington, D.C. So, I do plan to sign the bill.

As for the changes regarding the District, I would suggest that we look at them in their entirety.

First of all, back in January, I proposed the most comprehensive plan that any President has ever proposed for the District of Columbia. It revolved around a series of changes to help address the District's financial condition, such as:

- taking over its pension obligations,
- increasing the Federal share that goes to its Medicaid program,
- paying for its court system,
- taking responsibility for all sentenced felons at Lorton by 2001, and
- providing targeted tax relief.

The bulk of these proposals were adopted by Congress in the budget and tax bills that they've sent to me, and I expect them to greatly help the District.

My plan did not address the question of management changes. Those changes were worked out by Members of Congress, and we were not involved in the meetings. As a result, I cannot really say anything about them.

As a general matter, we obviously support better management, and we think it complements our efforts on the financial side. And we would hope that these changes will, in fact, improve management in the District, as the sponsors say they will.

I think we need to keep an open mind of these changes and ensure that they're working as they are supposed to. If the time comes when it's clear they are not, then perhaps we might need to revisit them.

See the attached two-page fact sheet for:

1. Details of the President's proposal for D.C., and
2. What was enacted.

**CONGRESS AGREES TO CORE PARTS OF THE
PRESIDENT'S PLAN FOR THE DISTRICT OF COLUMBIA**

Fact Sheet

July 30, 1997

BACKGROUND

- Last January, the President proposed the boldest plan that any President had ever proposed for Washington, D.C.
- The plan had two goals:
 - To revitalize Washington D.C. as the Nation's capital, and
 - To improve prospects for "home rule" to succeed.
- The plan was designed to:
 - Relieve the District government of major financial and managerial responsibilities -- including certain pension plans and parts of the criminal justice system -- that are beyond its financial capacity, and resolve the city's cash shortfall that stems from its accumulated deficit;
 - Invest considerable resources to improve the city's criminal justice system and capital infrastructure;
 - Strengthen the District's economic base; and
 - Draw on the Federal Government's technical expertise to help make the city government effective in such areas as income tax collection, education and training, housing, transportation, and health care delivery.

CONGRESSIONAL ACTION

- Congressional leaders have included the heart of the President's plan in its budget bill.
- The plan, as agreed to by the leaders, includes the following major elements:

TAXES

-- It provides a 20 percent credit for the first \$15,000 of wages that employers pay to employees who live and work in D.C. areas with at least 20 percent of poverty.

-- It provides a \$5,000 tax credit for first-time homebuyers (with income limits at \$110,000-\$130,000 for joint filers, \$70,000-\$90,000 for singles).

-- It provides a zero percent capital gains rate on certain investments in D.C., for business that get at least 80 percent of their gross income in D.C. areas with poverty rate of at least 10 percent.

PENSIONS

-- The Federal Government assumes the District's pension liability.

-- The District must set up new plan for existing employees.

CRIMINAL JUSTICE

-- The Lorton Correctional Facility will be closed by December 31, 2001.

-- The Federal Government (Bureau of Prisons) will take responsibility for all sentenced felons residing at Lorton by October 1, 2001.

MEDICAID

-- The Federal share rises from 50 percent to 70 percent.

FEDERAL CONTRIBUTION

-- The legislation provides for a one-time Federal contribution of \$190 million in 1998, and no Federal payment thereafter.

BORROWING

-- The plan allow the District to borrow up to \$300 million from the Federal Government, with a maturity of up to 10 years.

**Pool Spray Q&A on Climate Change
(8/3/97)**

Q: What issues will you be discussing today?

A: We will discuss a number of issues relating both to the international negotiations and to domestic policies for reducing greenhouse gas emissions.

Q: Are you going to talk about energy taxes or other means of raising energy prices?

A: I expect that we will talk about market-based policies that can help us reduce emissions while continuing our robust economic growth. It has always been my belief that we can make environmental protection work for us economically if we do it right and we do it smart.

Q: Will you take energy taxes off the table now?

A: It has never been my practice to make pledges of this kind and I'm not going to start now. But I would remind you that I have just spent the last many months fighting for a tax *cut* and working with the Congress to get a tax cut passed. I expect that we will talk about market-based policies that can help us reduce emissions while continuing our robust economic growth.

Q: Taking serious action to reduce the emission of greenhouse gases inevitably means driving up the price of fossil fuels such as coal and oil. Don't you think that would hurt the economy? And -- remembering what happened to your proposed Btu tax in 1993 -- don't you think policies that would, in effect, impose a "carbon tax" would be dead on arrival in Congress?

A: We have not yet decided on specific targets or timetables or the policies to achieve such targets. As I have said, I am not going to endorse policies that will disrupt our economy. Whatever measures we ultimately decide upon will of course have to be supported by the American people and the Congress.

- Q: The European Community's proposal would cause huge disruption to our economy and send jobs overseas. You're not going to support anything that threatens our economy, are you?**
- A:** The watchwords of my entire Administration have been economic growth and job creation and I am not going to endorse climate change policies that will disrupt our economy. The policy we develop on climate change will include a commitment to realistic, binding limits on greenhouse gas emissions; will emphasize flexible, market-based solutions to the maximum extent possible; and will be fully consistent with maintaining our vigorous economic growth. It is our responsibility to take appropriate action now that will both preserve economic growth and protect our children and grandchildren.
- Q: The Byrd Amendment says we should not sign any treaty in Kyoto that doesn't require developing countries to take on binding obligations too. Don't you agree that it would be foolish for the industrial world to accept tough, binding obligations on greenhouse gases while letting countries like China off scott free?**
- A:** I share the sentiment underlying the Byrd resolution that all nations - - whether developed or developing - - need to be part of a common solution to global climate change. Our negotiators will continue working hard to bring back an agreement that the American people and the U.S. Congress will overwhelmingly support.
- Q: What is your policy on climate change?**
- A:** We have not yet endorsed any specific target or timetable. What I can say is that we are committed to realistic, binding limits on greenhouse gas emissions; that we will emphasize flexible, market-based solutions to the maximum extent possible; and that the actions we take will be fully consistent with maintaining our vigorous economic growth. It is our responsibility to take appropriate action now that will both preserve economic growth and protect our children and grandchildren.
- Q: I understand that there isn't even scientific agreement that global warming is happening. Shouldn't we wait for more research before we saddle ourselves with burdensome obligations that are going to hurt our economy and damage our competitive position?**
- A:** The science on this issue is compelling. While no science is ever *certain*, this science tells us that appropriate action is called for now. Unless we change our business-as-usual path, serious consequences are in store for us and our children. And strong evidence suggests human activity has *already* started to change the climate. So the message to political and business leaders in this country is to get together and work out a sensible plan for reducing our greenhouse gas emissions.

