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Daily Press Guidance

Thursday
August 14, 1997

(For internal use only.)

Press Guidance
Thursday, August 14, 1997

Domestic

1. **NY Medicaid** - Medicaid

Events

1. **Religious Freedom** - Religion

Economic

1. **CPI** - rose 0.2% in July/ 2.4% over 12 months - Economy
2. **Index of Industrial Production** - rose 0.3% in June - Economy
- Capacity Utilization** - down 0.2% - Economy

Foreign

1. Middle East
2. China/Taiwan
3. Northern Ireland
4. Angola
5. Cyprus
6. Iran
7. India
8. Thailand
9. Kenya
10. Fast Track
11. Trips and Visitors
12. Russia/NIS
13. Russian Mir Situation
14. Bosnia
15. Cambodia
16. Korea
17. Landmines

Q: Is the administration now trying to work out a compromise with New York on line - item veto?

A: Our position has been the same before the line item veto, during the line-item veto, and after the line-item veto. We will not allow the type of impermissible or phantom provider tax that was the basis for our line-item veto-- on that point there can be no flexibility. However, as we stated before the line-item and when we did the line-item veto, to the extent that NY has legal and permissible provider taxes, we will work with them in good faith to clarify the legality of those provisions so that all permissible means for NY Medicaid financing are available to them.

As Director Raines said in our briefing on line- item veto, we did indicate our willingness to support legislation clarifying the permissibility of New York regional taxes, which would have provided significant financial relief to the State.* However, we should be clear, our proposal would not have allowed New York to make up anywhere near all of the revenue that was denied to them as a result of the line item veto. The Congress rejected our proposal and instead passed a provision that benefited only one state and "deemed" to be legal provider taxes that we believe are clearly impermissible. This is unacceptable and is the reason the President chose to line item veto this provision.

* (FYI: The counter-proposal suggested by the Administration would have clarified as acceptable one type of provider tax used by New York that no other state uses; in other words, any state who had a regional tax would have been eligible to benefit from this clarification. As far as we know, however, no state other than New York has a regional tax that would be eligible.)

per Jennings

PRESS GUIDANCE ON EXEMPTION OF THE MILITARY FROM GUIDELINES ON
RELIGIOUS FREEDOM IN THE WORKPLACE

The military is exempted from these guidelines because of its unique requirements for safety, operational effectiveness, and good order and discipline, which often require greater uniformity than is necessary in other workplaces. Within these constraints, however, the military does as much as it can to accommodate diverse religious practices.

**PRESIDENT CLINTON TO ANNOUNCE GUIDELINES FOR
RELIGIOUS FREEDOM IN THE FEDERAL WORKPLACE**

August 14, 1997

Today, President Clinton, joined by Vice President Gore, will announce Guidelines for Religious Expression in the Federal Workplace. These Guidelines are the product of this Administration's continuing work with a variety of religious groups on religious liberty issues.

Vice President Gore will make opening remarks and introduce the President.

Attached is a fact sheet on the Guidelines for Religious Freedom in the Federal Workplace and a copy of the Presidential Memorandum.

**PRESIDENT CLINTON:
EXPANDING RELIGIOUS FREEDOM AND PROMOTING TOLERANCE**

Today's Announcement - Issuing Guidelines on Religious Exercise and Religious Expression in the Federal Workplace

The President recognizes that America's religious diversity has been one of its greatest strengths over the last two hundred years. This diversity has promoted a tolerance of difference that is one of the most profound achievements of the American Experiment.

Because religious tolerance is so important, the President has worked with a broad coalition of religious and civic organizations - Christian, Jewish and Muslim, conservative and liberal - who are committed to protecting religious liberty. As part of this effort, the President is issuing Guidelines on Religious Exercise and Religious Expression in the Federal Workplace today. These Guidelines will ensure that federal agencies respect the rights of those who engage in religious practices or espouse religious beliefs.

These guidelines are based upon principles of neutrality and fairness -- federal employers shall treat employees with the same respect and consideration, regardless of their religious beliefs. Whether by allowing religious speech, preventing religious coercion or harassment, or making accommodations to religious practice, the government will act to ensure that the federal workplace is generous to followers of all religions, as well as the followers of none.

Building on the Progress We Have Made

Today's action continues the progress made by the President and a broad coalition of religious groups to promote religious freedom and diversity:

The Religious Freedom Restoration Act of 1993 -- The President fought for and signed this Act, which reaffirms the rightful and historic place of religion throughout our society. Although the Supreme Court struck down the Religious Freedom Restoration Act [RFRA] as it applies to the states, RFRA continues to support religious liberty by protecting our citizens from any federal government action that unduly restricts their religious exercise.

Guidelines on Religious Expression in Public Schools -- In 1995, the President directed the Secretary of Education, in consultation with the Attorney General, to provide every school district in America with a statement of principle addressing the extent to which religious expression and activity are permitted in the public schools. These guidelines have helped ensure that school officials understand that the First Amendment does not require students to leave their religion at the schoolhouse door.

President Clinton recognizes that expanding religious freedom brings our country together amidst all our diversity so that we can find common ground and move forward together.

"We can live together with our deepest differences and all be stronger for it."

--President Clinton, Remarks by the President on Religious Liberty in America, July 12, 1995

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

August 14, 1997

August 14, 1997

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

SUBJECT: Religious Exercise and Religious Expression
in the Federal Workplace

Religious freedom is central to the American system of liberty. Our Nation's founders erected the twin pillars of this freedom, guaranteeing the free exercise of religion and prohibiting the establishment of religion by the state, in the very First Amendment to the Constitution. Throughout our history, men and women have come to this Nation to escape religious persecution and secure this precious freedom. They and others have built a Nation in which religious practices and religious institutions have thrived -- exactly because each individual has been able to choose for himself or herself whether and, if so, how to worship.

In the four and one-half years I have served as President, I have been proud of the efforts of my Administration, in tandem with a broad coalition of individuals and organizations, to support freedom of religion. In 1993, I was proud to reaffirm the rightful and historic place of religion throughout our society when I signed the Religious Freedom Restoration Act, which continues to protect the exercise of religion from being inappropriately burdened by Federal agencies, entities, and institutions. In 1995, I was similarly proud to support the protection of appropriate religious expression in the public schools when I directed the Secretary of Education to issue guidance to public school districts on the extent of permissible prayer and other speech of a religious character.

Today, I focus on the Federal workplace, directing the heads of executive departments and agencies ("agencies") to comply with the *Guidelines on Religious Exercise and Religious Expression in the Federal Workplace* to be distributed today by the Office of Personnel Management. All civilian executive branch agencies, officials, and employees must follow these Guidelines carefully. Strict adherence to these Guidelines will ensure that agencies will respect the rights of those who engage in religious practices or espouse religious beliefs, as well as those who reject religion altogether. In particular, the Guidelines establish the following principles:

First, agencies shall permit employees to engage in personal religious expression (as they must permit other constitutionally valued expression) to the greatest extent possible, consistent with interests in workplace efficiency and requirements of law. Of course, the workplace is for work, and an agency may restrict any speech that truly interferes with its ability to perform public services. In addition, an agency may have a legal obligation to restrict certain forms of speech that intrude

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unduly on the legitimate rights of others. But when an agency allows nonreligious speech, because that speech does not impinge on these interests, an agency also usually must allow otherwise similar speech of a religious nature. The one exception to this principle of neutrality -- an exception mandated by the Establishment Clause -- is when religious speech would lead a reasonable observer to conclude that the Government is endorsing religion. Subject to this exception, an agency may not typically subject religious speech to greater restrictions than other speech entitled to full constitutional protection, and therefore should allow much of this speech to go forward.

