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Daily Press Guidance - August 8, 1997

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Daily Press Guidance

Friday
August 8, 1997

(For internal use only.)

Press Guidance
Friday, August 8, 1997

Domestic

1. Tax Fairness ~TAX Reform

Events

1. **Diabetes** event - Event
2. WH Rennovations - White House
3. Week Ahead - POTUS schedule
4. VP trip to Philladelphia VPOTUS

Foreign

1. Middle East
2. China/Taiwan
3. Northern Ireland
4. Cyprus
5. Fast Track
6. Trips and Visitors
7. Russian Mir Situation
8. Bosnia
9. Cambodia
10. Korea
11. Landmines
12. Southern Lebanon

GUIDANCE ON TAX FAIRNESS
AUGUST 8, 1997

(New distribution analysis by Greenstein's group, Center on budget and Policy Priorities, shows 78% of benefits going to top 20%, and 32% to top one percent.)

* Treasury has not yet done its own analysis of the bill. (If pressed, I expect Treasury to, but I would suggest you contact Treasury.) However, I think it's important to point out that nearly 80% of the benefits of the legislation go to the child tax credit, the HOPE scholarship and the lifelong learning tuition credit, which directly benefit the middle class. If you add in the brownfields and empowerment zones provisions, it's about 80%.

* If pressed, this bill was a compromise, and in order to get all the important provisions we got in both bills -- including not only the education and child tax benefits but also children's health care, other investments in education and the rest, we had to give the Republicans their highest priority, which was a capital gains tax cut. In the negotiations, we were able to reduce the impact of that cut by getting capital gains indexing removed from the bill.

NEW DIABETES INVESTMENTS TO IMPROVE TREATMENT, PREVENTION, AND RESEARCH FOR AMERICANS WITH DIABETES

Today President Clinton highlighted a set of four initiatives that will improve the lives of at least 8 million Americans who have been diagnosed with diabetes. Three of these initiatives were included in the balanced budget the President signed into law on Tuesday. The President also emphasized that these new investments emerged as a result of a strong bipartisan partnership with Speaker Gingrich. The American Diabetes Association (ADA) stated that "taken together, these new investments in diabetes, announced by President Clinton today, are as important for people with diabetes as the discovery of insulin in 1921." The President announced:

(1) **An important new Medicare benefit** which will help pay for the critically necessary supplies and self-management instruction which will help the 3.2 million older Americans who suffer from diabetes better manage their treatment.

(2) **A new $150 million investment in diabetes research to prevent and cure Type I (often known as juvenile) diabetes,** to be allocated by Health and Human Services Secretary Donna Shalala.

(3) **A new $150 million investment for prevention and treatment of diabetes among Native Americans**, who are almost three times as likely to suffer from the disease as others in the U.S. population.

(4) **A new public/private effort to assure and improve high quality care for Americans with diabetes.** This effort will review current treatments for diabetes to determine the degree to which they are effective, to recommend alternative approaches that ensure high quality care, and to develop more consistent quality measures for diabetes patients, health plans, and health providers across America.

A New Medicare Benefit to Help People With Diabetes Better Manage Their Care. The balanced budget expands Medicare's coverage of benefits for people with diabetes by $2.1 billion over five years. In so doing, it expands the number of people able to take advantage of self-management tools which will increase the number of Americans who properly manage their diabetes, thereby helping to prevent the debilitating and costly complications too often associated with the disease. Under the new balanced budget, Medicare will cover self-management training, currently offered by physicians and other certified providers, rather than in hospital-based programs as it traditionally has. This will help ensure that more beneficiaries with diabetes can access the necessary education to manage this disease. In addition, Medicare will make blood glucose monitors (including testing strips) available to all beneficiaries with diabetes, whereas Medicare currently covers only insulin-dependent patients. Ensuring Medicare beneficiaries have access to these supplies will help improve their treatment and has great potential to reduce costs. This new legislation was introduced and strongly advocated by Rep. Furse, Rep. Nethercut, and Senator Breaux.

A New $150 Million Investment to Help Research a Cure for Type I (Juvenile) Diabetes.

The HHS Secretary is allocated $30 million annually for five years for research to help find the cure for diabetes. This represents the largest single new investment in Type I diabetes. Americans with Type I diabetes often suffer severe consequences even when they receive the best treatment and care. The HHS Secretary will have discretion to target the new funds to the best scientific opportunities.

$150 Million Investment to Help Prevent and Treat Diabetes Among Native Americans.

The HHS Secretary is allocated $30 million annually for five years to be used to provide services for diabetes prevention and treatment for Native Americans. The death rate from diabetes is almost three times higher in the Native American population than in the U.S. population as a whole. This new funding will go to help improve prevention efforts (such as improved diet, exercise and other factors that reduce the likelihood of diabetes) and help identify the disease as early as possible. It will also help more Native Americans with diabetes get the necessary information about managing diabetes. Moreover, it will expand access to affordable treatment so that more Native Americans get the care they need to help reduce costly and extensive complications. HHS will work in partnership with Tribes, Urban Indian Health Centers Facilities, and other agencies within HHS, such as the CDC.

A New Diabetes Quality Improvement Project.