Additional Q&A on Climate Change
(8/3/97)

Q: I agree that climate change is a problem that needs to be addressed. My concern is that I think American business should have an opportunity to do this in a voluntary way that will not disrupt the economy, throw people out of work, or transfer factories and capital to China and India. Why can't we start on a voluntary basis?

A: I think voluntary action is important, I encourage it, and I think early credit should be given for it. At the same time, the non-binding treaty that was agreed to in Rio in 1992 has not reduced emissions enough, so it is clearly time to move to the next level, with binding commitments.

Q: While many scientists think that enough is known to act now, other scientist say that too much is still uncertain. Shouldn't more research be done before we undertake costly measures?

A: The overwhelming majority of scientists agree that we are changing the earth's climate and that if we don't act to curb emissions, carbon dioxide in the atmosphere will reach levels unseen on this planet for millions of years. The potential impacts scientists warned me about at the Roundtable discussion we had recently at the White House include increased droughts and floods and changing patterns of disease. Some think we are already seeing signs of these.

We must start to change the emissions paths we are on now for 3 reasons: (1) the longer we continue on "business as usual" before deciding to reduce emissions, the more severe and expensive later reductions will have to be; starting the process will spur new technologies that we will need to address this problem; and (3) slowing the rate of climate change will make it more likely human and ecological systems can adapt to that change;

Q: How can humans have such a big effect when natural sources account for 97% of the carbon emissions in a year? (*Chrysler CEO Eaton raised this question in a recent Wash. Post editorial.*)

A: Humans add about 7 billion tons of carbon to the atmosphere each year-- faster than oceans and trees can absorb them. This is why the concentrations of such gases are rising. The Earth's carbon budget is out of balance, and getting more so each year as we continue to add CO₂ to the atmosphere.

Q: Are you going to be having more meetings like this one as part of your effort on climate change?

A: We are engaged in an intensive policy process to develop the position we will take into the Kyoto negotiations, and as part of that process we are reaching out to interested, knowledgeable parties to get their views and their best ideas. We will continue doing that and the Vice President and I, members of the Cabinet and other senior Administration persons will participate in those meetings.

Q: How can any projections of impacts be accurate when climate models don't give an accurate picture of regional changes?

A: Although detailed predictions of what might happen in specific regions of the world are not yet possible, plausible estimates of possible changes are starting to emerge. Climate change is already contributing to more rainfall in intense downpours and warmer temperatures, and affecting water resources, agriculture, low-lying coastal regions, natural ecosystems, the potential range of disease-carrying insects, and many other sectors of the environment and society. We can extrapolate these effects into the future, even though we cannot yet accurately simulate future climates on a regional-scale.

Q: Isn't it true that most of the scientists who signed the "scientists letter" aren't climate specialists? What makes them qualified to speak out on this subject?

A: A wide variety of researchers signed the Scientists Statement on Global Climate Disruption (dated June 18, 1997). Many of them are climate researchers; all of them are individuals trained in the evaluation of evidence and theory, and their opinion should not be taken lightly. The highly inter-disciplinary nature of climate change means that "climate specialists" include people trained in biology, ecology, physics, sociology, chemistry, geology, economics, geography, oceanography, meteorology, medicine, political science, and other disciplines, as well as climatology.

Address The National Urban League Annual Conference

Date: Monday, August 4, 1997
Location: Washington D.C. Convention
Center
Washington, DC

Time: 2:30 - 3:30 pm
From: Maria Echaveste
Ben Johnson

I. PURPOSE

To galvanize support for your education, business and economic development initiatives with one of the leading social services and civil rights organizations in the nation.

II. BACKGROUND

On Monday, August 4, 1997 at 2:30 pm, more than 4,000 attendees from the corporate community, civic associations, and a variety of other constituencies will gather to hear you address the National Urban League's Annual Conference. This year's theme is "Economic Empowerment: The Next Civil Rights Frontier," at the Washington, D.C. Convention Center. The Conference provides an opportunity for you to elaborate on race, economic and education initiatives and plans for moving America into the 21st century. The Annual Conference will convene on Sunday, August 3, 1997 and end on Wednesday, August 6, 1997. The purpose of the conference is strategy development and the agenda developed by the attendees serves as a guideline for the local chapters of the organization.

The Urban League founded in 1910, is a nonprofit, non-partisan community based organization headquartered in New York City. The League assists African Americans and others in the achievement of social and economic equality through advocacy, bridge-building and program services.

It has affiliates in 114 cities, in 34 states and the District of Columbia. The annual convention held every four years in Washington, DC, has been attended by every president since Carter in either the first or the second term. You were in attendance at the 1993 conference and Hugh Price, the League President, has been very eager for you to attend this year's conference as well.

NUL President Hugh Price was one of the first civil rights leaders to endorse your race initiative. Price has encouraged other ethnic organization leaders to endorse your race initiative. In June, the National Urban League joined with other ethnic organizations to host a symposium on Race and Reconciliation. This collaboration led to the formulation of "National Voices For An Inclusive 21st Century." This National Coalition links the National Urban League, Anti - Defamation League, National Council of La Raza, National Conference, and Leadership Education for Asian Pacifics to work toward a more inclusive America through Racial Reconciliation.

An important focus of the National Urban League's Conference is support for academic achievement and economic development. Some of the conference discussion topics include: "The Government's Role in Advancing Economic Development in Urban Communities and the Economic Empowerment of the African American Community," and "The Impact of Government Policies on the Economic Future of Cities" (see attached program).

In line with your effort to make education the nation's top priority, the National Urban League brought together key educators and community activists for a strategy session to construct solutions for problems in the nation's public schools. In February, NUL hosted a forum entitled, "A No Excuses Era of School Reform," which addressed a number of issues including peer pressure, parental responsibility, and new rules for urban teachers. NUL also launched a new campaign for African American Achievement entitled, "Our Children = Our Destiny," including a nationwide public service ad campaign. The campaign is built on a model that employs data- based advocacy and mobilization as a vehicle for community change.

The Campaign seeks to create a strong infrastructure that enhances and supports the academic achievement and social development of our young people by merging public awareness of the problems with community engagement to develop solutions. NUL's plan of action includes a national day of celebration to recognize youth who have excelled in school and in their communities called, "Doing the Right

Thing," with the intention of encouraging African Americans to commit time and/or money to local youth development programs.

