

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jason H. Schechter (CN=Jason H. Schechter/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 8-JUN-1999 11:18:29.00

SUBJECT: heads up from justice

TO: Michael A. Hammer (CN=Michael A. Hammer/OU=NSC/O=EOP@EOP [NSC])
READ:UNKNOWN

TO: Nanda Chitre (CN=Nanda Chitre/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Richard L. Siewert (CN=Richard L. Siewert/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: LEAVY_D@A1@CD@VAXGTWY@EOP (LEAVY_D@A1@CD@VAXGTWY@EOP [UNKNOWN])
(NSC)
READ:UNKNOWN

TO: Julia M. Payne (CN=Julia M. Payne/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Barry J. Toiv (CN=Barry J. Toiv/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TEXT:
myron marlin called to say that justice moved to dismiss a case against
the president asserting that he is violating the war powers act by moving
troops into kosovo - it's his understanding, based on initial reports,
that the case is dismissed. call myron if you have questions.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Lotus Pager Gateway (Lotus Pager Gateway [UNKNOWN])

CREATION DATE/TIME: 8-JUN-1999 10:42:48.00

SUBJECT:

TO: Ora Theard (CN=Ora Theard/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

To: 4719 @ WHCA

cc:

From: Ora Theard

Date: 6/8/1999

Time: 10:38:09

Subject:

Body:

Jamie said J. Friedman dismissed War Powers case.

Priority:

Message history for recipient CHARLES RUFF [Pager]

Tuesday 08 Jun 1999 10:38:56 Eastern Standard Time - Message received by
Pager Gateway

Tuesday 08 Jun 1999 10:39:19 Eastern Standard Time - Message received by
Paging Service

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: cds@ns2.netivation.com@INET@LNGTWY (cds@ns2.netivation.com@INET@LNGTWY [UNKNOWN])

CREATION DATE/TIME: 8-JUN-1999 19:39:02.00

SUBJECT: Capitol Watch - <-Personalized- Edition>

TO: Dawn M. Chirwa@eop (Dawn M. Chirwa@eop [WHO])
READ:UNKNOWN

TEXT:

===== ATTACHMENT 1 =====

ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

<HTML><HEAD><META HTTP-EQUIV="Content-Type" CONTENT="text/html; charset=iso-8859-1"></HEAD><body bgcolor="#FFFFFF">

Personalized Edition:

<p>

<table width="601" border="0">

<tr valign="top">

<td height="2148">

<p>Wednesday, June 9, 1999 Edition

<p></

b>

Headlines: </p>

Hastert asks House GOP to unite or risk losing majorit

y

NATO ups attacks, new plan agreed on in Cologne

Judge dismisses Kosovo lawsuit against Clinton

U.S. Warns of Middle East Arms Race

Livingston's replacement joins House

Schumer traces guns used in crimes

In Iowa, a crush of candidates

Alexander recruits leaders in each of Iowa's counties<b

r>

Clinton looking forward to being a Senate spouse

Business community urges Senate, White House to support Y2K bill

Getting the word out on Y2K a delicate balance

<hr>

<p></p>

<table width="600" border="1" bgcolor="#CCCCCC" bordercolor="#FF0000">

<tr bgcolor="#FFFFFF" valign="top">

<td height="1611">
<p><i></i>

Senator Mitch McConnell (R-Ky.), backed by Republican Senators'

campaign committee (which he chairs), the Republican National Committee

and the Missouri Republican State Committee, filed a brief with

the Supreme Court on June 7 contending that Missouri law's \$1,075-per-election

limit on campaign contributions is an unconstitutional abridgement

of the First Amendment's guarantee of freedom of speech.</p>
<p> </p>

<p>Their hope is to topple federal law's \$1,000-per-election limit
as well.</p>

<p> </p>
<p>I'll leave the constitutional argument to the constitutional lawyers.

McConnell's brief does raise a significant policy issue.</p>
<p> </p>

<p>Federal law's \$1,000-per-election limit on individual contributions

(the limit is \$5,000 per election for PACs) was set in 1974. According

to McConnell's brief, inflation has eroded the value of that contribution

to \$302 in 1974 dollars. Put another way, if the 1974 limit had
been indexed for inflation, the limit today would be \$3,306.</p>

<p> </p>
<p>Critics of raising the limit include some of the same people who

complain that election laws require candidates to devote too much

of their time to fundraising. That's having one's cake and eating
it, too.</p>

<p> </p>
<p>It is true that raising the limit would increase the visibility

and maybe the influence of wealthy contributors. Personally, I'd

counter that criticism by coupling a increase of the limit on individual

contributions with an attempt to ban PAC contributions altogether

or, if that failed, lowering the amount PACs could contribute.</p>

>
<p> </p>

listically
el
tion.com

<p>One point McConnell makes in his brief is absolutely true: Unrealistically low limits force campaigns and parties to find other ways to funnel money in. That's why we have the "soft money" abuses. Let's have a system we can live with without cheating.</p>
<p>mailto:insider@netivation.com</p>
<p> </p>
<p>-Tiresias-</p>
<p>The report of the Cox Committee -- the House Select Committee on U.S. National Security and Military/Commercial Concerns With the People's Republic of China -- is now available on the Web at hillsource.house.gov.</p>
<p>*** Upcoming congressional hearings of interest: *** </p>
<p>June 9: The Early Childhood subcommittee of House Education hearings witnesses on the subject of academic accountability. 10:30 a.m., 2175 Rayburn. Witnesses include Gov. Tommy Thompson of Wisconsin.</p>
<p>June 9: The Basic Research subcommittee of House Science evaluates the U.S.'s Antarctic research program. 3 p.m., 2318 Rayburn.</p>
<p>June 9: The House Agriculture Committee considers economic sanctions on foreign countries and their effect on U.S. agriculture. 10 a.m., 1300 Longworth.</p>
<p>June 9: The House Small Business Committee discusses tax relief for small businesses. 10 a.m., 2360 Rayburn.</p>
<p>June 10: The House Education Committee receives testimony concerning Title I of the Elementary and Secondary Education Act. 9:30 a.m., 2175 Rayburn.</p>
<p>June 10: The House Banking Committee assesses the economic turmoil in Russia. 10 a.m., 2128 Rayburn.</p>
<p>June 10: The Science subcommittee of House Science receives testimony on how to find, train and keep good K-12 math and science teachers. 1:30 p.m., 2318 Rayburn.</p>
<p>June 11: The Employer-Employee Relations subcommittee of House Education & the Workforce meets to review cost trends in empl

oyer-sponsored

health plans. 9:30 a.m., 2175 Rayburn.</p>

<p>June 12: The House Resources Committee holds a field hearing on

the controversial proposal, H.R. 701, that allows the federal gove

rnment

to buy up additional private lands with Land and Water Conservati

on

Fund dollars. 11 a.m., Salt Lake City, first floor auditorium of

the State Office Building at the Utah State Capitol Building.</p>

<p>June 17: The Senate Commerce Committee reviews mergers and conso

lidations

in the communications industry. 9:30 a.m., 253 Russell.</p>

<p>June 21: The Department Operations subcommittee of House Agricul

ture

holds a field hearing on the U.S. Forest Service's management of

our national forests. 9 a.m., Medford, Oregon City Hall. </p>

<p>June 21: The Early Childhood subcommittee of House Education hol

ds

field hearings on the Elementary and Secondary Education Act in

Flint and Kalamazoo, Mich. Places and times TBA.</p>

<p>June 29: The Fisheries Conservation subcommittee of House Resour

ces

conducts an oversight hearing on the Marine Mammal Protection Act

2 p.m., 1334 Longworth.</p>

<p>July 9: The House Resources Committee has a field hearing on enf

orcement

of the Endangered Species Act in California. 9 a.m., Simpson, Cen

ter,

Hemet, Calif.</p>

<p>mailto:insider@netiva

tion.com</p>

<p>Do you have a contribution to make to a congressional hearing?

Even if you can't go to Washington to testify, you may be able to

get your position in the record. Call the committee or subcommitt

ee

involved (the Capitol switchboard is 202/224-3121), tell the staf

fer

in charge of the hearing you want to submit a written statement

and ask for instructions. It's simple!</p>

<p>CapitolWatch Insider provides news from the inner

workings of our nation's capital, including upcoming legislation,

what's happening behind the scenes, and how the actions of Congre

ss

really affect you. The first person to correctly identify the author of the Tiresias column will receive a copy of Congressional Quarterly's

"Politics in America - 2000," due to be published this summer.

U.S.

SECRETARY OF ENERGY BILL RICHARDSON IS INTERVIEWED ON ABC GOOD MORNIN

G

AMERICA

PRESIDENT

WILLIAM J. CLINTON DELIVERS REMARKS AT HOWARD UNIVERSITY

U.S.

SENATOR ARLEN SPECTER (R-PA) HOLDS MEDIA AVAILABILITY ON THE COX REPO

RT

U.S.

REPRESENTATIVE RICHARD GEPHARDT IS INTERVIEWED ON NBC TODAY HOW

r

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Hastert asks House GOP to unite or risk losing majority

WASHINGTON (AP) - Speaker Dennis Hastert asked fractious House Republicans today to unite so they can finally begin passing parts of their stalled legislative agenda and retain their slender majority in next year's elections. In a closed-door meeting, Hastert, R-Ill., delivered a 17-minute speech in which participants said he quoted Benjamin Franklin's words as he signed the Declaration of Independence: "We must all hang together, or assuredly we shall all hang separately." Most immediately, Hastert ordered the House Appropriations Committee to make relatively small cuts in the f

first batch of spending bills for the upcoming fiscal year. The reductions are designed to finally get those measures moving through the House, and to free funds that can be added to later spending bill!
s to enhance their chances of passage. </p>

<p>Back to Top<p></p>NATO ups attacks, new plan agreed on in Cologne
BELGRADE, Yugoslavia (AP) - NATO warplanes pounded targets across Serbia Tuesday in a thunderous warning to President Slobodan Milosevic to implement a Kosovo peace plan, as key foreign powers signed off on a text meant to secure the U.N.'s blessing for the agreement. Beside drawing up a draft U.N. Security Council resolution authorizing a peacekeeping force for Kosovo, with an annex giving NATO "substantial" participation, architects of the peace plan - the Group of Seven countries plus Russia - also agreed on a NATO bombing pause, once Yugoslav forces began a verifiable withdrawal from Kosovo. The moves were forced by Yugoslav insistence that the Security Council endorse any peace plan for Kosovo and that more than two months of air strikes be halted - demands backed by Moscow, the Yugoslav!
s' chief ally. </p>

<p>Back to Top<p></p>Judge dismisses Kosovo lawsuit against Clinton
WASHINGTON (AP) - A federal judge dismissed a lawsuit brought by House members who accused President Clinton of overstepping his authority when he ordered the U.S. military to take part in the bombing of Yugoslavia. The 31 lawmakers who filed the lawsuit claimed that Clinton violated the 1973 War Powers Act when he authorized U.S. involvement in the NATO airstrikes. The Vietnam War-era legislation, which has been ignored by presidents of both parties, requires a president to receive congressional approval for the "introduction into hostilities" of U.S. forces for more than 60 days. The NATO air campaign began March 24. U.S. District Judge Paul Friedman did not address the merits of the claim in dismissing the case Tuesday but ruled that the lawmakers lacked the legal standing to sue. </p>

<p>Back to Top<p></p>U.S. Warns of Middle East Arms Race
WASHINGTON (AP) - The United States must act quickly to forestall an "imminent arms race" among some Middle East countries intent on countering weapons buildups by Iran and other nations east of the Persian Gulf, a top U.S. official said Tuesday. The administration, meanwhile, called on Iran to release 13 Jewish people, including rabbis, who were arrested on suspicion of spying for the United States and Israel. Martin Indyk, who heads the State Department's Middle East bureau, noted that Iran is developing both missiles and weapons of mass destruction but said U.S. proliferation concerns in that region extend beyond Iran. He said the United States must counter this imminent arms race by working with Israel, Arab allies and Turkey to help boost their abilities to deal with emerging threats. </p>

<p>Back to Top<p></p>Livingston's replacement joins House
WASHINGTON (AP) - House Republican leaders welcomed a new colleague Tuesday: David Vitter of Louisiana. Vitter replaces former Rep. Bob Livingston, the House speaker-in-waiting who resigned from Congress after acknowledging having had extramarital affairs. Republicans now outnumber Democrats 223-211 in the House, with one seat held by an independent who votes with the Democrats. </p>

<p>Back to Top<p></p>Schumer traces guns used in crimes

WASHINGTON (AP) - A tiny fraction of the nation's gun dealers provide the weapons used in almost half of all crimes and have done so for years, says a lawmaker who strongly supports gun control. A report by the staff of Sen. Charles Schumer, D-N.Y., used statistics from the Bureau of Alcohol, Tobacco and Firearms to show that 1 percent of the nation's 100,000 federally licensed gun dealers supplied weapons used in 45 percent of the crimes in which the gun was traced by federal officials. The report listed 137 of the "worst" dealers, which had each sold more than 50 guns used in crimes. Schumer said he will introduce legislation this week to allow unlimited ATF inspections at dealers found to have supplied more than 10 guns traced to a crime in any given year.

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http://www.capitolwatch.com/story/06_09story4.html

In Iowa, a crush of candidates
DES MOINES, Iowa (AP) - It was barely dawn Tuesday, when commentator Pat Buchanan concluded the 2000 presidential election was fully underway. Buchanan was motoring through the streets of Des Moines on his way to a television interview when he spotted a jogger. "It was just dawn and I saw a lonely figure running along the empty streets of Des Moines," Buchanan said. Moving closer, it became clear the jogger was no stranger, but was Republican presidential rival Lamar Alexander.

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http://www.capitolwatch.com/story/06_09story5.html

Alexander recruits leaders in each of Iowa's counties
DES MOINES, Iowa (AP) - With a sharp new focus on grass-roots organizing, Lamar Alexander said Tuesday that he has recruited leaders for his Republican presidential campaign in each of Iowa's 99 counties, the first candidate to do so. Short of campaign funds, Alexander is focusing his efforts on the Iowa caucuses, which launch the 2000 presidential nominating season. A former Tennessee governor, Alexander finished third in Iowa's caucuses in the last election cycle, and hopes to build on that showing.

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http://www.capitolwatch.com/story/06_09story6.html

Clinton looking forward to being a Senate spouse
WASHINGTON (AP) - The thought of President Clinton socializing with the other Senate spouses at a luncheon event? Another check in the "plus" column for the first lady pondering a New York Senate run. "There are many reasons to do or not do something," Mrs. Clinton said Monday night at a Democratic fund-raising event. "That kind of goes on the list." Imagining the president at events for Senate spouses "just brings an enormous smile to my face," she admitted. Mrs. Clinton announced last week that she plans to form an exploratory committee for the race. And the president says he doesn't think it's such a bad deal - maybe even better than being in the Senate itself.

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http://www.capitolwatch.com/story/06_09story7.html

Business community urges Senate, White House to support Y2K bill
WASHINGTON (AP) - The heads of the nation's major business and high-tech groups urged Congress and the White House Tuesday to enact legislation protecting them from being battered by Y2K-related lawsuits. The Y2K litigation bill, which could return to the Senate floor this week, is the number one priority of the high-tech industry, Harris Miller, president of the Information Technology Association of America, said at a news conference on Capitol Hill. Senate Democratic Leader Tom Daschle said Democrats would stop their delaying tactics and permit the measure to come up for debate. But unless changes are made in the GOP-drafted measure, he said, "it will be vetoed."

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http://www.capitolwatch.com/story/06_09story8.html

Getting the word out on Y2K a delicate

ate balance
WASHINGTON (AP) - Sen. Robert Bennett, the Senate's leading expert on the year 2000 computer problem, wants Americans to know that Y2K is an "unpredictable event that may have life-altering consequences." But he says they must also know that Y2K "will not be the end of the world as we know it." Striking a balance between those two messages has been a delicate task. Critics say the government is sending out mixed messages and lulling Americans into a false sense of security by playing down the possible crises from computer systems that fail because they can't read the year 2000 date. </p>

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<table width="600" border="0">
<tr valign="top">
<td height="88">
<p>Copyright 1999 Netivation, Inc. All rights reserved. Votenet News services are for personal use only. Commercial use or distribution in any form, printed or electronic, requires prior written consent of Netivation, Inc.
</p>
<p>Contact Capitol Watch
http://www.capitolwatch.com/contactus.html</p>
</td>
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</table>
</body></html>
===== END ATTACHMENT 1 =====

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Natalie S. Wozniak (CN=Natalie S. Wozniak/OU=NSC/O=EOP [NSC])

CREATION DATE/TIME: 8-JUN-1999 12:13:44.00

SUBJECT: ADD War Powers to June 8 NSC Press Guidance

TO: Thomas M. Rosshirt (CN=Thomas M. Rosshirt/O=OVP @ OVP [UNKNOWN])
READ:UNKNOWN

TO: Heather M. Riley (CN=Heather M. Riley/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: Jennifer M. Palmieri (CN=Jennifer M. Palmieri/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: Erica S. Lepping (CN=Erica S. Lepping/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

wozniak (wozniak [NSC])
READ:UNKNOWN

TEXT:
===== ATTACHMENT 1 =====
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:
Unable to convert ARMS_EXT:[ATTACH.D62]ARMS25894156X.136 to ASCII,
The following is a HEX DUMP:

===== END ATTACHMENT 1 =====

REP. CAMPBELL'S LAWSUIT ON WAR POWERS
June 8, 1999

Can you comment on the DC Court's ruling rejecting Rep. Campbell's lawsuit on War Powers?

We welcome the Judge's ruling, which is consistent with the USG's views.

In response to specific questions about the decision:

We have yet to review the Judge's opinion.

NOTE: Decision was on jurisdictional questions involving standing, justiciability, not on the constitutional merits of case.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Mindy E. Myers (CN=Mindy E. Myers/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 8-JUN-1999 09:47:33.00

SUBJECT: Updated -- 9:00AM Tues DEADLINE -- REVISED -- Final Draft for S. 1122 -- DoD Appropriations SAP

TO: Marty J. Hoffmann (CN=Marty J. Hoffmann/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TEXT:

----- Forwarded by Mindy E. Myers/WHO/EOP on 06/08/99
09:47 AM -----

Sandra Yamin
06/07/99 08:36:12 PM
Record Type: Record

To: John Podesta/WHO/EOP@EOP, Lawrence J. Stein/WHO/EOP@EOP
cc: See the distribution list at the bottom of this message
Subject: Updated -- 9:00AM Tues DEADLINE -- REVISED -- Final Draft
for S. 1122 -- DoD Appropriations SAP

We just received notice that the Robert's Amendment on Kosovo may not be offered. If we are able to confirm by the morning, the last paragraph of the draft SAP (attached below) -- S. 1122 DoD Appropriations will be deleted.

----- Forwarded by Sandra Yamin/OMB/EOP on 06/07/99 08:32
PM -----

Sandra Yamin
06/07/99 08:14:33 PM
Record Type: Record

To: John Podesta/WHO/EOP@EOP, Lawrence J. Stein/WHO/EOP@EOP
cc: See the distribution list at the bottom of this message
Subject: 9:00AM Tues DEADLINE -- REVISED -- Final Draft for S. 1122
-- DoD Appropriations SAP

Attached below for your final sign-off is the revised draft SAP for S. 1122 DoD Appropriations Bill, FY2000. The Senate began debate today on S. 1122. The Senate will resume consideration of S. 1122 at 9:30AM Tues, June 8. Please provide sign-off and comments no later than 9:00AM Tues morning. Thank you.

Draft 8:10PM

June 7, 1999

(Senate)

S. 1122 - DEPARTMENT OF DEFENSE APPROPRIATIONS BILL, FY 2000
(Sponsor: Stevens (R), Alaska)

This Statement of Administration Policy provides the Administration's views on S. 1122, the Department of Defense Appropriations Bill, FY 2000, as reported by the Senate Appropriations Committee. Your consideration of the Administration's views would be appreciated.

The Committee has developed a bill providing requested funding for many of the Administration's priorities. We appreciate the Committee's decision to address readiness and modernization efforts. We strongly urge the Senate to keep the bill free from extraneous provisions. However, S. 1122 raises several budgetary and policy concerns, outlined below.

Funding Levels

The Committee bill provides funding requested for many of the Administration's priorities. However, the Administration is concerned that the Senate bill, which exceeds the President's budget by nearly \$1.4 billion, will drain critical resources from other programs. When combined with expected defense increases in other Senate bills, defense funding would exceed the President's request by about \$5 billion. The Administration believes that the President's budget request correctly addresses our most important military needs and that this additional funding is not necessary. The bill provides funding for a number of projects that are either not critical or are, according to the Department's plans, premature. In addition, a number of important programs are underfunded.

While the Administration is pleased that S. 1122 endorses key elements of the President's plan to improve military compensation, we are concerned that the bill's military pay increase for FY 2000 exceeds the request by about \$170 million and would exceed the defense program for FY 2000 - 2005 by \$1.4 billion. The Administration is also concerned that the bill would create a disparity with civilian pay raises.

Incremental Funding of LHD-8 Amphibious Ship

The bill would provide \$500 million for advance procurement and construction of LHD-8, a large-deck amphibious ship for the Marine Corps. The bill also directs that the Navy fund the balance of the acquisition costs incrementally. The Administration opposes incremental funding of

major weapon systems, including construction of ships. Incremental funding would make completing construction of this program dependent upon the action of future Congresses. Moreover, to continue construction of LHD-8, the incremental funding approach would require the Navy to identify funds for LHD-8 in each year of its long-range plan that are not currently budgeted. These funds would have to come at the expense of other important programs. The Administration supports acquisition of LHD-8 and plans to fully fund this ship in FY 2005, when construction is required to begin in order to meet current ship replacement schedules.

Unrequested Funding for Modernization

The Administration opposes funding increases proposed for procurement (\$2.4 billion) and research, development, test, and evaluation (\$1.9 billion) programs. The President's budget represents a calculated balance between readiness and modernization programs that supports current needs and long-term modernization priorities in the context of overall government priorities. The bill includes several items which are not in DoD's long-range plan, including \$300 million for the National Guard and Reserve Equipment account, \$87 million for one EC-130J aircraft for the Air Force, and \$25 million for Navy Hellfire missiles. The bill also includes \$611 million to fund additional aircraft for all services which are in the long-range plan but not required in FY 2000. These aircraft include C-40 and C-35 executive transport aircraft and KC-130J tankers.

Overseas Contingency Operations Transfer Fund

The Administration opposes the \$300 million reduction to the request for the Overseas Contingency Operations Transfer Fund (OCOTF). The Committee rightly notes that it is difficult to develop standardized budgeting procedures for contingency operations due to the inherent uncertainty of these operations. This uncertainty, however, prescribes that funding should remain in the flexible OCOTF account to cover unforeseen costs that emerge over the course of a year, even if it is in excess of currently identified requirements. Reducing the OCOTF account would only make it more difficult for the military services to cover contingency operations costs as they emerge, potentially jeopardizing military readiness. Therefore, the Administration urges the Senate to restore the OCOTF account to the requested level. The Administration, of course, will continue to work with the Committee to improve accounting for contingency operations costs and spending.

Rescissions & Other Reductions

The Administration is concerned about some of the rescissions and reductions in the bill's general provisions. The Committee bill would cut \$209 million for civilian personnel under-execution, even though the Department projects minimal under-execution. The Senate Committee also has cut \$250 million for fuel savings, though recent changes in world fuel markets indicate that prices are likely to increase. These reductions would underfund pressing defense readiness programs in the President's request. We will, of course, work closely with the Congress on constructing these provisions in order to preserve a prudent balance of defense priorities.

Chemical Demilitarization Program

The Committee's reduction of \$145 million to the request for the Chemical Demilitarization Program prior to identification and implementation of cost-saving measures is problematic. A reduction of this magnitude would cause a breach in the Chemical Weapons Convention deadline for the destruction of these chemical weapons. Furthermore, the reduction would increase life-cycle costs and increase the risk to local communities surrounding the chemical storage sites as the destruction of these chemical agents is delayed. The Administration strongly urges the Senate to provide the \$1.169 billion requested in the President's FY 2000 Budget.

Combating Terrorism

The Administration objects to the \$339 million increase to the \$1.0 billion request for combating terrorism, an allocation that could unintentionally reduce critical readiness spending.

Remote Area Denial Artillery Munitions (RADAM)

The Administration opposes the Committee's deletion of all \$48.3 million requested for Remote Area Denial Artillery Munitions (RADAM) in FY 2000, including \$8 million for long-lead item procurement. RADAM is an artillery-delivered, anti-armor munition that, absent success in finding alternatives, will be essential to protecting U.S. ground forces in combat. As previously announced, the Administration will conduct a policy review and make a policy decision on RADAM production in FY 2001. This review will consider anti-personnel landmine (APL) alternative programs now being examined by the Department of Defense that may provide suitable alternatives to the current anti-personnel sub-components munitions that would be used in the RADAM round. If a production decision follows the policy review, deployment of RADAM would allow the U.S. to meet our foreign policy goal of ending U.S. APL deployments outside of Korea by 2003. Deletion of RADAM pre-production funding now would, if suitable alternatives are not identified during the next year, result in either a failure to meet stated administration policy objectives or expose U.S. troops to unacceptable risks in the future.

Network Technologies

The Committee bill makes cuts to two important technology programs: \$25 million to the Administration's \$70 million request for DoD's Extensible Information Systems/Deeply Networked Systems program; and, \$9 million to the \$40 million request for the Next Generation Internet (NGI) program. As we enter an era of information-based warfare, it is crucial that DoD remain at the forefront of networking research. The Extensible Information Systems is a major part of the President's Information Technology for the Twenty First Century initiative to accelerate information technology research. The DoD's NGI is part of the Government-wide Next Generation Internet initiative to develop technologies to make Internet-like communications faster. Each reduction represents, in addition to the defense effects, a seven-to nine-percent

reduction in spending for the inter-agency initiatives. Failure to provide the requested funding would result in delayed progress and lost leadership for DoD in these areas.

Objectionable General Provision

Section 8073 of the Committee-reported bill would prohibit the use of funds to transfer defense articles or services to another nation or to an organization in connection with international peacekeeping or humanitarian operations, unless the President gives 15 days advance notice to Congress. The provision includes no waiver for national security emergencies such as providing weapons to troops supporting U.S. forces engaged in hostilities. Because the provision intrudes on the President's authority as Commander-in-Chief, the Administration would construe it as permitting such expenditure, with the notification occurring as soon thereafter as possible.