Numerous studies by organizations such as the ADA and the National Committee on Quality Assurance (NCQA) have shown that many patients are not receiving the medical care known to reduce diabetes complications such as blindness and amputation. In fact, an NCQA study shows that the rate of an annual eye exam in managed care plans averages less than a 40 percent diagnosis rate. The multiplicity of report cards, each with their own measures, has created confusion and made it difficult to compare and improve care across all delivery systems.

The President announced a major year-long collaborative effort to review current treatments for diabetes to determine the degree to which they are effective, to recommend alternative approaches that ensure high quality care, and to develop more consistent quality measures for diabetes patients, health plans, and health providers across America. Such measures will monitor whether proper care was delivered (for example, an annual eye exam) or health outcomes were achieved (such as appropriate blood glucose levels).

The performance and outcome measures are being developed by a coalition of four organizations: HCFA, the largest purchaser of health care for the diabetic population; the ADA, the largest voluntary health agency dedicated to improving the lives of people with diabetes; NCQA, which develops and maintains a set of standardized performance measures used by more than 90 percent of health plans; and the Foundation for Accountability (FACCT), an organization dedicated to ensuring that consumers have adequate information to make health care decisions. Together, these organizations will work to ensure that millions of consumers, purchasers, and health care providers utilize this new information to improve care.

FACTS ON DIABETES

There are 8 million Americans diagnosed with diabetes. Another 8 million are believed to have, but have not been diagnosed, with this disease. Over 3 million Americans diagnosed with diabetes are adults age 65 and over. Approximately half of all diabetes cases occur in people older than 55 years of age. African-Americans have diabetes at nearly double the rate of Americans and Native Americans are almost three times as likely to suffer from the disease.

Diabetes is the seventh leading cause of death. Middle-aged Americans with diabetes have death rates twice as high as other Americans. The death rate from diabetes is nearly 3 times higher in the Native American population than in the U.S. population.

People with diabetes are more likely to suffer from heart disease, high blood pressure, and strokes. People with diabetes are 2 to 4 times more likely to suffer from cardiovascular disease, and 2 to 4 times more at risk for a stroke. High blood pressure affects nearly two-thirds of people with diabetes.

Diabetes is the leading cause of end-stage renal disease (ERSD), non-traumatic amputations, and blindness. Diabetes accounts for 36 percent of new ERSD cases (kidney disease) --about 20,000 cases each year. In addition, 54,000 amputations are performed on diabetics each year, and up to 24,000 adults are blinded each year from diabetes.

The American Diabetes Association estimates that we spend $92 billion per year on diabetes care. Of the total, costs directly attributable to diabetes total $45 billion, while indirect medical costs, such as work loss, disability, and premature death total $47 billion.

DIABETES AND MEDICARE

Medicare pays for ERSD for the non-elderly population as well. About 20,000 Americans develop this disease through diabetes each year, and Medicare expenditures on kidney dialysis for each of these people averages nearly $40,000 annually.

TYPE I DIABETES

Between 700,000 and 1 million Americans have Type I diabetes and as many as half of these are children. Each year about 30,000 Americans are diagnosed with Type I diabetes.

Almost all Americans with Type I diabetes will likely suffer from at least one of the many complications arising from diabetes, including serious eye disease (e.g. blindness), amputation, heart disease, or kidney disease.

NATIVE AMERICANS AND DIABETES

Diabetes occurs at rates dramatically higher among Native Americans than in the general U.S. population. One third to one half of adults in certain tribal groups have diabetes.

Native Americans develop Type II diabetes at a younger age --as young as age eight --and suffer higher rates of complications including blindness, amputation, and kidney disease.

QUOTES SUPPORTING PRESIDENT CLINTON'S ANNOUNCEMENT ON UNPRECEDENTED DIABETES INITIATIVE

"President Clinton's announcement today ends an extraordinary week in the history of diabetes in America. Because of the President's support of bi-partisan initiatives, nearly $3 billion of new money will be invested into research and treatment. Finally, diabetes is getting the recognition it deserves as a major public health problem facing America."

"By investing now in the tools and services that can help seniors manage their diabetes, we anticipate that Medicare can help reduce the enormous human and financial cost that accompanies diabetes complications. This is a dramatic step forward since Medicare traditionally has paid for diabetes-related hospitalizations, but not for the means that would help keep seniors out of the hospital."

American Diabetes Association

"With the tremendous human and economic tolls taken by this devastating disease and its complications, it is more than appropriate that a full frontal attack on diabetes be launched by the federal government. This long awaited increase contains a signficant infusion of new funds for research into Type I diabetes, and provides renewed hope for millions of Americans."

"We know that this extraordinary initiative [announced by the President today] will help attract the attention of our leading scientists, and encourage them to apply their knowledge to the complex and myriad problems of diabetes in new and imaginative ways."

-- Juvenile Diabetes Foundation International

"Insulin is not a cure. With this initiative, we can capitalize on years of research progress and start to move advances out of the laboratories to the bedsides of our loved ones."

-- Mary Tyler Moore
International Chairman
Juvenile Diabetes Foundation International

"President Clinton is to be commended for providing leadership in improving the quality of life for the 16 million Americans who suffer from Diabetes. This significant development is a positive step forward in expanding the life expectancy for the millions of African Americans who have been victims of this dreaded disease."

