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THE WHITE HOUSE
Office of the Press Secretary

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PRESS BRIEFING
BY MIKE MCCURRY

The Briefing Room

1:15 P.M. EDT

MR. MCCURRY: Good afternoon, ladies and gentlemen. And it's so nice to welcome you here to the White House briefing room.

The President and Mrs. Clinton are looking forward to seeing you all at the White House press picnic this evening. I note that many of the press invited have not called back the Social Office to RSVP to the kind invitation of the President and the First Lady. And if you have not RSVP'd and you do plan to attend, anticipate a delay. We've got several hundred RSVPs. So it means there's going to be a big backlog if you try to get in. If you would like to try to do something about that situation, you might want to call the Social Office in advance of this evening's soire at 456-7787 to RSVP.

Also I'm told children -- the question came up yesterday if children are allowed to attend, and we're told that we've got so many folks that not. But if you had made other plans, see Evelyn Lieberman.

Q Is the President going to attend?

MR. MCCURRY: He is, with great enthusiasm.

All right. Let's go on to the news of the day. Any questions?

Q I believe you have a readout for us.

Q Bosnia readout.

MR. MCCURRY: Bosnia readout. Bosnia. Well, the President's senior foreign policy advisors met in Tony Lake's office for about an hour this morning. They then went to the Oval Office and met with the President and the Vice President for 90 minutes. The advisors reported on many of the discussions that have been occurring in the aftermath of General Shalikashvili's trip to London, and also the discussions that have been underway between the United States and other governments in preparation for the meeting Friday in London that's been called by the United Kingdom.

The President stressed that forging a common approach with the British and the French is critical if we're going to achieve a principal U.S. objective which is strengthening UNPROFOR. Further progress in dealing with the conflict in Bosnia depends on a coordinated approach with our major allies, and the President has clearly determined to try to make a difference because the current situation is obviously unacceptable.

The President explored several suggestions from his advisors. He will consult further with Prime Minister Major and President Chirac in advance of the meeting on Friday.

MORE

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I'll say it's not useful at this point for me to speculate on any possible military action in connection with strengthening UNPROFOR because there's a lot of speculation out there that, frankly, right now is inaccurate.

Secretary Perry and Secretary Christopher are on the Hill at this hour consulting with both Democrats and Republicans in the Senate. They will obviously argue strenuously against a unilateral lifting of the arms embargo because that's a step that would both Americanize this conflict and give the United States unilateral responsibility for the devastating consequences of a wider conflict in Bosnia. And the foreign policy team has set another meeting for tomorrow; they will meet and continue to review the issues that are in play as we work to forge a position with the British, the French, and others.

Q Have you written off Gorazde? I mean, not you, per se.

MR. MCCURRY: No.

Q Do you think it can be defended?

MR. MCCURRY: Well, it's being defended right now by a large contingent of Bosnian government forces. And there are, in addition to that, U.N. peacekeepers who are present -- I think several hundred U.N. peacekeepers are present.

Q Haven't they been stripped of their arms by the government forces?

MR. MCCURRY: Not to my knowledge.

Q There's a wire report to that effect --

MR. MCCURRY: In Gorazde? Not to my knowledge.

Q -- in Gorazde that the Bosnians have taken over the --

MR. MCCURRY: That's a report related to Zepa, is it not?

Q No, Gorazde.

MR. MCCURRY: There's one on Gorazde?

Q Yes, today.

Q Isn't one of the options under consideration the aggressive use of air strikes to drive back the Serbs?

MR. MCCURRY: Air power may or may not have its uses. I'm just not going to speculate on what type of discussions are underway here now. In any event, to pursue a path that would achieve the President's objective of commonality with our key European allies, additional discussions are going to have to occur because, as you know from their public comments, there is not now consensus between the United Kingdom and France. And they've indicated that publicly, and the President feels it's very important to have a common position and there's going to be a lot of work that's going to go into trying to forge that position.

Q So is the outcome of this meeting the President will await the outcome of Friday's meetings before he 'd be in a position to make any decision about what the United States might want to do?

MR. MCCURRY: No, I think the President feels that there is a lot of work that we can do in advance of that meeting Friday to see if there's a prospect of forging a common position with the British and the French.

Q Does he have an idea that he would be advancing for a common position?

MR. MCCURRY: He does have some ideas that we are now exploring within our own government, and at the proper time, as I indicated, he will consult with the French and the British leadership.

Q Mike, does the President still have confidence in the so-called dual key for use of air power?

MR. MCCURRY: Well, the dual key -- we've many times publicly said we have great concern with the operation of the dual key political -- particularly the chain of decision-making that runs up through the political channels on the dual key.

Q Was that a yes or a no to that question?

MR. MCCURRY: That was an appropriately ambiguous answer. (Laughter.)

Q Has the President spoken to Senator Feinstein?

MR. MCCURRY: Not to my knowledge.

Q If there was more robust U.S. air strikes, would that be conditional upon doing away with the dual key?

MR. MCCURRY: I'm not going to get into that.

Q Sort of following up on this, but today Sacirbey was on Capitol Hill and he specifically told reporters that the U.S. is considering more aggressive NATO force air strikes, but without the dual key. And he told reporters the U.S. does want that.

MR. MCCURRY: Well, I've given you the correct status of the President's thinking working with his foreign policy advisors, and the importance the President attaches to having it a program for action in Bosnia that is shared by the British and the French. And that does not exist at this point.

Q The key is would the U.S. be pressing Britain to adopt that particular --

MR. MCCURRY: The President has not had those consultations. When he does, I'll brief as I can on that.

Q Has the President set himself some kind of deadline for coming to a set of decisions on what to do? This seems to be dragging on --

MR. MCCURRY: The President is addressing this matter with a great deal of urgency, devoting a lot of time to it, and is prepared to make adjustments in his calendar to put additional time into it if necessary. And it's all clearly done with the goal of trying to formulate some suggestions that we can review with the British and the French in advance of the meeting Friday.

Q So by Thursday perhaps he'll have some kind of agenda?

MR. MCCURRY: That's the best timetable I can give you at this point.

Q Are the Contact Group members or the U.N. or any group that the U.S. is associated with attempting to work with or in the same direction as Izetbegovic in trying to negotiate some sort of safe passage for the people of Zepa?

MR. MCCURRY: Well, there are discussions that Carl Bildt, the EU negotiator, has had. I don't know if they relate to safe passage of refugees from Zepa, but I can check on that, or, more appropriately, you can check with UNPROFOR. They've been doing some briefings on that; they can apprise you on the status.

Q Is there any effort outside of negotiated -- is there any planning underway to try to protect the people who may end up in the next 24 hours fleeing from the Serbs so we don't see a repeat of the atrocities leaving Srebrenica?

MR. MCCURRY: There is a great deal of concern about that. There have been public condemnations from individual capitals from the United Nations and, in addition to addressing humanitarian situations, a lot of discussion about how to prevent what seemed to be clearly Bosnian Serb atrocities in the theater.

Q Any discussion of the President making his case, whatever case, to the American people?

MR. MCCURRY: I think the President recognizes that this kind of conflict has made a deep impression on the American people, and he has talked about it publicly, and I think he's fully prepared to talk about it again publicly.

Q At any particular time?

Q In what kind of forum?

MR. MCCURRY: Well, he's got -- I'm not going to suggest -- he's not going to do -- we wouldn't make a public presentation on Bosnia prior to having some sense of how we're going to proceed with the British and the French.

Q Would you do it prior to talking to the British and the French?

MR. MCCURRY: No, I just said it would be more useful, I think, to conduct some diplomatic discussions with the British and the French. And I've given you some sense of how that's likely going to occur.

Q -- the lifting of the arm embargo is going to happen anyway. So what kind of amendment would you like to attach to the --

MR. MCCURRY: Well, we reject the notion that the arms embargo is going to be lifted in any event. We've got the Secretary of Defense and the Secretary of State on Capitol Hill right now, making a very strong argument against the United States taking the step at this very critical juncture in Bosnia of lifting the arms embargo. And the reason is, we believe that would further Americanize this conflict. It would put the United States in a position where we had driven the United Nations out of Bosnia, and driven ourselves into a very terrible conflict in which we would have, then, sole responsibility for the consequences of a wider and deeper war.

And we continue to make very strongly, as strongly as we can, the argument that that is just a nutty idea at this time. And we hope that the two Secretaries will be persuasive. The President will continue to press that case. And the President, as we've said, depending on the final formulation of the resolution, which is apparently undergoing some modification, we would have to seriously review it, consistent with all that we've said about the risk associated with a unilateral lift.

Q When is the President going to be speaking with Chirac and Major?

MR. MCCURRY: At some point in the next several days. I can't pinpoint that for you; it's not decided.

Q I'm sorry. You said you would have to seriously consider a resolution in light of the risk. Do you mean, consider it for a possible veto, or consider it for something you'd just ignore?

MR. MCCURRY: Well, I think if the President felt that the final version of any unilateral lift resolution or lift resolution, depending on how it was structured, jeopardized our interests and put the United States at significant risk, which we surely believe the current version of a unilateral lift would do, then he would be prepared to veto it. But there are discussions, we understand, underway in the Senate to modify that resolution.

Q And which elements should be put into that kind of modification to be able to go with it?

MR. MCCURRY: It should be a multilateral lift as a last resort, if that's unavoidable; and following if it's unavoidable, a withdrawal of UNPROFOR, which is something that the United States is determined to try to avoid. In other words, if they modify the resolution to conform to the President's policy, obviously the President would support it.

Q Yes, Mike, two questions. First, does the President intend to have this meeting with congressional members of Congress tomorrow -- the one that was supposed to be today, that got delayed?

MR. MCCURRY: Josh, that's uncertain right now. It's possible that that would happen; that's all I can say at this point.

Q Secondly, when you talk about the President in consultations with the French and the British, does the President feel, at this point in time, that it's up to the United States to broker some sort of compromise with those two to take the lead on this issue?