Other Issue

The Administration would strongly oppose a Roberts Amendment that may be offered, which would prohibit the President from using any funds to deploy United States armed forces in offensive operations as part of a NATO mission without first consulting Congress and submitting a detailed report. It would be extremely unwise to impose any prior constraints on the President's exercise of his powers as Commander in Chief since the President must be able to respond with dispatch to a range of potential threats to United States security interests that cannot be known in advance. However, among other things, the provision uses ill-defined and vague language that could be a source of controversy between the Executive and Legislative branches, would encumber the President's ability to work with our NATO allies and to exercise his autonomy as Commander and Chief to conduct foreign relations, contains reporting and consultation provisions, significantly more burdensome than those contained in the War Powers Resolutions, and adopts an inflexible, one size fits all approach to consideration of national security issues that by their nature are unsuitable to such inflexible approaches.

Message Copied

To: _____

Karen Tramontano/WHO/EOP@EOP
Maria Echaveste/WHO/EOP@EOP
Martha Foley/WHO/EOP@EOP
Carolyn T. Wu/WHO/EOP@EOP
Leslie Bernstein/WHO/EOP@EOP
Michele Ballantyne/WHO/EOP@EOP
Mindy E. Myers/WHO/EOP@EOP
Dawn L. Smalls/WHO/EOP@EOP

Message Copied

To: _____

Karen Tramontano/WHO/EOP@EOP

Maria Echaveste/WHO/EOP@EOP

Martha Foley/WHO/EOP@EOP

Carolyn T. Wu/WHO/EOP@EOP

Leslie Bernstein/WHO/EOP@EOP

Michele Ballantyne/WHO/EOP@EOP

Mindy E. Myers/WHO/EOP@EOP

Dawn L. Smalls/WHO/EOP@EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Richard L. Siewert (CN=Richard L. Siewert/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 8-JUN-1999 16:05:14.00

SUBJECT: doj on the war powers case

TO: Steven Reich (CN=Steven Reich/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TO: LEAVY_D@A1@CD@VAXGTWY@EOP (LEAVY_D@A1@CD@VAXGTWY@EOP [UNKNOWN])
(NSC)

READ:UNKNOWN

TO: Michael A. Hammer (CN=Michael A. Hammer/OU=NSC/O=EOP@EOP [NSC])

READ:UNKNOWN

TO: Barry J. Toiv (CN=Barry J. Toiv/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TEXT:

Justice Department spokesman Myron Marlin said: ``We're
pleased that the court dismissed the case
because we believed
all along that this was an issue to be resolved
by Congress and
the executive branch, not the courts."

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Nanda Chitre (CN=Nanda Chitre/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 9-JUN-1999 14:04:38.00

SUBJECT: 6/9 nsc guidance

TO: "RESIDE, JULIE" <residej ("RESIDE, JULIE" <residej @ PANET.US-STATE.GOV> [UNKNOWN])
READ:UNKNOWN

TEXT:

Foreign

Kosovo

1. Kosovo
2. Russia/Kosovo
3. War Powers Lawsuit

Near East/South Asia

4. India-Pakistan/Kashmir Fighting
5. India-Pakistan/Sanctions Legislation
6. Egypt/Mubarak Visit Announcement
7. Jerusalem Embassy Act
8. Iran/Arrests

9. Indonesia/Elections

Defense

10. NMD
11. Vieques Target Range Protest
12. Computer Export Controls
13. Organization of American States

===== ATTACHMENT 1 =====
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D85]ARMS20566076P.136 to ASCII,
The following is a HEX DUMP:

===== END ATTACHMENT 1 =====

===== ATTACHMENT 2 =====
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D85]ARMS22566076Q.136 to ASCII,
The following is a HEX DUMP:

===== END ATTACHMENT 2 =====

Gaviria's Reelection As Secretary General
June 9, 1999

Q: Do you have any comment on the reelection of Colombia's Cesar Gaviria to a second five-year term as Secretary General of the Organization of American States?

A: The United States warmly welcomes the reelection of Gaviria. Since his election to his first term in 1994, Mr. Gaviria has shown himself an effective Secretary General, taking energetic steps both to streamline and revitalize the organization. For instance, he has reduced the size of the OAS Secretarial staff by some 25 percent. More importantly, he is dedicated, as we are, to further steps to adapt the OAS to the challenges of the new millennium. In sum, we have worked very productively with Secretary General Gaviria during his first term, and look forward to more of the same in the next five years.

Q: If that is the case, why is the United States not declare its support for him when former Costa Rican President Rafael Angel Calderon was mounting a serious challenge to his reelection bid?

A: As mentioned, we believe Mr. Gaviria has been an excellent OAS Secretary General, and look forward to continuing to work closely with him in the next five years. At the same time, former President Calderon had equally impressive credentials. We felt it was best for the United States to allow both candidates a chance to make their case to all the other OAS member states and for us to assess their respective merits fully.

Q: Isn't Gaviria soft on continuing Cuba's exclusion from the OAS?

A: Mr. Gaviria has made clear publicly that he does NOT favor ending Cuba's exclusion from the OAS is one to be decided by the member states, not by the Secretary General.

Per Special Envoy's office

NATIONAL SECURITY AFFAIRS GUIDANCE

June 9, 1999

EUROPE/RUSSIA

Kosovo

Russia/Kosovo

War Powers Lawsuit

NEAR EAST/SOUTH ASIA

India-Pakistan/Kashmir Fighting

India-Pakistan/Sanctions Legislation

Egypt/Mubarak Visit Announcement

Jerusalem Embassy Act

Iran/Arrests

ASIA

Indonesia/Elections

DEFENSE/NON-PROLIFERATION

NMD

Vieques Target Range Protest

Computer Export Controls

Have you reached an agreement on a UNSCR?

Yes, as you well know, G-8 Foreign Ministers agreed today on a text for a UN Security Council Resolution.

As the President noted, this is a positive development. Now we need to move to ensure Serb implementation of the agreement that is verifiable.

It should be clear to Milosevic that there is no choice left for him but to live up to his words and quickly move towards withdrawing his troops from Kosovo.

With Russia's agreement to NATO's basic conditions, Milosevic is entirely isolated..

Is it true (NYT report) that the Ahtisaari-Chernomyrdin agreement and UNSCR omit a footnote specifying NATO's role in security presence?

It is still entirely clear that NATO is at the core of KFOR and will operate with NATO command and control and NATO rules of engagement.

Has the military-to-military agreement been signed? Why not?

The talks continue and are intensive and constructive.

NATO's basic terms are not negotiable. The military-technical agreement is meant to clarify the modalities of withdrawal pursuant to the terms, not to change the terms.

The FRY is playing for time – yet another example of Milosevic failing to live up to his agreements and yet another reason for caution in the coming days. The President has struck the right attitude here.

We are hopeful Milosevic will live up to his commitment to Ahtisaari in Belgrade.

Is the problem that you don't want a UNSC before a bombing pause?

It is critical to remain steady and determined to achieve all of international community's conditions.

Serbs must comply with Ahtisaari/Chernomyrdin plan.

There are a number of elements involved in the sequencing of implementation that are important to establishing secure environment for safe return of refugees.

Similar to the model in Bosnia, always said prefer UNSC that would codify any peace agreement and allow for the elements of civilian implementation to go forward.

How long will air strikes continue?

NATO air campaign will continue until verifiable beginning of withdrawal of Serbian forces.
Have to remain steady and determined in pursuing our objectives.

Do you have any evidence of Serb withdrawals?

NATO has no evidence of massive, verifiable withdrawals.
But there is promising evidence of preparation for withdrawals.
Also conflicting evidence.
Hence the need for withdrawals that are verifiable before airstrikes end.

But don't you need to halt the airstrikes before they come out and go home? Will you strike Serb troops leaving Kosovo?

We will not do anything to impede good-faith implementation on NATO's terms that furthers the return of the refugees to Kosovo in safety and self-government.
NATO has designated four roads out of Kosovo on which Yugoslav troops can be assured passage into Serbia without fearing alliance bombs. All the roads lead from Pristina, the Kosovo capital.
NATO also expects to identify several assembly areas within Kosovo where Serb troops can gather and organize for an orderly retreat.

Will the KLA Disarm? Isn't their offensive still very much alive?

NATO remains in close touch with KLA representatives.
We have noted recent statements which greeted the diplomatic agreement and promised cooperation and restraint. It is clearly in the interest of the KLA not to interfere with the Serb withdrawal from Kosovo.
The KLA agreed at Rambouillet to disarm on a specific timetable. We still consider that agreement valid.

Isn't agreement less for the Kosovars than Rambouillet?

No. The Rambouillet Accords remain basis for a political settlement in Kosovo and future political framework to be worked out will not be less favorable.
And some ways more favorable (Rambo left Serb forces in Kosovo; today's agreement is all forces out).
It is clearly in their interest to do so and with KFOR there will be no reason for KLA to still bear arms;
Individual KLA members will be eligible to join the new Kosovo local police.

Isn't the victory hollow since Milosevic is still in power?

NATO's aims never included the removal of Milosevic;
Phase I was achieving our objective and reversing Milosevic repression;
Phase II is looking forward to the day when there is leadership in Serbia that respects human and civil rights and can join the great nation's of Europe in building a united and free continent for the first time in history;
Our engagement in Kosovo doesn't end today.
As I have said, we need to move from confrontation to integration in the Balkans—and do for South Eastern Europe what was done for Western Europe after WWII and Central Europe after Cold War—deepen democracy, strengthen civil liberties, etc.

Do plan to provide aid to Serbia?

It is inconceivable to me that international community would rebuild Serbia while Milosevic still in power. Other than humanitarian aid, don't envision assistance.

CONTEXT: President Clinton spoke with President Yeltsin on Monday and Tuesday about Kosovo.

Purpose of Clinton-Yeltsin calls? Where are we with the Russians?

Presidents Clinton and Yeltsin spoke on both Monday and Tuesday. On Monday they agreed that Chernomyrdin/Ahtisaari document should serve as basis for draft UNSC resolution. They agreed to instruct their respective foreign ministers to complete G-8 text on basis of that document.

On Tuesday they affirmed progress made by G-8 foreign ministers in Bonn on draft UN Security Council resolution. President Clinton stressed need to get Milosevic to sign military technical agreement quickly and withdraw forces as laid out in Chernomyrdin/Ahtisaari. Once that happens, NATO could move quickly to suspend bombing.

President Clinton said he will send team led by Strobe Talbott (today) to Moscow to continue discussions on military details that would allow Russia to participate in KFOR.

If asked -- did Yeltsin say he won't support a vote on UNSCR without a bombing pause beforehand?

Chernomyrdin-Ahtisaari agreement made clear that NATO will suspend air campaign once FRY signs military-technical agreement, begins verifiable withdrawals. Yeltsin reiterated Russians' long-standing desire for immediate pause.

Important to hold Milosevic to commitments he made last week to Chernomyrdin and Ahtisaari. Suspension could happen very quickly if Serbs honor these commitments.

If asked -- reaction to Stepashin comment that UN should cover cost of Russian contingent's participation in Kosovo peacekeeping mission?

Draft UNSC resolution makes clear that KFOR would not be a traditional UN peacekeeping operation; expectation is that participants would pay their own way. Want to work constructively with Russians in coming days to find formula that will facilitate Russian participation in KFOR.

WAR POWERS LAWSUIT

June 9, 1999

CONTEXT: Decision was on jurisdictional questions involving standing, justiciability, not on the constitutional merits of case.

We welcome the Judge's decision, which is consistent with the USG's views.

In response to specific questions about the decision --

I would refer you to the Department of Justice.

INDIA-PAKISTAN: KASHMIR FIGHTING

June 8, 1999

CONTEXT: *The President sent letters last week to both Prime Minister Vajpayee and Sharif... Prime Ministers Sharif and Vajpayee have had several telephone conversations. India has proposed June 12 to receive the Pakistani Foreign Minister for talks. Fighting continues in the Kargil region along the line of control in Kashmir. Indian air losses remain unchanged - two jet fighters and a helicopter gunship. The Pakistanis last week returned the captured Indian pilot of one of the downed planes.*

What is the situation in Kashmir?

The airstrikes and fighting continue on the Indian side of the line of control.

We have been pleased to see that the prime ministers of India and Pakistan have been in direct contact by phone several times since the fighting started.

We welcome the Pakistanis' return of the captured pilot to India.

We are pleased to learn that the Pakistani Foreign Minister has been invited to Delhi for talks on June 12. It is vital that the two sides talk directly.

What is the U.S. doing about the fighting in Kashmir?

The President has sent letters to the prime ministers of both countries to urge restraint and an end to the fighting. This is part of our active diplomatic effort to ensure that this dispute does not escalate further, and that tensions are eased and the fighting ended as soon as possible.

Senior American diplomats in India and Pakistan are in touch with host government officials to make similar points. Ambassador Celeste has talked to senior Indian leaders, who have said that India's goal is to retrieve land seized by militants on the Indian side of the line of control.

Ambassador Milam (pronounced MY-LUM) has expressed our concerns directly to Prime Minister Sharif.

Assistant Secretary Inderfurth at State has met the Pakistani and Indian Ambassadors to stress our concern that hostilities be ended.

We believe strongly that the solution to the present conflict can be arrived at only through direct discussions between the parties involved. We encourage India and Pakistan to be in direct contact. They should exercise restraint and avoid actions which would further escalate the conflict.

Is the United States considering sending a special envoy?

We have no plans to do so. We hope that bilateral contacts between New Delhi and Islamabad can resolve the problem. We do not, however, rule out such a mission in future.

Should the United Nations be involved?

We think that direct talks are the quickest and best way to resolve this situation at this time.

INDIA-PAKISTAN: SANCTIONS LEGISLATION

June 9, 1999

CONTEXT: *The Senate June 8 passed an amendment proposed by Senator Roberts and further amended by Senator Brownback that mandates a 5-year suspension of those economic sanctions against India and Pakistan imposed for actions taken by those countries prior to the date of enactment of the amendment. The amendment also permits the President to issue a national security interest waiver for prohibitions on military sales, export licenses for items on the Munitions List, foreign military financing, and exports of certain goods and technologies to both countries*

What is the U.S. position on sanctions legislation passed by the Senate last night?

We welcome Congressional attention to the need for legislative action addressing sanctions, since the current Brownback amendment waiver authority will expire this fall.

We would prefer the flexibility afforded by a waiver authority -- like authority which we exercised under Brownback last year.

We look forward to further action on the part of India and Pakistan toward our nonproliferation goals, which will enable us to remove remaining sanctions.

Doesn't the Amendment automatically lift sanctions regardless of what actions India and Pakistan take?

The legislation would mandate lifting for five years of certain statutory economic sanctions imposed in response to actions taken prior to the enactment of the legislation. Under separate authority, the President could continue to impose economic sanctions on India and Pakistan.

EGYPT: MUBARAK VISIT ANNOUNCEMENT
June 8, 1999

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

June 8, 1999

STATEMENT BY THE PRESS SECRETARY

Official Working Visit with President Hosni Mubarak of Egypt

President Clinton extended an invitation to President Hosni Mubarak of Egypt for an Official Working Visit on July 1 which President Mubarak has accepted. The visit provides an important opportunity to further develop the partnership between Egypt and the United States and to deepen cooperation and coordination on the Middle East Peace Process. The two leaders also will discuss a range of regional and international issues.

President Mubarak also will be meeting with Vice President Gore to continue their work on the U.S.-Egypt Partnership for Economic Growth and Development.

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JERUSALEM EMBASSY ACT WAIVER

June 9, 1999

CONTEXT: *President is likely to sign the waiver today or tomorrow. We are making some heads-up calls today to Hill and community members. PRESIDENT HAS NOT SIGNED YET.*

Why did the President exercise the waiver now?

This does not represent a new stance. The President said when this legislation passed in 1995 that he would use his waiver authority to avoid damage to the peace process. That remains his position.

We have a responsibility to do all we can to help the parties reach the goal they both want to achieve real peace with real security.

Taking a step now that would be widely viewed as prejudging the outcome of the most sensitive of the permanent status issues will deal the talks a blow just when they are about to get started and will compromise our ability to play a helpful role as the process moves forward.

One more important point: Without the waiver, we would be unable to use 50 percent of the funds in the account needed to secure and maintain and diplomatic facilities worldwide.

If we had not exercised the waiver, we would have had to stop several planned security enhancements, delaying the implementation of life safety improvements.

In this time of very real terrorist threats to U.S. missions and personnel abroad, we must have access to the funds necessary to secure our people and facilities from these threats.

Why can't you agree to build something on a site everyone acknowledges is in West Jerusalem, when even the Palestinians are not claiming West Jerusalem?

The issue is not that simple. Jerusalem is the most sensitive of the permanent status issues.

The United States is the honest broker and the intermediary in the peace process.

The parties have agreed to negotiate over Jerusalem. Changes in U.S. practices there could prejudice those negotiations.

If the United States were to interfere in the outcome of the key permanent status issues in this way, the entire negotiating structure could collapse. That is not in anyone's interest, including Israel's.

Action on an embassy at this point would indeed harm the prospects for progress in the peace

process and severely undercut our ability to play the intermediary role.

That role has proven essential for reaching agreements that Israel and the Palestinians wanted, but could not conclude on their own.

Why have you not even begun construction on an embassy at the Jerusalem site?

Obviously, if we are not prepared to establish an Embassy, there is no point in starting construction. In the meantime, we have worked to preserve our options at the Allenby site.

If we decided to establish an embassy, we could move quickly to do so through non-construction means (e.g., leasing).

Doesn't the Act create an obligation for you? It is the law and it was passed overwhelmingly by both Houses of Congress.

We have worked hard since this legislation was passed to keep our options open and to put ourselves in a position to establish an embassy if we so choose.

That said, we do not want to take any action now that would hamper prospects for progress in the peace process. We have a responsibility to do all we can to help Israel and her neighbors reach agreements that constitute real peace with real security.

Future Israeli-Palestinian agreement on the issue of Jerusalem would facilitate our making a decision with regard to the location of the embassy.

In fact, the President sent a letter to Sen. Moynihan (*note: will move with the waiver*) today to let him know that we consider the ideas he has put forward on steps we could take to be constructive and a good basis for discussion.

The Jerusalem Embassy Act granted the President the authority to waive the restrictions Congress created if doing so were in the national security interest. It is.

When the bill was presented in 1995, the President said he would use this waiver authority to prevent damage to the peace process.

In using the waiver, the President is complying fully with the law and his constitutional responsibilities, including his responsibility for the diplomatic and recognition policies of the United States.

How would moving the embassy harm our national security interests?

Every Administration since the founding of the State of Israel has deemed reaching a peace between Israel and her Arab neighbors to be crucial to the national security interest of the United States.

The United States is the intermediary in the negotiations between Israelis and Palestinians. Over the years, our role in advancing this process has been crucial.

As we enter a period with real potential to move this process forward toward agreements that provide real peace with real security, we cannot afford to jeopardize our role as trusted intermediary.

Our experience in the negotiations tells us that the moving of our embassy would damage the ongoing negotiations. And again, Presidents of both parties have agreed with that assessment.

Taking unilateral actions that would prejudice the most sensitive of the permanent status issues just when those negotiations are about to start will harm the process and would run directly contrary to our long-standing position that the parties themselves should avoid unilateral actions that prejudice the final status talks

How can we not recognize and move our embassy to the city that one of our closest allies considers its capital? Isn't Israel the only country where our embassy is not in the country's self-proclaimed capital?

Our relationship with Israel is uniquely close and our commitment to Israelis rock-solid. We are proud of that. The strength of that commitment will never wane under this Administration.

But that is not the issue here. In addition to our deep commitment to Israel, we have a responsibility to do all we can to help the peace process succeed.

Moreover, reaching a comprehensive peace between Israel and her neighbors is in the national security interest of the United States and has been under all U.S. Administrations, Democrat and Republican.

For the record, U.S. embassies to at least seven countries are currently in cities other than the capitals.

What is your position on Jerusalem? You used to say the USG supported an undivided Jerusalem. Now you are mum. Have you changed your stance?

Our position has not changed.

Israel and the Palestinians have agreed that Jerusalem would be one of the issues covered in the permanent status negotiations. We should respect that decision.

What will you do if Congress passes new, even more restrictive legislation?

I am not going to comment on things that might or might not happen.

We held discussions with Congress on this issue, one which we recognize is of great interest to the Members. We are ready to continue those discussions. But we need to use the waiver now to preserve our access to funds necessary to protect our personnel and missions abroad from security threats.

But as I said, we have a responsibility to the peace process and to the two parties to do all we can to help them reach agreements that can provide real peace with real security.

What is the status of the Ambassador's apartment in Jerusalem? Is it a secondary residence? Have you raised the profile or enhanced the diplomatic uses of that facility to try to satisfy Congress and others who want to see the Embassy moved?

U.S. Ambassadors to Israel have routinely leased a hotel apartment or suites for their use in visits to Jerusalem and for security convenience and meetings. That continues to be the case.

Maintaining these arrangements as we have does not represent a change in our position on the issue of moving the Embassy from Tel Aviv to Jerusalem.

The current apartment - located at the Hilton Hotel - is being used in the same manner as previous apartments or suites at other hotels. This apartment is not a secondary residence. The Ambassador's only residence is in Hilton.

Aren't you effectively giving the Palestinians a veto over this issue by falling back on this desire not to prejudge the outcome of negotiations?

No.

We need to promote this peace process. That is entirely consistent with our unshakable commitment to Israel.

The parties must settle their differences only through negotiations.

I would also remind you that this is the same principle we used to help prevent a unilateral declaration of a Palestinian state in May. The principle's value is clear.

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

June xx, 1999

STATEMENT BY THE PRESS SECRETARY

Today, the President exercised his waiver authority provided under the Jerusalem Embassy Act of 1995. The President made this decision in order to protect two critical national security interests: preserving the prospects for a comprehensive, just and lasting peace between Israel and its neighbors and safeguarding U.S. personnel and missions from terrorist threats. The President took this action at this time because, absent the waiver, the Act would have denied the Department of State further access to funds necessary to protect our missions and personnel worldwide.

The pursuit of Israeli-Palestinian peace has been a consistent, bi-partisan objective of the United States. Israelis and Palestinians have agreed to include Jerusalem among the issues to be covered in their permanent status negotiations. At a time when there is real potential for movement on the peace process, and as we look forward to the start of those crucial negotiations, the United States should not be taking steps of its own that prejudice those negotiations and make them more difficult. The differences that remain between Israelis and Palestinians can only be resolved through direct negotiations and the United States should do everything it possibly can to facilitate their success.

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IRAN: ARREST OF MEMBERS OF IRANIAN JEWISH COMMUNITY
June 8, 1999

Do you have any information regarding members of the Jewish community in Iran being arrested on charges of spying for the US and Israel?

We are aware that thirteen members of the Jewish community have been arrested and are expected to be charged with espionage for Israel and the United States. The arrests send a very disturbing signal.

We call on the government of Iran to ensure no harm comes to these individuals and to release them.

(If asked)

When did the US know about the arrest, and what actions have we taken?

We learned about the arrests in April and have been monitoring the situation closely since then. We treated this matter with discretion at the request of those who were directly involved in attempting to seek the release of the individuals.

Now that the issue is in the public domain, we believe it is the right time to speak out.

(If asked)

Who is the USG in touch with regarding these prisoners?

There are a number of groups who are following this issue.

I do not have any further information.

(If asked)

What is the State Department's view on Representative Sherman's resolution condemning Iran for the arrests, demanding their release, and condemning Iran for religious persecution?

I have not seen the latest text of Representative Sherman's resolution. We share his concerns about these individuals and the Iranian government's treatment of religious minorities.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

June 8, 1999

STATEMENT BY THE PRESS SECRETARY

Actions by Iran Against Jews

The United States is deeply troubled by the Government of Iran's recent arrest of thirteen members of the Jewish community, including several religious leaders, and yesterday's announcement that they have been charged with espionage on behalf of the United States. These charges are entirely without foundation. We call on the Government of Iran to uphold its stated commitment to protect the rights of all religious and ethnic minorities by releasing these individuals and ensuring that no harm comes to them.

#

INDONESIA: COUNTRY-WIDE ELECTIONS

June 9, 1999

CONTEXT: *Indonesians went to the polls in large numbers June 7 in the first country-wide elections since 1955 in which the outcome was not known in advance. Voter participation nationwide was high, although widespread boycotts were reported in two troubled provinces, East Timor and Aceh. Violence on election day was minimal. Preliminary, unofficial indications are that the party of Megawati Sukarnoputri, daughter of former President Sukarno, is doing well in many parts of the country, but vote tabulations are taking longer than expected and it will likely be several more days hours before a clearer picture emerges. At this point, there is no reason to suspect foul play in connection with the slow vote count.*

Your assessment of the Indonesian elections?

We welcome the fact that Indonesians voted in apparent record numbers on June 7 in Indonesia's first genuinely openly-contested elections since 1955. These elections are an important first step -- but only a first step -- in Indonesia's democratic transition.

According to preliminary reports from International and domestic election observers, the balloting was carried out in a generally peaceful and orderly manner.

The vote tabulation is taking longer than National Election Commission officials had expected, and it may take several more days for results to come in.

It will be important for the ballot counting to be conducted impartially, and for the Indonesian National Election Commission to be able to address disputed results in a credible manner.

Early reports are that opposition leader Megawati is leading nationwide Any views?

Let's wait until the results are in.

You said the ballot tabulation is taking longer than expected. Any reason to suspect manipulation or foul play?

At this point, no. Although the logistical challenges facing election officials are considerable, we urge them to expedite the count as much as possible.

NATIONAL MISSILE DEFENSE (NMD)

June 4, 1999

CONTEXT: Our goal is to get the President to sign before he goes to the G-8 Summit next Wednesday, but we are still waiting to receive it from the Clerk's office, so the 10-day clock has not started yet.

When will the President sign the National Missile Defense bill?

Bill has not been received at the White House yet.

Once bill is received, President has 10 days to sign.

We have said publicly that the President will sign.

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Statement by the President

Today, I am signing into law H.R. 4, the "National Missile Defense Act of 1999." The Administration is committed to meeting the growing danger that rogue nations may develop and field long-range missiles capable of delivering weapons of mass destruction against the United States and our allies, and I commend Congress for passing legislation on this important issue.

Section 2 of this Act states it is the policy of the United States to deploy as soon as technologically possible an effective National Missile Defense (NMD) system capable of defending the territory of the United States against limited ballistic missile attack, with funding subject to the annual authorization of appropriations and the annual appropriation of funds for National Missile Defense. By specifying that any NMD deployment must be subject to the authorization and appropriations process, the legislation makes clear that no decision on deployment has been made.