A number of Administration speakers will be addressing the conference: OMB Raines will speak on Monday; Secretary Cuomo will speak on Tuesday; and the Vice President, Secretary Herman, and Secretary Slater will speak on Wednesday.

III. PARTICIPANTS

Pre-Brief Participants:

Ben Johnson
Minyon Moore
Maria Echaveste
Jena Roscoe

Event Participants:

Urban League Leadership and 1700 Delegates

IV. PRESS PLAN

Open Press

V. SEQUENCE OF EVENTS

- Arrive at the Washington Convention center
- Greeters: Hugh Price, President and CEO, National Urban League
Jonathan Liner, Vice Chairman American Express and Chairman
of the Bard, National Urban League
- Off-stage announcement and accompanied by Hugh Price to "Ruffles
and Flourishes" and "Hail to the Chief."
- Introduction by Hugh Price
- Remarks
- Ropeline
- Depart stage
- Proceed to Room(tbd)
- Greet Executive Committee
- Receiving line with 14 people
- Depart Convention Center

VI. REMARKS

Speech Writers to provide

**PRESIDENT WILLIAM J. CLINTON
REMARKS BEFORE THE NATIONAL URBAN LEAGUE ANNUAL CONFERENCE
WASHINGTON, D.C.
AUGUST 4, 1997**

Acknowledgments: Hugh Price, President and CEO; Jonathan Linen, Chairman of the Board.

It is always a great honor to speak to the National Urban League. When I was governor of Arkansas, I had the privilege of working with your local chapters and saw firsthand how your work changed lives and minds for the better. I especially want to thank you for the support you are giving to my Initiative on Racial Reconciliation. It means a lot to me, but more importantly, it sends a strong signal to all Americans that we can no longer afford to ignore the racial divisions that continue to undermine our nation's greatness.

One of the Urban League's legendary leaders, Whitney Young, once said that "it was better to be prepared for an opportunity and not have one, than to have an opportunity and not be prepared." Today, I want to tell you that because of the strength of our economy and the balanced budget I will sign tomorrow, we now have both -- unprecedented opportunities and the means to seize them. Unemployment and inflation have reached historic lows. Our neighborhoods are freeing themselves from the fearful grip of crime and violence. Thousands of Americans are beginning to appreciate the value of work and self-sufficiency.

Our historic balanced budget is an empowerment budget. It will give every American who is willing to work hard and take responsibility the opportunity to make the most of their own lives. It honors our values by strengthening families, investing in the education and health of our children, and moving more people from welfare to work.

This is the strongest budget for our cities in over a generation. It keeps America firmly on the course of bringing new businesses, good jobs and hope back to our most distressed urban neighborhoods. It will make sure that the blighted downtowns of the late 20th century do not follow us into the 21st century -- that they once again buzz with the energy and optimism of Americans working hard, teaching children, raising healthy families and preparing for the future.

In our negotiations with the Congress, my administration fought hard for the right kinds of tax cuts and credits that will truly benefit working families and communities.

We fought for and won \$24 billion to bring health care to as many as 5 million uninsured children. This is the single largest increase in health care spending since we established Medicaid in 1965. Because of this law, five million more children will now be able to get the medical attention they need and deserve -- everything from regular checkups to

major surgery -- to grow into strong and healthy citizens.

We fought for and won a \$500 per child tax credit that will help bring financial peace-of-mind to every family -- especially those struggling to lift themselves out of poverty and raise their children on modest salaries. These parents are the indispensable backbone of our society -- our firefighters, police officers, nurses, teachers and technicians -- and they deserve all the help they can get to do right by their children.

We fought for and won the most significant new investment in education in three decades, and the largest increase in investment in higher education since the GI Bill a half century ago. Through Hope Scholarships, education IRAs, tuition tax deductions, and expanded Pell Grants, every American who is willing to study hard will be able to go to college and get the education they need to thrive in our new economy.

We know that strong schools will be a fundamental part of the rebirth of our inner cities. That's why I'm pleased that this budget incorporates Rep. Rangel's plan to help states finance much-needed repairs to schools in our empowerment zones. We can't expect our children to concentrate on the rules of multiplication and division when the classrooms they attend are literally falling down around them.

We fought to triple the number of empowerment zones across our country, luring business and jobs back to our abandoned downtowns with a combination of grants, low-interest loans and tax credits. We will expand tax credits to businesses who agree to clean up and redevelop our brownfields -- the environmentally contaminated, but otherwise attractive business sites in urban areas. And we're working to strengthen the community banks that are fueling the entrepreneurial energies of inner city residents and business owners.

We are expanding these efforts because we know they are already making a big difference in many communities. Detroit, once a symbol of urban decline and despair, is now a city at work. Automakers such as Chrysler and GM have reinvested in the downtown and new, often minority-owned businesses have moved into the once-boarded-up storefronts and hung up their "help wanted" signs.

We fought to make sure that the balanced budget continues to fund the 100,000 community police officers who are walking the beat and once again making our communities safe for our families. Crime in our country has dropped for five years in row in no small part because of their hard work.

Last summer, when I signed the welfare reform bill into law, I said that I would work to fix the shortcomings of the bill, eliminate aspects of the law that had nothing to do with the goals of welfare reform and find ways to encourage more employers to hire people off welfare. This budget makes good on these promises. It restores both SSI and Medicaid benefits to the legal immigrants who work and pay taxes in our country. It makes sure that the disabled children cut

off from SSI under the welfare reform law will now keep their Medicaid coverage. And it expands food stamp benefits for unemployed citizens who are trying as hard as they can to find jobs.

Each one of us has responsibility to see to it that the increasing numbers of welfare recipients who will be required to move into the work force have the skills, training, child care, transportation, and the jobs they need to become self-sufficient and support their children. I fought hard for the \$3 billion in welfare-to-work funds in the budget that will be used by our cities to help welfare recipients find and keep well-paying jobs. Our new budget will offer tax credits to employers who hire people off welfare. And we've made sure that welfare recipients moving to work are paid an honest wage -- nothing less than the federal minimum wage -- for the jobs that they do.

These are important steps. They bring us much closer to ending the culture of dependency and hopelessness that has trapped too many of our families and stymied the futures of too many of our children.

Children's health care, child and education tax credits, new businesses in our cities and welfare-to-work -- these efforts will empower all of our citizens to fulfill their God-given potentials.