MR. MCCURRY: I think the President is, as I said earlier, determined to see if we can't forge a common position here. It's distressing any time we see two of our closest allies, particularly two of our European allies, in disagreement. I think the President is determined to see if there's not some way to bridge that gap and to forge a common position.

Q Mike, is he going to see the British Foreign Secretary today or tomorrow?

MR. MCCURRY: He has no plans to at the moment. Foreign Secretary Rifkind has a program scheduled with Secretary Christopher. And then my understanding is Foreign Secretary Rifkind has to return to London in preparation of the Friday meeting. But we will monitor that and see how things develop.

As I said, the President does plan further consultations with Prime Minister Major.

Q Does the administration all of a sudden see itself as a referee or an intermediary here between --

MR. MCCURRY: The United States see itself as a leader of the NATO Alliance. The President is conducting his diplomacy accordingly.

Q Is he trying to bring Britain and France together in a direct way? Is that what he hopes to do in the talks?

MR. MCCURRY: We hope to forge a common position.

Q Are you still considering the French proposal for U.S. transport helicopters?

MR. MCCURRY: I suggest you talk to the French government to see what the status of that proposal is. We've asked a number of questions about it, and there are a number of questions about certain ideas that come from the French that I think are still unclear to us.

Q Are you still considering it, though? Are you still considering it?

MR. MCCURRY: Well, we're considering a range of things relating to Bosnia. I'm not going to detail what.

Q Well, yesterday you said you were.

MR. MCCURRY: Well, we're considering a range of things related to Bosnia. I'm not going to specify what.

Q Has the White House taken the legal position that Congress has the authority to unilaterally lift the arms embargo?

MR. MCCURRY: Mick, I ran through this yesterday. In the event that a resolution was passed which mandated a unilateral abrogation of the U.N. Security Council resolution, that the President then vetoed and then the veto was overridden, so that the U.S. Ambassador was, in effect, instructed by Congress to notify the U.N. Security Council that we were abrogating a U.N. Security Council treaty, that would, my understanding is, have to stand as a matter of law. That is, essentially, it doesn't require -- it would be the United States government taking unilateral steps as a matter of policy to abrogate an existing U.N. Security Council resolution.

We would so advise the U.N. that it was taken under duress because it was an act of Congress, and that we were complying with U.S. law. But it does not require a specific action that the Ambassador would have to take at the United Nations, other than notifying them of our intent related to an action by Congress.

Q For clarification, the Friday meeting is definite now?

MR. MCCURRY: My understanding at the moment is that the Friday meeting has been called. There are, I believe I had heard a report earlier today, 12 nations that are scheduled to attend. It's unclear to us at what level the participation will occur, although as we had said the last couple of days, Secretary Perry and Secretary Christopher are prepared to attend if the meeting is indeed held at that level. But I suggest the best thing to do is to check with the UK. They are the host of the meeting.

Q What configuration is the 12 nations? That's not NATO or the Contact Group.

MR. MCCURRY: I believe it's -- my guess is, and this is only a guess; please check with the British -- but this would be at UNPROFOR contributors plus Contact Group. That would, I think, get you to 12.

Q In terms of the U.S. military decision-making process, what military steps are next on the agenda, would it be fair to say that has to await the common position between France, Britain and the other allies?

MR. MCCURRY: Well, it would be safe to say that the President is determined to try to forge that position, working with the British and the French.

Q Mike, legalisms aside, if Congress forces a unilateral lift down your throat, what actually would change on the ground? Would the administration provide arms to Bosnia?

MR. MCCURRY: What would change on the ground? A whole lot of Muslims would die pretty quickly because the Bosnian Serbs would take advantage of that to take advantage of the disparity that exists in heavy weaponry.

Q I'm talking about actions by the United States on the ground. Would we -- under that scenario, would the United States furnish arms to the Bosnian Muslims?

MR. MCCURRY: Our view has been it is highly questionable morally for the United States Congress to say that we are unilaterally lifting the arms embargo so that the Muslims can have a fair fight, and then not do anything to provide them exactly those armaments that we're talking about. There's some vague notion on Capitol Hill that perhaps they could get them from inventories of former Soviet Union stocks. Perhaps they could get them from Iran, I guess Senator Dole is saying.

But morally it would seem to us, given the likelihood of a very dire consequences to the Muslims that we would be duty bound to provide some type of equipment and training urgently. Now, once we're doing that on the ground in Bosnia, it's the view of this President and most of our military thinkers that those types of trainers would need significant protection, some type of protection force which would then have to be on the ground.

In any event, that decision by the United States Congress would trigger a decision by UNPROFOR to withdraw from Bosnia and then we would be in the position of having to commit ground troops to extract U.N. personnel from Bosnia. So one way or another, passage of a unilateral lift resolution is clearly a formula to put this country directly in the fighting in Bosnia with the use of U.S. ground forces. And the sponsors of that resolution on Capitol Hill ought be honest enough to make that clear to the American people.

Q Are Perry and Christopher up there strictly lobbying against unilateral lift, or are they also soliciting views of what sort of military options members of Congress would support for strengthening UNPROFOR?

MR. MCCURRY: They are also soliciting views and providing as best they can some sense of what our dialogue with other governments has led to at this point.

Q Which Republicans are they meeting with?

MR. MCCURRY: Well, they were invited, if my understanding is correct, to participate in two separate sessions -- well, maybe I should correct that. Was it one session or two sessions? With Senate Democrats and Senate Republicans separately. I believe they are addressing both caucuses.

Q Mike, just to clarify, last week when we were discussing unilateral lift resolution, you were saying that the President would veto such a resolution if it were overridden. Depending upon how it was written, he might ignore it on the grounds of his authority to conduct foreign policy was being trampled on. I'm not hearing you say that now.

MR. MCCURRY: And we just went through a discussion of what would happen if you lift it, I mean, if this was a resolution that lifted, instructed us to provide arms, instructed us to provide protection, or for those providing the arms. You get into a lot of different permutations of what might happen.

Q Is there any set of circumstances under which you can see the President simply ignoring whatever came from Congress?

MR. MCCURRY: Simply ignoring and saying, well, you could say --

Q Unconstitutional infringement.

MR. MCCURRY: You could easily say that it affects the President's ability to conduct foreign policymaking. The Congress could then very clearly do as they've done in the past -- withhold funding for the enforcement activity associated with the arms embargo. So there would then be a question of what the congressional prerogatives are related to appropriations.

Q -- embargo now.

MR. MCCURRY: Say again. Oh, I know. That is existing law. The issue is lifting the arms embargo, as they talk about on the Hill. What does that entail? Does that entail us providing weaponry out of our inventory? Does it provide -- is this an act of Congress, a federal law, in effect, requiring us to dispatch U.S. military to train and equip the Muslims? These are all the types of questions that I think properly are not our questions. They should go to the sponsors of the resolution. But, clearly, we would have to faithfully execute the laws as passed by Congress.

Q We are not now participating in any enforcement activities for the embargo, as you --

MR. MCCURRY: That's correct. I believe that's restricted to maritime -- maritime activity.

Q But we are involved in some other sort of interdiction, or are we?

MR. MCCURRY: Well, you have to check -- it's been a long time since I looked into that, but that's been the -- there's some enforcement type activities that we were not constrained from.

Q Let's assume for the sake of the question that you are involved in something. Obviously, it isn't much or we'd all know about it or you would know about it, one hopes. Why wouldn't the administration simply declare that that would stop and declare this administration in compliance?

MR. MCCURRY: I don't follow the question, Brit. Explain.

Q In other words, if we are going to unilaterally lift, it means, presumably, that we would cease doing whatever we are doing in furtherance of the embargo. Why wouldn't we just do that?

MR. MCCURRY: Well, unilaterally lifting, that's exactly the point. Unilaterally lifting the arms embargo is a make-believe world in which Congress will think that it's done something to address the problem in Bosnia so that they can go back to their constituents and say, boy, don't we feel good; we've done something today.

Q Why don't you just let them do it if it doesn't do any harm?

MR. MCCURRY: Well, because it has -- that position, as we've said over and over again, taken by the United States Congress would drive the United Nations out of Bosnia. They've made it perfectly clear because it in a sense lifts the veil on the provision of arms -- no longer covertly, it could be done overtly -- to the warring parties. Both sides. On both sides.

Q Why? Because the United States was then not engaged in whatever minor interdiction activities it is now engaged in?

MR. MCCURRY: The feeling has been the enforcement effort would collapse. There would be no way of preventing arms going from both the Muslims and the Serbs under those conditions.

Q -- over that than we do over anything else.

Q I want to follow up and take the opposite assumption from Brit, that we aren't doing anything. We're not doing anything. Have our allies suggested that they would attempt to prevent us --

MR. MCCURRY: We are not doing -- pursuant to an act of Congress, we are not doing some things in connection with enforcement of the embargo.

Q But you are not enforcing it. Presumably, somebody else is. And no matter who wants to break the embargo, whether it's Iran or the United States, the other countries would be duty bound, would they not, to stop us? Have the French said they won't let us ship arms --

MR. MCCURRY: As a practical matter, if the United States lifts the arms embargo, the NATO enforcement effort, particularly the maritime effort in the Adriatic, would collapse. That is -- I think everyone is working from that common assumption.

Q One thing in Congress, however -- there is increasing calls for them to end U.N. presence in Bosnia, and you might even wonder whether the Republicans might be passing this resolution as part of the pressure to get the U.N. out of Bosnia. Today, for instance, Strom Thurmond called the policy "a definition of stupidity." Again, with increasing calls to get the U.N. out of Bosnia, how strongly do you feel it should be there, and what's your reaction?

MR. MCCURRY: Well, we feel -- we have said now over and over again, we feel very strongly they should be there because -- everyone is moved and troubled by the pictures, the distressing pictures of these refugees that are moving out of the safe areas and being shipped into Bosnia government-controlled portions of Bosnia.