This interpretation, which is confirmed by the legislative record taken as a whole, is also required to avoid any possible impairment of the President's constitutional authorities.

Section 3 of this Act states it is the policy of the United States to seek continued negotiated reductions in Russian nuclear forces. Thus, section 3 of the bill puts Congress on the record as continuing to support negotiated reductions in strategic nuclear arms, reaffirming this Administration's position that our missile defense policy must taken into account our arms control objectives.

Next year, we will, for the first time, determine whether to deploy a limited national missile defense when we review the results of flight tests and other developmental efforts, consider cost estimates, and evaluate the threat. In making our determination, we will also review progress in achieving our arms control objectives, including negotiating any amendments to the ABM Treaty that may be required to accommodate a possible NMD deployment.

PUERTO RICO – VIEQUES TARGET RANGE PROTEST

June 8, 1999

CONTEXT: On April 19th, U.S. jets conducting night bombing practice at the Navy bombing range on Vieques Island in Puerto Rico dropped two 500-pound bombs on the range observation tower, killing one and injuring four Department of the Navy contract employees. Vieques, a small island with a population of roughly 9,500 is two-thirds U.S. Government owned. The live bomb impact area – where the accident occurred – is on the uninhabited end of the island. Although the incident occurred on the range complex and more than seven miles away from the closest civilian property, it has caused a political firestorm in Puerto Rico. Many have demanded a permanent cessation to DOD's use of the target complex and maneuver ranges on Vieques. Others seek an end to the use of live ordnance on Vieques. The national security interest in Vieques is that it is the only target range in the U.S. where aircrew can practice live ordnance deliveries from high altitude, and is the only live range for the joint training of our East Coast Carrier Battle Groups who deploy to the Mediterranean or Southwest Asia. It is used for the combined air-land-sea coordination of ordnance delivery, and as part of the Roosevelt Roads training complex, and is the largest open-ocean/airspace training area on the East Coast of the United States.

Points:

We are all saddened by the loss of life and injuries caused by the tragic accident in April.

In view of the accident, the Navy has temporarily ceased training on the Island pending the results of investigations into the incident.

Refer to Navy for further information on this investigation.

In the wake of the accident, Secretary Cohen tasked Secretary Danzig and the Navy to formally review range complex use, including options to reduce the frequency of live ordnance delivery there, and to determine what additional safety measures can be implemented to ensure the safety of employees and local residents.

Refer to DOD for further information on this study.

Today the President has asked Secretary Cohen to establish a formal panel to review Puerto Rican concerns as well as national security requirements; that panel will have a non-DOD, non-military affiliated member.

The President hopes that the panel will report it's finding back to Secretary Cohen in August, so that the Defense Department can make its recommendation for further action.

The Navy has notified Governor Rossello that the next pre-deployment utilization of the Atlantic Fleet Weapons Training Facility in Puerto Rico is scheduled to begin on June 21st. The Navy does not plan ordnance delivery on Vieques Island during this training.

We appreciate the support the citizens of Puerto Rico and its elected officials have given to our

national security readiness training, especially during this time of ongoing operations in Kosovo and Southwest Asia.

During this period of investigation and review, we urge that citizens avoid the live impact area at the Vieques Island complex because of the serious danger posed by unmapped ordnance there.

Appreciate the cooperation of the residents of Vieques Island, the citizens of Puerto Rico and its elected leaders with Secretary Cohen and Secretary Danzig's investigation.

Refer you to DOD for additional information.

COMPUTER EXPORT CONTROLS

June 9, 1999

Is the WH considering a change to Tier 2 computer controls in advance of the meeting with computer CEOs on the 11th?"

The issue is under review, but we do not anticipate a decision by the end of the week.

John Podesta plans to meet with industry leaders this week and we expect that they will raise this issue, among others.. We want to hear all sides before reaching a judgement on the best course to help U.S. industry remain competitive while also protecting our national security.

We are very mindful that technology continues to advance and we have to be sure that our export controls keep pace with industry advances, consistent with our national security concerns.

What are you going to do about Tier III countries?

Right now what is being discussed within the interagency is adjustments for Tier II countries.

Remember, we are facing a situation which could restrict the export of computers with updated chips that you can buy at your neighborhood computer store. We want to be sure that export controls keep pace with practical changes in the marketplace, consistent with our national security concerns, and can be reasonably enforced.

Background for Briefer: Tier II countries include, for example, Latin American countries, those between NATO countries (Tier I), but not those facing the most stringent conditions, such as China (Tier III).

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jim.OConnor@do.treas.gov (Jim.OConnor@do.treas.gov [UNKNOWN])

CREATION DATE/TIME: 9-JUN-1999 18:51:40.00

SUBJECT: Speaker

TO: steve_england@ed.gov (steve_england@ed.gov [UNKNOWN])
READ:UNKNOWN

TO: Pieter_J_Boelhouwer@ovp.eop.gov (Pieter_J_Boelhouwer@ovp.eop.gov [UNKNOWN])
READ:UNKNOWN

TO: Leela deSouza (CN=Leela deSouza/OU=WHO/O=EOP [WHO])
READ:UNKNOWN

TO: Kate.Mehr@usda.gov (Kate.Mehr@usda.gov [UNKNOWN])
READ:UNKNOWN

TO: jim.oconnor@do.treas.gov (jim.oconnor@do.treas.gov [UNKNOWN])
READ:UNKNOWN

TO: jcallah1@os.dhhs.gov (jcallah1@os.dhhs.gov [UNKNOWN])
READ:UNKNOWN

TO: Friedman.Alex@osd.pentagon.mil (Friedman.Alex@osd.pentagon.mil [UNKNOWN])
READ:UNKNOWN

TO: Carlos del Toro (Carlos del Toro [UNKNOWN])
READ:UNKNOWN

TO: s.gomez@state.gov (s.gomez@state.gov [UNKNOWN])
READ:UNKNOWN

TO: peluso-michelle@dol.gov (peluso-michelle@dol.gov [UNKNOWN])
READ:UNKNOWN

TO: jtien@ustr.gov (jtien@ustr.gov [UNKNOWN])
READ:UNKNOWN

TO: jeff.glueck@exim.gov (jeff.glueck@exim.gov [UNKNOWN])
READ:UNKNOWN

TO: hhicks@cns.gov (hhicks@cns.gov [UNKNOWN])
READ:UNKNOWN

TO: felicia.wong@npr.gov (felicia.wong@npr.gov [UNKNOWN])
READ:UNKNOWN

TEXT:

Date: 06/09/1999 06:42 pm (Wednesday)

From: Jim OConnor

To: ex.mail("Pieter_J._Boelhouwer@ovp.eop.gov",
"Carlos_del_Toro_@omb.eop.gov", "felicia.wong@npr.gov",
"Friedman.Alex@osd.pentagon.mil", "hhicks@cns.gov",
"jcallah1@os.dhhs.gov", "jeff.glueck@exim.gov", "jim.oconnor",
"jtien@ustr.gov", "Kate.Mehr@usda.gov",
"Leela_deSouza@oa.eop.gov", "peluso-michelle@dol.gov",
"s.gomez@state.gov", "steve_england@ed.gov")

Subject: Speaker

Hey guys -

I was thinking of a few Republicans that might be interesting to hear from as our Fellowship ends and thought I would try to start setting up a few things for those interested (no obligations, no votes, just come if you want). I will do this like the Rosty thing, if you can go great, if not, no

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Boyden Gray, White House Counsel under Bush about addressing the class and he was very interested. I might try to set up a time for the "open" week of July 12-16th. I'll shoot for the morning and will do it at the office if I want to or just at Old Ebbitt if we don't get enough. He is very influential in George W.'s world and is talked about in some Republican circles as a potential Supreme Court Justice should a Rep. win the WH. I thought it might be interesting to discuss Rep. politics, George W. and his and the President's decision-making process leading up to the Gulf War (i.e. War Powers Act.) Can't guarantee that this will happen but if it does, it should be interesting.

I will also try to set up a coffee with Bill Plante, CBS White House Correspondent for that week. He is a very interesting guy and I was planning to do this anyway so if you're interested, let me know. Leela and I met him a couple of weeks ago and he is a big fan of the Fellows.

I'll make the session short (8-9).

Jim

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: jeff.glueck@exim.gov (jeff.glueck@exim.gov [UNKNOWN])

CREATION DATE/TIME: 9-JUN-1999 19:36:48.00

SUBJECT: Re: Speaker

TO: steve_england@ed.gov (steve_england@ed.gov [UNKNOWN])
READ:UNKNOWN

TO: Pieter_J_Boelhouwer@ovp.eop.gov (Pieter_J_Boelhouwer@ovp.eop.gov [UNKNOWN])
READ:UNKNOWN

TO: Leela deSouza (CN=Leela deSouza/OU=WHO/O=EOP [WHO])
READ:UNKNOWN

TO: jtien@ustr.gov (jtien@ustr.gov [UNKNOWN])
READ:UNKNOWN

TO: jcallahl@os.dhhs.gov (jcallahl@os.dhhs.gov [UNKNOWN])
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TO: Carlos del Toro (Carlos del Toro [UNKNOWN])
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TO: Jim.OConnor@do.treas.gov (Jim.OConnor@do.treas.gov [UNKNOWN])
READ:UNKNOWN

TO: s.gomez@state.gov (s.gomez@state.gov [UNKNOWN])
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READ:UNKNOWN

TO: jim.oconnor@do.treas.gov (jim.oconnor@do.treas.gov [UNKNOWN])
READ:UNKNOWN

TO: hhicks@cns.gov (hhicks@cns.gov [UNKNOWN])
READ:UNKNOWN

TO: felicia.wong@npr.gov (felicia.wong@npr.gov [UNKNOWN])
READ:UNKNOWN

TEXT:

Along the lines of the GOP side, would people be interested in
inviting Chris Cox, the congressman who led the Cox report on China?

He was a candidate for speaker of the house last fall. He represents my home area and I may be able to get him, although no assurances. He represents the more Reaganesque "cut the size of government" side of the GOP, and while socially conservative, is more known for budget issues, legal reform, defense, etc. than social issues/religious initiatives.

Would people be favorable?

- Jeff

Reply Separator

Subject: Speaker

Author: <Jim.OConnor@do.treas.gov> at INTERNET

Date: 6/9/1999 6:47 PM

Date: 06/09/1999 06:42 pm (Wednesday)

From: Jim OConnor

To: ex.mail("Pieter_J_Boelhouwer@ovp.eop.gov",
"Carlos_del_Toro_@omb.eop.gov", "felicia.wong@npr.gov",
"Friedman.Alex@osd.pentagon.mil", "hhicks@cns.gov",
"jcallahl@os.dhhs.gov", "jeff.glueck@exim.gov", "jim.oconnor",
"jtien@ustr.gov", "Kate.Mehr@usda.gov",
"Leela_deSouza@oa.eop.gov", "peluso-michelle@dol.gov",
"s.gomez@state.gov", "steve_england@ed.gov")

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Jim

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Mckenzie K. Davis (CN=Mckenzie K. Davis/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 9-JUN-1999 12:02:09.00

SUBJECT: today's press guidance

TO: Erika D. Viltz (CN=Erika D. Viltz/OU=WHO/O=EOP@EOP [UNKNOWN])

READ:UNKNOWN

TEXT:

Can you print out the email and each one of the issues icons. Thanks!

----- Forwarded by Mckenzie K. Davis/WHO/EOP on 06/09/99

12:01 PM -----

Erica S. Lepping

06/09/99 11:35:16 AM

Record Type: Record

To: See the distribution list at the bottom of this message

cc:

Subject: today's press guidance

Press Guidance

Wednesday, June 9, 1999

Domestic/Economic

1. Archer Retirement Proposal
2. Budget
3. China) Trade
4. Lamb Imports
5. Police Integrity/Racial Profiling/Guns
6. Race Book
7. Recess Appointments
8. Social Security
9. Welfare

Foreign

Kosovo

1. Kosovo
2. Russia/Kosovo
3. War Powers Lawsuit

Near East/South Asia

4. India-Pakistan/Kashmir Fighting
5. India-Pakistan/Sanctions Legislation
6. Egypt/Mubarak Visit Announcement
7. Jerusalem Embassy Act

8. Iran/Arrests

9. Indonesia/Elections

Defense

10. NMD

11. Vieques Target Range Protest

12. Computer Export Controls

13. Organization of American States

Message Sent

To:

Karen C. Burchard/WHO/EOP@EOP
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David Vandivier/OMB/EOP@EOP
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Richard L. Siewert/WHO/EOP@EOP
Michael A. Hammer/NSC/EOP@EOP
Victoria L. Valentine/WHO/EOP@EOP

Erica S. Lepping/WHO/EOP@EOP
Linda Ricci/OMB/EOP@EOP
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Michele Ballantyne/WHO/EOP@EOP
Justin L. Coleman/WHO/EOP@EOP
Joel Johnson/WHO/EOP@EOP
Thurgood Marshall Jr/WHO/EOP@EOP
Courtney M. Manning/WHO/EOP@EOP
Audrey Choi/CEA/EOP@EOP
Melissa M. Murray/WHO/EOP@EOP
Sara M. Latham/WHO/EOP@EOP
Brenda B. Costello/WHO/EOP@EOP
Thomas D. Janenda/WHO/EOP@EOP
Lynn G. Cutler/WHO/EOP@EOP
Fred DuVal/WHO/EOP@EOP
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Ann C. Hertelendy/WHO/EOP@EOP
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Dominique L. Cano/WHO/EOP@EOP
Leslie Bernstein/WHO/EOP@EOP
Mindy E. Myers/WHO/EOP@EOP
Maria E. Soto/WHO/EOP@EOP
Clay Reed/WHO/EOP@EOP
Jocelyn A. Bucaro/WHO/EOP@EOP
Cathy R. Mays/OPD/EOP@EOP
Melissa G. Green/OPD/EOP@EOP

===== ATTACHMENT 1 =====
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:
Unable to convert ARMS_EXT:[ATTACH.D87]ARMS24715666H.136 to ASCII,
The following is a HEX DUMP:

===== END ATTACHMENT 1 =====

===== ATTACHMENT 2 =====
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:
Unable to convert ARMS_EXT:[ATTACH.D87]ARMS25715666I.136 to ASCII,
The following is a HEX DUMP:

===== END ATTACHMENT 2 =====

===== ATTACHMENT 3 =====

ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D87]ARMS26715666J.136 to ASCII,
The following is a HEX DUMP:

===== END ATTACHMENT 3 =====

===== ATTACHMENT 4 =====

ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D87]ARMS27715666K.136 to ASCII,
The following is a HEX DUMP:

===== END ATTACHMENT 4 =====

===== ATTACHMENT 5 =====

ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D87]ARMS29715666L.136 to ASCII,
The following is a HEX DUMP:

===== END ATTACHMENT 5 =====

===== ATTACHMENT 6 =====

ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D87]ARMS20815666M.136 to ASCII,
The following is a HEX DUMP:

===== END ATTACHMENT 6 =====

===== ATTACHMENT 7 =====

ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D87]ARMS21815666N.136 to ASCII,
The following is a HEX DUMP:

===== END ATTACHMENT 7 =====

===== ATTACHMENT 8 =====

ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D87]ARMS23815666O.136 to ASCII,
The following is a HEX DUMP:

===== END ATTACHMENT 8 =====

===== ATTACHMENT 9 =====

ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D87]ARMS24815666P.136 to ASCII,
The following is a HEX DUMP:

===== END ATTACHMENT 9 =====

===== ATTACHMENT 10 =====

ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D87]ARMS27815666Q.136 to ASCII,
The following is a HEX DUMP:

===== END ATTACHMENT 10 =====

===== ATTACHMENT 11 =====

ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D87]ARMS28815666R.136 to ASCII,
The following is a HEX DUMP:

===== END ATTACHMENT 11 =====

===== ATTACHMENT 12 =====

ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D87]ARMS29815666S.136 to ASCII,
The following is a HEX DUMP:

===== END ATTACHMENT 12 =====

===== ATTACHMENT 13 =====

ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D87]ARMS21915666T.136 to ASCII,
The following is a HEX DUMP:

===== END ATTACHMENT 13 =====

===== ATTACHMENT 14 =====

ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D87]ARMS23915666U.136 to ASCII,

The following is a HEX DUMP:

===== END ATTACHMENT 14 =====

Archer Retirement Plan
June 9, 1999

Q. What does the President think of Chairman Archer Social Security reform plan?

A: The President and Chairman Archer share the goal of looking for opportunities to broaden support for Social Security reform. The President still wants to get Social Security reform done, and feels that Chairman Archer, unlike some others, is trying to move the process forward. The President still feels that his framework—employing debt reduction to secure the solvency of Social Security’s historic benefit, while creating progressive USA accounts that are separate from the Social Security system—is still the best starting point for moving forward in a bi-partisan manner.

The President has told Chairman Archer that he respected that he was putting out a serious plan and that he would give it a serious policy review and that any comments or criticism would be constructive and on the policy merits.

Budget/Hastert

June 8, 1999

1. Yesterday, Speaker Hastert said that he will honor the Budget Caps, and will shift \$5 billion to \$7 billion to other areas of the budget. You've been critical of the Republican Budget. Is this an improvement?

At the start of this year, the President put forth a budget that provides for the needs of the American people, invests in the future by dedicating the bulk of the surplus to Social Security, Medicare and tax cuts in the form of USA Accounts to encourage savings, and honors fiscal discipline.

The Republican budget, as has been made abundantly clear in the past weeks, fails to meet these standards, and would require deep cuts in everything from education to the environment to law enforcement programs. Even within the Republican party, this budget has been called unworkable, or in the words of one House Republican, Rep. Porter who heads the Labor and Education Subcommittee, "We are heading for a debacle."

We do not have the details of what Speaker Hastert has proposed in a meeting with Republicans in terms of reallocating funding, however it is clear that a shift in the range he is talking about will not solve the problems of dramatic underfunding for these bills.

2. But he said he will stay within the caps.

The Republicans need to come up with a responsible budget -- one that both honors fiscal discipline, and provides for the needs for the American people and their future, without making dramatic cuts in the basics that they depend on, like education, environment, and law enforcement. We see no sign that they've been able to do that.

China – Trade
June 8, 1999

Q: Have you set a date to return to the negotiations?

A: We have clear indications that China remains very engaged in this process, and very interested in joining the WTO this year. At this juncture, we have not set a date to reconvene negotiations. We do believe that it is in our interest, China's interests, and the global trading system's interest to move forward in these negotiations as soon as feasible.

Q: Does this mean you are abandoning a one-vote strategy?

A: Let's not let the process get ahead of the substance. We need to conclude a commercially viable agreement. We hope to conclude it in time for consideration before the annual MFN process has ended.

Q: Why did the President renew NTR for China?

Extending to China the same normal trade relations we have with virtually every country in the world will enhance American prosperity and promote economic reform and openness in China.

Revocation would rupture our relationship with a fifth of the world and thus jeopardize both our political and economic security.

An estimated 400,000 U.S. jobs depend on exports to China and Hong Kong. China is our 4th largest trading partner. Our exports to China have more than quadrupled over the past decade to \$14.3 billion. Revoking NTR would lead to a trade war that would undermine all of this.

Revocation of NTR would derail efforts to conclude WTO talks that will open China's markets and make it subject to global trade rules. Revocation would hurt U.S. consumers who could pay upwards of half a billion dollars more in a single year due to higher American tariffs on Chinese exports such as shoes and clothing.

Broad foreign policy goals also affected. Hong Kong handles almost half of U.S.-China trade. Revocation would weaken Hong Kong by slashing its trade, eliminating tens of thousands of jobs, cutting economic growth, and slashing income. Revocation would also damage Taiwan's economy, with \$20-30 billion invested in the PRC.

High stakes in U.S.-China relations. We have serious differences to deal with -- human rights and espionage -- but can't let these differences prevent us from promoting our own interests. A trade war would be a body blow to engagement. But engagement is producing tangible results by contributing to regional economic and political stability in Asia, by strengthening

nonproliferation regimes such as the NPT, CTBT, CWC, and BWC, and by improving China's export control regime.

Q: Recent press reports indicate that China is distancing its government from offers put forward during the Premier's visit. Is this your view?

A: We hope that China is prepared to reconvene talks soon. Obviously, we also want to reconvene discussions when it is possible to achieve progress in the negotiations. We do not place much credence in particular reports about one issue or another. Public posturing is a part of the negotiating process. The focus of our discussions has been in the areas where we identified our differences during the Premier's visit.

Q: Will the U.S. "soften" its WTO demands in response to the Embassy bombing and the Cox Report?

A: No. China is well aware of the commitments that must be undertaken to achieve WTO accession, and these conditions are clearly outlined in our fact sheet. There are unresolved differences in front of us which must be addressed in banking, securities and audio-visual trade as well as the application of special trading rules for dumping and to protect against import surges.

**Lamb Imports
June 9, 1999**

Q: Why is the President's 201 decision on lamb still held up?

A: This is a complex issue. The President and the Administration are continuing to review various options. We will announce a decision when that decision has been made. [We expect to make an announcement soon/tomorrow.]

Q: Isn't there a statutory deadline with regard to this decision?

A: There is a statutory period in which we do try to make these decisions. However, going a day or two beyond that won't have any impact on the President's authority to go forward with whatever relief he decides is appropriate.

Q: So, you're saying you don't expect any legal consequences associated with the delay in making this decision?

A: We don't expect any.

Strengthening Community- Police Relationships
Questions and Answers
June 9, 1999

Q: Instead of simply collecting data, why didn't the President ban racial profiling outright?

A: As the President said today, racial profiling is wrong. Stopping or searching individuals on the basis of race is not consistent with our commitment to equal justice under law and is not effective law enforcement policy. For that reason, all federal law enforcement agencies already repudiate racial profiling as a legitimate law enforcement tool.

The real need—at the federal as well as the state and local levels—is to ensure that law enforcement officers act in accordance with their broad policies against racial profiling. In order to truly solve this problem, it is critical that we have the hard facts -- instead of mere anecdotes -- about when and where it occurs. Having this data can guide future proposals to combat this problem. That is why the President the ordered the federal agencies to take leadership on this issue and start to collect and report data on the race, ethnicity and gender of persons stopped and searched by federal law enforcement agents. Once the agencies have collected and reported on the data for a year, we will review the recommendations, based on this data, on how we ensure greater fairness in federal law enforcement's procedures.

Q: How does the Conyers legislation relate to the President's directive?

A: The President's directive will combat racial profiling by instructing the federal law enforcement agencies to collect and report data, the Conyers legislation seeks to assist state and local law enforcement agencies (who comprise the vast majority of law enforcement in this country) to collect and report similar data on traffic stops. The data collected under both the President's directive and the Conyers bill will give us a better national picture of law enforcement stops and searches, and the individuals who are subjected to them. In this sense, the two complement each other—and indeed, one reason the President issued his directive was to encourage states and localities to collect data about racial profiling and to push Congress to enact legislation to support there efforts. To best accomplish this goal, we do support some modest, but important revisions to the Conyers bill to ensure that the data collected is used for research purposes only -- and cannot be used in future lawsuits against police departments.

Q: Doesn't the federal government engage in a form of racial profiling right now—that is, doesn't the INS stop drivers at the border in part based on their ethnicity?

A: The question in INS searches is a complicated one, because national origin is an element of the criminal offenses that the INS investigates and ethnicity is obviously related to

national origin. It is critical, however, that the INS take every precaution against stopping or hassling drivers simply because they look Hispanic. We hope that the data collection and reporting efforts that the President is directing today will reveal whether and where INS officials have abused their stop and search authority in ways that unfairly target Hispanic individuals.

NOTE: Do not go near this topic unless explicitly asked about it.

Q: Do you have any comment on the *Louima* decision yesterday?

A: We hope and believe that yesterday's decision sends a strong signal to abusive and corrupt cops that illegal behavior and excessive use of force will not be tolerated. The vast majority of law enforcement do their jobs fairly and with honor -- which is why it is important for us to support these dedicated officers and acknowledge our gratitude to them for their service. But as a society, we must continue to send the message that we will not tolerate those officers who breach the public's trust by abusing their positions of authority. Yesterday's jury decision should have conveyed this message.

Q: Your directive refers to the creation of "field tests" to begin to collect data. Does this mean that the federal agencies don't have to cover all of the law enforcement agencies under their control? Can they exclude whole sub-agencies such as INS or Customs from the data collection directive?

A: The directive grants some discretion to the agencies in deciding the exact scope of their data collection and reporting systems. But agencies such as the Immigration and Naturalization Service, Drug Enforcement Agency, and Customs Service -- all of which conduct stops and searches of individuals as a matter of course -- clearly will be part of the first "field tests" implemented by the agencies.

Q: Can you comment on the status of the *Diallo* case?

A: The FBI, the U.S. Attorney for the Southern District of New York and the Justice Department's Civil Rights Division continue to work closely and actively with the Bronx District Attorney's Office on this investigation. However, given that this is still an active investigation, we cannot say anything more.

Q: In March, the President announced new initiatives to help build trust between police and the communities they serve. What is the status of these initiatives?

A: These initiatives are part of the 21st Century crime bill unveiled by the President last month. During consideration of the juvenile crime bill, the Senate missed an important opportunity to move forward on these important police integrity proposals. On a party

line vote, the Senate defeated an amendment by Senator Biden to authorize these and other policing initiatives proposed by the President. We will continue to urge the Congress to pass our police integrity proposals and 21st Century Policing Initiative as part of the appropriations process.

Q: What is the Administration's response to the juvenile crime/gun bill unveiled by Republicans last night?

A: Unfortunately, the Republican bill introduced last night confirms our worst fears about how Republicans in the House intend to proceed with juvenile crime and gun legislation. After pleading for more time to allow the Judiciary Committee to follow normal processes, the House Leadership is now planning to bring a partisan bill directly to the floor, with little or no opportunity for Democrats to debate the issues and offer amendments. But even worse, the House Republicans seem to be making whatever changes to the Senate bill that the NRA demands. The Republican bill apparently will not cover many events at which hundreds of guns are sold. It will not necessarily cover unlicensed sellers who walk around at gun shows with "for sale" signs on their backs. It will weaken Brady background checks at gun shows. And it will make it more difficult for law enforcement to trace many of the guns that are sold at gun shows and later used in crimes. We oppose this "Lautenberg Lite" version of the bill, and will work to amend the bill when it reaches the House floor. We should be strengthening the Senate-passed provisions, not emasculating them in order to please the NRA.