-- The National Caucus and Center on
Black Aged, Inc.

"For the approximately 3 million African Americans affected by diabetes and who suffer a disproportionate burden from its complications, the initiatives announced by President Clinton will prompt a shift in the quality of care and access to services that can improve outcomes. The National Medical Association feels strongly that this is a health initiative that will strike a major blow to the debilitating effects of a silent killer in high-risk minority communities, and reduce the enormous drain on human and fiscal resources caused by diabetes."

"The National Medical Association enthusiastically applauds President Clinton for the provisions in the balanced budget package directed towards cure of Type I diabetes, more intense preventive services and treatments for Native Americans, and improved coverage for self-management of older and other high-risk populations. For the almost 3 million African Americans with diabetes, who suffer higher rates of amputations and kidney failure, these initiatives signal a major shift in the direction of bringing much of our new knowledge to bear on relief of a costly and debilitating disease, while hastening our quest to eradicate it completely."

-- National Medical Association

"President Clinton is the first President to understand the importance of diabetes to so many people. We know that the President's diabetes initiative will improve the quality of life for the 1.3 million Hispanic diagnosed with this chronic disease. As Hispanics are twice as likely as the general population to have diabetes we know that our communities welcome this major step from the President."

-- Jane L. Delgado, Ph.D.
President and CEO
National Coalition of Hispanic Health and
Human Services Organizations (COSSMHO)

"The National Council on Aging, Inc. Supports the President's Initiative on Diabetes. Better screening is essential to make sure cases are correctly diagnosed. NCOA [The National Council on Aging, Inc.] strongly supports efforts to develop and disseminate diabetes guidelines to health professionals for appropriate disease management."

-- The National Council on Aging, Inc.

DIABETES Q&As

Q: WHY ARE YOU INVESTING $30 MILLION ANNUALLY OVER FIVE YEARS IN TYPE I DIABETES WHEN ONLY A SMALL PORTION OF THE DIABETES POPULATION HAS THIS DISEASE?

A: Increasing our research efforts for Type I diabetes will actually help improve our knowledge about all types of diabetes. In fact, currently NIH does not even distinguish between their research dollars spent on Type I and Type II diabetes.

This initiative, which allows the HHS Secretary to allocate $30 million annually for five years to research a cure for Type I diabetes, however, could make a significant difference in how scientists understand this disease. We have talked to scientists at NIH who believe that an intensified effort on diabetes could lead to some important breakthroughs in our understanding of how we can cure diabetes.

There are between 700,000 and one million Americans who suffer from Type 1 diabetes, as many as half of whom are children. These Americans -- even those who receive the proper treatment -- are likely to develop at least one of severe diseases associated with diabetes, such as blindness, heart disease, or kidney problems later in life. We will not be able to eliminate the serious consequences and costs of this disease until we develop a cure.

Q: WHY IS ARE YOU SUPPORTING AN APPROACH THAT IS OUTSIDE THE NORMAL APPROPRIATIONS PROCESS THAT SUPPORTS THE NATIONAL INSTITUTES OF HEALTH (NIH)?

A: The $150 million allocated by the HHS Secretary for Type I diabetes will be given out by the Secretary -- with the help of the top scientists at HHS -- to the most promising research scientific research projects. NIH is currently in the process of administering a clinical trial for Type I diabetes and is making significant progress in research on Type I diabetes. Scientists at NIH believe that this new intensified effort will provide more resources in a tight budget to take the next steps in understanding this disease.

Q: DO YOU PLAN TO ALLOW THE HHS SECRETARY TO ALLOCATE GRANTS FOR OTHER DISEASES AS WELL?

A: This is an intensified effort to help research a cure for one of our nation's most costly diseases and to help reduce the impact of diabetes on Native Americans since it is devastating this population. There are not currently any plans to extend this kind of allocation to other diseases.

Q: WHY ARE WE FOCUSING SO MUCH OF THIS EFFORT ON DIABETES CARE FOR NATIVE AMERICANS?

A: The death rate for Native Americans with diabetes is nearly three times that of other Americans. In some tribes more than one-third of the population suffers from this dreadful disease. Native Americans are also far less likely to receive adequate treatment to manage this disease and therefore are more likely to get some of the serious complications associated with diabetes, such as kidney disease and heart disease more frequently.

This disease is devastating this population, and it is important that we make a concentrated effort to eliminate some of its damaging effects. We believe that this significant investment in preventing, treating, and researching diabetes in Native Americans will take a significant step towards improving this serious problem.

Q: WHY IS THE NEW MEDICARE BENEFIT FOR PEOPLE WITH DIABETES SO IMPORTANT? DON'T MOST BENEFICIARIES GET THEIR DIABETES CARE PAID FOR BY SUPPLEMENTAL INSURANCE?

A: Many older Americans with diabetes -- even many of those with supplemental insurance -- are not getting the proper care they need to prevent the costly devastating complications associated with diabetes. Medicare beneficiaries report that they are unsure how to properly manage their diabetes care.

