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Daily Press Guidance - August 15, 1997

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Daily Press Guidance

Friday
August 15, 1997

(For internal use only.)

Press Guidance
Friday, Aug 7
ust 15, 1997

Domestic

1. **Children Disability Checks** - Social Security
2. **SBA** - SBA

Events

1. **Millenium Event** - Events
2. **DRAFT - Radio Address** - Radio Address

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

Talking Points

New York Times Article on SSI Children's Regulations

August 15, 1997

Main Points

- As the New York Times noted today, 95,000 children are no longer eligible for SSI benefits under the Social Security Administration's regulations.
 - The 95,000 is about half of the 180,000 cases that SSA has reviewed as of August 2, 1997
 - SSA still needs to review another 85,000 cases.
 - The initial reviews should be completed by early October.
- Those SSA regulations are designed to implement last year's welfare reform law.
- While these early figures suggest that SSA's initial estimate that 135,000 children would lose their benefits may be exceeded, you have to remember:
 - SSA cautions that this early data is not representative and should not be used for projections.
 - Moreover, a portion of these children will appeal their cases and be found eligible once their cases have gone through SSA's normal appeals process.
- To minimize the adverse effects of the law (and its regulations), the Administration convinced Congress in the recent balanced budget law to retain Medicaid coverage for those disabled children who are kicked off the SSI rolls.
 - Without such action, many of these children would have lost Medicaid as well.

Background

- Last year's welfare law, enacted on August 22, 1996, tightened the eligibility standards for childhood disability benefits in the Supplemental Security Income (SSI) program.
 - The legislation could have been much worse.
 - Initial Republican proposals in early 1995 would have eliminated cash benefits for 80 percent of future applicants, replacing the cash with State block grants to provide services at much reduced funding levels.
 - In the final bill, the Administration managed to maintain the SSI childhood disability program as a cash benefit program for all those children found eligible.
- SSA released regulations on February 6, 1997, to implement the new law.
 - These regulations were prepared by SSA under the supervision of then-Commissioner Shirley Chater.
 - They were reviewed by OMB and the DPC as part of the normal regulatory review process.
- Soon thereafter, SSA notified 264,000 children of the nearly 1 million children receiving SSI benefits that they might be affected by the new law and that their cases would be reviewed.
- At the time the regulations were issued, SSA estimated that 135,000 children would have their benefits terminated as a result of the tighter eligibility standards.
- SSA's regulations adhered to its reading of Congressional intent, but also provided several new procedures (that the law did not specify) to ensure continued eligibility for severely disabled children.
 - SSA estimated that, without these new procedures, approximately 190,000 children would lose benefits.
- As the New York Times noted today, 95,000 children have been found no longer eligible as a result of initial determinations.
 - About 180,000 cases have been reviewed as of August 2, 1997, with another 85,000 cases still to be reviewed.
 - The initial reviews should be completed by early October.
- While the majority of cases involve mental impairments, it is too early to definitively

classify the nature of the disabilities of the children being effected.

-- However, SSA is monitoring the results of these redeterminations.

-- No children who are mentally retarded as that term is clinically defined are losing benefits.

-- Children with mild learning disabilities and attention deficit disorder appear to be the types of children most affected.

SBA

TALKING POINTS:

THE SBA'S PROPOSED REGULATIONS TO EXPAND ITS 8(a) PROGRAM TO MORE WOMEN

August 13, 1997

Summary

- The SBA proposed regulations today to expand the availability of Federal loans to women-owned small businesses.
- These regulations would conform SBA's rules and procedures to the Justice Department's post-Adarand guidelines.
- In essence, the proposed regulations are designed to make it easier for women to participate in SBA's 8(a) program.

-- To do so, they would change the standard for determining the socially disadvantaged status for non-minority group members from "clear and convincing" to "preponderance of evidence."

-- Non-minority group members still would have to prove that they are socially disadvantaged, but they would face this less-strict standard in SBA's review of their application.

-- This change would increase the number of firms in the 8(a) program -- both minority and non-minority.

Process

- The regulations, published ^{tomorrow} ~~today?~~ in the *Federal Register*, will be the subject of public comment for ⁶⁰ ~~how many?~~ days.
- After considering those comments, the SBA plans to issue final rules on this subject ~~in~~ ^{around} ~~month?~~ ^{November}

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SUMMARY OF SBA'S NEW 8(a) REGULATIONS

The primary purpose of the new regulations is to strengthen the business development focus of the 8(a) program.