Second, the Federal Government may not discriminate in employment on the basis of religion. This means that an agency may not hire or refuse to hire, promote or refuse to promote, or otherwise favor or disfavor a potential, current, or former employee because of his or her religion or religious beliefs. This means that an agency, or any supervisor within an agency, may not coerce an employee to participate in religious activities (or to refrain from participating in otherwise permissible religious activities) by offering better (or threatening worse) employment conditions. And this means that an agency shall prevent any supervisor or any employee from engaging in religious harassment or creating, through the use of intimidation or pervasive or severe ridicule or insult, a religiously hostile environment.

Third, agencies must reasonably accommodate employees' religious practices. The need for accommodation arises in many circumstances -- for example, when work schedules interfere with Sabbath or other religious holiday observances or when work rules prevent an employee from wearing religiously compelled dress. Once again, governmental interests in workplace efficiency may be at stake in such cases. But an agency, as specified in greater detail in the Guidelines, must always accommodate an employee's religious practice in the absence of nonspeculative costs and may need to accommodate such practice even when doing so will impose some hardship on the agency's operations.

All of these principles are related. All are but variants or applications of a single rule of neutrality and fairness -- that agencies shall treat employees with the same respect and consideration, regardless of their religious beliefs. Whether by allowing religious speech, preventing religious coercion or harassment, or making accommodations to religious practice, the Federal Government must act to ensure that the Federal workplace is generous to followers of all religions, as well as to followers of none. The Guidelines will advance this goal. Although they doubtless will leave unresolved many difficult questions arising from specific factual contexts and circumstances, they will clarify the obligations and appropriate commitments of the Federal Government, acting as an employer, to protect and enhance religious freedoms.

WILLIAM J. CLINTON

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For Immediate Release

August 14, 1997

**GUIDELINES ON RELIGIOUS EXERCISE AND
RELIGIOUS EXPRESSION IN THE FEDERAL WORKPLACE**

The following Guidelines, addressing religious exercise and religious expression, shall apply to all civilian executive branch agencies, officials, and employees in the Federal workplace.

These Guidelines principally address employees' religious exercise and religious expression when the employees are acting in their personal capacity within the Federal workplace and the public does not have regular exposure to the workplace. The Guidelines do not comprehensively address whether and when the government and its employees may engage in religious speech directed at the public. They also do not address religious exercise and religious expression by uniformed military personnel, or the conduct of business by chaplains employed by the Federal Government. Nor do the Guidelines define the rights and responsibilities of non-governmental employers -- including religious employers -- and their employees. Although these Guidelines, including the examples cited in them, should answer the most frequently encountered questions in the Federal workplace, actual cases sometimes will be complicated by additional facts and circumstances that may require a different result from the one the Guidelines indicate.

Section 1. Guidelines for Religious Exercise and Religious Expression in the Federal Workplace. Executive departments and agencies ("agencies") shall permit personal religious expression by Federal employees to the greatest extent possible, consistent with requirements of law and interests in workplace efficiency as described in this set of Guidelines. Agencies shall not discriminate against employees on the basis of religion, require religious participation or non-participation as a condition of employment, or permit religious harassment. And agencies shall accommodate employees' exercise of their religion in the circumstances specified in these Guidelines. These requirements are but applications of the general principle that agencies shall treat all employees with the same respect and consideration, regardless of their religion (or lack thereof).

A. Religious Expression. As a matter of law, agencies shall not restrict personal religious expression by employees in the Federal workplace except where the employee's interest in the expression is outweighed by the government's interest in the efficient provision of public services or where the expression intrudes upon the legitimate rights of other employees or creates the appearance, to a reasonable observer, of an official endorsement of religion. The examples cited in these Guidelines as permissible forms of religious expression will rarely, if ever, fall within these exceptions.

As a general rule, agencies may not regulate employees' personal religious expression on the basis of its content or viewpoint. In other words, agencies generally may not suppress employees' private religious speech in the workplace while leaving unregulated other private employee speech that has a comparable effect on the efficiency of the workplace -- including ideological

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speech on politics and other topics -- because to do so would be to engage in presumptively unlawful content or viewpoint discrimination. Agencies, however, may, in their discretion, reasonably regulate the time, place and manner of all employee speech, provided such regulations do not discriminate on the basis of content or viewpoint.

The Federal Government generally has the authority to regulate an employee's private speech, including religious speech, where the employee's interest in that speech is outweighed by the government's interest in promoting the efficiency of the public services it performs. Agencies should exercise this authority evenhandedly and with restraint, and with regard for the fact that Americans are used to expressions of disagreement on controversial subjects, including religious ones. Agencies are not required, however, to permit employees to use work time to pursue religious or ideological agendas. Federal employees are paid to perform official work, not to engage in personal religious or ideological campaigns during work hours.

(1) Expression in Private Work Areas. Employees should be permitted to engage in private religious expression in personal work areas not regularly open to the public to the same extent that they may engage in nonreligious private expression, subject to reasonable content- and viewpoint-neutral standards and restrictions: such religious expression must be permitted so long as it does not interfere with the agency's carrying out of its official responsibilities.

Examples

- (a) An employee may keep a Bible or Koran on her private desk and read it during breaks.
- (b) An agency may restrict all posters, or posters of a certain size, in private work areas, or require that such posters be displayed facing the employee, and not on common walls; but the employer typically cannot single out religious or anti-religious posters for harsher or preferential treatment.

(2) Expression Among Fellow Employees. Employees should be permitted to engage in religious expression with fellow employees, to the same extent that they may engage in comparable nonreligious private expression, subject to reasonable and content-neutral standards and restrictions: such expression should not be restricted so long as it does not interfere with workplace efficiency. Though agencies are entitled to regulate such employee speech based on reasonable predictions of disruption, they should not restrict speech based on merely hypothetical concerns, having little basis in fact, that the speech will have a deleterious effect on workplace efficiency.

Examples

- (a) In informal settings, such as cafeterias and hallways, employees are entitled to discuss their religious views with one another, subject only to the same rules of order as apply to other employee expression. If an agency permits unrestricted nonreligious expression of a controversial nature, it must likewise permit equally controversial religious expression.

- (b) Employees are entitled to display religious messages on items of clothing to the same extent that they are permitted to display other comparable messages. So long as they do not convey any governmental endorsement of religion, religious messages may not typically be singled out for suppression.
- (c) Employees generally may wear religious medallions over their clothes or so that they are otherwise visible. Typically, this alone will not affect workplace efficiency, and therefore is protected.

(3) Expression Directed at Fellow Employees.

Employees are permitted to engage in religious expression directed at fellow employees, and may even attempt to persuade fellow employees of the correctness of their religious views, to the same extent as those employees may engage in comparable speech not involving religion. Some religions encourage adherents to spread the faith at every opportunity, a duty that can encompass the adherent's workplace. As a general matter, proselytizing is as entitled to constitutional protection as any other form of speech -- as long as a reasonable observer would not interpret the expression as government endorsement of religion. Employees may urge a colleague to participate or not to participate in religious activities to the same extent that, consistent with concerns of workplace efficiency, they may urge their colleagues to engage in or refrain from other personal endeavors. But employees must refrain from such expression when a fellow employee asks that it stop or otherwise demonstrates that it is unwelcome. (Such expression by supervisors is subject to special consideration as discussed in Section B(2) of these guidelines.)