Police Integrity
May 25, 1999

Q: It is reported today that the one of the officers in the Louima police brutality case in New York will plead guilty. What can the federal government do to combat police brutality and misconduct?

A The federal government can play an important role to help state and local law enforcement to strengthen police integrity. The President announced policies to heighten police integrity in his 21st Century Law Enforcement and Public Safety Act. The bill includes:

(1) \$20 million increase for integrity and ethics training so that all 30 of our Regional Community Policing Institutes will be able to provide police integrity and ethics training. Currently, only two of the centers specialize in this crucial training.

(2) \$20 million to promote the best educated police force possible. The new \$20 million scholarship program will help current state and local police officers who are seeking to advance their education and skills.

(3) \$2 million for improved minority recruitment to help make sure police departments reflect the communities they serve; and

(4) \$5 million to expand citizen police academies which help to instruct residents on important police procedures – and also help to strengthen the bond between law enforcement officers and their communities.

These proposals are contained in the 21st Century Policing initiative, one of the titles in the President's crime bill. Last week, the Senate missed an important opportunity to move forward on these police integrity proposals when they narrowly defeated a Biden amendment to authorize the President's 21st Century Policing initiative on a largely party-line vote. We will continue to urge the Congress to pass our police integrity proposals and 21st Century Policing Initiative as part of the appropriations process.

In addition, in a few weeks, the Justice Department will host a conference on building police trust. The conference will bring together a wide variety of representatives from the law enforcement and civil rights communities to discuss the positive steps that can be taken to help foster and sustain trust between the law enforcement and the communities they serve.

POTUS Race Book
June 2, 1999

Q When will it be done?

A The President has been reviewing a draft for the last few weeks and he is continuing to work on it. We can't really say when he'll be done with it, but obviously it depends upon competing pressures on his time.

Q What will be in it?

A The President wants to present social science research on where the nation is regarding demographics, disparities and discrimination. He also wants to offer his vision of where we should go as a nation that recognizes its diversity in positive ways while remaining united. The book will also offer a workplan for the nation on how to achieve this vision-- federal, state, local, private and personal efforts that can make a difference.

Q What will be used for? Who will receive it?

A The audience is the broad public. The President believes there are countless people around the country who want to help on this agenda, but are hungry for ideas and information. He hopes the book will help fill those needs.

GUIDANCE ON HORMEL/RECESS APPTS
JUNE 9, 1999

Q: Why did the President take the extraordinary step of recess appointing James Hormel?

A: The President believes that Mr. Hormel is uniquely qualified to serve in this position.

He has the strong support of Secretary Albright and former Republican Secretary of State George Schultz. He was supported by an overwhelming majority of the members of the Senate Foreign Relations Committee and his nomination was favorably voted out of that committee. An overwhelming majority of Senators have supported his nomination -- more than 60 -- and had the Senate provided him a vote, he would have been confirmed. The Government of Luxembourg "welcomed" his nomination.

The only reason he has been denied an up or down vote in the Senate is because a few senators objected to his nomination because he is gay. The President thinks that this is wrong and discriminatory.

It is not too late for the Senate to give Mr. Hormel the up-or-down vote he deserves, and we think they ought to do it, as a matter of basic fairness.

Q: What's your reaction to Senator Imhofe's threat to hold up every Administration nomination?

A: It's irresponsible for one senator to think that he can hold the Senate, the Administration, and these appointees hostage because he is unhappy with one appointment.

Q: But didn't Senator Byrd do the same thing when he was Minority Leader in 1985 and the President was Reagan?

A: No. First, there is absolutely no comparison between President Reagan's, and for that matter, President Bush's use of the recess appointment authority and that of President Clinton. Mr. Hormel was President Clinton's 58th recess appointment. President Reagan made 239 recess appointments. And President Bush in only four years made 78, substantially more than President Clinton.

Second, Senator Byrd did not hold appointments hostage. He did not hold up appointments. He was dealing with a President who made wholesale use of recess appointments and was not consulting or notifying the Senate before he did so. So Senator Byrd made a complaint and worked out an agreement under which he would be notified of recess appointments before they took place.

The fact is, we already do that. We notify the Majority Leader before we make a recess appointment, and we did so in the case of Mr. Hormel.

Finally, Senator Byrd's complaint was that President Reagan was routinely circumventing the Senate's confirmation role. We're not doing that. We want the Senate to act. We want them to vote up or down. If we don't have a majority in support of a nominee, the Senate has a right to vote him down. But they are obliged to vote.

The fact is, the Foreign Relations Committee acted on this nomination nearly two years ago. We did not circumvent the process, they did.

Q: Did you notify any other Republicans?

A: We notified the appropriate leaders, and that included Senator Lott.

Q: So what are you going to do about this?

A: We are going to continue to push the Senate to do the right thing, and I think you will find that Democrats in the Senate are very unhappy about this and will not simply accept the Senate's confirmation process being held hostage by one senator.

TOIV/Johnson, Socarides, etc.

HIGHLIGHTS OF JAMES C. HORMEL'S CAREER

Accomplished Businessman:

- Chairman of the California investment firm Equidex, Inc.
- Member of the Board of Directors of the San Francisco Chamber of Commerce
- Received Outstanding Leadership Award from Golden Gate Business Association (1995)

Lawyer and Educator:

- J.D. from University of Chicago Law School
- Member of the Board of Managers of Swarthmore College (his alma mater)
- Dean of Students and Assistant Dean at University of Chicago Law School (1961-1967)

A Commitment to Public Service:

- Served in U.S. Coast Guard (active reserve) from 1951-1957
- Confirmed by the Senate in 1997 to serve as alternate representative of the U.S. delegation to the 51st United Nations General Assembly
- Served on U.S. delegation to 51st U.N. Human Rights Commission in Geneva in 1995
- Established the James C. Hormel Public Service Program at the University of Chicago Law School to encourage law students to go into public service
- Received the Public Service Citation from the University of Chicago Alumni Association

Community Activist:

- Honored by Breast Cancer Action for his leadership in the Men's Campaign Against Breast Cancer
- Member of the Board of Directors of the American Foundation for AIDS Research
- Member of the Board of Directors of the Human Rights Campaign
- Founding Director of the City Club of San Francisco, a club created to bring together community leaders of diverse backgrounds.
- Member of the Board of Directors of the San Francisco Symphony

Philanthropist:

- Received the Silver Spur Award for Civic Leadership from the San Francisco Planning and Urban Research Association (1995).
- Received the Tiffany Award for philanthropic achievement (1995).
- Named Outstanding Philanthropist by National Society of Fundraising Executives (1996).

JIM HORMEL: FACT & FICTION

James C. Hormel has been nominated to serve as United States Ambassador to Luxembourg. He is eminently qualified for this important position. He is a prominent civic leader and diplomat. He has served as Alternate U.S. Representative to the United Nations General Assembly, for which the Senate confirmed him in May 1997, and as a member of the U.S. Delegation to the United Nations Human Rights Commission. In November 1997, his nomination to be Ambassador was approved by the Senate Foreign Relations Committee. Several Senators, however, have delayed a vote by the full Senate to confirm his nomination. A number of misrepresentations and false characterizations have surfaced. Here is the truth.

FICTION: *Jim Hormel is anti-Catholic and supports an anti-religious agenda. His nomination is viewed as an insult to the citizens of Luxembourg, most of whom are Catholic.*

FACT: Hormel has stated: "I am deeply offended by any efforts to attack people on the basis of their religion." Hormel strongly opposes all forms of discrimination, including that based on religion. The source of this fiction is videotape of a San Francisco parade, in which a group of men dressed as nuns walked past a television broadcast booth in which Hormel happened to be sitting, during an interview with a local reporter.

Religious leaders of many denominations support Hormel's nomination, and several, including Bishop William Swing and the Reverend Cecil Williams, have written on his behalf, as has the Anti-Defamation League of B'nai B'rith. The government of Luxembourg has given its official approval to the nomination, and Luxembourg citizens have expressed their support in local publications.

FICTION: *Jim Hormel supports a radical homosexual agenda and will use his role as Ambassador to advance that agenda.*

FACT: In a letter to Senator Gordon Smith, Hormel wrote, "I will not use, nor do I think it is appropriate to use, the office of ambassador to advocate any personal views I may hold on any issue." And further, "I assure you that my public positions will be those of the United States."

Hormel is a businessman and lawyer with more than 30 years of commitment to public service. He holds a firm belief in the importance of family and family values, which he has imparted to his five children and 13 grandchildren. He has served on a variety of boards and commissions, including the San Francisco Chamber of Commerce, the San Francisco Symphony, Swarthmore College, and KQED, San Francisco's public television station. In these positions Hormel has consistently represented the interests of the organizations.

Although he is not obligated to do so, Hormel has even pledged to discontinue many of his public service and philanthropic activities after confirmation, in order to underscore his commitment to representing only the interests of the United States government during his tenure as Ambassador.

FICTION: *Jim Hormel placed pornographic and other offensive material in the San Francisco Public Library.*

FACT: Opponents of Hormel's nomination have twisted the facts. Hormel contributed to the construction of the new San Francisco Public Library, which includes a gay and lesbian collection. That part of the facility subsequently was named in Hormel's honor. He has never had, nor has he ever requested, any input or control over what materials are or are not included in the collection. Indeed, most of the material in question can also be found in the Library of Congress.

William R. Gordon, the Executive Director of the American Library Association, in a recent letter to members of the Senate, stated, "It is a grievous wrong for a few Senators to block the vote on Mr. Hormel's nomination to be Ambassador to Luxembourg on the basis of unfounded and malicious accusations about the selection of certain works in this research center. Mr. Hormel had no hand in selecting the materials he is accused of endorsing."

In response to the accusations that Jim Hormel advocates adult/child relationships, Hormel states unequivocally, "I abhor such relationships and repudiate organizations that encourage them. I find any insinuations to the contrary both offensive and baseless."

FICTION: *Jim Hormel promotes teaching the "gay lifestyle" to children through his support of a film entitled, "It's Elementary."*

FACT: Hormel provided only minor financial support for the film, which was funded primarily by the Columbia Foundation and the Ford Foundation. He had no input into its content, viewpoint, or distribution.

The film is a documentary, designed for school teachers and other adult professionals for the purpose of examining how homosexuality is addressed – or not addressed – in schools. It is a special resource for educators, parents, and other school administrators. It is not designed for children.

FICTION: *The nomination of Jim Hormel is a "pay-off" to the gay community.*

FACT: While Hormel has been a consistent supporter of President Clinton and the Democratic Party, he is eminently qualified to be Ambassador. His public activities over the years reflect his commitment to representing all Americans. Hormel is a prominent civic leader and diplomat. He has served as a member of the U.S. Delegation to the United Nations Human Rights Commission in Geneva,

and as Alternate U.S. Representative to the United Nations General Assembly, for which the Senate unanimously confirmed him in May 1997.

His nomination has received broad, bi-partisan public support. Republican Senators Orrin Hatch and Gordon Smith joined democratic Senators Dianne Feinstein, Joseph Biden, and Robert Torricelli in a letter to their Senate colleagues in February, stating their support and expressing their hope for an early vote by the full Senate. Former Republican Secretary of State George Shultz and his wife Charlotte wrote to Senator Lott, " We recommend him to you because we believe he would be a wonderful representative for our country." Hormel's qualifications have been acknowledged in editorials and op-ed columns from coast to coast, including the Wall Street Journal, Boston Globe, New York Times, Washington Post, Detroit News, Chicago Tribune, Arkansas Democrat-Gazette, Tulsa World, Fort Worth Star-Telegram, and San Francisco's Chronicle and Examiner.

Secretary of State Madeleine Albright, under whom Hormel served at the United Nations, stated, "In both positions [at the United Nations] and through his lifelong philanthropic activities, Mr. Hormel has demonstrated outstanding diplomatic and leadership skills. He will be an excellent U.S. Ambassador to Luxembourg."

FICTION: *Jim Hormel's public activities and projects are outside the interests of and repugnant to "mainstream" Americans.*

FACT: Hormel's public activities and projects span the spectrum of American life and exemplify the diversity of his personal and professional interests, as well as his commitment to helping people build stronger, safer communities for themselves and their families. A representative sample of organizations which he has supported includes: Swarthmore College, Virginia Institute of Autism, San Francisco Museum of Modern Art, Breast Cancer Action, American Foundation for AIDS research and a variety of AIDS organizations, Catholic Youth Organization, San Francisco Ballet, American Indian College Fund, Human Rights Campaign Foundation, GLIDE Memorial Church, Institute of International Education, Jewish Family and Children's Services, National Association for the Advancement of Colored People, University of Chicago Law School, and the San Francisco Symphony.

Less than 20 percent of Hormel's charitable giving has gone to gay causes.

FICTION: *Jim Hormel's partner will be given official duties at the Luxembourg Embassy.*

FACT: Under State Department regulations, unmarried companions are not eligible family members for purposes of travel, allowances, or other benefits, and no official responsibilities are assigned to any spouse or unmarried companion, regardless of gender or sexual orientation.

Hormel's partner, Timothy Wu, is a Harvard-educated lawyer, a summa cum laude graduate and former trustee of Princeton University, a director of a major non-profit social service agency, and a mayorally appointed Commissioner in San Francisco. His current professional and volunteer schedules preclude him from leaving California for any long duration.

Social Security
June 9, 1999

Q: What does the Administration think of the Social Security and Medicare Lockbox that passed in the House and is being considered by the Senate?

A:

- In the President's State of the Union, the President presented a budget proposal based on core principles. He called for dedicating the new surplus to a lockbox that would lower the nation's debt and extend the solvency of both Social Security and Medicare.
- The current proposal moving through Congress is a positive step because it adopts the President's call to dedicate the surplus to debt reduction. However, the proposal falls short of the President's overall framework because it does not adopt the other core principles-- it does nothing to extend the solvency of Social Security or Medicare, and in fact would permit much of the surplus to be used first for a tax cut rather than Social Security or Medicare first.
- The current design of their proposal risks the possibility of exacerbating an economic downturn and needs to be changed. The proposals must also do more ensure that the money they set aside for debt reduction today will actually be used for this purpose tomorrow.

**Welfare Reform
Question & Answer
June 9, 1999**

Q: What's your reaction to the USA Today story saying that states are using their welfare funds for the working poor?

A: The President has encouraged states to use the resources and flexibility provided under welfare reform to help families not only move from welfare to work, but also to succeed in the workforce, stay off welfare, or avoid going on welfare. As USA Today points out, many states are now seizing the opportunity presented by record caseload declines and a strong economy to address issues such as child care, transportation, substance abuse treatment, and raising the employment of low income fathers. When the President unveiled the landmark new welfare regulation on April 10th, he said "This regulation says loud and clear that people ought to get paychecks, not welfare checks." The new regulation makes it easier for states to use their welfare block grant to pay for child care, transportation, and job retention services to help people who have left welfare stay off the rolls -- or to help families so they don't have to go on welfare in the first place.

Q: Are you concerned that states are not spending all there welfare funds?

A: First, not all states have unspent welfare block grant (TANF) funds -- 19 states have obligated all of their FY 1998 TANF dollars, including large states such as California, Illinois, Ohio and Texas and small states such as Connecticut and Delaware. Second, many states that have TANF reserves are prudently saving funds, because an even more intensive commitment of welfare to work resources will be necessary in the coming years as the work requirements increase and many individuals left on the rolls face the most serious challenges to employment. That is exactly why the President has proposed to invest an additional \$1 billion in the Department of Labor's Welfare to Work program, which provides targeted funds directly to local communities to help people with the greatest challenges.

Gaviria's Reelection As Secretary General
June 9, 1999

Q: Do you have any comment on the reelection of Colombia's Cesar Gaviria to a second five-year term as Secretary General of the Organization of American States?

A: The United States warmly welcomes the reelection of Gaviria. Since his election to his first term in 1994, Mr. Gaviria has shown himself an effective Secretary General, taking energetic steps both to streamline and revitalize the organization. For instance, he has reduced the size of the OAS Secretarial staff by some 25 percent. More importantly, he is dedicated, as we are, to further steps to adapt the OAS to the challenges of the new millennium. In sum, we have worked very productively with Secretary General Gaviria during his first term, and look forward to more of the same in the next five years.

Q: If that is the case, why is the United States not declare its support for him when former Costa Rican President Rafael Angel Calderon was mounting a serious challenge to his reelection bid?

A: As mentioned, we believe Mr. Gaviria has been an excellent OAS Secretary General, and look forward to continuing to work closely with him in the next five years. At the same time, former President Calderon had equally impressive credentials. We felt it was best for the United States to allow both candidates a chance to make their case to all the other OAS member states and for us to assess their respective merits fully.

Q: Isn't Gaviria soft on continuing Cuba's exclusion from the OAS?

A: Mr. Gaviria has made clear publicly that he does NOT favor ending Cuba's exclusion from the OAS is one to be decided by the member states, not by the Secretary General.

Per Special Envoy's office

NATIONAL SECURITY AFFAIRS GUIDANCE

June 9, 1999

EUROPE/RUSSIA

Kosovo

Russia/Kosovo

War Powers Lawsuit

NEAR EAST/SOUTH ASIA

India-Pakistan/Kashmir Fighting

India-Pakistan/Sanctions Legislation

Egypt/Mubarak Visit Announcement

Jerusalem Embassy Act

Iran/Arrests

ASIA

Indonesia/Elections

DEFENSE/NON-PROLIFERATION

NMD

Vieques Target Range Protest

Computer Export Controls

Have you reached an agreement on a UNSCR?

Yes, as you well know, G-8 Foreign Ministers agreed today on a text for a UN Security Council Resolution.

As the President noted, this is a positive development. Now we need to move to ensure Serb implementation of the agreement that is verifiable.

It should be clear to Milosevic that there is no choice left for him but to live up to his words and quickly move towards withdrawing his troops from Kosovo.

With Russia's agreement to NATO's basic conditions, Milosevic is entirely isolated..

Is it true (NYT report) that the Ahtisaari-Chernomyrdin agreement and UNSCR omit a footnote specifying NATO's role in security presence?

It is still entirely clear that NATO is at the core of KFOR and will operate with NATO command and control and NATO rules of engagement.

Has the military-to-military agreement been signed? Why not?

The talks continue and are intensive and constructive.

NATO's basic terms are not negotiable. The military-technical agreement is meant to clarify the modalities of withdrawal pursuant to the terms, not to change the terms.

The FRY is playing for time – yet another example of Milosevic failing to live up to his agreements and yet another reason for caution in the coming days. The President has struck the right attitude here.

We are hopeful Milosevic will live up to his commitment to Ahtisaari in Belgrade.

Is the problem that you don't want a UNSC before a bombing pause?

It is critical to remain steady and determined to achieve all of international community's conditions.

Serbs must comply with Ahtisaari/Chernomyrdin plan.

There are a number of elements involved in the sequencing of implementation that are important to establishing secure environment for safe return of refugees.

Similar to the model in Bosnia, always said prefer UNSC that would codify any peace agreement and allow for the elements of civilian implementation to go forward.

How long will air strikes continue?

NATO air campaign will continue until verifiable beginning of withdrawal of Serbian forces.
Have to remain steady and determined in pursuing our objectives.

Do you have any evidence of Serb withdrawals?

NATO has no evidence of massive, verifiable withdrawals.
But there is promising evidence of preparation for withdrawals.
Also conflicting evidence.
Hence the need for withdrawals that are verifiable before airstrikes end.

But don't you need to halt the airstrikes before they come out and go home? Will you strike Serb troops leaving Kosovo?

We will not do anything to impede good-faith implementation on NATO's terms that furthers the return of the refugees to Kosovo in safety and self-government.
NATO has designated four roads out of Kosovo on which Yugoslav troops can be assured passage into Serbia without fearing alliance bombs. All the roads lead from Pristina, the Kosovo capital.
NATO also expects to identify several assembly areas within Kosovo where Serb troops can gather and organize for an orderly retreat.

Will the KLA Disarm? Isn't their offensive still very much alive?

NATO remains in close touch with KLA representatives.
We have noted recent statements which greeted the diplomatic agreement and promised cooperation and restraint. It is clearly in the interest of the KLA not to interfere with the Serb withdrawal from Kosovo.
The KLA agreed at Rambouillet to disarm on a specific timetable. We still consider that agreement valid.

Isn't agreement less for the Kosovars than Rambouillet?

No. The Rambouillet Accords remain basis for a political settlement in Kosovo and future political framework to be worked out will not be less favorable.
And some ways more favorable (Rambo left Serb forces in Kosovo; today's agreement is all forces out).
It is clearly in their interest to do so and with KFOR there will be no reason for KLA to still bear arms;
Individual KLA members will be eligible to join the new Kosovo local police.

Isn't the victory hollow since Milosevic is still in power?

NATO's aims never included the removal of Milosevic;
Phase I was achieving our objective and reversing Milosevic repression;
Phase II is looking forward to the day when there is leadership in Serbia that respects human and civil rights and can join the great nation's of Europe in building a united and free continent for the first time in history;
Our engagement in Kosovo doesn't end today.
As I have said, we need to move from confrontation to integration in the Balkans—and do for South Eastern Europe what was done for Western Europe after WWII and Central Europe after Cold War—deepen democracy, strengthen civil liberties, etc.

Do plan to provide aid to Serbia?

It is inconceivable to me that international community would rebuild Serbia while Milosevic still in power. Other than humanitarian aid, don't envision assistance.

RUSSIA/KOVOSO

June 9, 1999

CONTEXT: President Clinton spoke with President Yeltsin on Monday and Tuesday about Kosovo.

Purpose of Clinton-Yeltsin calls? Where are we with the Russians?

Presidents Clinton and Yeltsin spoke on both Monday and Tuesday. On Monday they agreed that Chernomyrdin/Ahtisaari document should serve as basis for draft UNSC resolution. They agreed to instruct their respective foreign ministers to complete G-8 text on basis of that document.

On Tuesday they affirmed progress made by G-8 foreign ministers in Bonn on draft UN Security Council resolution. President Clinton stressed need to get Milosevic to sign military technical agreement quickly and withdraw forces as laid out in Chernomyrdin/Ahtisaari. Once that happens, NATO could move quickly to suspend bombing.

President Clinton said he will send team led by Strobe Talbott (today) to Moscow to continue discussions on military details that would allow Russia to participate in KFOR.

If asked -- did Yeltsin say he won't support a vote on UNSCR without a bombing pause beforehand?

Chernomyrdin-Ahtisaari agreement made clear that NATO will suspend air campaign once FRY signs military-technical agreement, begins verifiable withdrawals. Yeltsin reiterated Russians' long-standing desire for immediate pause.

Important to hold Milosevic to commitments he made last week to Chernomyrdin and Ahtisaari. Suspension could happen very quickly if Serbs honor these commitments.

If asked -- reaction to Stepashin comment that UN should cover cost of Russian contingent's participation in Kosovo peacekeeping mission?

Draft UNSC resolution makes clear that KFOR would not be a traditional UN peacekeeping operation; expectation is that participants would pay their own way. Want to work constructively with Russians in coming days to find formula that will facilitate Russian participation in KFOR.

WAR POWERS LAWSUIT

June 9, 1999

CONTEXT: Decision was on jurisdictional questions involving standing, justiciability, not on the constitutional merits of case.

We welcome the Judge's decision, which is consistent with the USG's views.

In response to specific questions about the decision --

I would refer you to the Department of Justice.

INDIA-PAKISTAN: KASHMIR FIGHTING

June 8, 1999

CONTEXT: *The President sent letters last week to both Prime Minister Vajpayee and Sharif... Prime Ministers Sharif and Vajpayee have had several telephone conversations. India has proposed June 12 to receive the Pakistani Foreign Minister for talks. Fighting continues in the Kargil region along the line of control in Kashmir. Indian air losses remain unchanged - two jet fighters and a helicopter gunship. The Pakistanis last week returned the captured Indian pilot of one of the downed planes.*

What is the situation in Kashmir?

The airstrikes and fighting continue on the Indian side of the line of control.

We have been pleased to see that the prime ministers of India and Pakistan have been in direct contact by phone several times since the fighting started.

We welcome the Pakistanis' return of the captured pilot to India.

We are pleased to learn that the Pakistani Foreign Minister has been invited to Delhi for talks on June 12. It is vital that the two sides talk directly.

What is the U.S. doing about the fighting in Kashmir?

The President has sent letters to the prime ministers of both countries to urge restraint and an end to the fighting. This is part of our active diplomatic effort to ensure that this dispute does not escalate further, and that tensions are eased and the fighting ended as soon as possible. .

Senior American diplomats in India and Pakistan are in touch with host government officials to make similar points. Ambassador Celeste has talked to senior Indian leaders, who have said that India's goal is to retrieve land seized by militants on the Indian side of the line of control.

Ambassador Milam (pronounced MY-LUM) has expressed our concerns directly to Prime Minister Sharif.

Assistant Secretary Inderfurth at State has met the Pakistani and Indian Ambassadors to stress our concern that hostilities be ended.

We believe strongly that the solution to the present conflict can be arrived at only through direct discussions between the parties involved. We encourage India and Pakistan to be in direct contact. They should exercise restraint and avoid actions which would further escalate the conflict.

Is the United States considering sending a special envoy?

We have no plans to do so. We hope that bilateral contacts between New Delhi and Islamabad can resolve the problem. We do not, however, rule out such a mission in future.

Should the United Nations be involved?

We think that direct talks are the quickest and best way to resolve this situation at this time.

INDIA-PAKISTAN: SANCTIONS LEGISLATION

June 9, 1999

CONTEXT: *The Senate June 8 passed an amendment proposed by Senator Roberts and further amended by Senator Brownback that mandates a 5-year suspension of those economic sanctions against India and Pakistan imposed for actions taken by those countries prior to the date of enactment of the amendment. The amendment also permits the President to issue a national security interest waiver for prohibitions on military sales, export licenses for items on the Munitions List, foreign military financing, and exports of certain goods and technologies to both countries*

What is the U.S. position on sanctions legislation passed by the Senate last night?

We welcome Congressional attention to the need for legislative action addressing sanctions, since the current Brownback amendment waiver authority will expire this fall.

We would prefer the flexibility afforded by a waiver authority -- like authority which we exercised under Brownback last year.

We look forward to further action on the part of India and Pakistan toward our nonproliferation goals, which will enable us to remove remaining sanctions.

Doesn't the Amendment automatically lift sanctions regardless of what actions India and Pakistan take?