- Establishes procedures for more equitable distribution of contracts to all 8(a) firms.
- Waives size affiliation rules for certain joint ventures to allow 8(a) and other small businesses to submit offers for and be considered responsible to perform larger contracts.
- Adds significant developmental assistance for 8(a) firms through the establishment of a mentor-protégé program.
- Eliminates the need for pre-approved SIC codes in a firm's business plan in order to qualify for an 8(a) contract.
- Specifically authorizes SBA to delegate the 8(a) contract execution function to procuring agencies.
- Permits disadvantaged owners to encumber stock in their firms to raise capital.
- Allows wholesale businesses to enter the program without showing that the firms can supply the product of a small manufacturer.
- Permits disadvantaged owners to establish eligibility based on managerial expertise without necessarily also possessing technical expertise.
- Permits greater flexibility for ANC's and tribes in owning and developing 8(a) firms.
- Eliminates the bar to program entry for franchisees.
- Reduces from twice a year to once a year the reporting requirement on agents and representatives.
- Implements the surplus property distribution legislative authority that allows 8(a) firms to obtain federal surplus property to use in their business operations.
- Makes non-compliance with competitive mix requirements a ban to receiving 8(a) contracts until the competitive mix is met.
- Establishes a limit on sole source contracts when the total 8(a) support equals five times the SBA size standard for their SIC code or \$100,000,000, whichever is less.
- Implements the Department of Justice's Proposal to further achieve "narrow tailoring"

of government contracting opportunities for Small Disadvantaged Businesses in order to meet the new constitutional standard.

Establishes rules for certification of small disadvantaged businesses for a government-wide Small Disadvantaged Business (SDB) Program.

THE WHITE HOUSE MILLENNIUM PROGRAM FACT SHEET

"Our economy is measured in numbers and statistics... But the enduring worth of our nation lies in our shared values and our soaring spirit... We should make the year 2000 a national celebration of the American spirit in every community -- a celebration of our common culture in the century that has passed, and in the new one to come in a new millennium, so that we can remain the world's beacon not only of liberty, but of creativity, long after the fireworks have faded."

*President William Jefferson Clinton
1997 State of the Union*

The White House Millennium Program is a multi-year initiative to mark the end of the 20th century and the beginning of the new millennium. The Program will celebrate the accomplishments of this American century, recognize and initiate projects, and engage every sector of society in conveying our rich heritage to future generations. The President is inviting all Americans to take part in the Program by giving "gifts to the future" through active participation. Led by the First Lady and directed by Ellen McCulloch-Lovell, the Millennium Program will plan ways for the White House to engage America in recognizing this historic time. The First Lady noted that the millennium falls in the same years as some of our federal government's most important milestones -- the 200th anniversary of presidents occupying the White House, the 200th anniversary of the first meeting of Congress in the Capitol, and the 200th anniversary of the creation of the Library of Congress.

The White House Millennium Program prepares for the new century by "honoring the past and imagining the future." It will highlight projects that recognize the creativity and inventiveness of the American people. Planning will begin for the important anniversaries of the White House and other symbols of our democracy. By focusing on American culture, scholarship and scientific exploration, the White House Millennium Program will provide the nation with opportunities to learn our history, preserve our cultural heritage, and give permanent gifts to the future.

The year 2000 holds enormous significance for humankind and America. It is a time when individuals and societies all over the world are reflecting on their past, taking stock of their achievements, and thinking about the future they will create. All over the world, nations and communities are planning significant millennium activities. The United Kingdom is using the millennium as a time to invest in new museums, parks and infrastructure; Germany will host the major world's fair, Expo 2000; religious leaders are emphasizing the renewal of faith; and communities across the United States are already forming 2000 Committees to bring people together to plan for their future.

The White House Millennium Program is for the entire nation. To ensure that this is truly a national, grassroots effort, the President and the First Lady are inviting all Americans -- especially children -- to participate, and to make their own gifts to the future. The Program will work with elected officials at all levels to draw upon the inspiration and leadership that is alive across the country, as Americans organize the activities most meaningful to them. The President and First Lady will award the title "Millennium Community" to communities that initiate imaginative programs. To make information about the Program as accessible as possible, the President has launched a Millennium Program Web Site at: <http://www.whitehouse.gov/Initiatives/Millennium>.