Now, how are those people going to be kept alive? How are we going to get them shelter, food, medicine?

The United Nations, working with nongovernmental organizations, has been doing that work. Now, if the United Nations leave, what are we going to say to those folks? You just lie out there in that field and you die and you rot? I mean, that effort now is keeping those people alive. There seems to be zero attention to those who are sponsoring this resolution to what the catastrophic effect would be of a pullout of the United Nations. The United Nations effort in Bosnia goes beyond the protection force that's there in a peacekeeping role. It includes the humanitarian effort, the work that's being done by the U.N. High Commissioner on Refugees. And we're basically saying we're going to shut that all down because we're troubled that we haven't been more effective in dealing with the conflict itself between the warring parties. And that's just a formula for putting a lot of innocent civilians in a whole lot worse hardship than they're already in.

Q Is what is being contemplated a change in policy? Because, like you said, a lot of people in this country seem to think your policy is nutty and a charade, and this fiction of neutrality when you have really tagged the aggressor. How long does that go on? And you are -- people are being killed every day in a monumental way. So my point is, are you going to continue this alleged policy of neutrality when people are being slaughtered?

MR. MCCURRY: I think it's pretty clear that we're looking at new options related to our policy.

Q If whatever you come up with would require the dual key system to be eliminated, what has to be done? Does the U.N. have to vote on that? How do you eliminate the dual key?

MR. MCCURRY: I'm not going to speculate on that. There is a command and control system in place currently for the use of NATO air power and support of a request from the United Nations that involves separate decisions that move through two chains of command, and it's become known as the dual key. How that might or might not be modified under the hypothetical -- a hypothetical discussion of some change in the nature of allied air power use over Bosnia is idle speculation at this point.

Q She's asking about a process, Mike, she's not asking about --

MR. MCCURRY: The process, whether it would involve separate decision-making at the North Atlantic Council and at the United Nations either, presumably, by the Secretary General -- most likely by the Secretary General, most likely by the North Atlantic Council.

Q Mike, have you resolved that question that Gene raised yesterday about whether committing helicopters means you're committing ground forces?

MR. MCCURRY: They were going to be able to address that at the Pentagon today as they could. My guess is that they're not going to speculate on military action. And I can tell you, I actually showed General Shalikashvili some of the discussion in one of the newspaper accounts I saw today. And he just shrugged and said, that's not, to his knowledge, anything that's under consideration. So I just would caution you against --

Q Which part was that?

MR. MCCURRY: Well, if I keep you guessing, then you'll question everything that you've read today, which is my point.

Q Was Boutros-Ghali invited to this meeting Friday, or any U.N. representative?

MR. MCCURRY: I had heard earlier that there was some desire on the part of U.N. personnel to participate in it. But I refer that to the British government because they're the host and they will issue the invitations.

Q Mike, the last two years, the U.N. has been telling the Bosnians it knows what is good for them better than they do. The Bosnians are now saying, after three years of disaster, get out; let us defend ourselves. Do we presume that they don't understand their own self-interests?

MR. MCCURRY: No, and we -- the reason that we want to consult very closely with the Bosnian government -- we had the Bosnian Foreign Minister here yesterday in good discussions with the national security advisors. They have not, as you will note, made that request to the United Nations.

Q Mike, let me take one more try --

Q But Mike, they have asked that the arms embargo be lifted.

MR. MCCURRY: They have not made -- to my knowledge, as of earlier today, not made any request of the Secretary General that the United Nations Protection Force be withdrawn from Bosnia.

Q What about the arms embargo?

MR. MCCURRY: They've suggested -- they've obviously suggested it hasn't been performing effectively from their point of view. And who could dispute that? But they -- it's a separate request, it would be a separate issue if, as a sovereign nation, they submitted that formal request to the Security Council. And that's a formal step that is -- my understanding is that they haven't taken at this point.

Q Would we be bound to honor that request, though, if they submit it?

MR. MCCURRY: Well, the Security Council would have to review its standing resolutions in effect in Bosnia in that condition to see how they should be modified. I'd have to check at the U.N. I'm not sure what that would entail.

Q What about our position, specifically? Would the U.S. --

MR. MCCURRY: We are clearly involved in some very meticulous discussions about what we can do about the situation, and I think the Bosnian government knows that. I got a question earlier about something that the Foreign Minister said in connection with that.

Q One more try on dual key. Various officials of the administration have said that the dual key system was a mistake to get into. They've said it was unworkable. One senior official yesterday on the record even called it insane. Is the administration taking efforts to get rid of the dual key system? And if not, why not?

MR. MCCURRY: What are we doing about the dual key? We don't think -- we obviously think it's not good. Some people who are diplomats are talking about it. I'd prefer to hear people who understand operationally how it works militarily talk about it, and they have expressed troubles about it.

Q What's the bottom line of all of what you're talking about in there? What is it? I know you're going to strengthen UNPROFOR. But to what end? I mean, we originally began to try to provide relief --

MR. MCCURRY: Look, the reason to strengthen --

Q -- that's all gone. Is the Contact Group peace plan still on the table?

MR. MCCURRY: The reason to strengthen UNPROFOR and make the U.N. presence more effective is, one, you can and it has in the past curbed the conflict itself and kept people alive by limiting the consequences of firing by one side or another, particularly by -- in the use of decisions around the safe areas, it has made them exclusion zones and protected the civilians who live in it. It does all the humanitarian work that I cited earlier.

The protection force itself helps protect those convoys, that humanitarian relief traffic that is important to get back and forth. It does so under great peril under many conditions. But most importantly, if they stay there and keep -- are in a position to limit that conflict, it gives the diplomatic efforts some time to move forward.

Now, there have been a lot of changes on the ground in Bosnia in recent days as a result of the fighting there. There are different notions of what that might mean for any effort to bring about a diplomatic settlement. There are some judgments that parts of these warring parties are crazy, but they're not crazy enough to think that they can stay at war forever and expect to have any prospect of reconstructing or rebuilding their country.

Q Do you think there is a diplomatic solution possible? Do you, does the U.S. government see something in the past couple of days that gives you any help?

MR. MCCURRY: We continue to work very strenuously, both within the Contact Group and then through the auspices of the E.U. negotiator, Carl Bildt, who has been most recently dealing with the government in Serbia and dealing with others in pursuing the diplomatic path.

Q Can we get to a new subject at all? Affirmative action. Has the President finalized his decisions on that?

Q One more question on Bosnia.

MR. MCCURRY: Yes.

Q If I remember, the position the President took during the '92 --

MR. MCCURRY: By the way, Mary Ellen is giving me some thing -- we've got some additional things. We are required to give a six-month report from time to time on sanctions enforcement. So we've got a good piece of paper that comes out. I guess it's going to be out later -- right after this on this. Always helpful to have this before the briefing. Yes.

Q You might remember the position the President took during the '92 presidential campaign on Bosnia. That was strike and lift, basically. And he wants to --

MR. MCCURRY: I don't know that that was ever formulated during the course of 1992. I recall that associated with Spring of 1993.

Q -- official position. Everybody knows about that.

MR. MCCURRY: Right.

Q He was trying, after moving into the White House, to implement that part. And he has been rebuffed by the French President Mitterrand and Mr. Major, forced to modify his approach and -- Basically, those people are saying that it is not wise to step into aggression and to mass murder if our national interests are not involved. Now, you remember, too, that Margaret Thatcher and now Jacques Chirac are saying that --

MR. MCCURRY: Does this useful history lesson have a question at the end of it?

Q -- that policy is wrong -- and it is creating all kinds of new disasters. My question is which side is the President on? Is he siding with Mitterrand and Major or is he siding with Chirac, Thatcher and --

MR. MCCURRY: I think that he is working with the government of the United Kingdom and the government of France to attempt to address the situation in Bosnia. Clearly, there have been different options that have been available at different points through the history of this conflict. There were a lot of options that were a lot different had certain decisions come out differently in 1991 when Yugoslavia began to split up. But I'm not going to retrace history and look at that.

If the question, what's the -- the issue on lift and strike was -- our position is that at some point, as a last resort, and the unavoidable circumstances in which UNPROFOR is withdrawn from Bosnia, it's our view that the arms embargo should be lifted multilaterally. And that view, to my knowledge, has not changed.

Q It sounds like you might be considering going back to just the strike part without the lift part.

MR. MCCURRY: I'm not going to get into that.

Q Can you give us a read out on the affirmative action meeting --

MR. MCCURRY: Yes, let's move on. The President had a good meeting with members of Congress, I think all Democrats; one Republican attended. They had a good review of the --

Q Which one was it?

Q Was Amo Houghton the only one?

MR. MCCURRY: Yes, yes. And the President did, as he has done in some of these recent sessions, review some of the thrust of the remarks that he will make tomorrow, and the direction the review itself took. He got very good reaction and commentary from members of Congress, some of whom, I think, said on the way out that they looked forward to the President's remarks tomorrow.

Q Has the President definitely decided exactly what he's going to say about whether he favors race and gender based solutions in all cases, or wants to move to some economic impact in some areas?

MR. MCCURRY: I think the President's got a pretty firm idea of what he's going to say tomorrow. He's been giving people some sense of how those remarks will come out.

Q Can you give us an idea of what the race and gender --

MR. MCCURRY: No, I'm not going to preview his speech.

Q Will the President or anybody at the White House talked with Jesse Jackson about the content of this before he delivers it?

MR. MCCURRY: The President intends to, if he has not already, call Reverend Jackson. I don't believe it's occurred yet, but they were going to track him down. The Reverend Jackson is in California, I think, as some of you know.

Q Is this going to be in the nature of a detailed laundry list?

Through P. 17

MR. MCCURRY: No, let me help those of you who have got to do an advance for tomorrow since I could be useful if I said the same thing I said Friday again.