The legislation would mandate lifting for five years of certain statutory economic sanctions imposed in response to actions taken prior to the enactment of the legislation. Under separate authority, the President could continue to impose economic sanctions on India and Pakistan.

EGYPT: MUBARAK VISIT ANNOUNCEMENT

June 8, 1999

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

June 8, 1999

STATEMENT BY THE PRESS SECRETARY

Official Working Visit with President Hosni Mubarak of Egypt

President Clinton extended an invitation to President Hosni Mubarak of Egypt for an Official Working Visit on July 1 which President Mubarak has accepted. The visit provides an important opportunity to further develop the partnership between Egypt and the United States and to deepen cooperation and coordination on the Middle East Peace Process. The two leaders also will discuss a range of regional and international issues.

President Mubarak also will be meeting with Vice President Gore to continue their work on the U.S.-Egypt Partnership for Economic Growth and Development.

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JERUSALEM EMBASSY ACT WAIVER

June 9, 1999

CONTEXT: *President is likely to sign the waiver today or tomorrow. We are making some heads-up calls today to Hill and community members. PRESIDENT HAS NOT SIGNED YET.*

Why did the President exercise the waiver now?

This does not represent a new stance. The President said when this legislation passed in 1995 that he would use his waiver authority to avoid damage to the peace process. That remains his position.

We have a responsibility to do all we can to help the parties reach the goal they both want to achieve real peace with real security.

Taking a step now that would be widely viewed as prejudging the outcome of the most sensitive of the permanent status issues will deal the talks a blow just when they are about to get started and will compromise our ability to play a helpful role as the process moves forward.

One more important point: Without the waiver, we would be unable to use 50 percent of the funds in the account needed to secure and maintain and diplomatic facilities worldwide.

If we had not exercised the waiver, we would have had to stop several planned security enhancements, delaying the implementation of life safety improvements.

In this time of very real terrorist threats to U.S. missions and personnel abroad, we must have access to the funds necessary to secure our people and facilities from these threats.

Why can't you agree to build something on a site everyone acknowledges is in West Jerusalem, when even the Palestinians are not claiming West Jerusalem?

The issue is not that simple. Jerusalem is the most sensitive of the permanent status issues.

The United States is the honest broker and the intermediary in the peace process.

The parties have agreed to negotiate over Jerusalem. Changes in U.S. practices there could prejudice those negotiations.

If the United States were to interfere in the outcome of the key permanent status issues in this way, the entire negotiating structure could collapse. That is not in anyone's interest, including Israel's.

Action on an embassy at this point would indeed harm the prospects for progress in the peace

process and severely undercut our ability to play the intermediary role.

That role has proven essential for reaching agreements that Israel and the Palestinians wanted, but could not conclude on their own.

Why have you not even begun construction on an embassy at the Jerusalem site?

Obviously, if we are not prepared to establish an Embassy, there is no point in starting construction. In the meantime, we have worked to preserve our options at the Allenby site.

If we decided to establish an embassy, we could move quickly to do so through non-construction means (e.g., leasing).

Doesn't the Act create an obligation for you? It is the law and it was passed overwhelmingly by both Houses of Congress.

We have worked hard since this legislation was passed to keep our options open and to put ourselves in a position to establish an embassy if we so choose.

That said, we do not want to take any action now that would hamper prospects for progress in the peace process. We have a responsibility to do all we can to help Israel and her neighbors reach agreements that constitute real peace with real security.

Future Israeli-Palestinian agreement on the issue of Jerusalem would facilitate our making a decision with regard to the location of the embassy.

In fact, the President sent a letter to Sen. Moynihan (*note: will move with the waiver*) today to let him know that we consider the ideas he has put forward on steps we could take to be constructive and a good basis for discussion.

The Jerusalem Embassy Act granted the President the authority to waive the restrictions Congress created if doing so were in the national security interest. It is.

When the bill was presented in 1995, the President said he would use this waiver authority to prevent damage to the peace process.

In using the waiver, the President is complying fully with the law and his constitutional responsibilities, including his responsibility for the diplomatic and recognition policies of the United States.

How would moving the embassy harm our national security interests?

Every Administration since the founding of the State of Israel has deemed reaching a peace between Israel and her Arab neighbors to be crucial to the national security interest of the United States.

The United States is the intermediary in the negotiations between Israelis and Palestinians. Over the years, our role in advancing this process has been crucial.

As we enter a period with real potential to move this process forward toward agreements that provide real peace with real security, we cannot afford to jeopardize our role as trusted intermediary.

Our experience in the negotiations tells us that the moving of our embassy would damage the ongoing negotiations. And again, Presidents of both parties have agreed with that assessment.

Taking unilateral actions that would prejudice the most sensitive of the permanent status issues just when those negotiations are about to start will harm the process and would run directly contrary to our long-standing position that the parties themselves should avoid unilateral actions that prejudice the final status talks

How can we not recognize and move our embassy to the city that one of our closest allies considers its capital? Isn't Israel the only country where our embassy is not in the country's self-proclaimed capital?

Our relationship with Israel is uniquely close and our commitment to Israelis rock-solid. We are proud of that. The strength of that commitment will never wane under this Administration.

But that is not the issue here. In addition to our deep commitment to Israel, we have a responsibility to do all we can to help the peace process succeed.

Moreover, reaching a comprehensive peace between Israel and her neighbors is in the national security interest of the United States and has been under all U.S. Administrations, Democrat and Republican.

For the record, U.S. embassies to at least seven countries are currently in cities other than the capitals.

What is your position on Jerusalem? You used to say the USG supported an undivided Jerusalem. Now you are mum. Have you changed your stance?

Our position has not changed.

Israel and the Palestinians have agreed that Jerusalem would be one of the issues covered in the permanent status negotiations. We should respect that decision.

What will you do if Congress passes new, even more restrictive legislation?

I am not going to comment on things that might or might not happen.

We held discussions with Congress on this issue, one which we recognize is of great interest to the Members. We are ready to continue those discussions. But we need to use the waiver now to preserve our access to funds necessary to protect our personnel and missions abroad from security threats.

But as I said, we have a responsibility to the peace process and to the two parties to do all we can to help them reach agreements that can provide real peace with real security.

What is the status of the Ambassador's apartment in Jerusalem? Is it a secondary residence? Have you raised the profile or enhanced the diplomatic uses of that facility to try to satisfy Congress and others who want to see the Embassy moved?

U.S. Ambassadors to Israel have routinely leased a hotel apartment or suites for their use in visits to Jerusalem and for security convenience and meetings. That continues to be the case.

Maintaining these arrangements as we have does not represent a change in our position on the issue of moving the Embassy from Tel Aviv to Jerusalem.

The current apartment - located at the Hilton Hotel - is being used in the same manner as previous apartments or suites at other hotels. This apartment is not a secondary residence. The Ambassador's only residence is in Hilton.

Aren't you effectively giving the Palestinians a veto over this issue by falling back on this desire not to prejudge the outcome of negotiations?

No.

We need to promote this peace process. That is entirely consistent with our unshakable commitment to Israel.

The parties must settle their differences only through negotiations.

I would also remind you that this is the same principle we used to help prevent a unilateral declaration of a Palestinian state in May. The principle's value is clear.

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

June xx, 1999

STATEMENT BY THE PRESS SECRETARY

Today, the President exercised his waiver authority provided under the Jerusalem Embassy Act of 1995. The President made this decision in order to protect two critical national security interests: preserving the prospects for a comprehensive, just and lasting peace between Israel and its neighbors and safeguarding U.S. personnel and missions from terrorist threats. The President took this action at this time because, absent the waiver, the Act would have denied the Department of State further access to funds necessary to protect our missions and personnel worldwide.

The pursuit of Israeli-Palestinian peace has been a consistent, bi-partisan objective of the United States. Israelis and Palestinians have agreed to include Jerusalem among the issues to be covered in their permanent status negotiations. At a time when there is real potential for movement on the peace process, and as we look forward to the start of those crucial negotiations, the United States should not be taking steps of its own that prejudice those negotiations and make them more difficult. The differences that remain between Israelis and Palestinians can only be resolved through direct negotiations and the United States should do everything it possibly can to facilitate their success.

#

IRAN: ARREST OF MEMBERS OF IRANIAN JEWISH COMMUNITY

June 8, 1999

Do you have any information regarding members of the Jewish community in Iran being arrested on charges of spying for the US and Israel?

We are aware that thirteen members of the Jewish community have been arrested and are expected to be charged with espionage for Israel and the United States. The arrests send a very disturbing signal.

We call on the government of Iran to ensure no harm comes to these individuals and to release them.

(If asked)

When did the US know about the arrest, and what actions have we taken?

We learned about the arrests in April and have been monitoring the situation closely since then. We treated this matter with discretion at the request of those who were directly involved in attempting to seek the release of the individuals.

Now that the issue is in the public domain, we believe it is the right time to speak out.

(If asked)

Who is the USG in touch with regarding these prisoners?

There are a number of groups who are following this issue.

I do not have any further information.

(If asked)

What is the State Department's view on Representative Sherman's resolution condemning Iran for the arrests, demanding their release, and condemning Iran for religious persecution?

I have not seen the latest text of Representative Sherman's resolution. We share his concerns about these individuals and the Iranian government's treatment of religious minorities.

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

June 8, 1999

STATEMENT BY THE PRESS SECRETARY

Actions by Iran Against Jews

The United States is deeply troubled by the Government of Iran's recent arrest of thirteen members of the Jewish community, including several religious leaders, and yesterday's announcement that they have been charged with espionage on behalf of the United States. These charges are entirely without foundation. We call on the Government of Iran to uphold its stated commitment to protect the rights of all religious and ethnic minorities by releasing these individuals and ensuring that no harm comes to them.

#

INDONESIA: COUNTRY-WIDE ELECTIONS

June 9, 1999

CONTEXT: *Indonesians went to the polls in large numbers June 7 in the first country-wide elections since 1955 in which the outcome was not known in advance. Voter participation nationwide was high, although widespread boycotts were reported in two troubled provinces, East Timor and Aceh. Violence on election day was minimal. Preliminary, unofficial indications are that the party of Megawati Sukarnoputri, daughter of former President Sukarno, is doing well in many parts of the country, but vote tabulations are taking longer than expected and it will likely be several more days hours before a clearer picture emerges. At this point, there is no reason to suspect foul play in connection with the slow vote count.*

Your assessment of the Indonesian elections?

We welcome the fact that Indonesians voted in apparent record numbers on June 7 in Indonesia's first genuinely openly-contested elections since 1955. These elections are an important first step -- but only a first step -- in Indonesia's democratic transition.

According to preliminary reports from International and domestic election observers, the balloting was carried out in a generally peaceful and orderly manner.

The vote tabulation is taking longer than National Election Commission officials had expected, and it may take several more days for results to come in.

It will be important for the ballot counting to be conducted impartially, and for the Indonesian National Election Commission to be able to address disputed results in a credible manner.

Early reports are that opposition leader Megawati is leading nationwide Any views?

Let's wait until the results are in.

You said the ballot tabulation is taking longer than expected. Any reason to suspect manipulation or foul play?

At this point, no. Although the logistical challenges facing election officials are considerable, we urge them to expedite the count as much as possible.

NATIONAL MISSILE DEFENSE (NMD)

June 4, 1999

CONTEXT: Our goal is to get the President to sign before he goes to the G-8 Summit next Wednesday, but we are still waiting to receive it from the Clerk's office, so the 10-day clock has not started yet.

When will the President sign the National Missile Defense bill?

Bill has not been received at the White House yet.

Once bill is received, President has 10 days to sign.

We have said publicly that the President will sign.

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Statement by the President

Today, I am signing into law H.R. 4, the "National Missile Defense Act of 1999." The Administration is committed to meeting the growing danger that rogue nations may develop and field long-range missiles capable of delivering weapons of mass destruction against the United States and our allies, and I commend Congress for passing legislation on this important issue.

Section 2 of this Act states it is the policy of the United States to deploy as soon as technologically possible an effective National Missile Defense (NMD) system capable of defending the territory of the United States against limited ballistic missile attack, with funding subject to the annual authorization of appropriations and the annual appropriation of funds for National Missile Defense. By specifying that any NMD deployment must be subject to the authorization and appropriations process, the legislation makes clear that no decision on deployment has been made. This interpretation, which is confirmed by the legislative record taken as a whole, is also required to avoid any possible impairment of the President's constitutional authorities.

Section 3 of this Act states it is the policy of the United States to seek continued negotiated reductions in Russian nuclear forces. Thus, section 3 of the bill puts Congress on the record as continuing to support negotiated reductions in strategic nuclear arms, reaffirming this Administration's position that our missile defense policy must taken into account our arms control objectives.

Next year, we will, for the first time, determine whether to deploy a limited national missile defense when we review the results of flight tests and other developmental efforts, consider cost estimates, and evaluate the threat. In making our determination, we will also review progress in achieving our arms control objectives, including negotiating any amendments to the ABM Treaty that may be required to accommodate a possible NMD deployment.

PUERTO RICO – VIEQUES TARGET RANGE PROTEST

June 8, 1999

CONTEXT: On April 19th, U.S. jets conducting night bombing practice at the Navy bombing range on Vieques Island in Puerto Rico dropped two 500-pound bombs on the range observation tower, killing one and injuring four Department of the Navy contract employees. Vieques, a small island with a population of roughly 9,500 is two-thirds U.S. Government owned. The live bomb impact area – where the accident occurred – is on the uninhabited end of the island. Although the incident occurred on the range complex and more than seven miles away from the closest civilian property, it has caused a political firestorm in Puerto Rico. Many have demanded a permanent cessation to DOD's use of the target complex and maneuver ranges on Vieques. Others seek an end to the use of live ordnance on Vieques. The national security interest in Vieques is that it is the only target range in the U.S. where aircrew can practice live ordnance deliveries from high altitude, and is the only live range for the joint training of our East Coast Carrier Battle Groups who deploy to the Mediterranean or Southwest Asia. It is used for the combined air-land-sea coordination of ordnance delivery, and as part of the Roosevelt Roads training complex, and is the largest open-ocean/airspace training area on the East Coast of the United States.

Points:

We are all saddened by the loss of life and injuries caused by the tragic accident in April.

In view of the accident, the Navy has temporarily ceased training on the Island pending the results of investigations into the incident.

Refer to Navy for further information on this investigation.

In the wake of the accident, Secretary Cohen tasked Secretary Danzig and the Navy to formally review range complex use, including options to reduce the frequency of live ordnance delivery there, and to determine what additional safety measures can be implemented to ensure the safety of employees and local residents.

Refer to DOD for further information on this study.

Today the President has asked Secretary Cohen to establish a formal panel to review Puerto Rican concerns as well as national security requirements; that panel will have a non-DOD, non-military affiliated member.

The President hopes that the panel will report it's finding back to Secretary Cohen in August, so that the Defense Department can make its recommendation for further action.

The Navy has notified Governor Rossello that the next pre-deployment utilization of the Atlantic Fleet Weapons Training Facility in Puerto Rico is scheduled to begin on June 21st. The Navy does not plan ordnance delivery on Vieques Island during this training.

We appreciate the support the citizens of Puerto Rico and its elected officials have given to our

national security readiness training, especially during this time of ongoing operations in Kosovo and Southwest Asia.

During this period of investigation and review, we urge that citizens avoid the live impact area at the Vieques Island complex because of the serious danger posed by unmapped ordnance there.

Appreciate the cooperation of the residents of Vieques Island, the citizens of Puerto Rico and its elected leaders with Secretary Cohen and Secretary Danzig's investigation.

Refer you to DOD for additional information.

COMPUTER EXPORT CONTROLS

June 9, 1999

Is the WH considering a change to Tier 2 computer controls in advance of the meeting with computer CEOs on the 11th?"

The issue is under review, but we do not anticipate a decision by the end of the week.

John Podesta plans to meet with industry leaders this week and we expect that they will raise this issue, among others.. We want to hear all sides before reaching a judgement on the best course to help U.S. industry remain competitive while also protecting our national security.

We are very mindful that technology continues to advance and we have to be sure that our export controls keep pace with industry advances, consistent with our national security concerns.

What are you going to do about Tier III countries?

Right now what is being discussed within the interagency is adjustments for Tier II countries.

Remember, we are facing a situation which could restrict the export of computers with updated chips that you can buy at your neighborhood computer store. We want to be sure that export controls keep pace with practical changes in the marketplace, consistent with our national security concerns, and can be reasonably enforced.

Background for Briefer: Tier II countries include, for example, Latin American countries, those between NATO countries (Tier I), but not those facing the most stringent conditions, such as China (Tier III).

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Erica S. Lepping@EOP@LNGTWY@LNGTWY (Erica S. Lepping@EOP@LNGTWY@LNGTWY [WHO])

CREATION DATE/TIME:10-JUN-1999 14:20:35.00

SUBJECT: today's press guidance

TO: Mark J. Bernstein@eop (Mark J. Bernstein@eop [WHO])

READ:UNKNOWN

TO: Philip J. Crowley@eop (Philip J. Crowley@eop [NSC])

READ:UNKNOWN

TEXT:

Message Creation Date was at 10-JUN-1999 14:13:00

Press Guidance

Thursday, June 10, 1999

Domestic/Economic

1. Africa !) Trade
2. China !) Trade
3. Cops
4. Guns -- see Podesta letter and DPC chart
5. Hormel -- and see Podesta letter and new paper in hard copy
6. Japan GDP
7. Lamb Imports
8. Medicare
9. Millennium
10. Patients Bill of Rights
11. Police Integrity/Racial Profiling
12. Ruff
13. Social Security
14. Y2K -- and see SAP

Foreign

Kosovo

1. Kosovo (updated)
2. Russia/Kosovo
3. War Powers Lawsuit (updated)

India/Pakistan

4. India-Pakistan/Kashmir Fighting (updated)
5. India-Pakistan/Sanctions Legislation

China

6. Passage of Cox/Dicks Amendment (updated)
7. Chinese Dissident (new)

- Misc.
8. Jerusalem Embassy Act
9. Indonesia/Elections
10. Haiti (new)
11. NMD
12. Computer Export Controls

===== ATTACHMENT 1 =====
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TYPE : FILE
NAME : China.0608.doc

TYPE : FILE
NAME : cops.0610

TYPE : FILE
NAME : hormel.etc.0609

TYPE : FILE
NAME : HORMEL.short
DATE : bio.doc

TYPE : FILE
NAME : JIM
DATE : HORMEL.doc

TYPE : FILE
NAME : lamb
DATE : imports.0609.doc

TYPE : FILE
NAME : medicare.ju09.doc

TYPE : FILE
NAME : new
DATE : years press #3.0610

TYPE : FILE
NAME : Patients
DATE : Bill of Rights.0610.doc

TYPE : FILE
NAME : police.0609

TYPE : FILE

NAME : Police
DATE : Int.0526

TYPE : FILE
NAME : Chuck
DATE : Ruff.0610

TYPE : FILE
NAME : REPLACEMENTlockbox.q&a2.0609

TYPE : FILE
NAME : y2k99guid.610.doc

TYPE : FILE
NAME : Jun10gui.doc

TYPE : FILE
NAME : japan.GDP.0610

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===== ATTACHMENT 2 =====

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===== ATTACHMENT 3 =====

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===== ATTACHMENT 4 =====

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===== ATTACHMENT 12 =====

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===== ATTACHMENT 13 =====

ATT CREATION TIME/DATE: 0 00:00:00.00

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===== ATTACHMENT 14 =====

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===== END ATTACHMENT 15 =====

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===== END ATTACHMENT 16 =====

===== ATTACHMENT 17 =====

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===== ATTACHMENT 18 =====

ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

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===== END ATTACHMENT 18 =====

Africa/Caribbean Trade
June 10, 1999

Background: Ambassador Barshefsky is testifying today before the House Ways and Means Trade Subcommittee on the markup of the Caribbean Basin Initiative and Africa Trade legislation.

Talking Points:

These two bills, the Caribbean Basin Initiative and Africa Trade Legislation will be of fundamental importance to improving and strengthening our trade relationships with Africa and the nations of the Caribbean Basin.

African Growth and Opportunity Act

- This bill is an historic opportunity for the U.S. to build a strong partnership with the countries of sub-Saharan Africa. It provides a framework to increase America's trade and investment with the region's emerging markets while helping millions of African families to transition from poverty to prosperity. It is important for the U.S. to lay the foundation for a new economic relationship with Africa. The African Opportunity and Growth Act is the next essential step. We urge Congress to expeditiously approve this bill, which will strengthen and develop a new U.S. trade policy with sub-Saharan Africa.

Caribbean Basin Initiative

- The prosperity and stability of the Caribbean Basin economies is a vital interest of the U.S. For over fifteen years, the CBI has been the centerpiece of our economic policies in the region, designed to develop bilateral trade and promote long-term growth in the region. It is a program of mutual benefit: it supports and helps diversify the region's economy, and at the same time stimulates mutual benefits. The enhancement of the program is one of our top trade priorities.
- CBI enhancement will create significant benefits for the Caribbean economies, and also to help them make the transition to the Free Trade Area of the Americas (FTAA). It will add to the existing products covered by the program apparel products, stimulating new value-added industries in the region, and increasing Caribbean competitiveness. Enhanced trade benefits to Caribbean Basin nations at this time is critically important in the aftermath of Hurricanes Mitch and Georges.
- We plan to work constructively with the members of the Subcommittee to shape a bill that the President can sign this year. We are committed to work together to find ways to address challenges in areas of labor conditions and textile coverage. The Administration wants to engage with the members on this committee and believes that an acceptable compromise can be reached.

China – Trade
June 8, 1999

Q: Have you set a date to return to the negotiations?

A: We have clear indications that China remains very engaged in this process, and very interested in joining the WTO this year. At this juncture, we have not set a date to reconvene negotiations. We do believe that it is in our interest, China's interests, and the global trading system's interest to move forward in these negotiations as soon as feasible.

Q: Does this mean you are abandoning a one-vote strategy?

A: Let's not let the process get ahead of the substance. We need to conclude a commercially viable agreement. We hope to conclude it in time for consideration before the annual MFN process has ended.

Q: Why did the President renew NTR for China?

Extending to China the same normal trade relations we have with virtually every country in the world will enhance American prosperity and promote economic reform and openness in China.

Revocation would rupture our relationship with a fifth of the world and thus jeopardize both our political and economic security.

An estimated 400,000 U.S. jobs depend on exports to China and Hong Kong. China is our 4th largest trading partner. Our exports to China have more than quadrupled over the past decade to \$14.3 billion. Revoking NTR would lead to a trade war that would undermine all of this.

Revocation of NTR would derail efforts to conclude WTO talks that will open China's markets and make it subject to global trade rules. Revocation would hurt U.S. consumers who could pay upwards of half a billion dollars more in a single year due to higher American tariffs on Chinese exports such as shoes and clothing.

Broad foreign policy goals also affected. Hong Kong handles almost half of U.S.-China trade. Revocation would weaken Hong Kong by slashing its trade, eliminating tens of thousands of jobs, cutting economic growth, and slashing income. Revocation would also damage Taiwan's economy, with \$20-30 billion invested in the PRC.

High stakes in U.S.-China relations. We have serious differences to deal with -- human rights and espionage -- but can't let these differences prevent us from promoting our own interests. A trade war would be a body blow to engagement. But engagement is producing tangible results by contributing to regional economic and political stability in Asia, by strengthening

nonproliferation regimes such as the NPT, CTBT, CWC, and BWC, and by improving China's export control regime.

Q: Recent press reports indicate that China is distancing its government from offers put forward during the Premier's visit. Is this your view?

A: We hope that China is prepared to reconvene talks soon. Obviously, we also want to reconvene discussions when it is possible to achieve progress in the negotiations. We do not place much credence in particular reports about one issue or another. Public posturing is a part of the negotiating process. The focus of our discussions has been in the areas where we identified our differences during the Premier's visit.

Q: Will the U.S. "soften" its WTO demands in response to the Embassy bombing and the Cox Report?

A: No. China is well aware of the commitments that must be undertaken to achieve WTO accession, and these conditions are clearly outlined in our fact sheet. There are unresolved differences in front of us which must be addressed in banking, securities and audio-visual trade as well as the application of special trading rules for dumping and to protect against import surges.

GUIDANCE ON COPS

JUNE 10, 1999

(A few weeks ago, the Senate voted against including the COPS extension in the juvenile crime bill. Yesterday, a Senate Approps Subcommittee zeroed out money for it.)

- One of the first casualties of the Republican budget is the COPS program, which has already funded 100,000 police for our communities. The President has proposed renewing the program so that we can both extend the ability of economically distressed communities to retain the police they have hired, and so that we can help communities hire or redeploy between 30,000 and 50,000 additional law enforcement officers.

In addition, this bill would require significant reductions to other law enforcement, including FBI and DEA.

When you consider the President's actions and when you consider what's going on in the Congress on this and on guns legislation, one thing is clear:

The President wants more cops on the street and fewer guns. They want fewer cops and more guns. We think they need to start listening to the American people and switch those priorities around.

Q: How many cops are there?

A: Of the 100,000 officers funded, more than 50,000 officers are already on the beat helping to fight crime. The rest will join them shortly: recruiting, screening, hiring and training new officers takes between 12-18 months, and many officers we've funded are currently in the pipeline.

Q: Isn't it true that some police departments have misused their COPS funds and not used them to hire new officers?

A: Over 11,300 state and local law enforcement agencies across the country receive COPS funding. Only about one percent of these jurisdictions have been found to misspend the money, and the COPS Office is working with every local agency to resolve outstanding issues to make sure that funds are spent properly. Also, it should be noted that use of a portion of COPS money for purposes other than hiring new officers -- such as buying new technology to allow current officers to get out on the street -- is completely appropriate.

Q: How do you know that the COPS Program is actually helping to drive down the crime rate?

A: There is no question that the COPS Program is helping to reduce crime and improve public safety across the nation. Numerous police chiefs can attest to the positive impact the COPS Program has had in helping them fight crime and bring the violent crime rate down to its lowest level in a quarter of a century. Crime is down in all categories and in every region of the country. And community members, mayors, and other elected officials will tell you the same thing: COPS has made a difference.

While the COPS Program is certainly not the sole reason for the drop in our nation's crime rate, it has been an important part of our overall crime strategy -- along with keeping guns off the street and out of the hands of criminals, tougher punishment for hardened criminals, and smarter prevention for our young people to avoid crime in the first place.

GUIDANCE ON HORMEL/RECESS APPTS
JUNE 9, 1999

Q: Why did the President take the extraordinary step of recess appointing James Hormel?