Beginning with the Program's launch, the President and First Lady will announce and spotlight a series of White House and federal agency millennium projects. Among others, these projects include:

- **White House Lecture Series.** Co-sponsored by the White House and National Endowment for the Humanities, the series will feature prominent men and women who can provoke our thinking about the past and future;
- **American Cultural Showcase.** Hosted by the White House, the Showcase will spotlight our finest artists and their talents;
- **Internet Goal.** Work to connect every classroom and library in America to the Internet by the year 2000.
- **Millennium Minutes.** The National Endowment for the Humanities will sponsor national television spots that highlight 1000 years of important events, people and achievements.
- **Leadership Project for the Millennium.** The National Endowment for the Arts will tell America's story through the arts and initiate new projects
- **Visions of America.** The NEA will also send teams of photographers across the country to capture their visions of America at the turn of the 21st century.
- **Worthy Ancestors Program.** The President's Committee on the Arts and the Humanities will bring together commercial, creative and non-profit sectors to save significant cultural material from folk, popular and classical traditions.
- **National Archives Preservation Project.** The National Archives has proposed a 3-year preservation plan to ensure that precious American documents, such as the Declaration of Independence, Constitution and Bill of Rights, survive into the next millennium.
- **Star Spangled Banner Project.** The Smithsonian Institution is working to save the Star Spangled Banner by 2001.
- **Robotic Missions to Mars.** NASA will launch new robotic missions to Mars in 1998, 2001, and 2003.
- **NSF2000.** The National Science Foundation will launch a national education and information campaign on the importance of science, engineering and mathematics.
- **2000 Problem Solution.** The federal government is taking steps to prevent any interruption in government services that rely on the proper functioning of our federal computer systems.
- **AmeriCorps Goal.** AmeriCorps has set a goal of doubling the number of full-time AmeriCorps volunteers by the year 2000.
- **World Wise Schools Goal.** The Peace Corps has set a goal of tripling the size of its global learning partnership program by the year 2000.
- **National Digital Library.** The Library of Congress is putting part of its collection on-line for students, teachers and citizens.
- **Festival of American Folklife.** The Smithsonian Institution will expand its Folklife Festival in 2000, involving 200 children from around the world.
- **Millennium Stage.** The Kennedy Center is providing free performances as part of a run-up to the Center's year-long artistic festival in 2000.

August 13, 1997

Talking Points for White House Millennium Program

- ▶ On Friday, the President and the First Lady will launch the White House Millennium Program, to mark the milestone of the end of the 20th century and the beginning of the new millennium. The approaching year 2000 is an important time for humankind and for America. It is a time when individuals and societies all over the world are reflecting on their past, taking stock of their achievements, and thinking about what kind of a future they want to create. As we pass from one age to the next, it is a time to think about what of our values and culture we want to carry with us, and what gifts we want to give to future generations.
- ▶ The year 2000 is also the 200th anniversary of some of the great institutions of our democracy, and it is time to start planning for those commemorations. On November 1, 1800, John Adams moved into the newly completed White House - the first President of a continuous succession of forty-two presidents to occupy the executive residence. On November 17, 1800, Congress met for the first time in the new Capitol. The year 2000 is the 200th anniversary of the Library of Congress, which was created in 1800 as the federal library and is now the largest library in the world.
- ▶ All over the world, nations and communities are planning millennium activities. The United Kingdom will invest huge amounts from their lottery revenues to build museums, bridges, new parks and a new university. Germany will host the major world's fair, Expo 2000 in Hannover. Australia is hosting the Olympics, and Brazil will celebrate five centuries of association with Portugal. Iceland will be celebrating the 1,000th anniversary of the voyage of Lief Erickson to the New World.
- ▶ In the United States, some communities have already formed 2000 Committees to bring people together to plan for their future. We know of Boston 2000 projects, a Cincinnati 2000 celebration, Times Square 2000 New Year's Eve celebration in New York City, and an Indiana Task Force on the 21st century - led by First Lady Judy O'Bannon, among other local initiatives.
- ▶ It is time to plan for ways that the White House can engage America in recognizing this milestone. The President and the First Lady will make the first of several announcements of White House and federal agency activities, starting this year and building to the millennium year of 2000.
- ▶ The White House Millennium Program will stress the theme of honoring the past and imagining the future. It will recognize the creativity and inventiveness of the American people by showcasing our culture, scholarship and scientific explorations. The White House program will start a millennium web site on Friday and will ask Americans for

their ideas about ways to mark this time. The President will invite all citizens, especially children, to suggest how we should work and celebrate together.