He's going to give a broadly thematic address that goes to the heart of the question what's the right way to further our progress toward equal opportunity and social justice in this country. Affirmative action has been a very important tool in breaking down barriers and helping women and racial minorities move ahead in the American workforce. The President is determined to make the case to the American people that that effort has been important, has been successful and it needs to continue until such time we can say that the job is done.

But the job's not done yet, very clearly. And the President is going to talk about how you can take those programs, take that tool make sure it is still effective and make those changes necessary to make sure it's an effective tool to address discrimination and prejudice both in the workforce and in our society and create opportunities for Americans to get ahead. And he will, in addition to that, be releasing details on the several months long study that has been conducted of federal affirmative action programs. That will be a very detailed, comprehensive study of programs that exist in the federal government. And it will make some very specific recommendations on how some of those programs might be improved and might be made to work better.

But the President's remarks themselves at the National Archives tomorrow, I think, will attempt to address the American people in a way that helps them understand the importance of these programs in the life of our nation and why they should continue and why they should be made more effective.

Q Will there be a briefing here as there was after the religion speech?

MR. MCCURRY: Yes.

Q Who will brief?

MR. MCCURRY: Some type of briefing. I plan to have Mr. Stephanopoulos, Mr. Edley -- and are we going to bring Delinger over, too, or is that not clear? At least George Stephanopoulos, who has been the President's key point person and Chris Edley who has done a lot of the work on it. The two of them will be here tomorrow afternoon.

Q Will the President cite any case of an affirmative action program that he thinks he has not been successful and should be eliminated or rolled back?

MR. MCCURRY: You'll find inside or throughout the report itself almost like a catalogue of federal affirmative action efforts. How they've worked, how they meet certain standards that the President has put in place on affirmative action and it's quite comprehensive. I don't want to suggest the President's remarks will be like that. I think the President wants to address broader themes so that Americans understand what we should to come together as a country and not use race as an issue to divide us.

Q What I'm asking is is there a single example, though, of an affirmative action type program or a program that comes under that banner that the President says was inappropriate and that he would be announcing the elimination of?

MR. MCCURRY: He'll talk about some aspects of these programs that are a problem, yes.

Q Is this a report that we are going to receive? Who is the report to and from?

MR. MCCURRY: The report is to those within the administration who conducted the review, a memorandum to the President. It's a principle -- it's forwarded to the President by Mr. Stephanopoulos and Mr. Edley who actually conducted the review. There are obviously a lot of people who are cited in the document and who contributed to finally pulling it together from various agencies and from the White House itself.

Q Does this stem from the Justice Department review of the Adarand decision?

MR. MCCURRY: That's right. That's correct. This is a rather lengthy -- the last, most current draft I've seen because they've had various charts and things they're adding into it -- it's about 97 pages long. It's fairly extensive.

Q You were just saying releasing it. Do we get to see it?

MR. MCCURRY: Yes, our intent is to release it tomorrow probably around 3:00 p.m.

Q Is the President going to see Daliberti today?

MR. MCCURRY: -- deadline.

Q Does the President recommend anything that would require legislation?

MR. MCCURRY: The reason for that by the way is because we've got a lot of our people are involved with -- George has been up on the Hill doing a lot of briefings on the Hill. We've got -- everyone involved in this has got very -- has very busy schedules over the last couple of days. And we also want, frankly, want to keep the focus on the President's speech because that puts all of this -- this puts this detailed study, puts it in the right context,

we believe. And the President's remarks, we think, are important and deserve the bulk of the focus tomorrow.

Q Is the President recommending anything that would require legislation?

MR. MCCURRY: I'd have to -- hold that question over for those who will brief tomorrow. I don't think so. I think most of these things are things that we can do within the Executive Branch to improve the performance and effectiveness of these programs. I am not certain whether any of the things that he suggests in there require any legislative acts.

Q So, Mike, there would be some directives?

Q Following up on that, basically you said that he will talk about some programs that are a problem. If that's the case, and that you would probably be directing the Justice Department to prepare for an avalanche of lawsuits dealing with these programs that might be a problem. Would you be doing that?

MR. MCCURRY: No, because the Justice Department has already taken steps to be in full compliance with the Supreme Court's decision in Adarand.

Q In the case of federal set-asides, is it accurate to say that the President is going to set aside a portion of the federal contract monies to businesses in poor communities regarding such --

MR. MCCURRY: That's sounds like a good question for tomorrow.

Q Mike, does the President hope that this action will dissuade Jesse Jackson from running for President?

MR. MCCURRY: I have no idea and it's not material to the results of the report itself.

Q Why is he compelled to brief -- to personally brief Jesse Jackson?

MR. MCCURRY: Well, because Reverend Jackson is an enormous -- I mean, we've met now with leaders from all walks of life. We've met with various members of Congress, with civil rights groups, with private sector community, with others who are politically active who care about this issue. Reverend Jackson, suffice it to say, is an enormously important leader in the African American community in America. And it wouldn't make sense not to provide him that type of briefing.

Q Doesn't he hope that Jackson doesn't run?

MR. MCCURRY: We don't believe there's any basis upon which, within the Democratic Party, someone should challenge this President for the nomination, of course.

Q If I'm one of these angry white men out there, who feels that --

MR. MCCURRY: You don't look like an angry white male.

Q -- who feels that affirmative action is working against me, what am I going to hear from the President that might make me feel better?

MR. MCCURRY: A good explanation of why you have common cause with those who are struggling to get ahead, who deserve economic opportunity. And you've heard the President, in a sense, address exactly that question before, if you recall his remarks to the California Democratic Party.

He gave a very specific, and I think quite passionate, appeal to why we have to understand the frustrations that exist in a country in which real incomes for many of those "angry white males," has not risen. The frustration that anybody would have, after seeing 20 years of decline in real wages is easy to understand. These are families that are struggling to make ends meet, and that provokes a lot of anxiety. And that anxiety is sometimes misdirected in believing that others are getting ahead when they're not getting ahead.

So I think the President would be -- my prediction is that he will be passionate and eloquent on that point tomorrow.

Q Does he have any plans to meet with Richardson and whichever one of the guys is coming back with him, Daliberti or Barloon?

MR. MCCURRY: Yes, to follow up on a conversation that he had yesterday with Congressman Richardson while the Congressman was still in Jordan, the Congressman indicated that they'd like to come by after they arrive at Dulles this afternoon. And my understanding is they're going to be here around 6:30 p.m., 6:45 p.m., tonight.

Q Are they invited to the picnic, too.

MR. MCCURRY: What?

Q Are they invited to the picnic?

MR. MCCURRY: No, they're going to just stop by the Oval for a brief --

Q Will there be a photo opportunity?

MR. MCCURRY: No. We'll probably just have the stills go in because I know how anxious all of you will be to get to the picnic.

Are we ready to quit since I'm dying up here?

Q Did the President see any of the Whitewater hearing today? And, second, does the White House have a position on Senator Murkowski's use of Mr. Foster's briefcase?

MR. MCCURRY: The President has been working on Bosnia and his affirmative action speech tomorrow. Today, to my knowledge, he has not seen any of the hearings so far. And I'm sorry, I'm unaware of what you're asking about Senator Murkowski.

Q Senator Murkowski displayed and shook upside down the briefcase that was used by Mr. Foster, and Senators Kerrey and Dodd objected strongly.

MR. MCCURRY: Congressmen do photo opportunities every day.

Listen, one thing before we quit. Just so you know, we've had to file the Clinton-Gore Committee -- I'm stepping in until such time as we have a fully-fledged press person over at Clinton-

Gore '96. So from time to time we'll advise you of things that you should know about from over there. They have filed their --

Q -- to the government of France --

MR. MCCURRY: They have filed their first quarterly report for the '96 campaign committee that should be available from the Federal Elections Commission today or tomorrow.

It's going to show that the campaign raised a total of \$9.338 million. Now, you can go compare that to what some of the folks on the other side have raised. And they have spent about \$3.291 million, which leaves a balance cash on hand \$6.296 million.

Most of the money that -- a large portion of that money that has been spent is in connection with some of our advertising that I've told you about in the past. There were 93,000 donors to the Clinton-Gore Committee during the 10 weeks in which it's been operational and raising money -- 86,000 of those donors were in response to direct mail solicitation. So, really these represent sort of small guy contributors, small guy and female contributors, so over three-quarters of the total donations to the committee coming from so-called small contributors.

The average contribution on the direct mail was \$47 and the average contribution across the whole report is about \$100.

Q Mike, would you go through those numbers again? They don't quite seem to add up.

MR. MCCURRY: Say again?

Q Would you go through those numbers again?

MR. MCCURRY: Well, I'll tell you we've got a release we'll put out. We'll put out a release on it and it all adds up, in case I didn't get it right just then.

Q What do you get for \$47?

MR. MCCURRY: You get the satisfaction of participating in the renewal of America, change, restoring hope.

THE PRESS: Thank you.

END

2:00 P.M. EDT

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PRESS BRIEFING

DEPUTY NATIONAL SECURITY ADVISOR SANDY BERGER,
ASSISTANT SECRETARY DAN TARULLO,
AND UNDERSECRETARY LARRY SUMMERS

The Briefing Room

11:15 A.M. EDT

MR. MCCURRY: Good morning, everybody. As you know, next week, Thursday, President Clinton will depart for Halifax for his third G-7 summit since he has been President. And in advance of that and because many of you are preparing to write for this weekend, we thought it would be good if you could meet with some of the team that will work with the President at the summit.

I've asked Sandy Berger, the Deputy National Security Advisor, to kick off this briefing, to tell you a little bit about some of the President's thinking and objectives as we head for Halifax. And he will be joined by Dan Tarullo, who is the U.S. sherpa. He is the Assistant Secretary of State for Economic and Business Affairs. Joan Spero, who is the Undersecretary of State for Economic Affairs -- didn't they change your title at some point? Business and Agriculture -- right. And she is one of the sherpas; as is Larry Summers, the Under Secretary of the Treasury for International Affairs. And Bo Cutter is with us, too, the Deputy Assistant to the President for Economic Affairs. They are all available for questions. I'll let them divide up their presentation as they see fit, but we'll start with Sandy.