Moreover, Medicare does not currently cover some of the most critical services that beneficiaries with diabetes need to manage their disease. It does not pay for blood glucose monitors or for the strip tests that people with diabetes need to monitor their blood sugar.

The balanced budget expands Medicare's coverage of benefits for people with diabetes by $2.1 billion over five years. In so doing, it expands the number of people able to take advantage of self-management tools will increase the number of Americans who properly manage their diabetes, thereby helping to prevent the debilitating and costly complications too often associated with the disease.

Q: WILL WE BE ABLE TO CURE DIABETES WITH THIS INVESTMENT?

A: No investment in research can guarantee that a cure can be discovered. However, scientific researchers are making significant progress in the area of diabetes and scientists at NIH say that this new investment will help these important efforts.

THE WHITE HOUSE

Office of the Press Secretary

FOR PLANNING PURPOSES ONLY **August 8, 1997**

Week Ahead Schedule of the President
August 9-16, 1997

Saturday, August 9

10:06 am **THE PRESIDENT'S** Weekly Radio Address is broadcast
The Oval Office, the White House
Audio Available on the PA and Mults of the White House Briefing Room

Sunday, August 10

No Public Schedule
Washington, D.C.

Monday, August 11

TBD Event TBD
The White House
PRESS TBD

Tuesday, August 12

9:00 am **THE PRESIDENT** departs Andrews AFB, Maryland via Air Force One en route Lambert Field, St. Louis, Missouri
OPEN PRESS

St. Louis, Missouri

5:40 pm **THE PRESIDENT** arrives the White House
The South Lawn, the White House
OPEN PRESS

8:30 pm **THE PRESIDENT** addresses a dinner for the Democratic National Committee
The Mayflower Hotel, Washington, D.C.
INTOWN TRAVEL POOL COVERAGE

-MORE-

Wednesday, August 13

1:45 pm **THE PRESIDENT** participates in a health related event
The Rose Garden, the White House
OPEN PRESS

5:45 pm **THE PRESIDENT** is presented with plans for the Oklahoma City Bombing Memorial
The South Lawn, the White House
PRESS TBD

Thursday, August 14

10:00 am Event TBD
The White House
PRESS TBD

Friday, August 15

TBD Event TBD
The White House
PRESS TBD

Saturday, August 16

10:06 am **THE PRESIDENT'S** Weekly Radio Address is broadcast
The Oval Office, the White House
Audio Available on the PA and Mults of the White House Briefing Room

-30-30-30-

McCurry's Talking Points on Construction and Renovation

* We have some work - both major and minor - that will be going on at the White House over the course of the next year.

* First, we're going to be sprucing up the briefing room and the workspace area during the President's vacation.

* GSA will be painting and laying down new carpet tiles. The carpet tiles will allow us to replace areas of carpet when they become stained.

* GSA will also be working with FOX to build a new booth downstairs and do some other renovations to make sure that everyone who has a workspace keeps it.

* The work will begin on August 18 and should be completed prior to the President returning from vacation.

* To assist with this effort, all computer, electrical and other material and equipment on the floors will need to be removed or put at desk level by the close of business on Sunday, August 18. Please keep in mind that there will be plaster, dust etc. when making the decision on whether to move equipment.

* I also appreciate the networks and independent pools willingness to work with us on removing some of the cable that is not being used and looking at the option of a shed to put ladders in.

* GSA will be doing a walk-through after this meeting to answer any questions on this project.

On to the bigger project -

* Over the next sixty days, there will be a considerable amount of renovation work throughout the White House complex that will affect pedestrian traffic. You have a diagram in your hand-outs that outlines the work areas and alternate pedestrian routes.

* The renovation projects include work in front of the West Wing Lobby and Press Briefing Room, improvements to the West and East Wings to make them accessible to people with disabilities, repairs to the residence roof and renovations of two USSS posts along Pennsylvania Avenue (will take approximately 12 - 13 months).

* Before I get into specifics, please note that the President's schedule calls for a good deal of travel during the time the construction and renovations will occur. We have tried to minimize the impact that these needed renovations will have on the working press by asking that a fair amount of the work occur during the President's vacation. The General Service Administration has responded favorably to our requests that the work schedule be organized so disruptions are kept to a minimum.

* The work will require the closing of the north entrance to the West Wing lobby; the steps from West Executive Avenue to the north grounds; the northwest gate to the north grounds; and the entrance to the press briefing room for eight to ten weeks.

* Given that the Northwest Gate will be undergoing renovation, there will be a temporary entry point for all White House press hard pass holders at the Pennsylvania Avenue entrance to West Executive Area. Hard pass holders will need to know their pin number. Reporters will need to use a temporary boardwalk on the North Lawn to access the press briefing room area. We are working with GSA and other parties on trying to construct a ramp to make it easier to move gear. The entrance to the workspace and the briefing room will be through the break room where the vending machines are.

* In an effort to preserve the stakeout area, we will temporarily relocate it to West Executive Avenue. It will be located just north of the entrance to the West Wing basement. All staff and guests entering the West Wing will need to use the West Basement entrance on West Executive Avenue.

* One of the benefits of the digging up of the driveway is that we have been able to work with the networks to put in conduits for cabling.