But empowerment is only a concept until it's put into action. Let's remember what Whitney Young said to us about being prepared to take advantage of our opportunities. I urge each and every one of you to go to back to your communities to make sure that the opportunities in this budget come alive. Hire someone off welfare; help a lost child find his or her way; build partnerships with businesses to strengthen schools and create jobs; and above all reach out across lines of race, class and gender to seek common ground and build vital bridges of mutual respect and understanding that will lead us to One America in the 21st century.

Thank you and God bless you.

###

August 1, 1997

Q: Does this mean you've decided to sell fighter aircraft to Chile?

A: In principle, yes.

As you know, the Chilean Government is engaged in a process of soliciting bids for advanced fighter aircraft. While the policy review was ongoing, we informed Chile that we could provide technical data but that we had not made a decision whether we were prepared to approve the transfer of U.S.-origin advanced fighters to Chile.

We have now decided that, in principle, yes we would approve such a transfer, although the exact nature of what we will be prepared to offer Chile will need to be worked out by the State-chaired interagency committee as the consideration of this case goes forward.

Q: Some believe the sale of high-tech arms by USG to Latin America will start an unwanted arms race. What specific steps is the United States taking to prevent an arms race?

A: The United States has taken a leading role in the hemisphere in encouraging the adoption of confidence-building measures that would help avoid an arms race. For example, this June, at our urging, the Organization of American States (OAS) adopted a resolution in support of negotiating a legal framework on advance notification of major arms acquisitions by governments in the region. We hope such a legal framework will be ready for adoption at the Summit of the Americas in Santiago next April.

In support of the OAS Declaration of Santiago on Confidence Building Measures, the United States has taken the initiative to provide advance notification to all the democracies of the region of major arms acquisitions covered by the United Nations Register of Conventional Arms. It also provides governments in the hemisphere advance notice of joint military exercises planned in the region and annually presents its defense policy and budget as a confidence-building measure. Many governments in the region, including Chile, Argentina and Brazil, have also adopted confidence-building measures that are helping to create a climate of trust among once-hostile neighbors.

Q: Former President Jimmy Carter, Nobel Peace Prize winner Oscar Arias and other hemispheric leaders have proposed the adoption of a two-year moratorium on the purchase of advanced fighter aircraft. What is USG position on this proposal?

A: The United States would certainly respect such a moratorium, and would seek to persuade other suppliers to do likewise, if it arose from the leaders of the region itself.

Q: Does this decision mean the U.S. is no longer imposing a ban on high-tech arms transfers to Latin America?

A: A ban is "no" under any circumstances, which was never the case in our policy toward Latin America. Rather, there was a presumption against such transfers, given

circumstances in the region. In the case of advanced fighter aircraft, the United States did approve the sale of a squadron of F-16s to Venezuela in 1985.

We have now decided to move to case-by-case consideration of requests for advanced arms subject to a policy of restraint, meaning we will be very careful and cautious, so as to ensure that a sale will serve our overall goals for individual countries and the region as a whole.

Q: Does this new policy mean you will sell advanced arms to Peru or Ecuador?

A: Case-by-case means just that, that each case must be reviewed on its merits and in light of its own special circumstances. In this case, those circumstances include the 1995 border conflict between Peru and Ecuador, and our role as a Guarantor of the Rio Protocol and as an active participant in the peacekeeping force along the disputed border. In this capacity, we have urged both Peru and Ecuador to restrain their purchases of weapons that could destabilize the talks currently underway and continue to encourage them to reach a definitive solution to the problem. We have advised both governments against the acquisition of advanced arms, and have no plans to sell such equipment to either. We have made the same points to potential suppliers.

Q: Given the absence of any serious security threats that would require advanced fighters in the region, isn't this decision really all about keeping US defense contractors in business?

A: We recognize that some governments in the region wish to modernize their force structure and equipment, which in many cases is reaching their useful lives. This decision was driven by our national security interests in working with those governments as they modernize their forces. The scope of their requirements, however, is unlikely to have a significant impact on US defense contractors.

NYC TERRORISM INCIDENT

August 1, 1997

- This matter is being handled by an interagency terrorism task force in New York comprised of federal, state, and local law enforcement officials, led by the New York Police Department and the FBI.
- We don't know who the individuals were or what their intentions might have been.
- The site is being secured. We have no reason to believe there is any risk to the public. The investigation is ongoing.

Q: Were these Palestinians?

A: **There is an on-going investigation about who these people in New York are, what connections they may or may not have.**

As of now we have no reason to believe there is a further, imminent threat.

As of now we do not have a link between those arrested in New York and any other group or action....but it is early in an investigation of this kind.

Q: Will Secretary Albright go to the Middle East?

A: There is no current plan for her to travel there, but, yes, at some point he will send her. Obviously we'll be making that decision as we continue to assess the situation. She will go when her presence will make a difference.

Q: Will Dennis Ross still travel to the region?

A: Yes. His trip has been postponed while the people of Israel mourn their tragic loss.

Q: The Administration have been criticized for not being personally involved in the peace process – is this fair?

A: We totally reject that. The President have been intimately involved on a continuous basis – and his senior people have been intensely engaged on a sustained basis for a very long period of time. They continue to work very hard, and will not be deterred by recent events.

Q: Will the Middle East team meet again today? Was the President briefed after yesterday's meeting?

A: Yes, they'll be in consultation during the day. Sandy Berger briefed the President last night.

Q: Is there a relationship between the raid yesterday in Brooklyn and the bombing in Jerusalem?

A: We have seen no evidence to that effect, but there is an on-going investigation so I'm not going to comment.

Q: Isn't this recent bombing just one more example of the Palestinian side failing to live up to its obligation to prevent terrorism and violence?

A: We have always said that there can be no progress without the foundation of security cooperation and the maximum efforts of the parties to create it in a sustained and systematic way.

Anything short of that is just not good enough. There can be no tolerance for violence or terror.

We can't say whether this incident was or was not within the power of the Palestinian Authority to prevent.

Q: There were interim status talks set to begin – have they been suspended?

A: They have been suspended. The Israelis and Palestinians had agreed to resume formal discussion of issues like safe passage between the West Bank and Gaza, and the opening of the Gaza airport. These talks could have produced immediate and tangible benefits.

We worked to get them started and welcomed the parties' decision to go forward. Obviously their suspension is a disappointment.

Q: Is it true that the President had a new package of proposals to get the talks going?