Thanks for all of you being here today.

MR. BERGER: Thank you, Mike.

Let me take just one minute at the outset before asking Dan to walk through the substance of the G-7 meeting to talk a bit about the context of the meeting.

Halifax is another building block in a sweeping enterprise that President Clinton has been engaged in since the beginning of his administration -- that is leading the international community to build the international economic architecture that will propel prosperity into the 21st century.

The pillars of that structure that the President has been working on since the early days of this administration are, first, opening and expanding the markets; second, assisting in the transformation of the former communist world into the mainstream of market economies; third, promoting economic reform in the developing world where five-sixths of the population resides; and, fourth, promoting the process of reform of the international financial institutions to meet the new challenges of the global economy.

We've made enormous progress in building those structures over the past two and a half years. Through NAFTA we've created the largest free trade area in the world, with 370 million consumers and a \$6.5 trillion GDP. After seven years the President brought to a conclusion the Uruguay Round, which will add \$100

MORE

billion to \$200 billion a year to the U.S. economy when it's fully implemented.

Looking ahead to regions of the fastest growing economies, the President launched a process in Asia with the APEC countries toward free and open trade in that region, and at the Summit of the Americas last year launched a process for a hemispheric free trade agreement by the year 2005. And we've been working over two and a half years for reform of the international financial institutions to meet the new challenges that we face.

Last year in Naples, the President suggested, and the other leaders agreed, that one focus of Halifax would be to review the international economic institutions to determine what further changes were necessary to meet new challenges. And that is a very important part of what the leaders will do at Halifax. They will address arrangements to prevent and deal with financial crises like Mexico. They will focus on streamlining U.N. economic and social agencies so that they can fulfill their mission more effectively and more efficiently. And they will address the priorities that they see for the multilateral development banks as we head into the 21st century.

This is a process Bob Rubin described this week of building modern institutions for a modern economy. It's a long-term process. Halifax is an opportunity to take stock of where the international community is in this process and to set some directions for future reform.

Let me ask Dan Tarullo now to go through more specifically the agenda of the G-7.

ASSISTANT SECRETARY TARULLO: Thanks, Sandy.

As all of you know, last year at Naples the G-7 leaders agreed to a proposal to review the international economic architecture to see where we are, to see where we need to be going. Obviously, this isn't a job for a single meeting, not even for a single year's review. And I think Sandy's introduction has put this in some perspective.

In the intervening months, the Mexican peso crisis, and indeed, to a lesser extent, the Barings Bank problems have focused particular attention on financial stability and the world financial structure. And I think what you'll be seeing in Halifax is agreement on a package of measures which will respond quite directly to what was clearly the most pressing problem in the international economic system, which is the need to avoid international financial crises and to respond effectively if a crisis does occur.

I think you will also see attention, as Sandy intimated, to development institutions, to the multilateral development banks to the U.N. economic institutions more generally. There has been, particularly with respect to the development banks, a good deal of progress, much of it spurred by the United States and U.S. requests and proposals for reform and change of orientation in the MDBs. There has been discussion in the preparatory work leading up to Halifax of what directions that the banks have now started to take should be ratified, should be moved forward, and what future steps are needed.

Third, I think what you'll see at Halifax is increasing attention by the leaders to some new problems which are emerging in the global economy. Environment is something that you're all aware of, but it is an issue of continuing concern and one which is increasingly global. Terrorism and international organized crime are not things that normally have been thought of as byproducts of a global economy, but, in fact, they are. And the leaders will be

addressing those as well, coming to grips with the fact that these are transnational phenomena which need a multilateral cooperative response.

I'll give a bit more detail on some of the things that we expect at Halifax. With respect -- and I'll go down the little three points that I just gave you. With respect to the financial crisis, as Secretary Rubin stated earlier this week, our sense of what is needed has really focused on four kinds of factors.

First, we need a new emphasis on transparency. We need to make sure that economic and financial data is published in a timely and adequate fashion by countries throughout the world. Why is this important? Most obviously because if data and information are continuously available, the market has an early opportunity to see growing problems and to react to them. If the market reacts soon because it has information, the chances of a crisis developing over time are much lower. Bad policy cannot continue when there has already been a market reaction.

Second, crises will occur. We think they will be rare-- if the kind of transparency and surveillance proposals that we would like to see adopted are adopted, they will indeed be rare. But crises will occur. And it's important that the multilateral financial community have adequate resources that are available in a timely fashion with proper conditionality upon potential recipients so that when a crisis does hit there will be a quick and effective response.

Those are what we think are the two immediate needs which should be met. But there are also the need to look forward some, to look forward to potential new measures which might be taken to respond further or to elaborate upon our responses to international financial problems.

One of those is exploration of possible orderly workout mechanisms to deal with international debt crises. There is not -- let me hasten to add -- a proposal on the table which has been discussed within the sherpa process. So you should not anticipate that there will be any sort of discussion or agreement of such -- on such a proposal. But what I think and hope that you will see is some sense from the leaders that this is an exploration, this is an inquiry which ought to move forward. We ought to see whether there is a way to deal with debt problems and short-term liquidity problems that have arisen in a fashion that makes adjustment easier on all sides.

Finally, as I mentioned at the outset, there are private financial challenges that are posed, as well as sovereign financial challenges. There is a good deal of cooperation in the world today among bank regulators and among securities regulators. But as the Barings Bank incident showed, it is vital that the financial regulators in the world be vigilant about potential gaps in the system, and inquire once again as to whether there are gaps or weaknesses in the web of regulatory systems that exist for financial institutions.

So I expect again that there will be some discussion of these issues and I would hope some charge to our financial and securities regulators to pay further attention and enhance their cooperation to make sure that the safety and soundness of the world financial system is protected.

As I said, achieving these kinds of results, meeting these kinds of aims will mean that we will have been able to address the most pressing problem in the world economic system today. But we also have been trying to pay attention to development issues generally, the importance of promoting development in a sensible

fashion to ensure continued growth around the world, continued growing markets for U.S. exports.

The multilateral development banks, as I said, have made real progress. And what we are hoping for at Halifax is that we can gain agreement on a kind of set of principles or guidelines for the operation of the MDBs as we move towards the 21st century. As many of you know, we have promoted an agenda at the MDBs to put people first -- more emphasis upon basic human needs on things like education, to make sure that one is really fighting the root sources of poverty and providing a better possibility of long-term development.

Second, we hope for some increased attention and ratification of the need to incorporate environmental considerations into all the activities of the MDBs. Sustainable development is not just a catch phrase, it's an imperative for countries as they move forward in the development process.

And finally, but by no means least importantly, it's very -- it's almost indispensable that what the multilateral development banks do is to support private sector growth and to help create the conditions for sustained private sector growth, not to supplant it or not to compete with it. I think helping with basic human needs and with education and health is a way in which the banks can do that. But again, all of their operations need to be keyed towards that guideline and that end.

And with respect to the United Nations economic and social institutions, here, too, our expectation is that there will be a set of guidelines for adjustment of these institutions and, hopefully, some sense of internal adjustment of these institutions because they have a vital role to play. And it's important for the countries which are the recipients of their aid and for those of us from countries which provide resources that these institutions be as effective and as efficient as possible.

If I can turn to the third point that I began with new issues. These almost by definition are not issues or areas that are susceptible to some grand new multilateral structure. As I said, this is a process. It's not a single meeting. It's the need, really, for continuous adjustment to meet a continuously changing world economy.

But in areas like the environment, like terrorism, like international organized crime, it's important that the leaders themselves focus on these issues and, in essence, charge their national governments, their administrations to come to grips not just by themselves, but in cooperation to deal with what are, after all, international problems. What we would anticipate is a fairly lively discussion on these kinds of issues and a charge to specific expert groups to deal with problems, to deal with crime issues that cross national boundaries, and to be able to produce some concrete measures over the course of the next year or proposals for measures to deal with those problems.

If I can sum up, this is a step forward, but it's an important step forward. It's almost an unprecedented occasion, I think, certainly within the last 15 or so years, for leaders to try to step back and to say, where do we need to take some action now and how can we think about an ongoing agenda for reform, which necessarily is going to involve more discussion, bringing in governments from the rest of the world and operating within the institutions themselves.

But I think what you'll see at Halifax is a resolve to address these issues in an ongoing basis. I think you will see a financial stabilization package which ensures that the United States

need not be left in a position of being the lead or the sole actor to deal with the financial crisis. And I think you'll see increased momentum for continuing these kinds of changes and these sorts of reviews on an ongoing basis.

Q Dan, I want to talk to you for a second about your second point, this rapidly deployable emergency fund. In April, the Europeans, particularly the British and the Germans, had some reservations about who was going to pay for this. I wonder if this has been worked out already. And as sort of an adjunct question to that, Secretary Rubin mentioned on Tuesday that perhaps you are going to head up the rising Asian countries. And I wonder if there's been any discussions with them, whether they've supported this idea and whether they're going to be forthcoming with additional funds.

ASSISTANT SECRETARY TARULLO: Let me give an initial response and then let Larry address it as he sees fit.

I think what we are seeing is a convergence of views among all the G-7 on the way in which we need to have an emergency financing mechanism and the need for being able to deploy additional resources.

I hasten to add that, as with everything in the communique that will come out next week, these are issues and matters and points which the leaders really do look at, and, thus, there are still gaps, there are still unresolved questions, and there is still need for the leaders to ratify what we at the working level have done.

But the short answer is there is a convergence, and I think that you'll see that reflected next week.

Q And the agents -- have they been -- they won't be there, obviously, but have they been approached on this?