- ▶ We will work with governors, mayors and other elected officials to make this a truly national, and grass-roots series of events. We hope that with some inspiration, imagination and leadership, more than a thousand flowers will bloom across the United States as people organize the activities most appropriate to them. The President and the First Lady will recognize local projects over the next three years, by awarding to them the title of "Millennium Community."
- ▶ Friday's kick-off is just the beginning of plans that will unfold over the next three years. It should be an opportunity to learn our history, preserve our heritage, and give permanent gifts to the future.
- ▶ The President will invite all individuals and communities to participate, and to decide what gifts they want to give to the future.

Q and A for the White House Millennium Program

Q: Why this new program, why now?

A: Nations all over the world have millennium programs and have been planning activities for years. In the U.S., some communities are already starting to create 2000 committees. Everywhere, people understand this a special time to honor the past and imagine the future. With the 200th anniversaries of some of our democratic institutions coming up, it is time we started planning, and providing some inspiration to Americans to create their own commemorations and celebrations. The turn of the millennium is a natural time of growth and reflection. This is an opportunity for the President to guide America to a new vision and give back lasting legacies.

Q: Is this a new federal program? Are you putting any resources behind this?

A: No, it is not a new federal program. We will be drawing on the resources of the federal agencies, some of which have started their own year 2000 projects. And we expect that some of the local and national projects that will be created will attract substantial private funding.

Q: How will these ideas be carried out? Will there be an office? Are you creating an Advisory Committee?

A: The White House Millennium Program has an office and a director, Ellen McCulloch Lovell, who will report to both the President and the First Lady. We may ask a small group of prominent Americans to help us plan both White House and national events.

Q: Isn't this awfully fuzzy and abstract - you are asking people to imagine the future? What will it mean to the average American?

A: We think people will respond to the opportunity to both reflect on the past and to participate in shaping history. Americans understand that this a special time. While many are thinking about where they are going to be on New Year's Eve, they also sense that this can be more than a big party. It is a chance to think about what we value, what we want to preserve and what we want to leave behind for the next generations. Specifically, as people may want to interview their grandparents and save their family photos and papers, to create an expanded library of American stories. In accepting the President's invitation to "give gifts to the future" they may want to save a local monument, commission a new song for the children's choir, create a new museum, fix up the town school, clean up a river, make a new town park, or install computers in the library.

Q: This sounds very serious. Isn't it supposed to be fun too?

A: Sure - there should be a sense of celebration. We can celebrate in our own unique American ways, and also join nations around the world as they express themselves

through their cultures, ideas and community events. Some people are planning to ring bells to welcome the new millennium, others are planning a path of lights across their countryside, others are writing new music and plays, while still others will race to accomplish the big goals they have set for themselves and their causes.

Q: *When is the millennium, anyway?*

A: When the Christian calendar was revised, it began with 1 A.D.; that means that the new millennium arrives on New Year's Eve, 2000. Most people are excited to see the odometer of time - when the nines turn to zeroes on New Year's Eve, 1999. We are planning for the Millennium Year, to last all of the year 2000.

~~DRAFT~~

**Tax Cuts to Make College and Lifelong Learning More Affordable;
Helping Students and Families Get Ready for College Early**

August 16, 1997

We must make the thirteenth and fourteenth years of education -- at least two years of college -- just as universal in America by the 21st Century as a high school education is today, and we must open the doors to all Americans.

-- President Bill Clinton

State of the Union Address, February 4, 1997

Today, as students prepare to head back to school, President Clinton encouraged families to take advantage of the new higher education opportunities contained in the historic balanced budget legislation. He also urged students and their parents to accept responsibility for preparing for college early, by choosing tough courses and working hard in school, beginning in students' middle school and junior high school years. To help families map out a bright future, the President released a new handbook on getting ready for college early, and a parents' guide to the new education tax cuts.