Examples

- (a) During a coffee break, one employee engages another in a polite discussion of why his faith should be embraced. The other employee disagrees with the first employee's religious exhortations, but does not ask that the conversation stop. Under these circumstances, agencies should not restrict or interfere with such speech.
- (b) One employee invites another employee to attend worship services at her church, though she knows that the invitee is a devout adherent of another faith. The invitee is shocked, and asks that the invitation not be repeated. The original invitation is protected, but the employee should honor the request that no further invitations be issued.

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- (c) In a parking lot, a non-supervisory employee hands another employee a religious tract urging that she convert to another religion lest she be condemned to eternal damnation. The proselytizing employee says nothing further and does not inquire of his colleague whether she followed the pamphlet's urging. This speech typically should not be restricted.

Though personal religious expression such as that described in these examples, standing alone, is protected in the same way, and to the same extent, as other constitutionally valued speech in the Federal workplace, such expression should not be permitted if it is part of a larger pattern of verbal attacks on fellow employees (or a specific employee) not sharing the faith of the speaker. Such speech, by virtue of its excessive or harassing nature, may constitute religious harassment or create a hostile work environment, as described in Part B(3) of these Guidelines, and an agency should not tolerate it.

(4) Expression in Areas Accessible to the Public. Where the public has access to the Federal workplace, all Federal employers must be sensitive to the Establishment Clause's requirement that expression not create the reasonable impression that the government is sponsoring, endorsing, or inhibiting religion generally, or favoring or disfavoring a particular religion. This is particularly important in agencies with adjudicatory functions.

However, even in workplaces open to the public, not all private employee religious expression is forbidden. For example, Federal employees may wear personal religious jewelry absent special circumstances (such as safety concerns) that might require a ban on all similar nonreligious jewelry. Employees may also display religious art and literature in their personal work areas to the same extent that they may display other art and literature, so long as the viewing public would reasonably understand the religious expression to be that of the employee acting in her personal capacity, and not that of the government itself. Similarly, in their private time employees may discuss religion with willing coworkers in public spaces to the same extent as they may discuss other subjects, so long as the public would reasonably understand the religious expression to be that of the employees acting in their personal capacities.

B. Religious Discrimination. Federal agencies may not discriminate against employees on the basis of their religion, religious beliefs, or views concerning religion.

(1) Discrimination in Terms and Conditions. No agency within the executive branch may promote, refuse to promote, hire, refuse to hire, or otherwise favor or disfavor, an employee or potential employee because of his or her religion, religious beliefs, or views concerning religion.

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Examples

- (a) A Federal agency may not refuse to hire Buddhists, or impose more onerous requirements on applicants for employment who are Buddhists.
- (b) An agency may not impose, explicitly or implicitly, stricter promotion requirements for Christians, or impose stricter discipline on Jews than on other employees, based on their religion. Nor may Federal agencies give advantages to Christians in promotions, or impose lesser discipline on Jews than on other employees, based on their religion.
- (c) A supervisor may not impose more onerous work requirements on an employee who is an atheist because that employee does not share the supervisor's religious beliefs.

(2) Coercion of Employee's Participation or Nonparticipation in Religious Activities. A person holding supervisory authority over an employee may not, explicitly or implicitly, insist that the employee participate in religious activities as a condition of continued employment, promotion, salary increases, preferred job assignments, or any other incidents of employment. Nor may a supervisor insist that an employee refrain from participating in religious activities outside the workplace except pursuant to otherwise legal, neutral restrictions that apply to employees' off-duty conduct and expression in general (e.g., restrictions on political activities prohibited by the Hatch Act).

This prohibition leaves supervisors free to engage in some kinds of speech about religion. Where a supervisor's religious expression is not coercive and is understood as his or her personal view, that expression is protected in the Federal workplace in the same way and to the same extent as other constitutionally valued speech. For example, if surrounding circumstances indicate that the expression is merely the personal view of the supervisor and that employees are free to reject or ignore the supervisor's point of view or invitation without any harm to their careers or professional lives, such expression is so protected.

Because supervisors have the power to hire, fire, or promote, employees may reasonably perceive their supervisors' religious expression as coercive, even if it was not intended as such. Therefore, supervisors should be careful to ensure that their statements and actions are such that employees do not perceive any coercion of religious or non-religious behavior (or respond as if such coercion is occurring), and should, where necessary, take appropriate steps to dispel such misperceptions.

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Examples

- (a) A supervisor may invite co-workers to a son's confirmation in a church, a daughter's bat mitzvah in a synagogue, or to his own wedding at a temple.
but—A supervisor should not say to an employee: "I didn't see you in church this week. I expect to see you there this Sunday."
- (b) On a bulletin board on which personal notices unrelated to work regularly are permitted, a supervisor may post a flyer announcing an Easter musical service at her church, with a handwritten notice inviting co-workers to attend.
but—A supervisor should not circulate a memo announcing that he will be leading a lunch-hour Talmud class that employees should attend in order to participate in a discussion of career advancement that will convene at the conclusion of the class.
- (c) During a wide-ranging discussion in the cafeteria about various non-work related matters, a supervisor states to an employee her belief that religion is important in one's life. Without more, this is not coercive, and the statement is protected in the Federal workplace in the same way, and to the same extent, as other constitutionally valued speech.
- (d) A supervisor who is an atheist has made it known that he thinks that anyone who attends church regularly should not be trusted with the public weal. Over a period of years, the supervisor regularly awards merit increases to employees who do not attend church routinely, but not to employees of equal merit who do attend church. This course of conduct would reasonably be perceived as coercive and should be prohibited.
- (e) At a lunch-table discussion about abortion, during which a wide range of views are vigorously expressed, a supervisor shares with those he supervises his belief that God demands full respect for unborn life, and that he believes it is appropriate for all persons to pray for the unborn. Another supervisor expresses the view that abortion should be kept legal because God teaches that women must have control over their own bodies. Without more, neither of these comments coerces employees' religious conformity or conduct. Therefore, unless the supervisors take further steps to coerce agreement with their view or act in ways that could reasonably be perceived as coercive, their expressions are protected in the Federal workplace in the same way and to the same extent as other constitutionally valued speech.

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(3) Hostile Work Environment and Harassment.

The law against workplace discrimination protects Federal employees from being subjected to a hostile environment, or religious harassment, in the form of religiously discriminatory intimidation, or pervasive or severe religious ridicule or insult, whether by supervisors or fellow workers. Whether particular conduct gives rise to a hostile environment, or constitutes impermissible religious harassment, will usually depend upon its frequency or repetitiveness, as well as its severity. The use of derogatory language in an assaultive manner can constitute statutory religious harassment if it is ~~severe~~ or invoked repeatedly. A single incident, if sufficiently abusive, might also constitute statutory harassment. However, although employees should always be guided by general principles of civility and workplace efficiency, a hostile environment is not created by the bare expression of speech with which some employees might disagree. In a country where freedom of speech and religion are guaranteed, citizens should expect to be exposed to ideas with which they disagree.

The examples below are intended to provide guidance on when conduct or words constitute religious harassment that should not be tolerated in the Federal workplace. In a particular case, the question of employer liability would require consideration of additional factors, including the extent to which the agency was aware of the harassment and the actions the agency took to address it.

Examples

- (a) An employee repeatedly makes derogatory remarks to other employees with whom she is assigned to work about their faith or lack of faith. This typically will constitute religious harassment. An agency should not tolerate such conduct.
- (b) A group of employees subjects a fellow employee to a barrage of comments about his sex life, knowing that the targeted employee would be discomforted and offended by such comments because of his religious beliefs. This typically will constitute harassment, and an agency should not tolerate it.
- (c) A group of employees that share a common faith decides that they want to work exclusively with people who share their views. They engage in a pattern of verbal attacks on other employees who do not share their views, calling them heathens, sinners, and the like. This conduct should not be tolerated.
- (d) Two employees have an angry exchange of words. In the heat of the moment, one makes a derogatory comment about the other's religion. When tempers cool, no more is said. Unless the words are sufficiently severe or pervasive to alter the conditions of the insulted employee's employment or create an abusive working environment, this is not statutory religious harassment.