ASSISTANT SECRETARY TARULLO: Well, in the context -- there have been discussions, certainly, in the IMF context. But, Larry, you should address that.

UNDERSECRETARY SUMMERS: I think you certainly are seeing some convergence of opinion. It's important to understand the role of the G-7 in this and other contexts. It's a special group because it is the mature industrial democracies who have a whole set of common interests in global stability. But to address many of these issues -- the development issues, the question of financial emergencies -- that is done through other fora in which they are very -- play a very major role, but are not the sole actors -- the G-10, the IMF, the World Bank.

And so what the G-7 is able to do is express an opinion that provides -- has historically and will continue to provide very important guidance, but not to take final decisions. I expect that there will be, as I say, some convergence on both the G-7's own efforts and on their preparedness to mobilize -- and I think they will succeed -- support from countries outside the G-7.

Q -- Mexico will play such a major role of the G-7, how do you visualize at this moment the Mexico situation?

UNDERSECRETARY SUMMERS: Secretary Rubin has really addressed that a number of times recently, and he's indicated that he is encouraged by the policy changes, the budget surplus, monetary policy that's resulted in a reduction in the money stock in Mexico and the signs that adjustment is taking place -- in particular, the move to a trade surplus and the more developments in markets. It's a long road in Mexico, but the signs recently have been encouraging.

Q In previous G-7 summits, President Clinton has been able to boast about his progress on reducing the deficit. But this year you have a lot more of the action being taken by Republicans in Congress. Will that undercut his ability to take some type of a leadership role at the G-7?

UNDERSECRETARY SUMMERS: I think the President will go to this summit as the leader of the economy that has had the strongest performance in the G-7 over the last two and a half years, that has the smallest budget deficit in the G-7, and that every day shows its dynamism and its ability to compete around the world. And I think that will put him in a very strong position.

Q On the point of the Asians are on board, I didn't get clear on what your answer is. Are they on board for this, or not? Have you made some kind of agreement or is that --

UNDERSECRETARY SUMMERS: At this point the G-7 is going to indicate the direction in which we'll move and the question of involvement of the other countries will be pursued through the appropriate fora.

ASSISTANT SECRETARY TARULLO: Let me supplement the answer to that by saying this is something that applies to all of the institutional recommendations and proposals. The G-7 is an important entity for giving some leadership and some direction to the global economy, but it's by no means the only relevant entity. And as I indicated, for each set of proposals we will be going to other countries and working with specific international institutions within the integrity of their own processes to try to realize these proposals and recommendations.

Q Last year in Naples the President came in with a proposal to rev up a post-Uruguay Round of global trade talks, and that didn't occur. Is that suggestion going to be renewed in Halifax? Where do we stand on that? And, also, could somebody give us some indication of the bilaterals the President is going to have?

ASSISTANT SECRETARY TARULLO: On the issue of proposals for future trade initiatives, I think what you'll find is that, in fact, these proposals have been accepted. They've either been done -- there's been more attention given to financial services and other kinds of negotiations to try to make more progress and liberalizing services trade. That was an important element of our proposals.

We also -- we're very keen on trying to get international investment negotiations started in the OECD. As you may have seen in this year's OECD ministerial statement, we are moving quite forthrightly in that direction. So the major components of what we were proposing a year ago have actually occurred, or in some cases I think you may some reference to those components in the outcomes of the summit itself.

Q But you don't foresee a new round?

ASSISTANT SECRETARY TARULLO: No, there was never a proposal for a new round of negotiations as such. There's no talk of which I'm aware of a new what would now be called WTO round of negotiations. These were some proposals for some discreet areas of liberalization and investment, government procurement and services which we continue to pursue and we think are very much worth pursuing. But that's a different thing from a large round of negotiations.

MR. BERGER: On the question of bilaterals, the President, in addition to time that he will spend with Prime Minister Chretien, will have two other bilaterals -- one with Prime Minister Murayama. As you know, we meet -- the two country's governments have

agreed to meet twice a year. And so there will be a meeting between the President and Prime Minister Murayama.

That will be a general session reviewing a range of issues in the relationship -- clearly, political strategic issues involving North Korea and other issues on the strategic agenda. Clearly, on the economic side, I am sure the trade areas will be discussed, although I would emphasize this is not a negotiating meeting. There's no intent or expectation that they will be negotiating on trade disputes, including autos, although clearly, I'm sure, it will come up in the meeting between Murayama and Clinton and the range of other issues on our bilateral agenda.

The meeting with President Yeltsin will be a continuation of the discussions that took place in Moscow. It will be a brief meeting in which there will be some further discussion of both bilateral and European issues.

Q What would be the political point -- I mean, the point of the political agenda from the U.S. point of view? What point --

MR. BERGER: At the summit?

Q At the G-7 itself. Particularly, what kind of prominence do you plan to give to Iran?

MR. BERGER: There will be -- as you know, Prime Minister Yeltsin joins the summit after the G-7 meeting is over. He will join on Friday for dinner and then meetings on Saturday at which there will be some further political discussion. There will be political issues both at the 7 level and when Yeltsin is there. I would expect the President to raise Iran to be discussed and a very, hopefully, clear and strong statement the unacceptability of Iran's behavior with respect to terrorism and subversion of the peace process and the other issues that we have continually raised with Iran -- I suspect that the leaders will discuss that, and there will be some statement on Iran.

Q What do you think -- the comment by Japan that they will not apply and embargo against Iran -- is it something that is a disappointment here?

MR. BERGER: Well, we will continue to urge our trading partners and the other leaders of the international economy to exercise the greatest possible restraint with respect to their trade with Iran. We believe that it is a regime that is the number one state supporter of terrorism, a regime that is sabotaging the peace process or seeking to in the Middle East, and not one that should be supported or reinforced by broad economic relationships, certainly in the nuclear area. And, in particular, we will continue to press our allies not only for general trade restrictions, but specifically with respect to concessional trade programs with Iran that gives them actually export credits or other kinds of financing that they could not otherwise get.

Q You touched earlier on the constant goal at every one of these summits of more open and free trade with Asia. What kind of a backdrop is the current dispute with Japan going to provide when that discussion comes up?

MR. BERGER: Well, I think it is -- this is a President who goes to this summit with probably the most extraordinary credentials as a proponent of a strong multilateral open trading system of any President or any leader in recent history. This is the President who drove home the Uruguay Round after seven years, who initiated the idea of free and open trade in APEC, hemispheric free trade in this hemisphere. So this is an administration and a

President whose commitment to a multilateral trading system, I think, is unquestionable.

As part of that, obviously, we insist that our trading partners open their markets. And where we have problems with closed markets, we've made it clear all along, including in the Uruguay Round, that we will reserve the right to try to take action within U.S. law to open those markets.

We've made a lot of progress with Japan on a number of issues. We've signed a number of agreements over the last two years. We have not made progress on the auto issue, the auto parts issue. It is a serious issue; we've been negotiating for 20 months. We would like to get back into substantive negotiations with Japan, but if there is no agreement by June 28, as the President and Ambassador Kantor have indicated, we will move ahead. I think that's perfectly consistent with a President who is insisting upon open markets.

Q Again, what effect will that dispute, that current dispute, have on this area when it comes up at the summit table?

MR. BERGER: I don't think it will have -- as I say, there will be no negotiations on autos at Halifax. That will be -- those issues will be dealt with by our USTR and by Miti. There may be some technical discussions that take place next week around Geneva. Hopefully, there can be further substantive discussions after Halifax. This will not be on the agenda at Halifax, and I don't expect it to divert from the fundamental objectives that Dan and Larry and others have laid out.

Q Are you concerned -- and perhaps Mr. Summers can respond -- about Japanese retaliation into these sanctions? And there's some concern in the bond market that perhaps the Japanese will withhold from buying U.S. Treasuries in retaliation. Are you concerned about that?

UNDERSECRETARY SUMMERS: No, I don't think that is a serious concern. As we've said often, a more open Japanese market and a reduced Japanese current account in balance would make an important contribution to the healthy evolution to the world economy.

THE PRESS: Thank you.

END

11:45 A.M. EDT

SAMPLE SCHEDULING PLANNING CALENDAR (FOR WEEK OF 9 JULY)

SELECTED EVENT CATEGORIES

DATE	POTUS	Domestic/Economic	Legislative	Political	Major Public/News	NSC/Foreign	Major Cabinet	VP/HRC/MEG
SUN 7/9								VP: Family Confer. TN (T) MEG: Family Confer. TN(T)
MON 7/10								VP: Family Confer. TN (T) MEG: Family Confer. TN(T)
TUE 7/11								HRC: Koop event, DC
WED 7/12						UN 60-day review of Iraqi sanctions		
THU 7/13								
FRI 7/14				S.W. Voter Registration Education Project Latino VOTE '95 Conf., Pasadena, CA thru 7/15				HRC: Gandhi reception
SAT 7/15		•Mid-Session Review of the FY 1996 Budget. •Presidential Action on Base Closure.			•Presbyterian Church (USA), General Assembly, Cincinnati, OH thru 7/22 •Amer. Assoc. of Professional Baseball Players benefit for OK City, OK			
MESSAGE OF THE WEEK			MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SAT/ SUN

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SAMPLE SCHEDULING PLANNING CALENDAR (FOR WEEK OF 16 JULY 1995)

SELECTED EVENT CATEGORIES

DATE	POTUS	Domestic/Economic	Legislative	Political	Major Public/News	NSC/Foreign	Major Cabinet	VP/HRC/MEG
SUN 7/16				Nat. Conf. of St. Legis. Annual Mtg. thru 7/21, Milwaukee (POTUS via satellite)		2nd round of Haitian elections		VP: Asia (T)
MON 7/17	Evening off					50th anniver. of Potsdam Confer.		VP: Asia (T)
TUE 7/18	Press picnic							VP: Asia (T)
WED 7/19	● Press picnic rain site ● Hold evening SS							VP: Asia (T)
THU 7/20	● Hold for State Day (T) ● Hold for DNC Council Dinner							VP: Asia (T)
FRI 7/21	Evening off			Nat. Assoc. of Counties Annual Conf. thru 7/25, Atlanta Nat. Organ. of Black County Official Exec, Board of Direct., & Business Roundtable Mtg thru 7/25, DC				VP: Asia (T)
SAT 7/22					DAV Conference thru 7/27 Las Vegas			
MESSAGE OF THE WEEK			MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SAT/SUN

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

July 19, 1995

PRESS BRIEFING
BY GEORGE STEPHANOPOULOS
AND CHRIS EDLEY

The Briefing Room

1:21 P.M. EDT

*AMt
Look who
got the credit
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MR. MCCURRY: We're just going to move very quickly and briskly into questions, but not until I say something on behalf of the President. I want to introduce both George Stephanopoulos and Chris Edley, who together did the bulk of the work on the affirmative action review that's been done within the Clinton administration. But on behalf of a grateful White House and especially a grateful President, I'll report something the President said this morning in reference to both George and Chris.