A: The President believes that Mr. Hormel is uniquely qualified to serve in this position.

He has the strong support of Secretary Albright and former Republican Secretary of State George Schultz. He was supported by an overwhelming majority of the members of the Senate Foreign Relations Committee and his nomination was favorably voted out of that committee. An overwhelming majority of Senators have supported his nomination -- more than 60 -- and had the Senate provided him a vote, he would have been confirmed. The Government of Luxembourg "welcomed" his nomination.

The only reason he has been denied an up or down vote in the Senate is because a few senators objected to his nomination because he is gay. The President thinks that this is wrong and discriminatory.

It is not too late for the Senate to give Mr. Hormel the up-or-down vote he deserves, and we think they ought to do it, as a matter of basic fairness.

Q: What's your reaction to Senator Imhofe's threat to hold up every Administration nomination?

A: It's irresponsible for one senator to think that he can hold the Senate, the Administration, and these appointees hostage because he is unhappy with one appointment.

Q: But didn't Senator Byrd do the same thing when he was Minority Leader in 1985 and the President was Reagan?

A: No. First, there is absolutely no comparison between President Reagan's, and for that matter, President Bush's use of the recess appointment authority and that of President Clinton. Mr. Hormel was President Clinton's 58th recess appointment. President Reagan made 239 recess appointments. And President Bush in only four years made 78, substantially more than President Clinton.

Second, Senator Byrd did not hold appointments hostage. He did not hold up appointments. He was dealing with a President who made wholesale use of recess appointments and was not consulting or notifying the Senate before he did so. So Senator Byrd made a complaint and worked out an agreement under which he would be notified of recess appointments before they took place.

The fact is, we already do that. We notify the Majority Leader before we make a recess appointment, and we did so in the case of Mr. Hormel.

Finally, Senator Byrd's complaint was that President Reagan was routinely circumventing the Senate's confirmation role. We're not doing that. We want the Senate to act. We want them to vote up or down. If we don't have a majority in support of a nominee, the Senate has a right to vote him down. But they are obliged to vote.

The fact is, the Foreign Relations Committee acted on this nomination nearly two years ago. We did not circumvent the process, they did.

Q: Did you notify any other Republicans?

A: We notified the appropriate leaders, and that included Senator Lott.

Q: So what are you going to do about this?

A: We are going to continue to push the Senate to do the right thing, and I think you will find that Democrats in the Senate are very unhappy about this and will not simply accept the Senate's confirmation process being held hostage by one senator.

TOIV/Johnson, Socarides, etc.

HIGHLIGHTS OF JAMES C. HORMEL'S CAREER

Accomplished Businessman:

- Chairman of the California investment firm Equidex, Inc.
- Member of the Board of Directors of the San Francisco Chamber of Commerce
- Received Outstanding Leadership Award from Golden Gate Business Association (1995)

Lawyer and Educator:

- J.D. from University of Chicago Law School
- Member of the Board of Managers of Swarthmore College (his alma mater)
- Dean of Students and Assistant Dean at University of Chicago Law School (1961-1967)

A Commitment to Public Service:

- Served in U.S. Coast Guard (active reserve) from 1951-1957
- Confirmed by the Senate in 1997 to serve as alternate representative of the U.S. delegation to the 51st United Nations General Assembly
- Served on U.S. delegation to 51st U.N. Human Rights Commission in Geneva in 1995
- Established the James C. Hormel Public Service Program at the University of Chicago Law School to encourage law students to go into public service
- Received the Public Service Citation from the University of Chicago Alumni Association

Community Activist:

- Honored by Breast Cancer Action for his leadership in the Men's Campaign Against Breast Cancer
- Member of the Board of Directors of the American Foundation for AIDS Research
- Member of the Board of Directors of the Human Rights Campaign
- Founding Director of the City Club of San Francisco, a club created to bring together community leaders of diverse backgrounds.
- Member of the Board of Directors of the San Francisco Symphony

Philanthropist:

- Received the Silver Spur Award for Civic Leadership from the San Francisco Planning and Urban Research Association (1995).
- Received the Tiffany Award for philanthropic achievement (1995).
- Named Outstanding Philanthropist by National Society of Fundraising Executives (1996).

JIM HORMEL: FACT & FICTION

James C. Hormel has been nominated to serve as United States Ambassador to Luxembourg. He is eminently qualified for this important position. He is a prominent civic leader and diplomat. He has served as Alternate U.S. Representative to the United Nations General Assembly, for which the Senate confirmed him in May 1997, and as a member of the U.S. Delegation to the United Nations Human Rights Commission. In November 1997, his nomination to be Ambassador was approved by the Senate Foreign Relations Committee. Several Senators, however, have delayed a vote by the full Senate to confirm his nomination. A number of misrepresentations and false characterizations have surfaced. Here is the truth.

FICTION: *Jim Hormel is anti-Catholic and supports an anti-religious agenda. His nomination is viewed as an insult to the citizens of Luxembourg, most of whom are Catholic.*

FACT: Hormel has stated: "I am deeply offended by any efforts to attack people on the basis of their religion." Hormel strongly opposes all forms of discrimination, including that based on religion. The source of this fiction is videotape of a San Francisco parade, in which a group of men dressed as nuns walked past a television broadcast booth in which Hormel happened to be sitting, during an interview with a local reporter.

Religious leaders of many denominations support Hormel's nomination, and several, including Bishop William Swing and the Reverend Cecil Williams, have written on his behalf, as has the Anti-Defamation League of B'nai B'rith. The government of Luxembourg has given its official approval to the nomination, and Luxembourg citizens have expressed their support in local publications.

FICTION: *Jim Hormel supports a radical homosexual agenda and will use his role as Ambassador to advance that agenda.*

FACT: In a letter to Senator Gordon Smith, Hormel wrote, "I will not use, nor do I think it is appropriate to use, the office of ambassador to advocate any personal views I may hold on any issue." And further, "I assure you that my public positions will be those of the United States."

Hormel is a businessman and lawyer with more than 30 years of commitment to public service. He holds a firm belief in the importance of family and family values, which he has imparted to his five children and 13 grandchildren. He has served on a variety of boards and commissions, including the San Francisco Chamber of Commerce, the San Francisco Symphony, Swarthmore College, and KQED, San Francisco's public television station. In these positions Hormel has consistently represented the interests of the organizations.

Although he is not obligated to do so, Hormel has even pledged to discontinue many of his public service and philanthropic activities after confirmation, in order to underscore his commitment to representing only the interests of the United States government during his tenure as Ambassador.

FICTION: *Jim Hormel placed pornographic and other offensive material in the San Francisco Public Library.*

FACT: Opponents of Hormel's nomination have twisted the facts. Hormel contributed to the construction of the new San Francisco Public Library, which includes a gay and lesbian collection. That part of the facility subsequently was named in Hormel's honor. He has never had, nor has he ever requested, any input or control over what materials are or are not included in the collection. Indeed, most of the material in question can also be found in the Library of Congress.

William R. Gordon, the Executive Director of the American Library Association, in a recent letter to members of the Senate, stated, "It is a grievous wrong for a few Senators to block the vote on Mr. Hormel's nomination to be Ambassador to Luxembourg on the basis of unfounded and malicious accusations about the selection of certain works in this research center. Mr. Hormel had no hand in selecting the materials he is accused of endorsing."

In response to the accusations that Jim Hormel advocates adult/child relationships, Hormel states unequivocally, "I abhor such relationships and repudiate organizations that encourage them. I find any insinuations to the contrary both offensive and baseless."

FICTION: *Jim Hormel promotes teaching the "gay lifestyle" to children through his support of a film entitled, "It's Elementary."*

FACT: Hormel provided only minor financial support for the film, which was funded primarily by the Columbia Foundation and the Ford Foundation. He had no input into its content, viewpoint, or distribution.

The film is a documentary, designed for school teachers and other adult professionals for the purpose of examining how homosexuality is addressed – or not addressed – in schools. It is a special resource for educators, parents, and other school administrators. It is not designed for children.

FICTION: *The nomination of Jim Hormel is a "pay-off" to the gay community.*

FACT: While Hormel has been a consistent supporter of President Clinton and the Democratic Party, he is eminently qualified to be Ambassador. His public activities over the years reflect his commitment to representing all Americans. Hormel is a prominent civic leader and diplomat. He has served as a member of the U.S. Delegation to the United Nations Human Rights Commission in Geneva,

and as Alternate U.S. Representative to the United Nations General Assembly, for which the Senate unanimously confirmed him in May 1997.

His nomination has received broad, bi-partisan public support. Republican Senators Orrin Hatch and Gordon Smith joined democratic Senators Dianne Feinstein, Joseph Biden, and Robert Torricelli in a letter to their Senate colleagues in February, stating their support and expressing their hope for an early vote by the full Senate. Former Republican Secretary of State George Shultz and his wife Charlotte wrote to Senator Lott, " We recommend him to you because we believe he would be a wonderful representative for our country." Hormel's qualifications have been acknowledged in editorials and op-ed columns from coast to coast, including the Wall Street Journal, Boston Globe, New York Times, Washington Post, Detroit News, Chicago Tribune, Arkansas Democrat-Gazette, Tulsa World, Fort Worth Star-Telegram, and San Francisco's Chronicle and Examiner.

Secretary of State Madeleine Albright, under whom Hormel served at the United Nations, stated, "In both positions [at the United Nations] and through his lifelong philanthropic activities, Mr. Hormel has demonstrated outstanding diplomatic and leadership skills. He will be an excellent U.S. Ambassador to Luxembourg."

FICTION: *Jim Hormel's public activities and projects are outside the interests of and repugnant to "mainstream" Americans.*

FACT: Hormel's public activities and projects span the spectrum of American life and exemplify the diversity of his personal and professional interests, as well as his commitment to helping people build stronger, safer communities for themselves and their families. A representative sample of organizations which he has supported includes: Swarthmore College, Virginia Institute of Autism, San Francisco Museum of Modern Art, Breast Cancer Action, American Foundation for AIDS research and a variety of AIDS organizations, Catholic Youth Organization, San Francisco Ballet, American Indian College Fund, Human Rights Campaign Foundation, GLIDE Memorial Church, Institute of International Education, Jewish Family and Children's Services, National Association for the Advancement of Colored People, University of Chicago Law School, and the San Francisco Symphony.

Less than 20 percent of Hormel's charitable giving has gone to gay causes.

FICTION: *Jim Hormel's partner will be given official duties at the Luxembourg Embassy.*

FACT: Under State Department regulations, unmarried companions are not eligible family members for purposes of travel, allowances, or other benefits, and no official responsibilities are assigned to any spouse or unmarried companion, regardless of gender or sexual orientation.

Hormel's partner, Timothy Wu, is a Harvard-educated lawyer, a summa cum laude graduate and former trustee of Princeton University, a director of a major non-profit social service agency, and a mayorally appointed Commissioner in San Francisco. His current professional and volunteer schedules preclude him from leaving California for any long duration.

Lamb Imports
June 9, 1999

Q: Why is the President's 201 decision on lamb still held up?

A: This is a complex issue. The President and the Administration are continuing to review various options. We will announce a decision when that decision has been made. [We expect to make an announcement soon/tomorrow.]

Q: Isn't there a statutory deadline with regard to this decision?

A: There is a statutory period in which we do try to make these decisions. However, going a day or two beyond that won't have any impact on the President's authority to go forward with whatever relief he decides is appropriate.

Q: So, you're saying you don't expect any legal consequences associated with the delay in making this decision?

A: We don't expect any.

QUESTIONS AND ANSWERS ON MEDICARE REFORM

PRESCRIPTION DRUGS

Q: Now that you can get to 2020 solvency without using all of the 15 percent of the surplus, are you now going to use some of the surplus for prescription drugs?

A: I have proposed to dedicate 15 percent of the surplus to strengthen the Medicare program. I believe a new prescription drug benefit should be included as part of, not independent from, a broader set of reforms for the Medicare program. We will announce the details of the financing when I unveil my proposal sometime this month.

FOLLOW-UP

Q: Are you denying that some of the surplus will be used for prescription drugs in the President's proposal?

A: I am not going to go into any details about Medicare reform until I make my own decisions, which will be after I return from my trip.

Q: Can you confirm that your prescription drug benefit will be between \$10 and \$25 , as reported in today's *New York Times*?

A: I am not going to discuss details on this or any other aspect of my Medicare reform proposal other than to say that this story is wrong. It would be impossible to provide for a meaningful benefit for a \$10 premium without a fiscally imprudent expenditure of Federal dollars. As has been indicated by members of my staff previously, we are designing the Medicare prescription drug benefit to be significantly less costly than what is available in the Medigap market – about \$90 per month.

Q: What will the design of the drug benefit be? How will it be financed and administered?

A: We are not releasing any information on the design of the drug benefit or any other aspect of our Medicare reform proposal. There are still final policy decisions that need to be made, and no one in the Administration will release this or any aspect of the reform proposal until I make my announcement, which will be the end of this month.

Q: Is anyone in the Administration attempting to pressure the Medicare actuary to produce savings projections?

A: Such a suggestion is ridiculous. No one in this Administration has or would pressure the Medicare actuary to do anything. Rick Foster is respected throughout the Administration, the Congress, and the health policy and academic community.

Q: What are the secret documents mentioned in the *New York Times* story today, and do they outline the design of your drug benefit?

A: The documents that appear to have been cited in this story are materials that have been produced as background information on the need for a prescription drug benefit and recent trends in coverage. They have been available to the media, the Congress, and throughout the Administration for a number of weeks. They are not secret, and they do not provide any information about the design or cost or administration of the drug benefit.

Q: The Breaux-Thomas proposal did not provide a prescription drug benefit to all beneficiaries because over 60 percent of beneficiaries already have some form of coverage. Won't your proposal replace private sector dollars with a large government subsidy?

A: No. We know that today, over 15 million Medicare beneficiaries do not have prescription drug coverage at all, and we know that millions more will lose their coverage as private insurance becomes more expensive and less accessible. This comes at a time when prescription drugs have never been more important to basic health care. For this reason, my drug proposal will be available and affordable to all Medicare beneficiaries.

Q: How do you reconcile a brand new entitlement with the need to constrain the growth of the Medicare program?

A: It's widely acknowledged by conservatives and progressives alike that you cannot modernize the Medicare program without including a Medicare prescription drug benefit. Prescription drugs today are as important as hospital care was when Medicare was created. This can be done in a way so that both the government and beneficiaries share the cost. It also would take advantage of private sector management approaches that can constrain the cost of purchasing these needed medication without the use of price controls. This benefit will be fully financed in my overall Medicare reform plan.

PLAN CONTENT

Q: You've indicated that you want to modernize the program and make it more competitive. Does that mean that your proposal will include a premium support mechanism (or a similar provision) ?

A: We need to inject more competition into the Medicare program, for both the traditional fee-for-service program as well as the managed care plans serve beneficiaries. As we have mentioned, we believe that the premium support proposal advocated by Senator Breaux and Congressman Thomas suffers from serious flaws, including consequence of higher premiums for the traditional program. We support competition based on choice, not based on the financial coercion that results from these higher traditional program premiums. We do need to inject more market oriented approaches into the Medicare

program, and we are reviewing the best options to achieve that goal while still protecting beneficiaries from excessive increases in out-of-pocket costs.

Q: How do you respond to the GAO and CBO's contention that your proposal to dedicate some of the surplus to Medicare does not represent real reform?

A: I believe that preparing the Medicare program for the next century will require both additional revenue and reforms to make the program more competitive. In the State of the Union, I set out a plan to provide the program with the necessary new funds and proposed working on a bipartisan basis to develop appropriate reforms. I believed that it was appropriate to await the recommendations of the Commission before proposing specific reforms. Now that the Commission has reported its recommendations, it is incumbent on me to submit my own proposal to modernize and strengthen the program, and as I have previously indicated, I plan on doing that in short order.

Q: Doesn't the recent Trustees Report eliminate the pressure to reform Medicare?

A: Absolutely not. Medicare reform is both about solvency and about making Medicare more efficient, equitable, and adequate in terms of benefits. Our successful stewardship of Medicare does not diminish the future challenges facing the program. Under any scenario, enrollment in Medicare will climb from 39 million to 47 million in 2010, and to 80 million by 2035. We must modernize and strengthen the Medicare program by making it more competitive and instituting the best market-oriented practices of the private sector, and as we have previously indicated, my plan will do just that.

PROVIDER CUTS IN REIMBURSEMENT

Q: Providers have been stating that the cuts in provider reimbursement in the Balanced Budget Act went too far and undermine their ability to provide quality care. Are you going to address this issue in your Medicare reform package?

A: We have consistently said if there is evidence that the Balanced Budget Act Medicare provider payment reductions threaten quality, access, and the ability of providers to deliver needed services, we would be open to considering changes to smooth out this legislation. We are currently evaluating all available evidence on this matter. If we determine there are problems, we will seriously consider administrative and/or legislative options to address these problems.

TALKING POINTS ON NEW YEAR'S EVE

These do not go further than what has appeared in print (W. Post, W. Times, WSJ) already.

- Yes, the White House, the city and our partners are planning a grand New Year's Eve celebration to welcome the year 2000.
- The events, under the title of America's Millennium, will be free and family-oriented.
- The White House Millennium Council, the National Park Service, the Smithsonian Institution, George Stevens, Steven Spielberg and Quincy Jones, with Mayor Anthony Williams and the city of Washington, DC, are joining forces to produce a celebration of American creativity and spirit, culminating in an uplifting Midnight Moment on the National Mall.
- The basic elements of the New Year's events are:

Exhibitions and activities for children and adults, on the National Mall, December 31, 1999 to January 2, 2000.

A free evening concert on the evening of December 31.

A new film by Steven Spielberg, with original score, shown outside on New Year's Eve.

Music, lights and celebrations after midnight!

Cultural events and public gatherings at DC institutions and buildings all over the city.

- The events will be privately funded by the America's Millennium Leadership Committee. (Terence McAuliffe and David W. Jones are raising private support for these events.)
- The City is an enthusiastic partner, working with private groups that promote the city as well as city agencies and institutions.
- The partners will be making a formal announcement, with more program details, soon.

**Patients Bill of Rights
Question and Answer
June 10, 1999**

Q: The House Republicans have introduced their own Patients Bill of Rights. Would you support this legislation?

A: First, let me say that we are glad that the House is engaging in this issue. We are convinced that there are a majority of members who support a comprehensive Patients Bill of Rights, and we are hopeful that the Republican leadership will help expedite Committee and floor consideration of this important legislation this summer. We are currently reviewing this Republican bill that was introduced yesterday, but we are concerned that it may not cover individuals in all health plans, have weak enforcement mechanisms that are unable to assure that patients are protected, and does not guarantee access to specialists. And finally, while we strongly support legislation assisting small employers in pooling together to purchase health insurance, we are concerned that the approach taken in this legislation will do more harm than good by segmenting healthy patients from sicker ones. Under any scenario, we don't believe that any bill, or any provision, should be attached to the Patients Bill of Rights legislation that would undermine its chance for passage.

Strengthening Community- Police Relationships
Questions and Answers
June 9, 1999

Q: Instead of simply collecting data, why didn't the President ban racial profiling outright?

A: As the President said today, racial profiling is wrong. Stopping or searching individuals on the basis of race is not consistent with our commitment to equal justice under law and is not effective law enforcement policy. For that reason, all federal law enforcement agencies already repudiate racial profiling as a legitimate law enforcement tool.

The real need—at the federal as well as the state and local levels—is to ensure that law enforcement officers act in accordance with their broad policies against racial profiling. In order to truly solve this problem, it is critical that we have the hard facts -- instead of mere anecdotes -- about when and where it occurs. Having this data can guide future proposals to combat this problem. That is why the President the ordered the federal agencies to take leadership on this issue and start to collect and report data on the race, ethnicity and gender of persons stopped and searched by federal law enforcement agents. Once the agencies have collected and reported on the data for a year, we will review the recommendations, based on this data, on how we ensure greater fairness in federal law enforcement's procedures.

Q: How does the Conyers legislation relate to the President's directive?

A: The President's directive will combat racial profiling by instructing the federal law enforcement agencies to collect and report data, the Conyers legislation seeks to assist state and local law enforcement agencies (who comprise the vast majority of law enforcement in this country) to collect and report similar data on traffic stops. The data collected under both the President's directive and the Conyers bill will give us a better national picture of law enforcement stops and searches, and the individuals who are subjected to them. In this sense, the two complement each other—and indeed, one reason the President issued his directive was to encourage states and localities to collect data about racial profiling and to push Congress to enact legislation to support there efforts. To best accomplish this goal, we do support some modest, but important revisions to the Conyers bill to ensure that the data collected is used for research purposes only -- and cannot be used in future lawsuits against police departments.

Q: Doesn't the federal government engage in a form of racial profiling right now—that is, doesn't the INS stop drivers at the border in part based on their ethnicity?

A: The question in INS searches is a complicated one, because national origin is an element of the criminal offenses that the INS investigates and ethnicity is obviously related to

national origin. It is critical, however, that the INS take every precaution against stopping or hassling drivers simply because they look Hispanic. We hope that the data collection and reporting efforts that the President is directing today will reveal whether and where INS officials have abused their stop and search authority in ways that unfairly target Hispanic individuals.

NOTE: Do not go near this topic unless explicitly asked about it.

Q: Do you have any comment on the *Louima* decision yesterday?

A: We hope and believe that yesterday's decision sends a strong signal to abusive and corrupt cops that illegal behavior and excessive use of force will not be tolerated. The vast majority of law enforcement do their jobs fairly and with honor -- which is why it is important for us to support these dedicated officers and acknowledge our gratitude to them for their service. But as a society, we must continue to send the message that we will not tolerate those officers who breach the public's trust by abusing their positions of authority. Yesterday's jury decision should have conveyed this message.

Q: Your directive refers to the creation of "field tests" to begin to collect data. Does this mean that the federal agencies don't have to cover all of the law enforcement agencies under their control? Can they exclude whole sub-agencies such as INS or Customs from the data collection directive?

A: The directive grants some discretion to the agencies in deciding the exact scope of their data collection and reporting systems. But agencies such as the Immigration and Naturalization Service, Drug Enforcement Agency, and Customs Service -- all of which conduct stops and searches of individuals as a matter of course -- clearly will be part of the first "field tests" implemented by the agencies.

Q: Can you comment on the status of the *Diallo* case?

A: The FBI, the U.S. Attorney for the Southern District of New York and the Justice Department's Civil Rights Division continue to work closely and actively with the Bronx District Attorney's Office on this investigation. However, given that this is still an active investigation, we cannot say anything more.

Q: In March, the President announced new initiatives to help build trust between police and the communities they serve. What is the status of these initiatives?

A: These initiatives are part of the 21st Century crime bill unveiled by the President last month. During consideration of the juvenile crime bill, the Senate missed an important opportunity to move forward on these important police integrity proposals. On a party

line vote, the Senate defeated an amendment by Senator Biden to authorize these and other policing initiatives proposed by the President. We will continue to urge the Congress to pass our police integrity proposals and 21st Century Policing Initiative as part of the appropriations process.

Q: What is the Administration's response to the juvenile crime/gun bill unveiled by Republicans last night?

A: Unfortunately, the Republican bill introduced last night confirms our worst fears about how Republicans in the House intend to proceed with juvenile crime and gun legislation. After pleading for more time to allow the Judiciary Committee to follow normal processes, the House Leadership is now planning to bring a partisan bill directly to the floor, with little or no opportunity for Democrats to debate the issues and offer amendments. But even worse, the House Republicans seem to be making whatever changes to the Senate bill that the NRA demands. The Republican bill apparently will not cover many events at which hundreds of guns are sold. It will not necessarily cover unlicensed sellers who walk around at gun shows with "for sale" signs on their backs. It will weaken Brady background checks at gun shows. And it will make it more difficult for law enforcement to trace many of the guns that are sold at gun shows and later used in crimes. We oppose this "Lautenberg Lite" version of the bill, and will work to amend the bill when it reaches the House floor. We should be strengthening the Senate-passed provisions, not emasculating them in order to please the NRA.

Police Integrity
May 25, 1999

Q: It is reported today that the one of the officers in the Louima police brutality case in New York will plead guilty. What can the federal government do to combat police brutality and misconduct?

A The federal government can play an important role to help state and local law enforcement to strengthen police integrity. The President announced policies to heighten police integrity in his 21st Century Law Enforcement and Public Safety Act. The bill includes:

(1) \$20 million increase for integrity and ethics training so that all 30 of our Regional Community Policing Institutes will be able to provide police integrity and ethics training. Currently, only two of the centers specialize in this crucial training.

(2) \$20 million to promote the best educated police force possible. The new \$20 million scholarship program will help current state and local police officers who are seeking to advance their education and skills.

(3) \$2 million for improved minority recruitment to help make sure police departments reflect the communities they serve; and

(4) \$5 million to expand citizen police academies which help to instruct residents on important police procedures – and also help to strengthen the bond between law enforcement officers and their communities.

These proposals are contained in the 21st Century Policing initiative, one of the titles in the President's crime bill. Last week, the Senate missed an important opportunity to move forward on these police integrity proposals when they narrowly defeated a Biden amendment to authorize the President's 21st Century Policing initiative on a largely party-line vote. We will continue to urge the Congress to pass our police integrity proposals and 21st Century Policing Initiative as part of the appropriations process.

In addition, in a few weeks, the Justice Department will host a conference on building police trust. The conference will bring together a wide variety of representatives from the law enforcement and civil rights communities to discuss the positive steps that can be taken to help foster and sustain trust between the law enforcement and the communities they serve.

Chuck Ruff
June 10, 1999

Q: What's the President's reaction to Chuck Ruff's departure from the White House, and how do you expect he will go about finding a replacement? Will he promote from within, or look outside?

A: I can confirm that Chuck Ruff, the President's able counsel, intends to leave his position later this summer, after more than two-and-a-half years of service to the nation. I think you all know how highly regarded Mr. Ruff is by the President, by all of us here at the White House, and by legal professionals and citizens all around the country. I'm sure the President will have more to say about Chuck Ruff's tenure when we get closer to the time of his departure.

As for the selection of a new counsel, I don't have any information for you at this time. We have only recently learned about Mr. Ruff's plans; there are several months before he leaves, so it's premature for me to speculate about who his replacement might be.

[FYI: Chuck has served about twice as long as prior Counsels in this administration. Past Counsels included: Bernard Nussbaum, Lloyd Cutler, Abner Mikva and Jack Quinn.]

**Social Security: Lock-box
June 9, 1999**

Question: What do you think of the Senate Republican Lock Box plan?