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- (e) Employees wear religious jewelry and medallions over their clothes or so that they are otherwise visible. Others wear buttons with a generalized religious or anti-religious message. Typically, these expressions are personal and do not alone constitute religious harassment.
- (f) In her private work area, a Federal worker keeps a Bible or Koran on her private desk and reads it during breaks. Another employee displays a picture of Jesus and the text of the Lord's Prayer in her private work area. This conduct, without more, is not religious harassment, and does not create an impermissible hostile environment with respect to employees who do not share those religious views, even if they are upset or offended by the conduct.
- (g) During lunch, certain employees gather on their own time for prayer and Bible study in an empty conference room that employees are generally free to use on a first-come, first-served basis. Such a gathering does not constitute religious harassment even if other employees with different views on how to pray might feel excluded or ask that the group be disbanded.

C. Accommodation of Religious Exercise. Federal law requires an agency to accommodate employees' exercise of their religion unless such accommodation would impose an undue hardship on the conduct of the agency's operations. Though an agency need not make an accommodation that will result in more than a *de minimis* cost to the agency, that cost or hardship nevertheless must be real rather than speculative or hypothetical: the accommodation should be made unless it would cause an actual cost to the agency or to other employees or an actual disruption of work, or unless it is otherwise barred by law.

In addition, religious accommodation cannot be disfavored vis-a-vis other, nonreligious accommodations. Therefore, a religious accommodation cannot be denied if the agency regularly permits similar accommodations for nonreligious purposes.

Examples

- (a) An agency must adjust work schedules to accommodate an employee's religious observance -- for example, Sabbath or religious holiday observance -- if an adequate substitute is available, or if the employee's absence would not otherwise impose an undue burden on the agency.
- (b) An employee must be permitted to wear religious garb, such as a crucifix, a yarmulke, or a head scarf or hijab, if wearing such attire during the work day is part of the employee's religious practice or expression, so long as the wearing of such garb does not unduly interfere with the functioning of the workplace.

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- (c) An employee should be excused from a particular assignment if performance of that assignment would contravene the employee's religious beliefs and the agency would not suffer undue hardship in reassigning the employee to another detail.
- (d) During lunch, certain employees gather on their own time for prayer and Bible study in an empty conference room that employees are generally free to use on a first-come, first-served basis. Such a gathering may not be subject to discriminatory restrictions because of its religious content.

In those cases where an agency's work rule imposes a substantial burden on a particular employee's exercise of religion, the agency must go further: an agency should grant the employee an exemption from that rule, unless the agency has a compelling interest in denying the exemption and there is no less restrictive means of furthering that interest.

Examples

- (a) A corrections officer whose religion compels him or her to wear long hair should be granted an exemption from an otherwise generally applicable hair-length policy unless denial of an exemption is the least restrictive means of preserving safety, security, discipline or other compelling interests.
- (b) An applicant for employment in a governmental agency who is a Jehovah's Witness should not be compelled, contrary to her religious beliefs, to take a loyalty oath whose form is religiously objectionable.

D. Establishment of Religion. Supervisors and employees must not engage in activities or expression that a reasonable observer would interpret as Government endorsement or denigration of religion or a particular religion. Activities of employees need not be officially sanctioned in order to violate this principle; if, in all the circumstances, the activities would leave a reasonable observer with the impression that Government was endorsing, sponsoring, or inhibiting religion generally or favoring or disfavoring a particular religion, they are not permissible. Diverse factors, such as the context of the expression or whether official channels of communication are used, are relevant to what a reasonable observer would conclude.

Examples

- (a) At the conclusion of each weekly staff meeting and before anyone leaves the room, an employee leads a prayer in which nearly all employees participate. All employees are required to attend the weekly meeting. The supervisor neither explicitly recognizes the prayer as an official function nor explicitly states that no one need participate in the prayer. This course of conduct is not permitted unless under all the circumstances a reasonable observer would conclude that the prayer was not officially endorsed.

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- (b) At Christmas time, a supervisor places a wreath over the entrance to the office's main reception area. This course of conduct is permitted.

Section 2. Guiding Legal Principles. In applying the guidance set forth in section 1 of this order, executive branch departments and agencies should consider the following legal principles.

A. Religious Expression. It is well-established that the Free Speech Clause of the First Amendment protects Government employees in the workplace. This right encompasses a right to speak about religious subjects. The Free Speech Clause also prohibits the Government from singling out religious expression for disfavored treatment: "[P]rivate religious speech, far from being a First Amendment orphan, is as fully protected under the Free Speech Clause as secular private expression," *Capitol Sq. Review Bd. v. Pinette*, 115 S.Ct. 2448 (1995). Accordingly, in the Government workplace, employee religious expression cannot be regulated because of its religious character, and such religious speech typically cannot be singled out for harsher treatment than other comparable expression.

Many religions strongly encourage their adherents to spread the faith by persuasion and example at every opportunity, a duty that can extend to the adherents' workplace. As a general matter, proselytizing is entitled to the same constitutional protection as any other form of speech. Therefore, in the governmental workplace, proselytizing should not be singled out because of its content for harsher treatment than nonreligious expression.

However, it is also well-established that the Government in its role as employer has broader discretion to regulate its employees' speech in the workplace than it does to regulate speech among the public at large. Employees' expression on matters of public concern can be regulated if the employees' interest in the speech is outweighed by the interest of the Government, as an employer, in promoting the efficiency of the public services it performs through its employees. Governmental employers also possess substantial discretion to impose content-neutral and viewpoint-neutral time, place, and manner rules regulating private employee expression in the workplace (though they may not structure or administer such rules to discriminate against particular viewpoints). Furthermore, employee speech can be regulated or discouraged if it impairs discipline by superiors, has a detrimental impact on close working relationships for which personal loyalty and confidence are necessary, impedes the performance of the speaker's duties or interferes with the regular operation of the enterprise, or demonstrates that the employee holds views that could lead his employer or the public reasonably to question whether he can perform his duties adequately.

Consistent with its fully protected character, employee religious speech should be treated, within the Federal workplace, like other expression on issues of public concern: in a particular case, an employer can discipline an employee for engaging in speech if the value of the speech is outweighed by the employer's interest in promoting the efficiency of the public services it performs

through its employee. Typically, however, the religious speech cited as permissible in the various examples included in these Guidelines will not unduly impede these interests and should not be regulated. And rules regulating employee speech, like other rules regulating speech, must be carefully drawn to avoid any unnecessary limiting or chilling of protected speech.

B. Discrimination in Terms and Conditions. Title VII of the Civil Rights Act of 1964 makes it unlawful for employers, both private and public, to "fail or refuse to hire or to discharge any individual, or otherwise to discriminate against any individual with respect to compensation, terms, conditions, or privileges of employment, because of such individual's . . . religion." 42 U.S.C. § 2000e-2(a)(1). The Federal Government also is bound by the equal protection component of the Due Process Clause of the Fifth Amendment, which bars intentional discrimination on the basis of religion. Moreover, the prohibition on religious discrimination in employment applies with particular force to the Federal Government, for Article VI, clause 3 of the Constitution bars the Government from enforcing any religious test as a requirement for qualification to any Office. In addition, if a Government law, regulation or practice facially discriminates against employees' private exercise of religion or is intended to infringe upon or restrict private religious exercise, then that law, regulation, or practice implicates the Free Exercise Clause of the First Amendment. Last, under the Religious Freedom Restoration Act, 42 U.S.C. § 2000bb-1, Federal governmental action that substantially burdens a private party's exercise of religion can be enforced only if it is justified by a compelling interest and is narrowly tailored to advance that interest.