* The entrance to the Press Briefing Room and the West Wing lobby is expected to be open in approximately eight to ten weeks. The renovations to the Gates will take 12 to 13 months. However, once the renovations are completed, the gates will be able to move people through faster - especially those of you who are bringing in gear every day.

Questions

1. *What is the work being done in front of the West Lobby and briefing room?*

* There are steam lines that run underneath the OEOB, West Lobby, driveway to the Residence that have leaks in them. (Best noticed by the dead grass in the area in front of the West Lobby.) These steam lines provide heat to the West Wing and the Residence. The leaks have also produced water in telephone closets.

* We are also making the entrances to the West Wing lobby and the press briefing room accessible to people with disabilities.

* The digging of the driveway will also help us put in a conduit for tv cables.

2. *What is being done to the NW Gate?*

* It will be similar - and even better - than the SW gate. It will have two lanes and be more accessible and faster to move people through the gate. I refer you to the Secret Service if you have specific questions.

3. *Who is paying for this project?*

* GSA is paying for the work being done to the West Wing as part of their normal maintenance of facilities. GSA is essentially the landlord for the OEOB and the West Wing. The project will cost $1.7 million and comes from GSA's FY '97 funds - includes digging of driveway, the new entrances, repair of steam lines etc.

4. *What kind of renovations are being made in the Residence?*

* The renovations continue the utilities upgrade of the Residence that has occurred for well over twenty years. The actual heating, ventilation and air conditioning upgrade project has been in the works for well over ten years. The good news is that we are in the final stages of these projects.

* The kitchen renovations include a new exhaust hood for the kitchen equipment which is a major renovation because it takes up one entire wall in the kitchen. There will also be some upgrading of appliances and rearranging of appliances. This work has already begun and should be completed by the time the President returns from vacation. These renovations are actually part of the heating, ventilation and air conditioning upgrade project and is funded by the National Park Service and the Executive Residence budget. (WAITING FOR BUDGET NUMBERS)

* The roof is also being replaced. The cost is $2.2 million and comes out of the Executive Residence FY '96 budget appropriation.

TALKING POINTS
ON VICE PRESIDENT GORE'S TRIP
TO PHILADELPHIA, AUGUST 8, 1997

The Vice President will announce at the Philadelphia Airport today (10 a.m.) more than $40.4 million in grants for Pennsylvania airports, including $13.7 million to build a new runway at the Philadelphia International Airport.

In addition, the Vice President will give two speeches at the Philadelphia Convention Center: (1) to the National Conference of State Legislatures and (2) to the Democratic Legislative Campaign Committee. The Vice President will speak about the new economy and how the recent budget will help the states.

###

Q: There are reports out of Cairo that Arafat is calling on the President to intervene to save the peace process – he says that this would be the only way out of this crisis. Will the President go?

A: We are involved in support of the peace process every day.

We always need to make judgments about how best to make a difference. We need results, not drama.

The focus now needs to be on security cooperation so we can create an environment in which the process can move forward.

The President is sending Dennis Ross to the region this week to pursue this.

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

A: There is no issue on which the President has been more actively and continuously involved, from 1993 on. (This year: Hebron, visits of leaders to Washington in Feb-Mar, sent Ross to region two times, continuing contacts with leaders)

This is not an easy problem with a simple solution. From the beginning this process has had ups and downs – triumphs and tragedies. We are in this for the long haul.

We constantly make judgments about what will be the most effective. The immediate focus is security cooperation so that we can propel the parties back to negotiations.

The objective is not theatrics, but results.

Q: What is the purpose of Dennis Ross' trip to the region next week?

A: The President is sending him to the region to meet with the leaders there to discuss how to reenergize security cooperation. Clearly, this must be our most immediate focus, but we will be talking to the parties about all the issues.

Q: So he won't be carrying the same proposals for restarting the process that he was prepared to take when his trip was postponed?

A: There is an immediate need for the Palestinians to take more active security measures, and for Palestinians and Israelis to restore a productive cooperation on security.

That's in everybody's interests – and it's needed to propel the peace process forward. The terrorists who savaged Jerusalem hurt Palestinians as well as Israelis because only through the peace process can the parties achieve their aspirations.

Q: Will the President send Secretary Albright to the region?

A: As the President have said, he will send Madeleine Albright to the region at the appropriate time. His judgment as to when it would be appropriate for the Secretary to travel will depend to a large extent on the results of Dennis Ross' trip.

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

A: The Palestinian Authority must do all it can in meeting its responsibilities on security. We believe that Chairman Arafat is against terror – but we have not seen a sustained and systematic effort to stop it.

There must be a mindset of partnership. On meeting the threat of terror, no one can guarantee 100% success, but there must be 100% effort.

This is in the interests of Palestinians as well as Israelis. Terrorists are the common enemy.

Q: What is your reaction to the Israelis' suspension of its reimbursements to the PA?

A: The Israelis have a legitimate concern about their security now, and it's up to the Palestinians to make an all out effort to put an end to terrorism.

At the same time, we've asked Israel to ease measures that undermine the credibility of the Palestinian Authority.

Q: Does this mean the end of the Peace Process?