He said, I can't think of anyone else who would have handled such a sensitive and important task so effectively, in paying tribute both to George, who is the lead White House staffer here internally who worked on this, and then Chris, who ran the interagency process. I think both of them earned a great deal of admiration from their colleagues here at the White House. And it's for that reason among many, it's a pleasure to have George Stephanopoulos, who is senior advisor to the President for Policy and Strategy; and Christopher Edley, Special Council to the President, here to do some answers on the report itself.

Q Does the President know that the California Governor called this a tribalization of the country?

MR. STEPHANOPOULOS: Well, thank you. We really won't say anything -- we want to go straight to questions. As you know, the review started back in March. We will have copies, I think, for you later this afternoon. And it was really the work of dozens of people throughout the administration, the Department of Justice, Department of Health and Human Services, Department of Labor, Department of Education. A lot of people put in a lot of hours to make sure that we had an honest look at the programs and the facts.

The President ordered us to give this a full look and an honest look, and to go in with an open mind and to follow where the facts led the review. And that's what we did. And as you see in the review, we concluded that affirmative action has been helpful to the country; on the whole, it's been fair; and with the proper reforms it can work even better to strengthen the country and strengthen our commitment to equal opportunity.

Q First, just explain -- he said that any program that is a quota will be eliminated or reformed. Just explain why a set-aside which has a numerical goal in it is not a quota.

MR. STEPHANOPOULOS: The set-asides are numerical goals, as you point out. They are goals throughout the government. There are certain administrative practices which do call for some shelter competition in specific areas. They are not unique to these programs. There is sole-source contracting throughout the federal government. But the goal is flexible in the set-aside program.

MORE

Q Just explain the difference between that and a quota.

MR. STEPHANOPOULOS: A quota is a hard, rigid, inflexible target that must be met in every case at every time. And that is now what the set-aside program calls for.

Q Two Republicans contenders, as soon as the President finished speaking, pounced on his statement and reiterated their belief, and they believe it's the American people's belief, that affirmative action rules the way they are now ought to be rolled back. Is that a politization of this issue? And is there any place where the Republican rollback ideas might have some validity?

MR. STEPHANOPOULOS: We think we need reform, but not rollback. And that's what the President has called for, and that's what the review recommends. We do need significant reforms in the programs, and the President's directive, along with coming into full compliance with the Adarand case, will lead to those significant reforms.

In addition, as you saw, he's called for significant reforms in the set-aside program.

Q George, could you outline for us any programs specifically that haven't worked and that need to be reformed? Can you give us any concrete examples of what hasn't worked?

MR. STEPHANOPOULOS: Well, the review points out that the federal procurement programs have worked to increase opportunities for minorities and women in businesses, to increase the power of minority entrepreneurs. At the same time that hasn't come without some cost. They have been subject to abuse. There has been abuses by the use of fronts. The graduation rates have not worked well enough to move people off of the government programs fast enough. Sometimes the acid tests have been abused, and the President has proposed reforms to meet those specific objections.

He still believes, however, that when you can prove discrimination and when you can narrowly tailor the remedy, set-asides are appropriate.

Q Is any congressional action needed for anything the President proposes to do such as the extension of the set-aside for economically distressed areas? And, two, what do you think is the state of play in Congress on Republican efforts to rollback or eliminate affirmative action? Where do you see that going this year?

MR. STEPHANOPOULOS: I think that, clearly, the set-aside for disadvantaged areas without regard to race would probably require legislation. The Vice President will work with that. He will certainly consult with the Congress as he prepares the policy, and my guess is that it probably would require legislation, although we're not going to prejudge that completely right now.

Secondly, my guess is that there are several in Congress who will seek to exploit this issue. There are clearly some divisions in the Republican Party, and I believe that we are going to get significant support for the President's position both in the country and in Congress.

Q Well, where do you see that going? Do you expect legislation to be passed this year? I mean do you expect this to be a big fight in Congress this year?

MR. STEPHANOPOULOS: My guess is that somebody will propose legislation to eliminate affirmative action. And my hope is that we'll defeat it.

Q This year?

MR. STEPHANOPOULOS: Yes.

Q Why is giving preference to somebody on the basis of gender or ethnic origin or race not reverse discrimination?

MR. STEPHANOPOULOS: Well, it depends on how you define the question. And affirmative action, when done right, does not give preferences. It says it is a factor that can be taken into account. That is what the Bakke decision set forth by the Supreme Court ordered in education and that's what affirmative action does when it's done right.

It makes sure people can expand the pool of qualified applicants. It makes sure people have a leg up, certainly, have some ability to get into the program but it doesn't allow anything for people who aren't qualified. And that's how I would define preference.

Q If I could just follow up -- how do you account then for widespread cases of people feeling they are the victim of discrimination? Your report found that there was no widespread case in fact on that score.

MR. STEPHANOPOULOS: I think it's legitimate to look at the programs. And it's certainly legitimate to ask if they're fair. I think that there's no question that not every program in the private sector or in the public sector has always been administered as effectively as it could be administered. And it's certainly easier to use a quota than it is to really follow the guidelines set up under an affirmative action program.

But even the executive order set forward 11246 started by Richard Nixon simply requires companies to make good faith efforts, to make sure you do the advertising, to make sure you do the outreach, to make sure you don't leave any stone unturned when you're looking for qualified candidate. But it says you shouldn't pick unqualified candidates and it says if you discriminate against non-minorities than that is wrong, it's illegal and it should be punished. And I would point out that this government has brought cases on reverse discrimination.

Q I have a question on your empowerment zone plan here. Could you please give some kind of a detail of what on Earth you mean on it because it's awfully vague? Would you extend --

MR. STEPHANOPOULOS: We have written the full policy yet but I think Chris can go into greater detail.

Q It's just a concept --

MR. EDLEY: It's just a concept.

Q Is it a concept or is it a plan?

MR. EDLEY: Well, I don't know where to draw the line between a concept and a detailed legislative proposal. I think that the notion here is that while we have a set of programs that we want to reform that are directed at the problem of remedying discrimination against minority and women entrepreneurs. What the President is saying is that we need another kind of program that is directed at the goal of creating jobs and economic development in severely distressed communities.

The notion is to take some of the procurement that the government does -- over \$200 billion a year -- and target that

procurement on firms that either locate in or hire a substantial amount of workers from severely distressed areas.

So what the Vice President will be doing is working with the Department of HUD, the Department of Labor, the Council of Economic Advisors, and so forth, to design the index to select which communities, which regions around the country are indeed most severely economically distressed. And he'll be working in detail with the agencies to make sure that the way in which those contracts are targeted is an administrable one.

Q So the empowerment contracting proposal has nothing to do with cities that already have empowerment zones?

MR. EDLEY: It does not. It is broader than that. There are only nine empowerment zones that are identified. So this could be quite broader, but it will be focused on regions that have severe economic distress.

Q -- do you get extra points, or something? I mean, how --

MR. STEPHANOPOULOS: We're going to work out the -- we simply don't have -- we have not worked out the plan yet. The President wants to make that incentive available to people who locate in those areas, and the Vice President is going to work out the details.

Q Can I follow up on that? Could you just at least say, when you say targeting procurement dollars in distressed communities, are you also talking then about a specific percent of procurement dollars?

MR. STEPHANOPOULOS: One very good possibility is that this would be a set-aside, yes, and that it would be a set-aside for businesspeople who put -- we don't have the number now, but we know that it would be a set-aside for people who place their businesses in these areas.

Q Could I just ask, following up on Bill's question, I understand that you both today and the President's speech have described the kinds of problem areas that you think might need restructuring, reform, revision. But the President didn't adduce a single example in his speech of a program that should be stopped, changed, explained in detail. Given all that -- and I understand it took a long time to look through this and you got delayed by Oklahoma -- what took so long? If today he chose not to say in a concrete way, here's a problem that has given x amount of stuff to these people and it's distorted because a bunch of good white contractors have been forbidden from competing on a good level.

MR. STEPHANOPOULOS: Those are really two separate questions. Number one, the President made the policy judgment -- I think it was the right judgment -- that to do away with any program in the wake of the Adarand decision before doing the constitutional analysis required by the Adarand decision would be irresponsible. To go beyond the Supreme Court at this time would be wrong. He's --

Q That basically is what Justice is doing now pursuant to Adarand --

MR. STEPHANOPOULOS: Justice is going to make sure they do all the analysis. Secondly -- and I think Chris can go into greater detail on the process -- but a lot of this information has not been gathered before. A lot of the questions have not been asked. And it was, actually, quite difficult to get -- to compile the data from the agencies. But I think Chris can go into that in more detail.