WHILE MORE STUDENTS ARE GOING TO COLLEGE, TOO MANY OTHERS MISS THE BENEFITS OF A POSTSECONDARY EDUCATION. In 1996, sixty-five percent of high school graduates were attending college by the following fall, an all-time high. Yet far too many of our young people still lack a college education or advanced training, limiting their ability to prosper in the 21st Century knowledge economy. College graduates are half as likely to be unemployed as high school graduates. Moreover, on average, a college graduate will earn over \$500,000 more over the course of a lifetime than a high school graduate -- and this gap is widening. Someone with an associate's degree from a two year college earns more than a high school graduate, as well.

THE NEW TAX CUTS SIGNED BY THE PRESIDENT WILL HELP MAKE COLLEGE MORE AFFORDABLE FOR STUDENTS AND FAMILIES. President Clinton's new Hope Scholarship makes the first two years of college universally available, providing students with a tax credit of up to \$1,500 -- about the same as the average tuition at a local community college. Moreover, college juniors and seniors, as well as graduate and professional students, and adults who want to go back to school will be eligible for a Lifetime Learning tax credit worth 20% of the first \$5,000 of tuition and fees through the year 2002 (and 20% of the first \$10,000 beginning in 2003). The new law also allows parents and grandparents to make penalty-free withdrawals from their IRAs to pay for higher education expenses, and enables them to open new Education IRAs where they can invest \$500 per child every year to build up money, tax free, for college. In addition to the tax cuts, the balanced budget agreement also provides the largest Pell Grant increase in two decades, as sought by the President; Congress must fulfill this promise next month.

STUDENTS SHOULD BEGIN PREPARING FOR COLLEGE EARLY BY TAKING TOUGH COURSES IN MIDDLE SCHOOL AND HIGH SCHOOL. Students who take algebra and geometry by the end of eighth and ninth grades are much more likely to go on to

college than students who don't; in a national study, only 26 percent of low-income students who did not take geometry went on to college, compared with 71 percent of those who did. Back to School is an ideal time for parents to talk with teachers, principals, and guidance counselors to make sure students sign up for rigorous classes that will keep them on track for college. A new handbook, "Getting Ready for College Early," will help parents of students in middle school and junior high with choosing courses and other basics of college planning -- like where to find out how much college really costs and what resources are available make college affordable. "Getting Ready for College Early," together with the supplement "A Summary of the Education Tax Cuts in the 1997 Balanced Budget Plan," is available free of charge from the U.S. Department of Education by calling 1-800-USA-LEARN.

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.

August 4, 1997

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.

Q: What did Sandy Berger accomplish on his trip to China?

A: Mr. Berger met with China's President, Jiang Zemin, Premier Li Peng,, Vice Premier/Foreign Minister Qian Qichen, and State Council Foreign Affairs Director Liu Huaqiu on August 11-12. Berger's talks with Liu were the fourth round of discussions of strategic issues conducted by National Security Advisors with Chinese counterparts, the first such round occurring in March 1996 when Tony Lake met with Liu in Washington. Their strategic discussions focused on Asian issues: Korea, relations with Japan, Cambodia, and South Asia.. On Korea, they stressed our good cooperation in the recently concluded Preparatory Talks which we hope will lead to Four Party talks. On Japan, we explained the importance of the U.S.-Japan security relationship as an anchor of stability in East Asia. On Cambodia, there was agreement on supporting ASEAN's initiative to work with the Cambodian parties to bring about free and fair elections in 1998. On South Asia, both sides agreed on the importance of working to defuse tensions.

Mr. Berger also discussed preparations for President Jiang's visit to the U.S. this fall. This will be the first visit by a President of China to the U.S. since 1985. We believe Presidential meetings and visits are an essential part of improving U.S.-China relations, and the Chinese agree with us that we should look for ways to use the visit to expand areas of cooperation and address areas where we differ. Berger raised U.S. concerns and objectives on issues including nonproliferation and other security issues, human rights, trade, and transnational issues such as the environment and law enforcement. The trip was not designed to negotiate issues,

but rather to highlight specific areas of concern as we approach President Jiang's visit. The atmospherics were good, and Berger was warmly received.

Q: Has Adams visa been approved? What about fundraising?
(Background: Adams, Martin McGuinness and Richard McAuley applied for visas in Dublin August 11.)