A: No. We totally and thoroughly reject that proposition. It's not the end for two reasons – one, most Israelis, most Palestinians, most Arabs want the peace process to go forward, want it to succeed. And as long as that is true, it won't die. And second, the alternative is unthinkable. We have seen the alternative this week in Jerusalem. It's death and carnage. That is unacceptable to the Israelis, it's unacceptable to the Palestinians, it's not good for the region, it's not good for the United States. We will not let this process die. There is no acceptable alternative to peace. The process has had many ups and downs. We will persevere.

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

A: We have drawn no conclusions to that effect, but there is an intensive on-going investigation involving the efforts of the NY Police Department, the FBI, the State Department and others from the intelligence community, so I'm not going to comment.

Q: One of those arrested in the Brooklyn raid had been detained three times while trying to enter the U.S. without proper documentation, and then he requested political asylum saying he'd face persecution in Israel where he was regarded as a terrorist. How could he have remained in the United States with apparent impunity?

A: The facts are under review – so I don't want to comment further on that.

Q: Newt Gingrich has said that the U.S. should be tougher on terrorism. Do you think you have done enough?

A: We believe fighting terrorism is a priority of increasing importance, and the President has worked to step up our efforts against terrorism.

Last year he submitted a supplemental budget request for $1.2 billion to fund counter-terrorism efforts in police departments, the FBI and the Secret Service.

He has also introduced anti-terrorism legislation to give us better tools to combat terrorist organizations. The Anti-Terrorism Act of 1996 makes it unlawful to contribute funds to organizations designated as terrorist organizations, and it sets up new, expedited provisions for the removal of those thought to be terrorists.

Q: Does the Administration support the Saxton bill that would cut off our assistance to the Palestinians if they can't curb terrorism?

A: We will address the proposed legislation next month when Congress reconvenes.

However, the bulk of our assistance is for projects which directly affect the Palestinian people, and for projects which advance good governance and the rule of law ---important objectives which the Congress strongly supports.

Q: What is the U.S. reaction to the request for a transit visa for Taiwan's President Lee Teng-Hui?

A: The United States will consider this transit request (through Hawaii on the way to Central America, with return stop in Hawaii) as we do all transit requests by Taiwan leaders. We look to the issue of the safety, comfort and convenience of the traveler. We have not yet issued the visa, but we do not anticipate any difficulty in doing so.

Background

The Administration has taken the position form 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 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: Any readout from Jim Steinberg's meeting with Adam Ingram?

A: Jim Steinberg met yesterday with Adam Ingram, Northern Ireland Minister for Security and Economic Development.

They had a very positive meeting. Discussion focused on the Northern Ireland peace process and ways to build on the progress of the recent ceasefire in the multi-party negotiations slated for September.

They also agreed that greater attention needed to be given to questions of economic development, as the essential ingredient for long-term stability.

If pressed: The involvement of Sinn Fein in the multi-party talks was discussed and the two agreed that the August 6 meeting between Sinn Fein leader Gerry Adams and UK Minister for Northern Ireland Mo Mowlam was a positive step.

Q: Did the Administration give Sin Fein assurances regarding visas for Sinn Fein leaders, access to the White House, fundraising in the United States, and suspension of IRA deportation cases, in the event of a renewed IRA ceasefire?

A: After Gerry Adams announced that he would recommend to the IRA that it reestablish the ceasefire, we informed Sinn Fein officials that in the event of a cease-fire, we would be prepared to take appropriate confidence-building measures to support the ceasefire and the peace process.

We are not going to go into detail about those confidence-building measures.

I will note that Sinn Fein official Joe Cahill was recently granted a waiver to visit here in early August. (NOTE: Following the IRA ceasefire in August 1994, we provided visas to Sinn Fein officials, including Joe Cahill.)

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. I would also note that Sinn Fein is a legal political party in both the UK and Ireland. Its leaders are free to travel and fundraise in both countries.

Q: What about the deportation cases?

A: Not going to go into specifics of possible confidence-building measures.

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.

CYPRUS
August 8, 1997

Turkish Cypriot Agreement with Turkey on "Association Council"

Q: **What is your reaction to the August 6 announcement by Turkish Cypriot leader Denktash and Turkish FM Cem on the economic and security integration of Northern Cyprus with Turkey? What impact will this have on next week's UN-sponsored Cyprus settlement talks in Montreaux, Switzerland?**

A: **We are aware of the joint statement issued by Mr. Denktash and Foreign Minister Cem.**

The U.S. strongly supports the U.N. in its efforts to secure a settlement of the Cyprus dispute.

We do not think this announcement was helpful, and we don't want to see any steps taken which undermine the U.N. negotiation process or which move toward the permanent partition of the island.

Our goal, and the goal of the international community, is settlement of this dispute. We urge the parties to take only those steps that advance a solution.

FAST TRACK
August 8, 1997

Q: How important is Fast Track?

A: As the President has made clear, we will seek legislation from Congress to secure fast track trade negotiating authority. We believe such authority is important to help us continue the successful work of the President+s first term.

Every President since Ford has had fast track authority for key periods with bipartisan support. The reasons for it now are more compelling than ever. International trade is increasingly important to our future. Over the next decade, the global economy is expected to grow at three times the rate of the U.S. economy. Over the past four years, one-quarter of our economic growth came from trade - and exports created 1.4 million new jobs. In a world where over 95% of the world's consumers live outside the U.S., we must export to sustain growth at home.