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

Q: Israeli TV is reporting that its government had threatened to send commandos into Palestinian areas, and that one of Arafat's people said that this would amount to an act of war. Could you comment?

A: What's needed now is full security cooperation between the two parties – We won't be drawn into commenting on hypothetical situations.

Q: What is the US position on the announcement by the City of Jerusalem to grant more building permits for Jewish Housing in the East Jerusalem neighborhood of Ras al-Amoud?

(NOTE FOR BRIEFER: The Jerusalem municipality has granted permission to Jewish American businessman Irving Moscowitz, to build housing for Jews on a plot of land in Arab East Jerusalem. PM Netanyahu has publicly voiced his opposition to this proposal)

A: We are concerned at reports of pending construction at Ras Al-Amoud. We have emphasized the importance of Israel not taking unilateral moves on permanent status issues that have the effect of increasing mistrust between the sides.

In this regard, we note with satisfaction PM Netanyahu's opposition to this project.

Q: This looks like a struggle between Jerusalem Mayor Olmert and the PM. Are you certain that the PM's view will prevail?

A: We have made our views clear. I will not speculate on internal Israeli political issues.

Q: Is the US pushing for a settlement and Har Homa freeze? What is your view of moving quickly to permanent status talks?

A: I just said that I am not going to go into details on these or any other issues.

Q: Does the U.S. decision not to oppose the construction of a pipeline in Iran represent a change in policy?

A: There has been no change in policy, or any signal regarding our policy toward Iran.

It is US law (ILSA) and policy to seek to deny Iran the resources it needs to pursue terrorism and weapons of mass destruction by means of deterring investment in Iran's oil and gas sectors.

We are applying that law diligently.

Turkey has decided to buy gas from Turkmenistan instead of from Iran. That arrangement with Turkmenistan is not sanctionable under ILSA.

The bottom line is that Turkey is not going to buy gas from Iran under this deal.

Under ILSA we are continuing to monitor these and a variety of other deals that may involve significant investment in Iran's oil and gas sectors, including pipelines.

Q: Any comment on Khatami's inauguration?

A: **At the time of Mr. Khatami's election, President Clinton stated that he found the results of the election to be an interesting and potentially hopeful development.**

The President also stated, however, that we still have serious concerns about Iranian behavior, including its attempts to acquire weapons of mass destruction and their means of delivery, its support for terrorism and its support for violent opposition to the peace process.

These actions by Iran threaten not only the interest of the U.S., but also of our friends in the region and the international community as a whole.

We hope that Mr. Khatami's assumption of his responsibilities as President will represent an opportunity for Iran to turn the current policy of that government in a positive direction.

Background

The Administration has taken the position from the onset of these negotiations that China's accession to the WTO must be on the basis of solid commercial terms that open its market to the rest of the world. Fundamentally, the pace of China's accession will depend upon its willingness to undertake substantial economic reforms.

Q: Why is the Administration now saying China's offers are insufficient?

A: We have said all along that China must undertake comprehensive reforms in areas ranging from market access to subsidy practices. Whether China now comes forward with substantial meaningful reforms is the key issue. We have recently concluded a round of bilateral negotiations with China and a round of multi-party talks at the WTO. China has indicated that they intend to put forward a new round of offers in early September. We will evaluate their proposals when they come forward.

Q: Does the current round of investigative hearings have an impact on the talks?

A: Our objectives in seeking fundamental economic reforms in China have been consistent and clear from the beginning of this process. Our trade negotiators approach this issue from the question of how to accelerate reform and bring China into the international trading system with all of its multi-lateral trade rules. A comprehensive reform package will sell itself on its own merits.

Q: Do you concede that there will not be any new developments on China's WTO accession at the leaders meeting in October?

A: The answer to this question will be determined by the actions China chooses to take. There is no question that we have limited time in front of us, but the pace of the negotiations will be determined on the basis of whether China comes forward with new substantive reform proposals.

Q: If you can't even get the Chinese to do what they need to do to get into the WTO, what do you hope to accomplish with the Jiang visit later this year?

A: First of all, need to make clear that our commitment to bringing China into the WTO is unchanged. Working diligently with Beijing through regular negotiations to bring that about under what we call "commercially viable" conditions. That has two important aspects: compliance with the international trade rules that are accepted by all WTO members; and bilateral arrangements that provide for improved market access for U.S. products in China.

Complex negotiations that involve difficult decisions for China as it continues transformation from command to market economy. Important progress has been

made since we intensified these negotiations last year, and hope it will continue. Both sides need to be flexible and creative as we work toward acceptable agreement.

Visit of President Jiang not a "WTO summit." Have many issues to discuss, most importantly being the regularization and normalization of strategic dialogue at the highest levels.

The U.S.-China relationship one of the most important foreign ties that we have; its development will have a profound impact on the world we live in in the 21st century. President Jiang and I will be discussing that relationship in all its complexity, including economic and trade issues, non-proliferation, environmental cooperation, human rights and global and regional issues of importance to both sides.

Q: Is it true that a visa waiver has been granted to a Sinn Fein official, Joe Cahill?

A: Yes, Cahill has been issued a waiver for a visit here in early august. He received several visas during the earlier ceasefire.

If asked: We understand Cahill is not going to engage in fundraising activities.

Q: Will you grant Adams a visa? What about fundraising?

A: Hasn't applied but note that Adams was granted visa waivers during earlier ceasefire.

If asked: Adams was permitted to participate in fundraising events for Sinn Fein during previous ceasefire. A monitoring system was and remains in effect that allows FBI to be sure funds used for Sinn Fein political activities.

Q: What did the President and Prime Minister Blair have to say about Northern Ireland in their July 27 phone conversation?

(Note: The British have released the fact of the call and that it dealt with Northern Ireland, the Middle East, and scheduling Blair's visit here.)

A: President and Blair spoke on Sunday for 25 minutes – topics were Northern Ireland, Middle East and scheduling an official visit for the Prime Minister.

On Northern Ireland, President expressed support for British government's efforts – together with Irish government—to bring about negotiated settlement, made clear his commitment to process and readiness to support it.

If asked: Talks expected to adjourn today, resume in fall. Pleased that UUP decided to stay in the talks rather than walking out.

Q: What will happen to the peace process now that the UUP has voted 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: 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?

We expect it to be unequivocal and permanent.

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

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.

BELFAST TALKS

- Belfast peace talks chaired by Senator Mitchell, which will reconvene in September, 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 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..