C. Coercion of Employees' Participation or Nonparticipation in Religious Activities. The ban on religious discrimination is broader than simply guaranteeing nondiscriminatory treatment in formal employment decisions such as hiring and promotion. It applies to all terms and conditions of employment. It follows that the Federal Government may not require or coerce its employees to engage in religious activities or to refrain from engaging in religious activity. For example, a supervisor may not demand attendance at (or a refusal to attend) religious services as a condition of continued employment or promotion, or as a criterion affecting assignment of job duties. Quid pro quo discrimination of this sort is illegal. Indeed, wholly apart from the legal prohibitions against coercion, supervisors may not insist upon employees' conformity to religious behavior in their private lives any more than they can insist on conformity to any other private conduct unrelated to employees' ability to carry out their duties.

D. Hostile Work Environment and Harassment. Employers violate Title VII's ban on discrimination by creating or tolerating a "hostile environment" in which an employee is subject to discriminatory intimidation, ridicule, or insult sufficiently severe or pervasive to alter the conditions of the victim's employment. This statutory standard can be triggered (at the very least) when an employee, because of her or his religion or lack thereof, is exposed to intimidation, ridicule, and insult. The hostile conduct -- which may take the form of speech -- need not come from supervisors or from the employer. Fellow employees can create a hostile environment through their own words and actions.

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(OVER)

The existence of some offensive workplace conduct does not necessarily constitute harassment under Title VII. Occasional and isolated utterances of an epithet that engenders offensive feelings in an employee typically would not affect conditions of employment, and therefore would not in and of itself constitute harassment. A hostile environment, for Title VII purposes, is not created by the bare expression of speech with which one disagrees. For religious harassment to be illegal under Title VII, it must be sufficiently severe or pervasive to alter the conditions of employment and create an abusive working environment. Whether conduct can be the predicate for a finding of religious harassment under Title VII depends on the totality of the circumstances, such as the nature of the verbal or physical conduct at issue and the context in which the alleged incidents occurred. As the Supreme Court has said in an analogous context:

[W]hether an environment is "hostile" or "abusive" can be determined only by looking at all the circumstances. These may include the frequency of the discriminatory conduct; its severity; whether it is physically threatening or humiliating, or a mere offensive utterance; and whether it unreasonably interferes with an employee's work performance. The effect on the employee's psychological well-being is, of course, relevant to determining whether the plaintiff actually found the environment abusive. *Harris v. Forklift Systems, Inc.*, 510 U.S. 17, 23 (1993).

The use of derogatory language directed at an employee can rise to the level of religious harassment if it is severe or invoked repeatedly. In particular, repeated religious slurs and negative religious stereotypes, or continued disparagement of an employee's religion or ritual practices, or lack thereof, can constitute harassment. It is not necessary that the harassment be explicitly religious in character or that the slurs reference religion: it is sufficient that the harassment is directed at an employee because of the employee's religion or lack thereof. That is to say, Title VII can be violated by employer tolerance of repeated slurs, insults and/or abuse not explicitly religious in nature if that conduct would not have occurred but for the targeted employee's religious belief or lack of religious belief. Finally, although proselytization directed at fellow employees is generally permissible (subject to the special considerations relating to supervisor expression discussed elsewhere in these Guidelines), such activity must stop if the listener asks that it stops or otherwise demonstrates that it is unwelcome.

E. Accommodation of Religious Exercise. Title VII requires employers "to reasonably accommodate . . . an employee's or prospective employee's religious observance or practice" unless such accommodation would impose an "undue hardship on the conduct of the employer's business." 42 U.S.C. § 2000e(j). For example, by statute, if an employee's religious beliefs require her to be absent from work, the Federal Government must grant that employee compensation time for overtime work, to be applied against the time lost, unless to do so would harm the ability of the agency to carry out its mission efficiently. 5 U.S.C. § 5550a.

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Though an employer need not incur more than *de minimis* costs in providing an accommodation, the employer hardship nevertheless must be real rather than speculative or hypothetical. Religious accommodation cannot be disfavored relative to other, nonreligious, accommodations. If an employer regularly permits accommodation for nonreligious purposes, it cannot deny comparable religious accommodation: "Such an arrangement would display a discrimination against religious practices that is the antithesis of reasonableness." *Ansonia Bd. of Educ. v. Philbrook*, 479 U.S. 60, 71 (1986).

In the Federal Government workplace, if neutral workplace rules -- that is, rules that do not single out religious or religiously motivated conduct for disparate treatment -- impose a substantial burden on a particular employee's exercise of religion, the Religious Freedom Restoration Act requires the employer to grant the employee an exemption from that neutral rule, unless the employer has a compelling interest in denying an exemption and there is no less restrictive means of furthering that interest. 42 U.S.C. § 2000bb-1.

F. Establishment of Religion. The Establishment Clause of the First Amendment prohibits the Government -- including its employees -- from acting in a manner that would lead a reasonable observer to conclude that the Government is sponsoring, endorsing or inhibiting religion generally or favoring or disfavoring a particular religion. For example, where the public has access to the Federal workplace, employee religious expression should be prohibited where the public reasonably would perceive that the employee is acting in an official, rather than a private, capacity, or under circumstances that would lead a reasonable observer to conclude that the Government is endorsing or disparaging religion. The Establishment Clause also forbids Federal employees from using Government funds or resources (other than those facilities generally available to government employees) for private religious uses.

Section 3. General. These Guidelines shall govern the internal management of the civilian executive branch. They are not intended to create any new right, benefit, or trust responsibility, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies, its officers, or any person. Questions regarding interpretations of these Guidelines should be brought to the Office of the General Counsel or Legal Counsel in each department and agency.

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EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON, D.C. 20502

August 14, 1997

MEMORANDUM FOR MICHAEL MCCURRY

FROM: JEFFREY A. FRANKEL



SUBJECT: Consumer Price Indexes for July, Labor Department
Release, Thursday, 8:30 a.m.

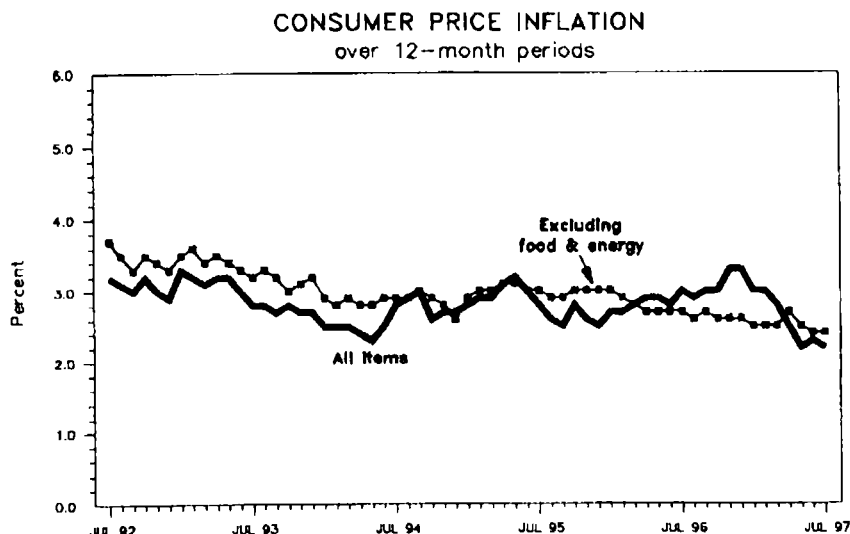
The consumer price index increased 0.2 percent in July, in line with market expectations.