Fast track authority will permit us to continue the work of opening markets around the world through the WTO and other global institutions. For example, trade authority permitted us to secure the recent Information Technology Agreement, which will open a $500 billion global information technology market. In 1995, 3.3 million U.S. jobs were supported by $90 billion in exports of these products.

Without fast track authority, we risk sitting on the sidelines while other countries open markets to their products or set new trading rules contrary to U.S. interests. Since 1992, in Latin America and Asia alone, other countries have reached 20 preferential trade agreements without us. We must be active. We have nothing to fear. The U.S. is already the most competitive, the most open and most successful large economy in the world.

In the fall, we will offer a fast track proposal to Congress and seek passage in both the House and Senate.

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.

TRIPS AND VISITORS
July 28, 1997

- 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.

RUSSIAN MIR SITUATION
August 8, 1997

News media have reported that Mir's primary oxygen generator is not working, and that remaining oxygen supplies are limited. This has been the case for about a week, and it is not clear why this has suddenly become newsworthy. The Mir crew is relying on oxygen-generating canisters, and there is a supply sufficient for about 70 days on board. The crew expects to have the primary oxygen system back online by tomorrow. Mir's other major systems are operating well at this time. **Two replacement crew members docked with Mir on August 7.**

Talking Points

-- We have been monitoring Mir's oxygen situation for some time and do not consider it to be an immediate problem. Highly reliable backups are in use, and work to restore the primary oxygen-generating system continues.

-- The current schedule for crew replacement and repair is as follows:

o	August 14	Current Russian crew returns to Earth. (U.S. astronaut Michael 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: Is NASA still planning to send David Wolf to replace Michael Foale?

A. At this time, Wolf is scheduled to replace Foale aboard Mir in September. The final decision on whether he will stay aboard will depend on restoration of power from the damaged module and on the results of NASA's internal and external reviews of Mir safety.

Q: Isn't it finally time to end our participation in the Shuttle-Mir program?

The Shuttle/Mir program is only one facet of our space cooperation with Russia. Our missions on the Mir are giving us a great deal of knowledge and experience on how to live and work aboard an operational space station, especially in unexpected situations - something we will want to fully understand before we send up our own international space station. We are taking the decision on whether to send the next U.S. astronaut

(David Wolf) to the Mir one step at a time. We will be watching the results of the repair space walk on August 20 and will rely on NASA to make a decision on how we should proceed based on their technical and safety analysis of the situation.

BOSNIA
August 7, 1997

Izetbegovic/Tudjman

- Discussion and agreements signed yesterday by Croatian and Bosnian Presidents demonstrated a positive spirit of cooperation. Agreements cover return of refugees, cooperation on war criminals, and measures to strengthen Federation institutions.

- These commitments are a positive step. Now we will be looking for swift action by the parties to implement the agreements.

Holbrooke Trip

- Ambassador Holbrooke and Special Representative Gelbard are in Sarajevo today meeting with the Joint Presidency and the Council of Ministers. Acting High Representative Gerd Wagner will also be at these meetings.

- The Holbrooke-Gelbard team was unable to meet with President Plavsic in Banja Luka due to weather problems. They are expected to meet with her Friday.

- Ambassador Holbrooke's trip is part of our across-the-board effort to re-energize implementation of Dayton. Ambassador Holbrooke's knowledge of the players and the issues provides invaluable continuity.

- Holbrooke and Gelbard are carrying 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.

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?

- 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.

(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.

STABILISATION FORCE
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NEWS RELEASE

August 8, 1997

REFORM OF SPECIAL POLICE FORCES

SARAJEVO – General Eric Shinseki, Commander of SFOR, announced today a new policy for the control and restructuring of the Entities Specialist Police Forces under Dayton. This policy is designed to assist, accelerate and ensure police restructuring and reform. Entity police forces will be brought into line with the standard of police forces recognised by most democratic nations.

The Entities' Specialist Police Forces, which have not been duly certified by IPTF, will become subject to the provisions of Annex 1A of the General Framework Agreement for Peace. Those Specialist Police Forces that are undergoing certification will remain under IPTF unless they fall behind in their restructuring program. Specialist Police Forces subject to the provisions of Annex 1A will be treated in the same manner in which the Entity Military Forces are now controlled.

The Presidents of the Entities and the Presidency of Bosnia -Herzegovina have today been issued formal notification of new "Instructions for Specialist Police" and the requirement that they restructure these forces in accordance with principles and plans prepared under SFOR and IPTF guidance. The letters re-enforce their obligations to provide a safe and secure environment for all persons under their jurisdictions by operating civilian law enforcement agencies in accordance with internationally recognised standards.

This action has been taken at the direction of NATO and after consultation and co-ordination with other International Agencies in Bosnia and Herzegovina. This move is designed to provide for all people of Bosnia and Herzegovina a secure environment, essential for the progress of the peace process and normalisation of government institutions in Bosnia and Herzegovina.