MR. EDLEY: One of the interesting things that we found was that for many of these programs -- some of them are quite tiny -- the agencies have simply been implementing what Congress put on the books. No one has ever required of the agencies that they think carefully about what the justification is, much less that they go out and try to collect data about the benefits, the costs, the direct and the indirect effects. So it was a detailed process.

But the other thing I want to underscore is simply because at the end of this detailed process of trying to examine the facts, not the politics, as the President said this morning, the fact that we have not toted up on the board a number of programs to eliminate does not mean that the review was not careful. Not at all. If you examine the report what you will see is that we did make a careful effort to examine the facts. At the end of it, on balance, we have recommended, and the President has agreed, that the vast majority of these programs do seem to be working, they do seem to be accomplishing a lot.

Now there is the further Adarand test that most of these programs have to run through, administered by the Justice Department. But at this point, what you see is a strong endorsement of the programs on the whole.

Q George, the President was quite strong when he got to discussion of colleges and universities and the importance of diversity in the makeup of faculties. As he put it, this is a benefit not only to colleges, but also society at large. In view of the meeting tomorrow of the UC Board of Regions with the proposal to do away with any kind of affirmative action and their policies -- from what the President said today, can we gather that he would oppose such a move?

MR. STEPHANOPOULOS: If there's a proposal to eliminate -- I mean, I haven't seen the detailed proposal, I don't have them in front of me -- if there's a proposal to simply wipe away the affirmative action program, the President would oppose that. He believes that's wrong simply to eliminate those kinds of programs.

Q George, as the President said, don't play politics with this, but with so many of the major Republican contenders already trashing so many affirmative action programs, how much of a campaign issue do you think this is going to be?

MR. STEPHANOPOULOS: Well, I think there is no question that the President's opponents will seek to politicize this issue. For Governor Wilson to use a word like "tribalism" is the kind of code word politics that Republicans engage in for generations. You saw it in 1988 with Willy Horton; you saw it with Jesse Helms in the past as well. And now we're seeing it again. And those kinds of -- that is a symptom of precisely the problem that the President was trying to speak out against today.

I have no question that they are going to be pushing that. But the President was trying today, as he did in his speeches on religion last week and at Georgetown the week before, was to reach beyond that kind of politization, seek the common ground and try to be a healing voice instead of a divisive voice. And I think it was unfortunate that those kinds of words and those kinds of terms are being put into the debate. And I would make a second point that many of these opponents are recent converts to this position.

Governor Wilson himself signed a piece of affirmative action legislation dealing with education into law on September 27, 1994. It was on September 27, 1994 affirmative action is good but now that he's running for president it seems to have different kinds of problems. I think you can look at the records of a lot of

Republican candidates and see a similar pattern. But that kind of politics is just wrong.

MR. EDLEY: What is politicization, to get back to the earlier question. Let me suggest that one test of that is to ask whether a political leader is stating a position on affirmative action in conclusory terms or whether in fact they're willing to describe their reasons and they're willing to cite evidence, to talk about the evidence in support of the conclusions that they offer. If they are interested in having a conversation, if they're interested in a kind of civil conversation that the President's been trying to talk about then they will be more forthcoming than speaking in bumperstickers and slogans.

Q Does the President believe that all beneficiaries of set-aside programs should be subject to a graduation period? I think that's how SBA set-asides work, but I'm not sure how they work elsewhere.

MR. STEPHANOPOULOS: One of the things you want to look at is putting a graduation requirement across the board. Absolutely, yes.

Q I'm not quite sure about the empowerment zone proposal. You're saying only a percentage of businesses will have to be in the empowerment zone. What happens to the rest of those businesses? I mean would all businesses have to be -- to get a set-aside program, not all businesses would have to be in the empowerment zone though, right?

MR. EDLEY: The details have to be worked out because obviously in running this process we couldn't reach out very broadly to get help or it wouldn't have been the President's proposal. But the notion is that the zones will be designated and then businesses either located in the zone or, perhaps, businesses that simply hire a lot of their employees, a percentage we have to figure out, from those zones, from those designated areas, would be entitled to some kind of targeted procurement effort. Whether it works through a set-aside or through some sort of a bid preference or some form of sheltered competition. There are lots of different options that ought to be examined to see which will be most effective.

Q Are you talking about all kinds of companies? I mean, if you could just give us any more of an idea -- a 7-11 in that area, would you be --

MR. EDLEY: No, these are government contracts. These are --

Q -- would you be able to look for government contracts --

MR. EDLEY: I'm not aware that 7-11 gets any government contracts.

Q What would you be looking for to create some kind of business or incubators that would just exist because of --

MR. EDLEY: The contracts would be advertised and firms doing business in distressed areas would receive -- there would be a special effort to make sure that they get the benefit of winning those contracts.

Q Is the idea here to get firms to relocate from a suburb, let's say, to a city?

MR. EDLEY: That would be --

MR. STEPHANOPOULOS: Or start new.

MR. EDLEY: Or start new ones or expand their operations.

Q If you can't find any contractors for a specific contract in the zone, then you would just fall back on current practices with the set-aside?

MR. STEPHANOPOULOS: The preference would fall to the person, the businessowner, you wouldn't designate the zone. But if the zone were designated and the person went there, they get the preference.

Q And it wouldn't matter about ownership or anything? It's just a --

MR. STEPHANOPOULOS: Absolutely not. Why don't we take one more.

Q How many of these zones would you have throughout the country?

MR. EDLEY: It would not work the way the empowerment zones programs worked where you had a limited number of zones because it involved tax credits and whatever Congress would approve.

The notion here is that you would pick something just to make up a number, areas in which the unemployment rate runs twice the national average for a certain number of quarters. So, persistent high unemployment, concentrated areas of economic disadvantage, that zone would be designated and companies that do business, that area would receive a leg up in winning government contracts.

Q So areas that don't have a lot of government contracts or defense contracts really when you get much out of this then? I mean, you have to be in an area where you can benefit, where you would have --

MR. EDLEY: Look, a lot of contracts move around. It depends. You know, there are government contracts for pencils, there are government contracts for staplers, there are government contracts for accounting services, for janitorial services, for construction -- over \$200 billion a year in government contracting.

Q It's not clear from the report what your intentions are on the FCC tax certificate program that was repealed this year. You seemed to make a strong defense for that in here yet -- is there any way of reforming something that's already repealed?

MR. STEPHANOPOULOS: I think it's highly unlikely. I can't imagine how it would be able to come back up this year, no.

Q Well, I'm not asking about this year, but --

MR. STEPHANOPOULOS: I don't think it's realistic that it's going to -- I mean, the Congress voted it down.

Q In general, this idea of minority -- of getting diversity in minority --

MR. STEPHANOPOULOS: I think the President believes that that goal is not unreasonable. Clearly, this program could not survive in the Congress and the President did choose, with some reluctance, to sign it. But he doesn't want to rule out the possibility that you could be doing more to make sure you get a diversity of voices in the broadcasting area.

Q There is no planned initiative to try to redress this?

MR. STEPHANOPOULOS: Not right now.

Q A quick politics question. There's been a lot of concern that some of the key constituencies of Clinton that helped him win in '92 have been somewhat lethargic, women activists and blacks in particular. Do you think his defense of affirmative action today in the face of these GOP challenges will strengthen his support among those groups?

MR. STEPHANOPOULOS: We have to see what the reaction is, but I think what people will be impressed by was the President's commitment to his principles, to his personal history and to moving forward. And I think that can help create some energy.

Thanks.

THE PRESS: Thank you.

END

1:41 P.M. EDT

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

June 30, 1995

PRESIDENT CLINTON NAMES TODD STERN TO BE WHITE HOUSE STAFF SECRETARY, PHILLIP CAPLAN DEPUTY STAFF SECRETARY

President Clinton today named White House Deputy Staff Secretary Todd Stern to be Assistant to the President and Staff Secretary.

Stern will be replaced as Deputy Staff Secretary by Special Assistant to the President Philip Caplan, of the White House Cabinet Affairs office.

"Todd Stern has done an outstanding job managing my substantial information flow and providing important counsel. I am confident he will continue to serve with distinction as Staff Secretary. Both Todd and Phil Caplan are valued members of this Administration and I expect they will continue to make important contributions in their new roles," the President said.

Todd Stern has served as Deputy Assistant to the President and Deputy Staff Secretary since January, 1993, under Staff Secretary John Podesta, who has accepted a teaching position at Georgetown University Law Center. Prior to his service at the White House, Stern was Senior Counsel to Senator Patrick Leahy on the Senate Judiciary Committee's Technology and Law Subcommittee (June 1990 - January 1993), and Vice President with Podesta Associates (1989 - 90). Stern served as General Counsel with Associated Mills/Pollenex in Chicago and New York (1985 - 87), as an associate with Paul, Weiss, Rifkind, Wharton & Garrison (1979 - 85) and as an attorney with the Legal Aid Society in New York (1977 - 79). Stern worked on the Clinton-Gore '92 presidential campaign and the presidential transition. He earned a J.D. from Harvard Law School in 1977 and a B.A. from Dartmouth College in 1973.

Phillip Caplan has served as Special Assistant to the President for Cabinet Affairs since September, 1993, acting as a liaison between the White House and the Cabinet and as a coordinator on political and policy initiatives. Caplan served as Director of the Summer of Service Program, the Office of National Service's pilot program (March - September, 1993). Prior to coming to the White House, Caplan was Director of Special Projects at CBS Inc (June - July 1992, and December - February, 1993), an associate with The Research Group, Inc. (September 1989 - June 1990), an associate with the FMR Group (January 1987 -

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January 1989) and a staff assistant to Rep. Wyche Fowler (September 1985 - May 1986). Caplan has also served in a number of political campaigns, including as co-director of the Clinton-Gore Washington State Coordinated Campaign (August - November 1992). Caplan earned a BA from Emory University in 1986 and currently attends the Georgetown University Law Center Night Program, with a JD expected in December, 1995.

-30-30-30-