Answer: The President is committed to protecting Social Security and Medicare. In his State of the Union address, the President framed the national debate with a budget proposal based on core principles. He called for dedicating the new surplus to a lock box that would lower the nation's debt and extend the solvency of both Social Security and Medicare.

While we fully support locking away the surplus for Social Security and Medicare, we have strong reservations about the Senate Republican plan in particular for a number of reasons.

First, Secretary Rubin has made it clear that the way in which the Senate proposal establishes declining debt ceilings could create serious debt management problems for the U.S. These problems could potentially trigger debt crises and threaten the government's ability to pay Social Security benefits to millions of Americans.

Second, both the Senate and the House proposals do not extend the life of the Social Security trust fund by even one day. The House-passed proposal was a positive step because it adopted the President's call to dedicate the surplus to debt reduction. However, both the House and the Senate proposals fall short of the President's overall framework because they do not adopt his other core principles -- they do nothing to extend the solvency of Social Security or Medicare, and in fact would permit much of the surplus to be used first for a tax cut rather than Social Security or Medicare first.

The current design of their proposals risks the possibility of exacerbating an economic downturn and needs to be changed. The proposals must also do more ensure that the money they set aside for debt reduction today will actually be used for this purpose tomorrow. While the proposals are consistent with paying down the debt held by the public, they do nothing to ensure that the benefits of this debt reduction go to the Social Security and Medicare programs.

Q. What does the President think of Chairman Archer Social Security reform plan?

A: The President and Chairman Archer share the goal of looking for opportunities to broaden support for Social Security reform. The President still wants to get Social Security reform done, and feels that Chairman Archer, unlike some others, is trying to move the process forward. The President still feels that his framework—employing debt reduction to secure the solvency of Social Security's historic benefit, while creating

progressive USA accounts that are separate from the Social Security system—is still the best starting point for moving forward in a bi-partisan manner.

The President has told Chairman Archer that he respected that he was putting out a serious plan and that he would give it a serious policy review and that any comments or criticism would be constructive and on the policy merits.

GUIDANCE: MEETING WITH HIGH TECH INDUSTRY

June 10, 1999

Note that by the time the meeting happens, we may have had a vote on the Y2K bill in the Senate. Thus, you may be commenting on that as well. If, as expected, the vote is less than a veto proof majority (although it may be close), then our basic point on the vote should be:

The vote in the Senate [i.e., the failure to reach a veto proof majority] confirms our assertion of the importance of sitting down quickly with members of congress of both parties, the Administration, and industry to reach agreement on a bill that the President can sign. This vote demonstrates that such a resolution is the only way to avoid the politics of division -- to confirm to the American people and the affected industries that the mutual goal of Congress and the Administration is good governance -- solving this practical problem -- not creating political issues.

Background:

- This afternoon, Chief of Staff John Podesta, National Economic Advisor Gene Sperling, and VP Domestic Policy Advisor, David Beier, met with TechNet – a coalition of Silicon Valley CEOs.
- The purpose of the meeting was to discuss the prospects for legislation to address potential Y2K litigation problems and the R&E tax credit.
- In attendance were: [KALIL to provide.]
- After the meeting, the group is likely to talk to the press about the discussion – particularly as regards the Y2K legislation. In response, WH press should say:

Talking Points:

- Senior Administration Officials did meet with high tech leaders today. WH officials emphasized that the President is committed to responding to the challenges of governing by making good faith offers to resolve difficult problems.
- Some have rejected the President's overtures in favor of legislation that can not become law. We continue to stand ready to work with Members of both parties to fashion a bill that can be signed to address the potential risk of frivolous litigation arising out of the Y2K computer problem.
- WH officials expressed to the high tech leaders why we believe that the approach offered by Senator Kerry with bipartisan support (yesterday three Republicans – Roth, Shelby, and Spector voted for the amendment) was a good faith effort to narrow the differences. We look

forward to having a continued discussion that can produce a bill that can be signed into law this year.

- The Administration is puzzled by the continued insistence of some that the legislation contain features that the high tech community did not ask for, does not want, and does not need.
- We stand ready to talk about a bill that protects our economy and our consumers.
- We want a balanced bill that does not give bad actors a get out of jail free card.
- We want a bill that creates real incentives to remediate computer problems.
- But we will continue to oppose a bill that is designed to create a wedge issue and advance a tort reform agenda unrelated to the problem of potential frivolous Y2K litigation.

NATIONAL SECURITY AFFAIRS GUIDANCE

June 10, 1999

EUROPE/RUSSIA

Kosovo (updated)

Vieques Target Range Protest

Russia/Kosovo

Computer Export Controls

War Powers Lawsuit (updated)

NEAR EAST/SOUTH ASIA

**India-Pakistan/Kashmir Fighting
(updated)**

India-Pakistan/Sanctions Legislation

Egypt/Mubarak Visit Announcement

Jerusalem Embassy Act

Iran/Arrests

ASIA

**Passage of Cox/Dicks Amendment
(updated)**

Chinese Dissident (new)

Indonesia/Elections

INTER-AMERICAN

Haiti (new)

DEFENSE/NON-PROLIFERATION

NMD

FRY: KOSOVO
June 10, 1999

What evidence do you have that the suspension is justified?

NATO is satisfied that, as was required, Serb troops have begun a comprehensive pull-out from Kosovo. They have 11 days to complete their total withdrawal. We will be closely monitoring Serb compliance.

Let me remind you, this is only a suspension of the air strikes. NATO Secretary General Solana can resume the air campaign should it become necessary if Serbs do live up to their obligations.

Do you have Chinese agreement to support UNSCR?

We have been engaged with the Chinese and other Security Council members diplomatically, and do not believe that they will stand in the way of a UN resolution that advances the cause of peace in Kosovo.

When will US troops enter Kosovo?

U.S. forces are poised to enter Kosovo in the next several days, along with British and French forces. As I have said, the United States will contribute about 7,000 military personnel to KFOR.

Close to 30 countries have said they are willing to participate in the international security force commanded by British NATO General Mike Jackson. These include NATO members as well as non-NATO countries, like Argentina, Azerbaijan, and Ukraine.

What will be the command and control arrangements for US and NATO forces?

KFOR will have a unified command led by NATO general--LTG Jackson with robust NATO rules of engagement.

Do you have Russian participation in KFOR?

Would welcome Russian participation.

We and our allies are prepared to develop special command arrangements for a Russian

contingent, much as was done in Bosnia. DepSec Talbott is discussing such arrangements with the Russians in Moscow.

Will there be a Russian Sector?

No. As I have said, we welcome full involvement and participation by Russia in KFOR.

Are Russians playing a constructive role, or are they part of problem?

Russia was instrumental in getting Milosevic to agree to a diplomatic settlement; played a constructive role in finalizing G-8 text of UNSC resolution.

President Yeltsin has shown he is committed to resolving problems through engagement with West; good signal for long-term goals we seek to achieve.

How long will US forces be in Kosovo?

There are no artificial deadlines.

Our immediate priority is to move quickly into Kosovo to provide assistance to the internally displaced persons and establish a secure environment so that the hundreds of thousands of Kosovar refugees may return home.

We will reassess whether it is appropriate for NATO to begin drawing down its forces once there is a secure environment, the refugees have returned home and there are the appropriate security presence necessary to allow the Kosovars to live their lives with peace and dignity.

When will Serb forces reenter Kosovo? What will they be doing?

Serb forces will only reenter Kosovo with the permission of KFOR. It will only be a small number, hundreds not thousands, most of which will be involved in demining.

Does KFOR have authority to arrest war criminals? Will they?

KFOR has the same authority that SFOR has in Bosnia. This means that KFOR may detain any indicted war criminal it encounters in the course of its duties.

I would note that SFOR detained an indicted war criminal just three days ago. There is no statute of limitations for war crimes.

When will the first refugees return to Kosovo?

I know that the refugees are eager to go home. However, we want to ensure that KFOR is in

place and able to provide a secure environment before large numbers return.

The Kosovars have suffered greatly. Let me assure you that we want their return to be done in a way that minimizes risk to them..

As I have made clear, we will reverse ethnic cleansing.

Now that air strikes are suspended, does that mean the conflict is over?

Heartened by withdrawals and SYG Solana's decision to suspend: a major step in resolving the conflict.

Need to be prudent and cautious and vigilant in assessing FRY compliance with deal.

Suspend does not mean terminate and SYG Solana retains authority to resume.

Remember to be very careful with Milosevic.

Is it time to celebrate?

Time for optimism but prudence too.

Just a first step in an 11-day phased process.

CONTEXT: Deputy Secretary Strobe Talbott went to Moscow June 9 to discuss Russian participation in KFOR. Key issue is command arrangements that will assure unity of command while addressing Russian concerns. Trip follows up on G-8 agreement on UNSCR text and on President Clinton's phone calls to President Yeltsin on Monday and Tuesday. A column by Jim Hoagland in today's Washington Post asserts that the "payoff" to Russia for its help on Kosovo is unwarranted U.S. support for Yeltsin in Russian domestic politics

What did President Clinton talk about in his phone call to President Yeltsin today?

President Clinton called Yeltsin to congratulate him on his leadership and Russia's vital contribution, particularly the role of Special Envoy Chernomyrdin, in resolving the Kosovo crisis. Call lasted about 10 minutes.

President Clinton told Yeltsin that he looked forward to seeing him in Cologne, and to working together on other issues in U.S.-Russian relations. Both Presidents affirmed that strong U.S.-Russia relations are crucial to advancing the national interests of both our countries.

Yeltsin stressed that Russia shares with the U.S. tremendous happiness and pride in finding a solution to the Kosovo conflict that also allows our bilateral relationship to remain strong.

Are Russians going to participate in the Kosovo peacekeeping force?

As we have said, we would welcome Russian participation. Would make a valuable contribution, especially to reassuring ethnic Serbian population in Kosovo.

A team led by DS Talbott is in Moscow today to begin discussing the details with the Russian government.

If asked—Will the Russians have their own sector? Will they be under NATO command?

Unity of command essential for effective force. Will not agree to arrangements that would lead to *de facto* partition of Kosovo.

Discussing with Russians how to structure their participation to meet these requirements while also accommodating Russian concerns.

Purpose of Clinton-Yeltsin calls? Where are we with the Russians?

Presidents Clinton and Yeltsin spoke on both Monday and Tuesday. On Monday they agreed that Chernomyrdin/Ahtisaari document should serve as basis for draft UNSC resolution. Also agreed to instruct respective foreign ministers to complete G-8 text on basis of that document. Call proved critical to reaching closure on resolution text.

On Tuesday they affirmed progress made by G-8 foreign ministers in Bonn on draft UNSCR text. President Clinton stressed need to get Milosevic to sign military technical agreement quickly and withdraw forces as laid out in Chernomyrdin/Ahtisaari document, making possible suspension of NATO bombing.

If asked--Are we paying off Yeltsin for Russian help on Kosovo by supporting him in his domestic maneuvering?

No. Have been engaged with the Russians on the Kosovo crisis because it is in our interest to do so, as it was in theirs to remain engaged. Engagement paid off: Russian role was instrumental in getting Milosevic to agree to a diplomatic solution.

Engaging PM Stepashin's new government, as we have its predecessors, because we have a range of issues – economics, nonproliferation, arms control, regional foreign policy matters – where Russian actions affect our national interests.

Our engagement is not a matter of involvement in Russian politics – rather, it's the best way to influence issues of concern to U.S.

If asked -- did Yeltsin say he won't support a vote on UNSCR without a bombing pause beforehand?

Chernomyrdin-Ahtisaari agreement made clear that NATO will suspend air campaign once FRY signs military-technical agreement, begins verifiable withdrawals. Yeltsin reiterated Russians' long-standing desire for immediate pause.

If asked -- reaction to Stepashin comment that UN should cover cost of Russian contingent's participation in Kosovo peacekeeping mission?

Draft UNSC resolution makes clear that KFOR would not be a traditional UN peacekeeping operation; expectation is that participants would pay their own way. Want to work constructively with Russians in coming days to find formula that will facilitate Russian participation in KFOR.

WAR POWERS LAWSUIT
June 10, 1999

CONTEXT: On June 8, Judge Friedman dismissed the lawsuit brought by 31 Members of Congress seeking a declaration that the President had violated the Constitution and the War Powers Resolution by involving the U.S. in the NATO air campaign against Serbia. The decision to dismiss was on jurisdictional questions involving standing and justiciability; the court did, not reach the constitutional merits of case.

We welcome the Judge's decision, which is consistent with the USG's views.

In response to specific questions about the decision --

I would refer you to the Department of Justice.

INDIA-PAKISTAN: KASHMIR FIGHTING

June 10, 1999

CONTEXT: *The President sent letters last week to both Prime Minister Vajpayee and Sharif... Prime Ministers Sharif and Vajpayee have had several telephone conversations. The Pakistani Foreign Minister is scheduled to go to India to June 12 for talks. Fighting continues in the Kargil region along the line of control in Kashmir. Indian air losses remain unchanged - two jet fighters and a helicopter gunship.*

What is the situation in Kashmir?

The airstrikes and fighting continue on the Indian side of the line of control.

We have been pleased to see that the prime ministers of India and Pakistan have been in direct contact by phone several times since the fighting started.

We welcome the planned June 12 visit of the Pakistani Foreign Minister to Delhi. It is vital that the two sides talk directly.

What is the U.S. doing about the fighting in Kashmir?

The President has sent letters to the prime ministers of both countries to urge restraint and an end to the fighting. This is part of our active diplomatic effort to ensure that this dispute does not escalate further, and that tensions are eased and the fighting ended as soon as possible. .

Senior American diplomats in India and Pakistan are in touch with host government officials to make similar points. Ambassador Celeste has talked to senior Indian leaders, who have said that India's goal is to retrieve land seized by militants on the Indian side of the line of control. Ambassador Milam (pronounced MY-LUM) has expressed our concerns directly to Prime Minister Sharif.

Assistant Secretary Inderfurth at State has met the Pakistani and Indian Ambassadors to stress our concern that hostilities be ended.

We believe strongly that the solution to the present conflict can be arrived at only through direct discussions between the parties involved. We encourage India and Pakistan to be in direct contact. They should exercise restraint and avoid actions which would further escalate the conflict.

What is the U.S. position on the line of control?

The line of control, delimited on maps signed in 1972 by Indian and Pakistani negotiators, divides Indian- and Pakistani-held Kashmir. The United States calls on both sides to respect the LOC.

Is the United States considering sending a special envoy?

We have no plans to do so. We hope that bilateral contacts between New Delhi and Islamabad can resolve the problem. We do not, however, rule out such a mission in future.

Should the United Nations be involved?

We think that direct talks are the quickest and best way to resolve this situation at this time.

INDIA-PAKISTAN: SANCTIONS LEGISLATION

June 9, 1999

CONTEXT: *The Senate June 8 passed an amendment proposed by Senator Roberts and further amended by Senator Brownback that mandates a 5-year suspension of those economic sanctions against India and Pakistan imposed for actions taken by those countries prior to the date of enactment of the amendment. The amendment also permits the President to issue a national security interest waiver for prohibitions on military sales, export licenses for items on the Munitions List, foreign military financing, and exports of certain goods and technologies to both countries*

What is the U.S. position on sanctions legislation passed by the Senate last night?

We welcome Congressional attention to the need for legislative action addressing sanctions, since the current Brownback amendment waiver authority will expire this fall.

We would prefer the flexibility afforded by a waiver authority -- like authority which we exercised under Brownback last year.

We look forward to further action on the part of India and Pakistan toward our nonproliferation goals, which will enable us to remove remaining sanctions.

Doesn't the Amendment automatically lift sanctions regardless of what actions India and Pakistan take?

The legislation would mandate lifting for five years of certain statutory economic sanctions imposed in response to actions taken prior to the enactment of the legislation. Under separate authority, the President could continue to impose economic sanctions on India and Pakistan.

EGYPT: MUBARAK VISIT ANNOUNCEMENT

June 8, 1999

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

June 8, 1999

STATEMENT BY THE PRESS SECRETARY

Official Working Visit with President Hosni Mubarak of Egypt

President Clinton extended an invitation to President Hosni Mubarak of Egypt for an Official Working Visit on July 1 which President Mubarak has accepted. The visit provides an important opportunity to further develop the partnership between Egypt and the United States and to deepen cooperation and coordination on the Middle East Peace Process. The two leaders also will discuss a range of regional and international issues.

President Mubarak also will be meeting with Vice President Gore to continue their work on the U.S.-Egypt Partnership for Economic Growth and Development.

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JERUSALEM EMBASSY ACT WAIVER

June 9, 1999

CONTEXT: *President is likely to sign the waiver today or tomorrow. We are making some heads-up calls today to Hill and community members. PRESIDENT HAS NOT SIGNED YET.*

Why did the President exercise the waiver now?

This does not represent a new stance. The President said when this legislation passed in 1995 that he would use his waiver authority to avoid damage to the peace process. That remains his position.

We have a responsibility to do all we can to help the parties reach the goal they both want to achieve real peace with real security.

Taking a step now that would be widely viewed as prejudging the outcome of the most sensitive of the permanent status issues will deal the talks a blow just when they are about to get started and will compromise our ability to play a helpful role as the process moves forward.

One more important point: Without the waiver, we would be unable to use 50 percent of the funds in the account needed to secure and maintain and diplomatic facilities worldwide.

If we had not exercised the waiver, we would have had to stop several planned security enhancements, delaying the implementation of life safety improvements.

In this time of very real terrorist threats to U.S. missions and personnel abroad, we must have access to the funds necessary to secure our people and facilities from these threats.

Why can't you agree to build something on a site everyone acknowledges is in West Jerusalem, when even the Palestinians are not claiming West Jerusalem?

The issue is not that simple. Jerusalem is the most sensitive of the permanent status issues.

The United States is the honest broker and the intermediary in the peace process.

The parties have agreed to negotiate over Jerusalem. Changes in U.S. practices there could prejudice those negotiations.

If the United States were to interfere in the outcome of the key permanent status issues in this way, the entire negotiating structure could collapse. That is not in anyone's interest, including Israel's.

Action on an embassy at this point would indeed harm the prospects for progress in the peace

process and severely undercut our ability to play the intermediary role.

That role has proven essential for reaching agreements that Israel and the Palestinians wanted, but could not conclude on their own.

Why have you not even begun construction on an embassy at the Jerusalem site?

Obviously, if we are not prepared to establish an Embassy, there is no point in starting construction. In the meantime, we have worked to preserve our options at the Allenby site.

If we decided to establish an embassy, we could move quickly to do so through non-construction means (e.g., leasing).

Doesn't the Act create an obligation for you? It is the law and it was passed overwhelmingly by both Houses of Congress.

We have worked hard since this legislation was passed to keep our options open and to put ourselves in a position to establish an embassy if we so choose.

That said, we do not want to take any action now that would hamper prospects for progress in the peace process. We have a responsibility to do all we can to help Israel and her neighbors reach agreements that constitute real peace with real security.

Future Israeli-Palestinian agreement on the issue of Jerusalem would facilitate our making a decision with regard to the location of the embassy.

In fact, the President sent a letter to Sen. Moynihan (*note: will move with the waiver*) today to let him know that we consider the ideas he has put forward on steps we could take to be constructive and a good basis for discussion.

The Jerusalem Embassy Act granted the President the authority to waive the restrictions Congress created if doing so were in the national security interest. It is.

When the bill was presented in 1995, the President said he would use this waiver authority to prevent damage to the peace process.

In using the waiver, the President is complying fully with the law and his constitutional responsibilities, including his responsibility for the diplomatic and recognition policies of the United States.

How would moving the embassy harm our national security interests?

Every Administration since the founding of the State of Israel has deemed reaching a peace between Israel and her Arab neighbors to be crucial to the national security interest of the United States.

The United States is the intermediary in the negotiations between Israelis and Palestinians. Over the years, our role in advancing this process has been crucial.

As we enter a period with real potential to move this process forward toward agreements that provide real peace with real security, we cannot afford to jeopardize our role as trusted intermediary.

Our experience in the negotiations tells us that the moving of our embassy would damage the ongoing negotiations. And again, Presidents of both parties have agreed with that assessment.

Taking unilateral actions that would prejudice the most sensitive of the permanent status issues just when those negotiations are about to start will harm the process and would run directly contrary to our long-standing position that the parties themselves should avoid unilateral actions that prejudice the final status talks

How can we not recognize and move our embassy to the city that one of our closest allies considers its capital? Isn't Israel the only country where our embassy is not in the country's self-proclaimed capital?

Our relationship with Israel is uniquely close and our commitment to Israelis rock-solid. We are proud of that. The strength of that commitment will never wane under this Administration.

But that is not the issue here. In addition to our deep commitment to Israel, we have a responsibility to do all we can to help the peace process succeed.

Moreover, reaching a comprehensive peace between Israel and her neighbors is in the national security interest of the United States and has been under all U.S. Administrations, Democrat and Republican.

For the record, U.S. embassies to at least seven countries are currently in cities other than the capitals.

What is your position on Jerusalem? You used to say the USG supported an undivided Jerusalem. Now you are mum. Have you changed your stance?

Our position has not changed.

Israel and the Palestinians have agreed that Jerusalem would be one of the issues covered in the permanent status negotiations. We should respect that decision.

What will you do if Congress passes new, even more restrictive legislation?

I am not going to comment on things that might or might not happen.

We held discussions with Congress on this issue, one which we recognize is of great interest to the Members. We are ready to continue those discussions. But we need to use the waiver now to preserve our access to funds necessary to protect our personnel and missions abroad from security threats.

But as I said, we have a responsibility to the peace process and to the two parties to do all we can to help them reach agreements that can provide real peace with real security.

What is the status of the Ambassador's apartment in Jerusalem? Is it a secondary residence? Have you raised the profile or enhanced the diplomatic uses of that facility to try to satisfy Congress and others who want to see the Embassy moved?

U.S. Ambassadors to Israel have routinely leased a hotel apartment or suites for their use in visits to Jerusalem and for security convenience and meetings. That continues to be the case.

Maintaining these arrangements as we have does not represent a change in our position on the issue of moving the Embassy from Tel Aviv to Jerusalem.

The current apartment - located at the Hilton Hotel - is being used in the same manner as previous apartments or suites at other hotels. This apartment is not a secondary residence. The Ambassador's only residence is in Hilton.

Aren't you effectively giving the Palestinians a veto over this issue by falling back on this desire not to prejudge the outcome of negotiations?

No.

We need to promote this peace process. That is entirely consistent with our unshakable commitment to Israel.

The parties must settle their differences only through negotiations.

I would also remind you that this is the same principle we used to help prevent a unilateral declaration of a Palestinian state in May. The principle's value is clear.

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

June xx, 1999

STATEMENT BY THE PRESS SECRETARY

Today, the President exercised his waiver authority provided under the Jerusalem Embassy Act of 1995. The President made this decision in order to protect our critical national security interests, most crucially in preserving the prospects for a comprehensive, just and lasting peace between Israel and its neighbors. The President took this action at this time because, absent the waiver, the Act would have denied the Department of State further access to funds necessary to protect our personnel and missions worldwide so they can continue to pursue vital U.S. objectives.

The pursuit of Israeli-Palestinian peace has been a consistent, objective of the United States under Republican and Democratic Administrations. Israelis and Palestinians have agreed to include Jerusalem among the issues to be covered in their permanent status negotiations. At a time when there is real potential for movement on the peace process, and as we look forward to the start of those crucial negotiations, the United States should not be taking steps of its own that prejudge those negotiations and make them more difficult. The differences that remain between Israelis and Palestinians can only be resolved through direct negotiations and the United States should do everything it possibly can to facilitate their success.

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IRAN: ARREST OF MEMBERS OF IRANIAN JEWISH COMMUNITY

June 8, 1999

Do you have any information regarding members of the Jewish community in Iran being arrested on charges of spying for the US and Israel?

We are aware that thirteen members of the Jewish community have been arrested and are expected to be charged with espionage for Israel and the United States. The arrests send a very disturbing signal.

We call on the government of Iran to ensure no harm comes to these individuals and to release them.

(If asked)

When did the US know about the arrest, and what actions have we taken?

We learned about the arrests in April and have been monitoring the situation closely since then. We treated this matter with discretion at the request of those who were directly involved in attempting to seek the release of the individuals.

Now that the issue is in the public domain, we believe it is the right time to speak out.

(If asked)

Who is the USG in touch with regarding these prisoners?

There are a number of groups who are following this issue.

I do not have any further information.

(If asked)

What is the State Department's view on Representative Sherman's resolution condemning Iran for the arrests, demanding their release, and condemning Iran for religious persecution?

I have not seen the latest text of Representative Sherman's resolution. We share his concerns about these individuals and the Iranian government's treatment of religious minorities.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

June 8, 1999

STATEMENT BY THE PRESS SECRETARY

Actions by Iran Against Jews

The United States is deeply troubled by the Government of Iran's recent arrest of thirteen members of the Jewish community, including several religious leaders, and yesterday's announcement that they have been charged with espionage on behalf of the United States. These charges are entirely without foundation. We call on the Government of Iran to uphold its stated commitment to protect the rights of all religious and ethnic minorities by releasing these individuals and ensuring that no harm comes to them.

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PASSAGE OF COX/DICKS AMENDMENT

June 10, 1999

CONTEXT: on June 9th, the House of Representatives approved an amendment offered by Reps. Chris Cox (R-CA) and Norm Dicks (D-WA). The amendment would implement some of the recommendations of the Cox Committee with regard to improving security at U.S. nuclear labs and other issues related to espionage by China. The amendment was approved by a unanimous vote of 428-0. The amendment was brought to the House floor without any Committee consideration; no hearings; no markups; and no public scrutiny. The Administration was able to remove some objectionable provisions through informal discussions with the sponsors – but issues of concern remain. The administration is hopeful that these remaining concerns about the amendment can be resolved in conference.

We strongly support the Amendment's provisions to strengthen security and counterintelligence capabilities at the U.S. national laboratories.

These measures help to codify and strengthen the steps that the President directed in February 1998 to improve lab security.

We are examining other provisions that deal with export controls over dual use technology, such as computers and communication satellites, and look forward to working with Congress on these provisions in conference.

We appreciate the constructive efforts by the authors of this amendment to work with us in revising the language so that it best accomplishes our shared objectives, and we look forward to continuing this constructive process through conference of the bill.

CHINESE DISSIDENT
June 10, 1999

Any comment on China's sentencing of dissident Fang Jue to four years in prison?