Q: What is the purpose of the President's meeting with members of Congress?

A: The President expressed the need for fast track to ensure U.S. competitiveness in the global economy. Fast Track is about expanding opportunities for U.S. exports and making sure the U.S. sets the rules and conditions for trade that are advantageous to U.S. workers and businesses. The Administration's trade agenda is focused on exactly those areas where the U.S. is most competitive -- telecommunications, technology, professional services, agriculture, biotechnology, and critical manufacturing sectors.

Q: Why does the Administration keep meeting with Members without presenting a proposal?

A: The only way to succeed in securing fast track authority is to build the broadest consensus possible before we head into the fall. It is important for Congress to have a clear understanding of why we need fast track, and the President used last week's meeting as an opportunity to do that.

Q: Why did the President meet with these particular Members?

A: Amb. Barshefsky and other members of the Administration have met with over 170 members over the last few months. The President's meeting today is part of an effort to personally address questions from those Members about trade and the need for fast track. This meeting is one of a number of meetings the President will have with Members in the coming months.

Q: What are the chances of the Administration securing fast track authority?

A: We realize this will be a divisive battle, but the more Congress understands that fast track is necessary for U.S. competitiveness in the global economy, we believe they will support renewed fast track authority for the President. We can not afford to have the rest of the world march on by while we pass up opportunities for U.S. workers and companies.

There are three fast track related activities taking place this week at the White House:

1. President will officially nominate Jay Berman and Vicki Radd to head the Administration's fast track effort.

[Jay has had a long and distinguished career in Washington as the Chairman and CEO of the Recording Industry Association of America and has been particularly active on ensuring that US intellectual property rights are protected around the world. Vicki has been an Chief of Staff to Erskine Bowles most notably coordinating the Summit of the Eight in Denver. She will be working with Jay on coordinating this priority.]

2. Erskine briefed the Cabinet on the President's commitment to fast track on Wednesday afternoon and has asked that the Cabinet be available to speak out and work on this issue in the future.
3. On Thursday, the President will meet with congressional members to talk about why fast track authority is in the national interest.

General Points:

- The President is clearly committed to securing fast track authority this fall. This will be one of the Administration's top priorities and the President and his Cabinet will work hard on articulating both to the American people and the Congress why fast track authority is vital to the nation's long term economic prosperity.
- Fast track is at the heart of the President's effort to prepare the American people for the challenges of the 21st century. A central pillar of the President's economic strategy has been aggressively creating opportunities to advance America's job growth, productivity and overseas trade.
- And it has worked: longest sustained period of growth of all our G-7 partners (25% of which was driven by exports), 12 million new jobs, unemployment under 5%--a 25 year low and sustained low inflation.
- Securing fast track authority is critical to continue this economic expansion and maintain America's leadership position in the world.

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.

Q: What is your response to the allegations that DOD is suppressing a report that contradicts reports released by DOD's special assistant for Gulf War Illnesses?

A: The MITRE study referred to during the PAC hearing is a highly-classified report commissioned by the Secretary of Defense's Assistant for Intelligence Oversight. This report is part of DOD's ongoing effort to get out all the facts about what we knew about Iraqi chemical warfare capabilities before, during, and after the Gulf war. An early draft of this report contained a preliminary assessment about one of the incidents being comprehensively investigated by DOD's Special Assistant for Gulf War Illnesses. DOD has already shared the draft of this highly-classified report with appropriately cleared PAC members and staff. At the PAC's request, DOD is also in the process of preparing a redacted version for wider distribution within the PAC.

The President has said he will leave no stone unturned in the quest for answers as to why Gulf War veterans are sick. Both the final Intelligence Oversight report, when available, and the rigorously-researched narratives being released on an ongoing basis by DOD are illustrative of the numerous significant efforts to fulfill the President's pledge currently underway.

Q: What is the significance of the UN announcement before the PAC about a second nerve gas exposure incident in the Gulf War.

A: The UN Special Commission (UNSCOM) briefed the PAC on the results of their survey of a chemical weapons storage site in the Kuwaiti theater known as Ukaydir (U KI DIR). The existence of chemical weapons at the site was made known to the UN only last year.

CIA and DOD have reviewed the results of the UN surveys and have already done some preliminary modeling of the nerve agent release possible from the air campaign bombing of Ukaydir. Thus far, none of the modeling has shown that the agent reached U.S. troops.

CIA and DOD have recently completed work on a sophisticated suite of models which was used to determine the extent of possible exposures at Khamisiyah. They will apply that approach to the Ukaydir event. It will be publicly briefed when the work is completed. (DOD and CIA have not yet given us an estimated completion date.)

The President is committed to uncovering all the facts that can be known about the War that may be useful to determining why veterans are ill. The teams working for the DOD and CIA special assistants for Gulf War illnesses have done an excellent job of researching each event and making their work public. We expect they will do the same with this event.

Q: What is the White House reaction to GAO/FDA allegations that there were problems with DoD's use of investigational products and waiver of informed consent during the Gulf War?

A: The Presidential Advisory Committee highlighted this problem in its Final Report. DOD has acknowledged on numerous occasions that implementation of their programs for use of the investigational products pyridostigmine bromide and botulinum toxoid vaccine had deficiencies during the Gulf War. DOD is committed to improving its programs for the use of investigational products during deployments and combat operations.

Q: Is it true that there have been difficulties with executing the program to use tickborne encephalitis vaccine as an investigational product in Bosnia?

A: DOD has acknowledged the accuracy of the Government Accounting Office reports which indicates there have been improvements since the Gulf War, but that much work remains to be done. The Surgeon General of the Army is committed to resolving these difficulties in Bosnia and for future use of investigation products.

Q: What is DoD doing to review, correct and improve its programs for sue of investigation products?

A: DOD has directed that the investigational new drug (IND) process, as determined by the Food and Drug Administration, be followed in Bosnia and future deployments.

The Deputy Secretary of Defense has requested an extensive review of DoD's current and future programs to protect the force during deployments to potentially hazardous environments. The use of investigational products for force protection will be part of the review.

The Special Assistant for Gulf War Illnesses and ASD(HA) have commissioned the RAND Corporation to conduct an assessment of DoD's processes for developing, deciding to use, and using investigation products especially during deployments.

Q: What is your comment on today's report that nearly 100,000 U.S. troops were exposed to low levels of poisonous sarin gas when soldiers detonated rockets at Khamisiyah?