SFOR will continue with its primary mandate to monitor and ensure compliance with Annex 1A of the GFAP. The application of 1A to the Entities' Armed Forces has been a major success. This has been due to the positive and effective co-operation of the Entities. Given a similar spirit, SFOR judges that the Entities and the International Agencies will achieve the same success in developing democratic, legitimate police forces.

For more information:
Please contact SFOR Coalition Press Information in Sarajevo at (00387) 071-447-601 or 071-447-6

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CAMBODIA
August 6, 1997

Background: The Cambodian parliament voted overwhelmingly to replace Prince Ranarridh as First Prime Minister with former Foreign Minister Ung Huot (OONG HOO-UT) , and to strip Ranarridh of his parliamentary immunity from prosecution, thereby exposing him to a military court trial on charges of weapons smuggling and collusion with the Khmer Rouge should he attempt to return to Cambodia. The action was well-scripted and controlled, and the 42 parliamentary members of Ranarridh's FUNCINPEC party who remain in Cambodia (out of 58, the others being in self-imposed exile) voted overwhelmingly with the 50 members of Second Prime Minister Hun Sen's Cambodian People's Party (CPP) and other smaller parties to provide the constitutional majorities required. In his acceptance speech, Ung Huot reiterated his commitment to free and fair elections in May 1998, and specifically asked the United States to restore an aid program that would benefit the electoral process.

Q: What is your reaction to the decisions by the Cambodian parliament to strip First Prime Minister Ranarridh of his parliamentary immunity and replace him with Ung Huot?

A: We regret this move. We continue to believe that, given the unsettled situation in Cambodia, the reports of fear and intimidation of opposition members who remain in-country, and the significant number of parliamentarians who are in exile (including the leaders of the three opposition parties), this vote was taken under conditions that cast doubt on its being a true representation of the will of the Cambodian parliament.

We are deeply concerned that certain irregularities in the procedure have called into question whether it was done in a manner consistent with the Cambodian constitution. For example, King Sihanouk, who also remains outside Cambodia, has not endorsed the change.

Until such time as all Cambodian parliamentarians are free to return to Phnom Penh without fear of personal harm or intimidation, we believe this vote lacks legitimacy.

The stripping of immunity from Prince Ranarridh and the bringing of charges by a military court are not conducive to the return of parliamentarians.

We continue to support the ASEAN initiative, which is intended to bring about reconciliation between different Cambodian parties, the return of exiled parliamentarians, and the holding of free and fair elections in 1998.

We will work with our ASEAN partners and other concerned states to advance the goal of free, fair, and fully participatory elections in 1998. We have sent Desaix Anderson to Asia this week to consult with governments in the region on next steps to resolve the political crisis.

Q: Does that mean you refuse to recognize the Cambodian government?

A: The United States recognizes states, not governments.

Q: Will you restore aid programs to the new Cambodian government, as requested by Ung Huot?

A: The U.S. Government suspended portions of its assistance program to Cambodia in the wake of the events of July 5-6. We hope to continue providing assistance that addresses basic human needs, promotes democratic processes, and strengthen the respect for human rights. None of these programs provides funds to or through the Government of Cambodia; our aid goes through NGO's or private contractors. We are also consulting with other donor countries on the issue of support, including observers, for the 1998 national elections. The genuine intent of the Cambodian government to establish the conditions under which free and fair elections can be held next year will be a factor in our future decisions.

Q: Will you work with the new government?

A: We will maintain diplomatic relations with Cambodia. Our principal goal, however, will be, --the holding of free and fair elections in 1998 to restore Cambodia to compliance with the Paris Accords and the Cambodian constitution.

We respect and appreciate Ung Huot's determination to hold free and fair elections in 1998.

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: 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, Ranarridh 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.

KOREA
August 8, 1997

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).

Q: What is the status of talks in New York?

A: **Though the talks have been suspended after agreement on the agenda could not be reached, they will begin again in mid-September**.

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.

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: 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.

SOUTHERN LEBANON
August 8, 1997

Q: What is the current status of fighting in southern Lebanon?

A: One Katyusha rocket struck a synagogue in Northern Israel, slightly injuring one person. (FYI: two others suffered shock upon learning of the event)

We condemn such attacks and are concerned about the escalation of violence in the region over the last several days, particularly in the civilian casualties it has produced.

We have been in contact with all parties directly to express our concern about the recent violence, and have urged maximum restraint.

Q: Wasn't this just the latest attack in a cycle that began when Israeli forces killed 5 Hizballah members and other attacks that have resulted in civilian casualties? Who is to blame?

A: There can be no excuse for the recent Katyusha Attack on civilians.

The US supports the sovereignty, independence and territorial integrity of Lebanon.

At the same time, the US supports the Israeli right to defend itself from attacks directed against its citizens and the security of its northern border.

The Israel-Lebanon monitoring Group, which has helped to diffuse tensions in the area since its inception in June 1996, will meet Sunday to discuss the recent violence.

We support the ILMG's work. It is the proper venue for dealing with violence.

Q: You say urging restraint, but what are you doing to end the flair ups? This one has cost thirteen lives so far.

A: The security of the Israeli-Lebanon border must be insured through lasting arrangements.

We believe this can be done best through direct discussions and agreements between the parties.