- Energy prices edged down 0.1 percent in July. Looking ahead, an increase in gasoline prices thus far in August portends a jump in energy prices in next month's report.
- Food prices rose 0.3 percent in July, and have increased at about the same rate as the core CPI over the past year.

The core CPI (which excludes food and energy prices) increased 0.2 percent in July--in line with market expectations. Prices of new motor vehicles edged up 0.1 percent in July and have increased just 0.3 percent over the past 12 months.

The core CPI increased 2.4 percent over the 12 months ending in July--down from the 2.7 percent year-earlier pace and the lowest 12-month change since 1966. Over the past 12 months, the total CPI rose 2.2 percent--down from its 3.0 percent pace of a year earlier.

This report, together with yesterday's PPI, indicates that inflation remains under control.



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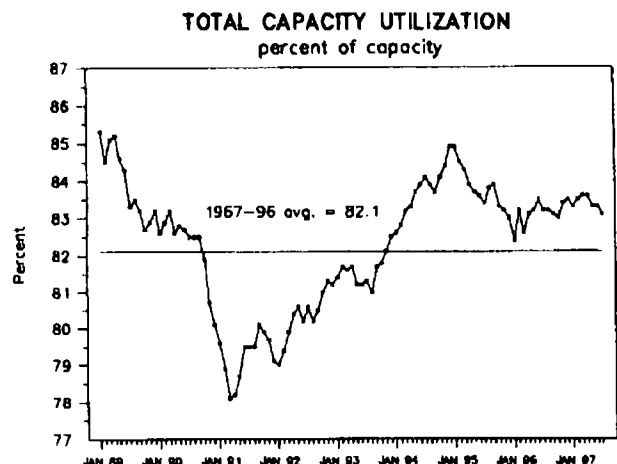
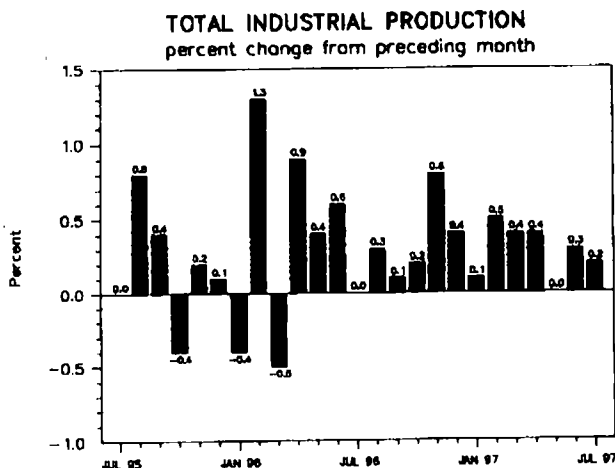
SUBJECT:

Industrial Production and Capacity Utilization in
July, Federal Reserve Release, Thursday, 9:15 a.m.

The Federal Reserve's index of industrial production increased 0.2 percent in July, after a 0.3 percent rise in June. The July increase was slightly less than market expectations.

- Manufacturing output rose 0.1 percent in July. The gain would have been stronger by another 0.1 percentage point but for production problems at General Motors. The weakness in motor vehicles together with a decline in nondurables only partially offset the large increases in the production of computers, semiconductors, and commercial aircraft.
- Output of utilities increased following a return to more seasonal weather.

Capacity utilization edged down 0.2 percentage point to 83.1 percent. The July level was slightly below market expectations and the rate associated with steady inflation.



MIDDLE EAST PEACE PROCESS

August 14, 1997

Q: What did Dennis Ross accomplish on his mission?

A: His primary focus was to begin the reestablishment of a cooperative bilateral relationship to improve the security environment. The security meetings between Israelis and Palestinians are first steps in the right direction, but the meetings are only the beginning of a process.

They need to produce results – we will be monitoring the situation closely.

(IF PRESSED on specific Palestinian promises and Israeli demands): I will not go into the details of our exchanges. Sustained unilateral action by the Palestinians and sustained cooperation between Israelis and Palestinians is essential to get the peace process back on track.

Q: Will the CIA represent the US in a trilateral security panel as reported in the Washington Times?

A: First, I would not agree with the Washington Times that trilateral security cooperation was “the main result” of Ross’ trip. The main results were that the Palestinians understand more clearly that security is the essential underpinning of the peace process and that the two sides have resumed bilateral security cooperation.

Second, you know our position on intelligence-related questions. I could not confirm who would be our representative at those meetings where the bilateral security dialogue is expanded to a trilateral security dialogue. As I said yesterday, it is natural that we would send US officials who have the necessary expertise.

Q: The President and Netanyahu both insist that security issues must be addressed first, but Arafat wants the agenda broadened – isn’t this causing an impasse?

A: No. Chairman Arafat has indicated that a high priority should be placed on security. We need to make sure this is translated into action.

Q: Is the US pressing Israel on the payments and closure issues?

A: We’re concerned about security, but we are also concerned about actions that undermine the authority of the Palestinian Authority and make it harder to cooperate on security.

Israel has legitimate security needs that must be addressed. We expect the Palestinian Authority to intensify their efforts.

Israel has assured us that the closure and other measures are temporary.

Q: Do you support the right of the Israelis to go into the "Zone A" of the territories?

A: We are not going to answer a hypothetical – but as we said, what matters now is that the focus is on security cooperation between the parties – it's in their mutual interest to work together.

Q: What about the situation in southern Lebanon – isn't this troubling?

A: The Israel-Lebanon Monitoring Group completed on Tuesday its consideration of eleven complaints of violations of the April 1996 understanding. While all violence in southern Lebanon and northern Israel is of concern to us, the ILMG is fulfilling its intended purpose of deterring escalation.

Q: When will Secretary Albright go?

A: We expect Secretary Albright to travel to the region assuming there is progress in the security area. No decision on timing has yet been made.

Q: The Palestinian Authority has called for conscription – isn't this a violation of Oslo?

A: Clearly this is time for all parties to cool their rhetoric, and not take actions that undermine confidence.

Q: Isn't Israel crippling Arafat and the PA?

A: First, let's be clear. Fighting terror is in the interest not only of the Israelis but also the Palestinian people. Terrorists seek to destroy the peace process, which is the only vehicle for both parties to achieve their goals.

Q: Do you believe that Israel's decision to construct a neighborhood at Har Homa triggered the current impasse?

A: The focus at the moment should not be on trying to blame one party or another for the current impasse. The focus must be on improving security cooperation so that we can refocus on returning to the negotiating table – the only way to peace.

Q: What if Israel persists in its unilateral actions like Har Homa?

A: The immediate issue is restoring an adequate level of security cooperation.

That said, it's hard to have a credible environment when the parties are taking steps that are seen by the other to be prejudicing the outcome of negotiations.

Q: Can you confirm the C.H. Tung plans to visit the United States September 9-11, and that he will meet with President Clinton while in Washington?

A: We welcome Mr. Tung to travel to the United States during that time period, and look forward to meetings with him in Washington. Appointments for him are currently under consideration.

IF PRESSED: We expect Secretary Albright will meet with Mr. Tung. His appointments in the White House are currently being arranged.

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 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 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.

NORTHERN IRELAND

August 11, 1997

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: Actually Cahill got a visa BEFORE the August 1994 ceasefire...)

Q: Will you grant Adams a visa? What about fundraising?
(Background: Adams, Martin McGuinness and Richard McAuley applied for visas in Dublin August 11.)