A: Yes, Secretary of State has approved visa. (That means it can be stamped in his passport by Embassy Dublin, once they receive formal notification.) Adams and other officials not expected to travel to U.S. until early September.

If asked: Do not anticipate placing restrictions on fundraising on visas. Note that FBI system for monitoring how funds are used remains in effect. (Note: System allows FBI access to Dublin bank account of Sinn Fein to monitor how funds deposited and spent.)

Q: Are there any plans for Adams to see the President? Whom will he see?

A: No, we do not anticipate such a meeting. We do expect to schedule a meeting with the National Security Advisor, but nothing has been requested or scheduled yet.

If pressed: Yes, Adams did meet with the President during the previous ceasefire (at the 1995 St. Patrick's Day celebration at the White House and in Belfast in November 1995); would not rule out meetings now that ceasefire restored, since we expect it to be permanent, but not going to happen during this visit.

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: 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: 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.

Q: Can you give us an update on the Cyprus talks in Switzerland? Is it true that they broke up in failure?

A: We understand that the UN-sponsored talks in Montreaux concluded today. Press statements by the two Cypriot parties, as well as by the UN, are just coming in now.

We understand that the talks were useful; extended over five full days and provided an opportunity to hear out both sides' positions.

Will be studying the press statements and following up with the parties to build on this dialogue.

Hope progress will continue and lead to comprehensive settlement that will establish a bizonal, bicommunal federation for Cyprus.

If asked about the early conclusion (talked slated to end August 16):

We are less concerned about dates, more focused on substance. The parties had five full days of face to face discussion. Good step in right direction.

If asked about UN accession talks for Cyprus:

The U.S. position on EU membership has not changed. We are not members and don't have a vote, however we support EU membership for both Turkey and Cyprus.

Also believe that the EU accession process provides positive incentives for concerned parties to move ahead, achieve just and viable settlement to Cyprus dispute.

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 15, 1997

Yesterday morning (August 15), two of the Mir cosmonauts completed their six-month mission and returned safely to earth in a Soyuz return vehicle. They brought down a sample of water from the Mir's water recycling system, which may have been contaminated with toxic coolant fluid. If lab tests show contamination, the crew will have to ration their limited bottled water supply until the Space Shuttle arrives in late September. Meanwhile, the Mir's primary oxygen system is still under repair and will probably remain down for several more days. 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.
- NASA estimates there is enough water on board the Mir to last enough at least through October 3. The Space Shuttle is scheduled to deliver more water and other supplies between September 28-30. There is also a Russian resupply mission scheduled for October 4, which we have asked Russia to move up to an earlier date.
- The current schedule for crew replacement and repair is as follows:
 - o August 20 Internal spacewalk to reconnect power cables from damaged module. (U.S. astronaut Mike 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)

- 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 FRY.

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.

- (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

- 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 15 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 characterize 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.

Q: How could the U.S. bomb chemical weapons sites when the Pentagon knew that it could be harmful to U.S. troops?

A: From the beginning, POTUS committed to getting out all the facts that may have bearing on why troops are ill.

Our current understanding of the Livermore plume data is that it was a generic "template " for use in planning air campaign pre-attack assessments. Something I'm sure we are all pleased they thought to do.

The Livermore modeling results the White House is aware of do NOT show exposure of U.S. troops.

The CIA modeling done to date shows plumes longer than these. None of these reach troops.

DOD and CIA developed a new sophisticated suite of models which were used to determine possible low level exposures at Khamisiyah (Kam-i-See'-Ya) (a site destroyed post war by demolition, not in the air campaign). They will apply those models to the known chemical manufacturing sites and determine whether there were possible exposures.

Some of you may have been shown interpretive modeling done by someone else (NOTE: Jim Tuite, former Senate Banking Committee staffer who believes there is a DOD cover-up on CW exposures). We are not familiar with his work, and therefore cannot comment on it.

Q: Did the White House know about this report? Who is responsible for not telling Powell and Schwartzkopf?

A: I am not aware of anyone on the White House staff that had seen the report prior to yesterday.

As to who knew in DOD or who is responsible for notifying the generals, I direct your inquiry to DOD.

If asked:

At this point we are not aware of who in DOD was shown these models.

DOD and CIA have devoted significant resources to the effort of understanding the extent of possible chemical exposures. Detailed questions on models are best addressed there.

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.