A: From the beginning of his Administration, the President has been committed to getting out all the facts related to Gulf War illnesses. So, the President is pleased to see the results of the extensive efforts that DOD and CIA have expended to sort out the uncertainties of this particular event at Khamisiyah.

While this new information will be studied carefully in the weeks ahead, it should be remembered that the 98,980 troops were exposed to very low levels for a short period. The President is extremely supportive of the DOD and VA effort to notify the soldiers under the plume, and supports the aggressive research effort that is underway to find out what is making Gulf War veterans sick.

The Presidential Advisory Committee on Gulf War Veterans' Illnesses (PAC) was commissioned by the President to help us understand the various risk factors associated with Gulf War Illnesses, and to tell us where we were doing well and where we needed improvement. The President credits the PAC for asking the right questions and serving as a catalyst to improve CIA/DOD investigations. We should also give credit to DOD and CIA for the extensive efforts behind today's announcement which underline the President's commitment to get all of the facts out.

Q: What does low-level exposure mean? What should veteran's do?

A: The answer to what veterans should do now is the same as it has always been; if a veteran is sick -- whether shown as exposed or not -- medical care is available.

It is important to note that we're talking about very low levels of exposure, and current medical knowledge does not provide conclusive evidence suggesting the long-term impact is significant. However, there are still unanswered questions about low-level exposure as there is not much research in this area. DOD/VA/HHS have a research plan in place to look into this, as well as other risk factors. This research program will incorporate any new information to try to answer the fundamental question of why veterans are sick.

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.

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. 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.

July 29, 1997

Q: Now that Bill Ruckelshaus and Canadian David Strangway have been named to find a way to reinvigorate the stakeholders process and resolve the salmon issue with Canada, what is Ruckelshaus doing?

He will be briefed by officials from State and Interior who handle the salmon issue and then embark on a round of intensive consultations with U.S. stakeholders preparatory to meetings with Strangway.

Expect to see period of intensive activity between now and end of year.

Q: What was accomplished in the meeting last week between Foreign Minister Axworthy and Acting Secretary Albott?

U.S. and Canada have decided to appoint two prominent citizens who will report to President and Secretary of State and to Prime Minister and Minister of Foreign Affairs, to find, through consultations, most effective way to reinvigorate stakeholders process. (Note: Stakeholders talks broke down in May.)

Goal of stakeholders process is to resolve differences over implementation of Pacific Salmon Treaty.

Two representatives will act as resources to stakeholders and report periodically on progress; objective is to move quickly enough make difference for 1998 salmon fishing season.

Also agreed to set up channel to provide early warning of operational problems between respective fishing interests.

- President's visits to Brazil, Argentina and Venezuela rescheduled to October 12-17.
- APEC Summit in Vancouver November 24-25.

Q: Press reports have mentioned October 28 as a possible arrival date for PRC President Jiang Zemin's State visit to the U.S. What can you tell us about plans for the visit?

A: President Clinton and President Jiang earlier agreed to an exchange of state visits. Our two governments are discussing plans for President Jiang to visit the U.S. before the end of this year.

Q: Do you agree with Senator D'Amato that action should be taken against the Union Bank of Switzerland unless it apologizes to former guard Meili?

A: In our view, absurd to consider prosecuting Meili for violating bank secrecy under these circumstances. In any case, now he is in U.S.; President has signed private bill that allows him to stay. Wish him well here.

If pressed: At this time, we are not in favor of restrictions on our normal commercial relations with Switzerland. Swiss are making serious efforts to uncover truth about Nazi assets and fund efforts to for victim relief. UBS itself has contributed to the "Special Fund" for Holocaust victims, now valued at 265 million Swiss francs.

Q: Any comment on the list of dormant accounts the Swiss banks have now published? Doesn't it prove they did not live up to their postwar agreement?

By publishing names attached to dormant accounts and expediting claims procedures, Swiss have simplified search for legitimate heirs to unclaimed accounts. Vital that this process move forward quickly. Hope this development will be foundation for further progress this year.

Paul Volcker and members of his committee and Swiss Bankers Association deserve credit for this initiative.

Refer to USG report published in May for more detail on the postwar agreement with the Swiss on dormant accounts.

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

A: 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 affected countries, to open historical records and share relevant findings.

Current

Aliyev Visit

- **Friendly, cordial discussions between Presidents Clinton and Aliyev on August 1. Covered broad range of issues – progress of reform in Azerbaijan and peace in Nagorno-Karabakh as well as development of Caspian energy resources.**
- **With regard to reform in Azerbaijan, President Clinton raised importance of democratization and human rights to development of U.S.-Azeri bilateral relationship.**
- **Extensive discussions on Nagorno-Karabakh. President Clinton underlined U.S. commitment to work with Russia and France in OSCE Minsk Group for resolution of conflict.**
- **Aliyev stated his commitment to direct talks among all parties to conflict in context of Minsk Group process, and signaled Azerbaijan's willingness to open all communication links with Armenia in context of Armenian withdrawal from six occupied provinces of Azerbaijan.**
- **Presidents discussed issues related to Caspian energy development. They acknowledged importance of cooperation in energy field and welcomed signing of four new oil contracts between Amoco, Chevron, Exxon and Mobil and the State Oil Company of Azerbaijan.**

(See also August 1 joint statement)

General

NATO-Russia

- **NATO-Russia Founding Act lays basis for partnership between NATO and Russia. See Russia as partner of NATO in shaping more secure, stable and undivided Europe. Good for United States, Russia and Europe.**
- **Task now is to give real substance to Founding Act. NATO-Russia Permanent Joint Council to meet 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 essential prerequisite to begin START III.**

Background

Aside from its damaged module and its diminished power capability, Mir is operating normally. Michael Foale continues to conduct scientific research in Mir's core module.

Talking Points

- NASA, in consultation with the Russians, has designated David Wolf, and not Wendy Lawrence, to be the replacement crew member for Michael Foale aboard Mir. (Wolf had originally been scheduled to replace Lawrence at the conclusion of her mission in early 1998.)
 - Lawrence, who is too small to effectively operate the Russian spacesuits to be used in the repair spacewalks, will still fly as a member of the Shuttle crew on the mission that will deliver Wolf to Mir. However, she will return with the Shuttle.
 - The Shuttle mission may be delayed by up to 10 days to give Wolf additional time to train as a backup participant in the Mir repair spacewalks.
 - The final decision to send Wolf still depends on restoration of the power from the damaged module and on the results of NASA's internal and external review of Mir safety.
 - 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 Late Sept. (pending NASA review) Launch of Shuttle with U.S. astronaut David Wolf 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: Was Lawrence replaced because she was a woman?
- A: Absolutely not. Lawrence simply is too small to effectively operate the Russian spacesuits that will be used during the repair spacewalks. (Her original mission had not

been expected to include any spacewalks.) Although the U.S. astronaut is not currently expected to participate in the repairs, NASA concluded it was necessary for the U.S. astronaut to be able to substitute for one of the Russians, should the need arise.