A: Application submitted to Embassy in Dublin August 11. No action taken yet. Would 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.

Background:

Implementation of the Lusaka Protocol, the peace agreement between the government and UNITA, has been stalled for several months. UNITA blocked the extension of state administration into areas it controls and has not cooperated with the UN mediation, to which the U.S. is an official observer, and has not demobilized its army. An Angolan government delegation visited Washington last week, and State posted a press statement on Friday that called for UNITA to comply with its Lusaka commitments and also stated we may support sanctions against UNITA if it does not comply. On Monday, U/S Pickering spoke with UNITA leader Jonas Savimbi and told him we would support sanctions if he did not comply. Savimbi replied that he would soon present a proposal to the mediation outlining how he will fulfill his Lusaka obligations. The documents allow for the extension of state administration but give no credible numbers for its remaining forces. The Government's response has been to suggest that UN Security Council action be delayed until September 2 while extension of state administration begins next week, as a way of "testing" UNITA's credibility.

Q: What are the prospects for Lusaka Protocol compliance in Angola?

A: The U.S., as one of the observers of the Lusaka Protocol, remains concerned by the lack of progress in completing implementation of the Lusaka Protocol. Although the Government's compliance has been imperfect, the present impasse is caused primarily by UNITA's non-compliance with three tasks demanded by the mediation: providing an acceptable plan for the extension of state administration into UNITA-controlled areas; accounting for its remaining armed forces; and ending propaganda on its radio station and making it a non-partisan station.

The UN Secretary General's report on Angola to the Security Council is due this Friday, and based on its conclusions, we and the other members of the Council will decide what further steps may be necessary to expedite the complete implementation of the Lusaka Protocol.

Under Secretary of State Pickering spoke Monday with UNITA leader Jonas Savimbi and told him that he must comply immediately with his Lusaka Protocol obligations or the United States will support further UN Security Council sanctions against UNITA.

UNITA presented in Luanda later that day what appears to be a credible proposal to allow the extension of state administration to recommence, but its documents on troop numbers and normalizing its radio station do not comply with UNITA's Lusaka Protocol obligations.

The Government responded on Tuesday with a suggestion to the mediation that further UN Security Council action be deferred until September 2. In the

intervening three weeks, extension of state administration would begin at 73 of the sites on the recently-submitted UNITA list.

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.

Q: Any reaction to the UN talks now underway in Switzerland?

A: Welcome this second round of UN-sponsored direct talks between Cypriot leaders (Clerides and Denktash), August 11-16 in Glion, Montreaux, Switzerland.

Pleased to see parties coming together. Strongly support UN efforts. Ultimate objective remains a comprehensive settlement to establish a bizonal, bicomunal federation.

Seen no official comment from UN, since opening of talks. Press Blackout imposed, and don't expect comment until conclusion.

(BACKGROUND: Glion talks are continuation of direct talks held in Troutbeck, NY from July 9-13. UN Sepcial Adviser on Cyprus, Diego Cordovez, will host talks. U.S. is not participant in direct talks, but has Ken Brill, U.S. Ambassador to Cyprus, in Glion. Brill will be meeting with Greek and Turkish representatives.)

Announcement of Iranian President Khatami's Cabinet

- 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.
- Mr. Khatami's choice of his cabinet members appears to reflect the breadth of his constituency.
- The President stated at the time of Mr. Khatami's election, 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.
- We hope that Mr. Khatami's and his cabinet's assumption of their responsibilities will represent an opportunity for Iran to turn the current policy of that government in a positive direction.

INDIA
August 12, 1997

Q: Is the President going to India?

A: The President would like to be able to visit South Asia soon, and we are examining the possibilities for such a trip.

Currently no decision on whether and when.

Q: What has the U.S. been doing to help Thailand with its currency crisis?

A: U.S. has strong interest in maintenance of financial stability and sustained economic growth in Thailand, as we do so in the rest of Southeast Asia and the developing world.

Treasury has been following the situation in Thailand very closely and has remained in close contact with Thai officials, the IMF, and our Asian partners about it.

We look forward to a rapid conclusion of talks between the IMF and Thai authorities on a strong package of economic policy reforms.

We welcome the results of the conference in Tokyo today (Aug 11) and the multilateral and bilateral financing package that is being put together to support Thailand's economic recovery program.

Q: Has violence continued in Kenya following Friday's incidents?

A: We are not aware of any clashes since then linked to Friday's violence. There were two days of violence in one Nairobi neighborhood which appears to be linked to ethnic tensions rather than national politics.

Q: Have there been any developments associated with Friday's deaths?

A: The Police Commissioner has promised swift action against those responsible for the deaths of two police officers. Most pro-democracy opposition leaders have agreed that such action is necessary. They have complained that the government has not shown similar energy in pursuing those responsible for killing demonstrators on July 7.

Q: What is the U.S. view of Friday's violence?

A: The U.S. Government condemns the violence that marred demonstrations in Kenya on August 8. Although security forces were allowing a Nairobi rally to proceed unopposed, one police officer was brutally beaten to death, a second officer was stoned to death, and looting was widespread. The credibility of advocates of democratic reform suffers when they allow freedom of assembly to end in violence. The U.S. continues to call on all Kenyans to eschew violence and begin the peaceful, inclusive dialogue which can lead to free and fair elections.

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.

Yeltsin Ex-Bodyguard's Kiss and Tell Book

- Not for us to comment on Korzhakov's book. Note President Yeltsin has played key leadership role in guiding Russia through transition to democracy and market economy; has been active and fully engaged since recovery from earlier illness.

Harvard Advisors in Russian Financial Scandal

- AID canceled certain Harvard Institution for International Development contracts in Russia based on AID Inspector General investigation indicating two HIID employees potentially involved in serious conflicts of interest. Refer to AID for details.
- Understand that a Russian NGO, the Institute for Law-Based Economy (ILBE), has removed AID-financed equipment, without authorization, from premises it shared with HIID before contracts were cancelled.
- Embassy has engaged senior Russian officials on this matter; hope to achieve mutually agreed disposition of the equipment in question. Refer to AID for further details.

RUSSIAN MIR SITUATION

August 8, 1997

On August 7, the Russian replacement crew successfully docked with the Mir. The Mir crew continues to service the primary oxygen generation system, which has been down for a week. They are currently relying on oxygen-generating canisters, and there is a supply sufficient for about two months on board. Mir's other major systems are operating well at this time.

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 Original 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 may participate.)
 - 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.

Q: Why is Gelbard going back to Bosnia?

A: Special Representative Gelbard is heading back to the region to follow-up in Sarajevo, Belgrade and Zagreb on work from the Holbrooke-Gelbard trip and maintain the momentum of our re-energized implementation effort.

NSC Special Assistant to the President for Dayton Implementation Jock Covey will accompany Gelbard (as he did with Holbrooke-Gelbard)

Refer to State for other details.

Is SFOR is planning to detain Karadzic 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.
- We are considering a full range of options to facilitate delivery of war criminals to the Hague. We continue to press the Parties to live up to their obligation to turn over war criminals.
- SFOR is authorized to detain war criminals encountered in the course of its regular duties and if the tactical situation permits. The recent SFOR operation to detain war criminals in Prijedor conformed to this mandate. Any indicted war criminal would be subject to detention in such circumstances.

If asked about ABC report on U.S. forces training to apprehend war criminals

- Contrary to what has been reported, U.S. forces are not now in training for or participating in any unilateral or multinational commando operation to apprehend indicted war criminals in the former Yugoslavia.
- It is the policy of the Administration to help the International War Crimes Tribunal bring indicted war criminals to justice.

If asked about Plavsic statements that Secretary Albright offered Karadzic a deal (WP)

- Secretary Albright made no such offer. Our position on war criminals, including Karadzic, remains unchanged -- no exile, no amnesty, only a fair trial in the Hague.

(if pressed, cannot comment on possible future operations)

Corruption in Bosnia (NYT)

- (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 Bosnian Serb people are clearly fed up with the corruption and repression of the Pale leadership.

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.

Amendments for Date Certain Withdrawal from Bosnia

- Corruption in Bosnia is a serious problem, particularly in Republika Srpska. One of the reasons thousands of Bosnian Serbs are standing up to support Plavsic is that the Bosnian Serb people are fed up with the corruption and repression of the Pale hardliners.
- We have tailored our assistance efforts specifically to counter corruption in Bosnia, by making assistance contingent on behavior of the parties and with substantial accounting requirements that prevent assistance funds from being misused.
- One of our top priorities is the restructuring and retraining of police in Bosnia in accordance with democratic standards. Retraining and restructuring will help end the use of police as a tool for corruption and repression by hard-line leaders. We have already completed initial restructuring of police forces in two cantons of the Federation.

Meeting with Milosevic

- The Holbrooke-Gelbard team met with Milosevic on Friday and both Milosevic and Krajisnik on Saturday. They explained to Milosevic that support for Plavsic is evident that ordinary Serbs are fed up with the corruption and repression of the Pale hardliners.
- The team warned Milosevic that his continued disengagement and non-cooperation by Pale could have disastrous results, including for the FR Y.

Did Holbrooke Tell the Serbs of Plans to Capture Karadzic?

- The team made very clear that Karadzic must go and that that we will not be satisfied until he faces trial at the Hague. We told the Serbs that we are considering every option until Karadzic is brought to justice.

(If pressed, will not go into further details of private meeting)

Holbrooke-Gelbard Team with Izetbegovic/Tudjman

- Team made important progress on implementation, including signing of agreements by Croatian and Bosnian Presidents which demonstrated a positive spirit of cooperation. Agreements cover return of refugees (including bringing to justice those who attacked refugees earlier this month), 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-Gelbard Team with Joint Presidency

- Team also made progress with the Joint Presidency and the Council of Ministers

- The Joint Presidency approved the allocation of Embassies among the three ethnic groups. Of note, the Serbs will choose the Ambassador to the United States. The three Presidents also approved remaining details on the Standing Committee on Military Matters, which will be critical to transparency and confidence building.
- We expect concrete action by each of the Parties to fully implement these and other commitments under the Dayton Accords.
- 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?

- On August 8, General Shinseki (COMSFOR) announced a new policy for the control and restructuring of Special Police in Bosnia in accordance with Dayton. Special police that have not been certified by the IPTF – and therefore have not been restructured – will be treated as military forces in accordance with Annex 1A.
- This policy will speed democratic police reform.

(if asked about details of new SFOR rules for police, refer to DoD; for details on IPTF police restructuring, refer to State)

SFOR's efforts on Helping Refugees

- 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.

- 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: Any comment on the meeting between Hun Sen and King Sihanouk in Beijing?

A: Hun Sen, Ung Huot, acting head of state Chea Sim, and other Cambodian politicians have traveled to Beijing to meet with King Sihanouk. Our position remains that the process by which Ung Huot was selected as First Prime Minister was undemocratic. However, we welcome any dialogue between Cambodia's major players that will lead to free and fair elections in May 1998. Q: What is the U.S. position on the possible abdication by King Sihanouk?

A: We would prefer not to comment on what would clearly be a significant personal and political decision for the King. However, I would note that the King is a popular figure among Cambodians, and he does have significant public influence. A decision to abdicate would obviously have major political implications for Cambodia.

Q: Any comment on ASEAN's decision in Singapore that it will no longer recognize Ranariddh as First Prime Minister? What is the U.S. position? Do we still follow ASEAN's lead?

A: Our understanding is that ASEAN members recognize states, not governments. The ASEAN foreign ministers indicated they would continue their relationship with Cambodia. Our understanding of the ASEAN foreign ministers' statement is that they did not discuss the issue of recognition of Ranariddh or Ung Huot as First Prime Minister.

We welcome the ASEAN foreign ministers' announcement that they will continue their mediating role to seek a peaceful and democratic resolution to the Cambodian political crisis. We understand that the ministers have proposed hosting a dialogue between the parties in the conflict. We fully endorse ASEAN's efforts in this regard.

We strongly support the efforts of ASEAN to mediate in an effort to restore implementation of the Paris Accords in Cambodia. 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 have been in regular and close contact with ASEAN regarding Cambodia's political crisis.

Q: Will the U.S. lift the suspension of aid to Cambodia?

A: On Friday, August 8, Secretary of State Albright decided to continue the suspension of all non-humanitarian aid indefinitely. We have suspended all assistance except some humanitarian and election-related projects provided through NGO's and USAID contractors. None of our aid will directly benefit the Cambodian government.

During the suspension period, we have continued the equivalent of \$20 million in activities. For the immediate future, we are continuing the same programs. We plan an in-depth program review at the end of August.

Q: Can you provide an update on Desaix Anderson's mission to the region?

A: Yesterday, Mr. Anderson was in Singapore to meet with the ASEAN foreign ministers. He met with Indonesian Foreign Minister Ali Alatas, the leader of the ASEAN foreign minister's group that is working toward a resolution of the Cambodian political crisis. Mr. Anderson briefed Foreign Minister Alatas on his meetings in Phnom Penh with Ung Huot and others (see below).

Mr. Anderson also met with other foreign ministers and senior officials. His discussions focused on ASEAN's efforts to restore political stability and ensure free and fair elections in Cambodia in May 1998.

Over the weekend, Mr. Anderson visited Phnom Penh, where he met with newly installed First Prime Minister Ung Huot. His purpose was to inform Ung Huot of the U.S. decision to extend indefinitely the suspension of aid. He also reaffirmed to Ung Huot the core principles that are guiding U.S. decisions on future assistance to Cambodia. Mr. Anderson also met with ASEAN ambassadors, donor country ambassadors, human rights representatives, and other government officials.

Q: Does this mean you recognize Ung Huot as First Prime Minister?

A: Ung Huot retains his position as Foreign Minister. As we have said, we consider the process by which he was named First Prime Minister to have been undemocratic. We have also said we are prepared to meet with him as necessary.

Q: Do you recognize Ranariddh as Prime Minister?

A: Ranariddh's status is a decision for FUNCINPEC to make. We believe that all exiled leaders, including Ranariddh should be allowed to return to participate freely in the political process.

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 UN 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.

Background for Four Party Preparatory Talks:

The Chinese, North Korean and South Korean delegations were led by a vice or deputy minister of Foreign Affairs. The U.S. delegation was headed by Chuck Kartman, Principle Deputy Assistant Secretary of State. The U.S. delegation had representatives from the NSC, JCS, OSD, and State Department. The U.S. delegation held 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 was 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: The Four Party preparatory meeting recessed August 7, with agreement to reconvene during the week of September 1`5 in New York to address the final issue for decision - setting the agenda for the Four Party plenary. The four parties tentatively agreed on the timing (6 weeks after final agreement on the agenda), venue (Geneva - the Swiss have offered to provide substantial support for the talks), level of representation (Minister will meet as appropriate and available; heads of delegations will report to the Ministers and be of roughly equal rank - Deputy Minister/Assistant Secretary level) and procedural issues (U.S. will chair the first plenary; sequence of rotating chairmen will be determined by drawing lots).

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.

LANDMINES

July 29, 1997

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.