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 altered our plans for future cooperation.

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.

Holbrooke Trip

- Ambassador Holbrooke has agreed to accompany Ambassador Gelbard (Special representative of the President and the Secretary of State for Implementation of the Dayton Accord) on a visit to the Balkans next week.
- As part of our across-the-board re-energized effort on Bosnia, Ambassador Holbrooke's knowledge of the players and the issues will provide invaluable continuity.
- Holbrooke and Gelbard will carry the same message articulated at Sintra (PIC Ministerial Steering Board), Denver, and Madrid, by the U.S. together with its allies and partners:
 - We expect concrete action by each of the Parties to fully implement their commitments under the Dayton Accord
 - All assistance, every benefit will be conditioned on each party's performance; we will actively seek to penalize those who fail to honor their commitments.

New Policy towards police?

- Dayton provides the latitude for SFOR to take whatever action it deems necessary to protect its troops.

(if asked about specific plan to act against Bosnian Serb Special Police)

Naturally, we are not going to respond to hypotheticals that might concern military operations.

Q: Any comment SFOR's efforts on helping refugees?

A: Helping refugees is an essential element to the successful implementation of the Dayton Agreement.

We are pleased to see that SFOR troops continue to make a difference on the ground, creating a secure environment for refugees to return home.

(If asked about June 98):

As we've said before, the present operation will have run its course by then. We should be discussing in the meantime what, if any, involvement the United States should have after than.

Recent Attacks on SFOR

- We take seriously the spate of incidents aimed at SFOR and other parts of the international community in Bosnia.

- Any effort to intimidate the international community is unacceptable.
- Together with our NATO partners, we are making it clear to appropriate authorities that this must cease.
- (if asked) We are not going to discuss hypothetical consequences.

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.

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)

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

Q: Can you comment on Secretary Albright's statements in Singapore about Pol Pot and his recent show trial by the Khmer Rouge?

A: The United States continues to attach great importance to bringing Pol Pot and other Khmer Rouge leaders to justice for their atrocities against the Cambodian people.

We regard the recent show trial of Pol Pot and three of his Generals, and Pol Pot's sentence of life under house arrest, to be a legal farce.

We are continuing actively to explore with our friends and allies in the international community, including at the United Nations, various options for bringing Pol Pot to justice before some form of international tribunal should he be delivered into the custody of responsible authorities.

Given the current confused state of affairs in Cambodia, it would be premature and imprudent to speculate publicly on what might be the best type of forum for such procedures. But no one in Cambodia should be under the illusion that our determination to pursue those options is diminished because of the Khmer Rouge show trial of Pol Pot.

Q: Does the Khmer Rouge trial of Pol Pot raise a defense of double jeopardy for Pol Pot and the three generals?

A: No. In our view the show trial clearly does not invoke the principle of double jeopardy, both because of the show trial's obvious flaws and because it has no effect whatsoever on an international prosecution of Pol Pot and Khmer Rouge leaders.

Q: Does the United States support the establishment of an international criminal court?

A: Yes. The President has long expressed his support for the establishment of a permanent international criminal court that meets our requirements for effectiveness, due process, and broad participation by countries across the globe. The United States is actively engaged in U.N. negotiations currently underway. We are working very hard to finalize the text of a statute for such a permanent court and moving on to a diplomatic conference.

Note to Briefer : A permanent court would not have retrospective jurisdiction, and thus could not prosecute Pol Pot for atrocities of the 1970's.

Q: How does the announcement that Cambodian Foreign Minister Ung Huot is the new FUNCINPEC candidate for First Prime Minister affect U.S. policy? How does his "expulsion" from FUNCINPEC by Ranariddh affect our policy?

A: We consider Norodom Ranariddh 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.

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.

Q: Should Secretary Albright have met with Cambodian representatives during her recent trip to Kuala Lumpur for meetings with ASEAN countries?

A: The Secretary made repeated efforts to arrange a meeting in early July 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. Cambodia was represented at the meetings in Kuala Lumpur which the Secretary attended; she did not meet separately with Cambodian officials.

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.

Q: Do you support ASEAN's mediation role with Phnom Penh?

A: We strongly support the efforts of ASEAN to mediate with Hun Sen in an effort to restore implementation of the Paris Accords. We and ASEAN share the objectives of stopping the violence, maintaining the coalition government and ensuring the May 1998 elections are free and fair. We will remain in regular and close contact with ASEAN over the coming days.

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.

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.

Q: What is the significance and status 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. We have made final site arrangements at the working level among all four participating countries and anticipate the August 5 preparatory talks will begin as scheduled.

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.

Background for Four Party Preparatory Talks:

The Chinese, North Korean and South Korean delegations will be led by a vice or deputy minister of Foreign Affairs. The U.S. delegation will be headed by Chuck Kartman, Principle Deputy Assistant Secretary of State. The U.S. delegation will have representatives from the NSC, JCS, OSD, and State Department. The tentative schedule calls for the U.S. delegation to have bilateral consultations with South Korea and China on Monday, with the four party preparatory talks beginning Tuesday, August 5, at Columbia University. The purpose of the talks is to reach agreement on a venue, date and broad category agenda topics (1. discussion of a new, permanent peace mechanism to replace the Armistice, 2. Tension-reduction and confidence building measures).

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.

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.

Q: Human Rights Watch released a report on Landmines. Any response?

A: Remain fully committed to a global ban on the use, production, stockpiling and transfer of anti-personnel landmines.

Want to achieve this goal as soon as possible.

Must end the worldwide suffering caused by these hidden killers.

[If needed:]

We welcome the Ottawa Process. Believe the work underway there and the work underway in the Conference on Disarmament reinforce each other.

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.

Q: Has there been any further progress in the CD?

A: The third part of the 1997 CD session just opened today, July 28.

A key activity this session will be the work of the special coordinator. He will pursue consultations on a possible mandate for negotiations on a ban on anti-personnel landmines.

We look forward to early progress.

This CD session lasts until September 10.