We understand from press accounts that political essayist and former government official Fang Jue was sentenced to four years in prison for "illegal business practices." We are not in a position to judge Fang's business practices, but it appears that his peaceful expression of political views brought him to the authorities' attention.

We have long urged the Chinese government to ratify the International Covenant on Civil and Political Rights, respect international standards with regard to fundamental freedoms such as due process and free expression, and to accommodate dissenting voices in public discussion of China's political, economic, and social development.

Did U.S. Embassy representatives attend the trial?

Our Embassy asked to attend the trial but was refused.

(If asked) Has Fang Jue asked for medical parole to the U.S.?

We have no way of confirming either Fang's state of health or his reported desire for medical treatment abroad. If Fang's medical condition warranted release for treatment abroad, we would encourage the Chinese authorities to allow that to happen.

INDONESIA: COUNTRY-WIDE ELECTIONS

June 10, 1999

CONTEXT: *Indonesians went to the polls in large numbers June 7 in the first country-wide elections since 1955 in which the outcome was not known in advance. Voter participation nationwide was high, although widespread boycotts were reported in two troubled provinces, East Timor and Aceh. Violence on election day was minimal. Preliminary, unofficial indications are that the party of Megawati Sukarnoputri, daughter of former President Sukarno, is doing well in many parts of the country, but vote tabulations are taking longer than expected (about 12 percent as of June 10) and it will likely be several more days hours before a clearer picture emerges. At this point, logistical challenges and bureaucratic inexperience are probably the main reasons for the slow vote count, although there are growing concerns about possible government manipulation..*

Your assessment of the Indonesian elections?

We welcome the fact that Indonesians voted in apparent record numbers on June 7 in Indonesia's first genuinely openly-contested elections since 1955. These elections are an important first step -- but only a first step -- in Indonesia's democratic transition.

According to preliminary reports from International and domestic election observers, the balloting was carried out in a generally peaceful and orderly manner. Former President Carter and the National Democratic Institute, which led an observer delegation to Indonesia, issued a detailed statement today noting the "truly impressive display of enthusiasm for and commitment to democracy" by the Indonesian people. The vote tabulation is taking quite a bit longer than National Election Commission officials had expected, and it may be several more days before even unofficial nationwide results are in.

It will be important for the ballot counting to be conducted impartially, and for the Indonesian National Election Commission to be able to address disputed results in a credible manner.

Early reports are that opposition leader Megawati is leading nationwide Any views?

Let's wait until the results are in.

You said the ballot tabulation is taking quite a bit longer than expected. Any reason to suspect manipulation or foul play?

We have to remember the logistical challenges facing this election are enormous. We urge election officials to expedite the count as much as possible in a manner that is impartial and credible.

HAITI: HOUSE VOTE ON TROOP WITHDRAWAL
June 10, 1999

CONTEXT: The House of Representatives voted 227-198 last night to withdraw the U.S. "Support Group" from Haiti by December 31. The Support Group, in Haiti since the restoration of democracy in September 1994, includes about 400 personnel who conduct medical clinics and support visiting engineering units that undertake projects such as school-refurbishing, road-building and well-digging. (The Senate version of the Defense Authorization Bill is silent on Haiti troops.)

Any comment on the House vote to withdraw the Support Group from Haiti?

We are disappointed. Vote sends an unfortunate — and incorrect — message that our commitment to Haitian democracy and stability is wavering, especially as Haiti prepares for elections.

Particularly unhelpful when combined with Congressional efforts to curtail human rights monitoring by specialists from UN and Organization of American States.

Support Group and exercises it has supported have made tremendous contribution. Visible manifestation of our support for Haiti's democracy and economic development. The Support Group also provided key support to U.S. counter-drug operations in the region.

Training exercises for U.S. military engineers and medics have provided direct benefit to Haiti's neediest — from medical clinics, refurbished schools, newly dug wells, to repaired roads.

If enacted, this provision will interfere with the President's ability to deploy troops abroad for non-combat purposes where important foreign policy and U.S. security interests are at stake.

Hope to continue working with the Congress to reach agreement on this important matter.

Would the Administration prefer to keep the troops in Haiti permanently?

No. Our presence there has only been to assist in maintaining a stable environment for the transition to democracy. The President has already committed to reducing and eventually withdrawing our troops from Haiti.

Have modestly reduced force strength and frequency of projects, and regularly review our mission and objectives.

But didn't SouthCom Commander recently testify that the situation in Haiti is deteriorating rapidly and the Support Group should be withdrawn immediately?

Secretary Cohen and General Shelton agree with current approach.

DOD strongly opposed the measure passed by the House last night. DOD deployments schedules must be based on U.S. interests, and maintaining stability in Haiti as it prepares for elections is of utmost importance.

NATIONAL MISSILE DEFENSE (NMD)

June 4, 1999

CONTEXT: Our goal is to get the President to sign before he goes to the G-8 Summit next Wednesday, but we are still waiting to receive it from the Clerk's office, so the 10-day clock has not started yet.

When will the President sign the National Missile Defense bill?

Bill has not been received at the White House yet.

Once bill is received, President has 10 days to sign.

We have said publicly that the President will sign.

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Statement by the President

Today, I am signing into law H.R. 4, the "National Missile Defense Act of 1999." The Administration is committed to meeting the growing danger that rogue nations may develop and field long-range missiles capable of delivering weapons of mass destruction against the United States and our allies, and I commend Congress for passing legislation on this important issue.

Section 2 of this Act states it is the policy of the United States to deploy as soon as technologically possible an effective National Missile Defense (NMD) system capable of defending the territory of the United States against limited ballistic missile attack, with funding subject to the annual authorization of appropriations and the annual appropriation of funds for National Missile Defense. By specifying that any NMD deployment must be subject to the authorization and appropriations process, the legislation makes clear that no decision on deployment has been made. This interpretation, which is confirmed by the legislative record taken as a whole, is also required to avoid any possible impairment of the President's constitutional authorities.

Section 3 of this Act states it is the policy of the United States to seek continued negotiated reductions in Russian nuclear forces. Thus, section 3 of the bill puts Congress on the record as continuing to support negotiated reductions in strategic nuclear arms, reaffirming this Administration's position that our missile defense policy must taken into account our arms control objectives.

Next year, we will, for the first time, determine whether to deploy a limited national missile defense when we review the results of flight tests and other developmental efforts, consider cost estimates, and evaluate the threat. In making our determination, we will also review progress in achieving our arms control objectives, including negotiating any amendments to the ABM Treaty that may be required to accommodate a possible NMD deployment.

PUERTO RICO – VIEQUES TARGET RANGE PROTEST

June 8, 1999

CONTEXT: On April 19th, U.S. jets conducting night bombing practice at the Navy bombing range on Vieques Island in Puerto Rico dropped two 500-pound bombs on the range observation tower, killing one and injuring four Department of the Navy contract employees. Vieques, a small island with a population of roughly 9,500 is two-thirds U.S. Government owned. The live bomb impact area – where the accident occurred – is on the uninhabited end of the island. Although the incident occurred on the range complex and more than seven miles away from the closest civilian property, it has caused a political firestorm in Puerto Rico. Many have demanded a permanent cessation to DOD's use of the target complex and maneuver ranges on Vieques. Others seek an end to the use of live ordnance on Vieques. The national security interest in Vieques is that it is the only target range in the U.S. where aircrew can practice live ordnance deliveries from high altitude, and is the only live range for the joint training of our East Coast Carrier Battle Groups who deploy to the Mediterranean or Southwest Asia. It is used for the combined air-land-sea coordination of ordnance delivery, and as part of the Roosevelt Roads training complex, and is the largest open-ocean/airspace training area on the East Coast of the United States.

Points:

We are all saddened by the loss of life and injuries caused by the tragic accident in April.

In view of the accident, the Navy has temporarily ceased training on the Island pending the results of investigations into the incident.

Refer to Navy for further information on this investigation.

In the wake of the accident, Secretary Cohen tasked Secretary Danzig and the Navy to formally review range complex use, including options to reduce the frequency of live ordnance delivery there, and to determine what additional safety measures can be implemented to ensure the safety of employees and local residents.

Refer to DOD for further information on this study.

Today the President has asked Secretary Cohen to establish a formal panel to review Puerto Rican concerns as well as national security requirements; that panel will have a non-DOD, non-military affiliated member.

The President hopes that the panel will report it's finding back to Secretary Cohen in August, so that the Defense Department can make its recommendation for further action.

The Navy has notified Governor Rossello that the next pre-deployment utilization of the Atlantic Fleet Weapons Training Facility in Puerto Rico is scheduled to begin on June 21st. The Navy does not plan ordnance delivery on Vieques Island during this training.

We appreciate the support the citizens of Puerto Rico and its elected officials have given to our

national security readiness training, especially during this time of ongoing operations in Kosovo and Southwest Asia.

During this period of investigation and review, we urge that citizens avoid the live impact area at the Vieques Island complex because of the serious danger posed by unmapped ordnance there.

Appreciate the cooperation of the residents of Vieques Island, the citizens of Puerto Rico and its elected leaders with Secretary Cohen and Secretary Danzig's investigation.

Refer you to DOD for additional information.

COMPUTER EXPORT CONTROLS

June 9, 1999

Is the WH considering a change to Tier 2 computer controls in advance of the meeting with computer CEOs on the 11th?"

The issue is under review, but we do not anticipate a decision by the end of the week.

John Podesta plans to meet with industry leaders this week and we expect that they will raise this issue, among others.. We want to hear all sides before reaching a judgement on the best course to help U.S. industry remain competitive while also protecting our national security.

We are very mindful that technology continues to advance and we have to be sure that our export controls keep pace with industry advances, consistent with our national security concerns.

What are you going to do about Tier III countries?

Right now what is being discussed within the interagency is adjustments for Tier II countries.

Remember, we are facing a situation which could restrict the export of computers with updated chips that you can buy at your neighborhood computer store. We want to be sure that export controls keep pace with practical changes in the marketplace, consistent with our national security concerns, and can be reasonably enforced.

Background for Briefer: Tier II countries include, for example, Latin American countries, those between NATO countries (Tier I), but not those facing the most stringent conditions, such as China (Tier III).

JAPAN
FIRST QUARTER GDP GROWTH
June 10, 1999

Question: Does the 1.9% q/q growth in the first quarter mean that Japan's economy is recovering?

Answer:

- Only just got these numbers; important to look at them carefully.
- As we have said before, the return of Japan's economy to solid, domestic demand-led growth is important for the United States, Asia and the global economy.
- Japan must use all of the macroeconomic tools available to help restore solid growth. On banking, it is important to be more aggressive in disposing of assets, as the United States did in resolving its S&L crisis. It will also be important to improve liquidity in real estate markets and to facilitate corporate restructuring.

Background: Reuters reported Economic Planning Agency (EPA) chief Taichi Sakaiya's assessment that the surprise growth in Japan's 1Q99 GDP of 1.9% q/q does not alter the government's cautious economic assessment, noting that it was premature to conclude that Japan's economy had revived. Sakaiya said corporate capital spending had recovered but was still down on a year-on-year basis, and the economy still needed support from public works spending for the time being.

OASIA/imi: rritterhoff
6/10/99
Reviewed: C. Atkinson

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Nanda Chitre (CN=Nanda Chitre/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:10-JUN-1999 18:50:38.00

SUBJECT: 6/10 nsc guidance

TO: Nanda Chitre (CN=Nanda Chitre/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TEXT:

Foreign

Kosovo

1. Kosovo (updated)
2. Russia/Kosovo
3. War Powers Lawsuit (updated)

India/Pakistan

4. India-Pakistan/Kashmir Fighting (updated)
5. India-Pakistan/Sanctions Legislation

China

6. Passage of Cox/Dicks Amendment (updated)
7. Chinese Dissident (new)

Misc.

8. Jerusalem Embassy Act
9. Indonesia/Elections
10. Haiti (new)
11. NMD
12. Computer Export Controls

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===== ATTACHMENT 5 =====

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TEXT:

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===== END ATTACHMENT 5 =====

Africa/Caribbean Trade
June 10, 1999

Background: Ambassador Barshefsky is testifying today before the House Ways and Means Trade Subcommittee on the markup of the Caribbean Basin Initiative and Africa Trade legislation.

Talking Points:

These two bills, the Caribbean Basin Initiative and Africa Trade Legislation will be of fundamental importance to improving and strengthening our trade relationships with Africa and the nations of the Caribbean Basin.

African Growth and Opportunity Act

- This bill is an historic opportunity for the U.S. to build a strong partnership with the countries of sub-Saharan Africa. It provides a framework to increase America's trade and investment with the region's emerging markets while helping millions of African families to transition from poverty to prosperity. It is important for the U.S. to lay the foundation for a new economic relationship with Africa. The African Opportunity and Growth Act is the next essential step. We urge Congress to expeditiously approve this bill, which will strengthen and develop a new U.S. trade policy with sub-Saharan Africa.

Caribbean Basin Initiative

- The prosperity and stability of the Caribbean Basin economies is a vital interest of the U.S. For over fifteen years, the CBI has been the centerpiece of our economic policies in the region, designed to develop bilateral trade and promote long-term growth in the region. It is a program of mutual benefit: it supports and helps diversify the region's economy, and at the same time stimulates mutual benefits. The enhancement of the program is one of our top trade priorities.
- CBI enhancement will create significant benefits for the Caribbean economies, and also to help them make the transition to the Free Trade Area of the Americas (FTAA). It will add to the existing products covered by the program apparel products, stimulating new value-added industries in the region, and increasing Caribbean competitiveness. Enhanced trade benefits to Caribbean Basin nations at this time is critically important in the aftermath of Hurricanes Mitch and Georges.
- We plan to work constructively with the members of the Subcommittee to shape a bill that the President can sign this year. We are committed to work together to find ways to address challenges in areas of labor conditions and textile coverage. The Administration wants to engage with the members on this committee and believes that an acceptable compromise can be reached.

China – Trade
June 8, 1999

Q: Have you set a date to return to the negotiations?

A: We have clear indications that China remains very engaged in this process, and very interested in joining the WTO this year. At this juncture, we have not set a date to reconvene negotiations. We do believe that it is in our interest, China's interests, and the global trading system's interest to move forward in these negotiations as soon as feasible.

Q: Does this mean you are abandoning a one-vote strategy?

A: Let's not let the process get ahead of the substance. We need to conclude a commercially viable agreement. We hope to conclude it in time for consideration before the annual MFN process has ended.

Q: Why did the President renew NTR for China?

Extending to China the same normal trade relations we have with virtually every country in the world will enhance American prosperity and promote economic reform and openness in China.

Revocation would rupture our relationship with a fifth of the world and thus jeopardize both our political and economic security.

An estimated 400,000 U.S. jobs depend on exports to China and Hong Kong. China is our 4th largest trading partner. Our exports to China have more than quadrupled over the past decade to \$14.3 billion. Revoking NTR would lead to a trade war that would undermine all of this.

Revocation of NTR would derail efforts to conclude WTO talks that will open China's markets and make it subject to global trade rules. Revocation would hurt U.S. consumers who could pay upwards of half a billion dollars more in a single year due to higher American tariffs on Chinese exports such as shoes and clothing.

Broad foreign policy goals also affected. Hong Kong handles almost half of U.S.-China trade. Revocation would weaken Hong Kong by slashing its trade, eliminating tens of thousands of jobs, cutting economic growth, and slashing income. Revocation would also damage Taiwan's economy, with \$20-30 billion invested in the PRC.

High stakes in U.S.-China relations. We have serious differences to deal with -- human rights and espionage -- but can't let these differences prevent us from promoting our own interests. A trade war would be a body blow to engagement. But engagement is producing tangible results by contributing to regional economic and political stability in Asia, by strengthening

nonproliferation regimes such as the NPT, CTBT, CWC, and BWC, and by improving China's export control regime.

Q: Recent press reports indicate that China is distancing its government from offers put forward during the Premier's visit. Is this your view?

A: We hope that China is prepared to reconvene talks soon. Obviously, we also want to reconvene discussions when it is possible to achieve progress in the negotiations. We do not place much credence in particular reports about one issue or another. Public posturing is a part of the negotiating process. The focus of our discussions has been in the areas where we identified our differences during the Premier's visit.

Q: Will the U.S. "soften" its WTO demands in response to the Embassy bombing and the Cox Report?

A: No. China is well aware of the commitments that must be undertaken to achieve WTO accession, and these conditions are clearly outlined in our fact sheet. There are unresolved differences in front of us which must be addressed in banking, securities and audio-visual trade as well as the application of special trading rules for dumping and to protect against import surges.

JAPAN
FIRST QUARTER GDP GROWTH
June 10, 1999

Question: Does the 1.9% q/q growth in the first quarter mean that Japan's economy is recovering?

Answer:

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- As we have said before, the return of Japan's economy to solid, domestic demand-led growth is important for the United States, Asia and the global economy.
- Japan must use all of the macroeconomic tools available to help restore solid growth. On banking, it is important to be more aggressive in disposing of assets, as the United States did in resolving its S&L crisis. It will also be important to improve liquidity in real estate markets and to facilitate corporate restructuring.

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OASIA/imi: rritterhoff
6/10/99
Reviewed: C. Atkinson

Lamb Imports
June 9, 1999

Q: Why is the President's 201 decision on lamb still held up?

A: This is a complex issue. The President and the Administration are continuing to review various options. We will announce a decision when that decision has been made. [We expect to make an announcement soon/tomorrow.]

Q: Isn't there a statutory deadline with regard to this decision?

A: There is a statutory period in which we do try to make these decisions. However, going a day or two beyond that won't have any impact on the President's authority to go forward with whatever relief he decides is appropriate.

Q: So, you're saying you don't expect any legal consequences associated with the delay in making this decision?

A: We don't expect any.

NATIONAL SECURITY AFFAIRS GUIDANCE

June 10, 1999

EUROPE/RUSSIA

Kosovo (updated)

Vieques Target Range Protest

Russia/Kosovo

Computer Export Controls

War Powers Lawsuit (updated)

NEAR EAST/SOUTH ASIA

**India-Pakistan/Kashmir Fighting
(updated)**

India-Pakistan/Sanctions Legislation

Egypt/Mubarak Visit Announcement

Jerusalem Embassy Act

Iran/Arrests

ASIA

**Passage of Cox/Dicks Amendment
(updated)**

Chinese Dissident (new)

Indonesia/Elections

INTER-AMERICAN

Haiti (new)

DEFENSE/NON-PROLIFERATION

NMD

FRY: KOSOVO
June 10, 1999

What evidence do you have that the suspension is justified?

NATO is satisfied that, as was required, Serb troops have begun a comprehensive pull-out from Kosovo. They have 11 days to complete their total withdrawal. We will be closely monitoring Serb compliance.

Let me remind you, this is only a suspension of the air strikes. NATO Secretary General Solana can resume the air campaign should it become necessary if Serbs do live up to their obligations.

Do you have Chinese agreement to support UNSCR?

We have been engaged with the Chinese and other Security Council members diplomatically, and do not believe that they will stand in the way of a UN resolution that advances the cause of peace in Kosovo.

When will US troops enter Kosovo?

U.S. forces are poised to enter Kosovo in the next several days, along with British and French forces. As I have said, the United States will contribute about 7,000 military personnel to KFOR.

Close to 30 countries have said they are willing to participate in the international security force commanded by British NATO General Mike Jackson. These include NATO members as well as non-NATO countries, like Argentina, Azerbaijan, and Ukraine.

What will be the command and control arrangements for US and NATO forces?

KFOR will have a unified command led by NATO general--LTG Jackson with robust NATO rules of engagement.

Do you have Russian participation in KFOR?

Would welcome Russian participation.

We and our allies are prepared to develop special command arrangements for a Russian

contingent, much as was done in Bosnia. DepSec Talbott is discussing such arrangements with the Russians in Moscow.

Will there be a Russian Sector?

No. As I have said, we welcome full involvement and participation by Russia in KFOR.

Are Russians playing a constructive role, or are they part of problem?

Russia was instrumental in getting Milosevic to agree to a diplomatic settlement; played a constructive role in finalizing G-8 text of UNSC resolution.

President Yeltsin has shown he is committed to resolving problems through engagement with West; good signal for long-term goals we seek to achieve.

How long will US forces be in Kosovo?

There are no artificial deadlines.

Our immediate priority is to move quickly into Kosovo to provide assistance to the internally displaced persons and establish a secure environment so that the hundreds of thousands of Kosovar refugees may return home.

We will reassess whether it is appropriate for NATO to begin drawing down its forces once there is a secure environment, the refugees have returned home and there are the appropriate security presence necessary to allow the Kosovars to live their lives with peace and dignity.

When will Serb forces reenter Kosovo? What will they be doing?

Serb forces will only reenter Kosovo with the permission of KFOR. It will only be a small number, hundreds not thousands, most of which will be involved in demining.

Does KFOR have authority to arrest war criminals? Will they?

KFOR has the same authority that SFOR has in Bosnia. This means that KFOR may detain any indicted war criminal it encounters in the course of its duties.

I would note that SFOR detained an indicted war criminal just three days ago. There is no statute of limitations for war crimes.

When will the first refugees return to Kosovo?

I know that the refugees are eager to go home. However, we want to ensure that KFOR is in

place and able to provide a secure environment before large numbers return.

The Kosovars have suffered greatly. Let me assure you that we want their return to be done in a way that minimizes risk to them..

As I have made clear, we will reverse ethnic cleansing.

Now that air strikes are suspended, does that mean the conflict is over?

Heartened by withdrawals and SYG Solana's decision to suspend: a major step in resolving the conflict.

Need to be prudent and cautious and vigilant in assessing FRY compliance with deal.

Suspend does not mean terminate and SYG Solana retains authority to resume.

Remember to be very careful with Milosevic.

Is it time to celebrate?

Time for optimism but prudence too.

Just a first step in an 11-day phased process.

CONTEXT: Deputy Secretary Strobe Talbott went to Moscow June 9 to discuss Russian participation in KFOR. Key issue is command arrangements that will assure unity of command while addressing Russian concerns. Trip follows up on G-8 agreement on UNSCR text and on President Clinton's phone calls to President Yeltsin on Monday and Tuesday. A column by Jim Hoagland in today's Washington Post asserts that the "payoff" to Russia for its help on Kosovo is unwarranted U.S. support for Yeltsin in Russian domestic politics

What did President Clinton talk about in his phone call to President Yeltsin today?

President Clinton called Yeltsin to congratulate him on his leadership and Russia's vital contribution, particularly the role of Special Envoy Chernomyrdin, in resolving the Kosovo crisis. Call lasted about 10 minutes.

President Clinton told Yeltsin that he looked forward to seeing him in Cologne, and to working together on other issues in U.S.-Russian relations. Both Presidents affirmed that strong U.S.-Russia relations are crucial to advancing the national interests of both our countries.

Yeltsin stressed that Russia shares with the U.S. tremendous happiness and pride in finding a solution to the Kosovo conflict that also allows our bilateral relationship to remain strong.

Are Russians going to participate in the Kosovo peacekeeping force?

As we have said, we would welcome Russian participation. Would make a valuable contribution, especially to reassuring ethnic Serbian population in Kosovo.

A team led by DS Talbott is in Moscow today to begin discussing the details with the Russian government.

If asked—Will the Russians have their own sector? Will they be under NATO command?

Unity of command essential for effective force. Will not agree to arrangements that would lead to *de facto* partition of Kosovo.

Discussing with Russians how to structure their participation to meet these requirements while also accommodating Russian concerns.

Purpose of Clinton-Yeltsin calls? Where are we with the Russians?

Presidents Clinton and Yeltsin spoke on both Monday and Tuesday. On Monday they agreed that Chernomyrdin/Ahtisaari document should serve as basis for draft UNSC resolution. Also agreed to instruct respective foreign ministers to complete G-8 text on basis of that document. Call proved critical to reaching closure on resolution text.

On Tuesday they affirmed progress made by G-8 foreign ministers in Bonn on draft UNSCR text. President Clinton stressed need to get Milosevic to sign military technical agreement quickly and withdraw forces as laid out in Chernomyrdin/Ahtisaari document, making possible suspension of NATO bombing.

If asked--Are we paying off Yeltsin for Russian help on Kosovo by supporting him in his domestic maneuvering?

No. Have been engaged with the Russians on the Kosovo crisis because it is in our interest to do so, as it was in theirs to remain engaged. Engagement paid off: Russian role was instrumental in getting Milosevic to agree to a diplomatic solution.

Engaging PM Stepashin's new government, as we have its predecessors, because we have a range of issues – economics, nonproliferation, arms control, regional foreign policy matters – where Russian actions affect our national interests.

Our engagement is not a matter of involvement in Russian politics – rather, it's the best way to influence issues of concern to U.S.

If asked -- did Yeltsin say he won't support a vote on UNSCR without a bombing pause beforehand?

Chernomyrdin-Ahtisaari agreement made clear that NATO will suspend air campaign once FRY signs military-technical agreement, begins verifiable withdrawals. Yeltsin reiterated Russians' long-standing desire for immediate pause.

If asked -- reaction to Stepashin comment that UN should cover cost of Russian contingent's participation in Kosovo peacekeeping mission?

Draft UNSC resolution makes clear that KFOR would not be a traditional UN peacekeeping operation; expectation is that participants would pay their own way. Want to work constructively with Russians in coming days to find formula that will facilitate Russian participation in KFOR.

WAR POWERS LAWSUIT
June 10, 1999

CONTEXT: On June 8, Judge Friedman dismissed the lawsuit brought by 31 Members of Congress seeking a declaration that the President had violated the Constitution and the War Powers Resolution by involving the U.S. in the NATO air campaign against Serbia. The decision to dismiss was on jurisdictional questions involving standing and justiciability; the court did, not reach the constitutional merits of case.

We welcome the Judge's decision, which is consistent with the USG's views.

In response to specific questions about the decision --

I would refer you to the Department of Justice.

INDIA-PAKISTAN: KASHMIR FIGHTING
June 10, 1999

CONTEXT: *The President sent letters last week to both Prime Minister Vajpayee and Sharif... Prime Ministers Sharif and Vajpayee have had several telephone conversations. The Pakistani Foreign Minister is scheduled to go to India to June 12 for talks. Fighting continues in the Kargil region along the line of control in Kashmir. Indian air losses remain unchanged - two jet fighters and a helicopter gunship.*

What is the situation in Kashmir?

The airstrikes and fighting continue on the Indian side of the line of control.

We have been pleased to see that the prime ministers of India and Pakistan have been in direct contact by phone several times since the fighting started.

We welcome the planned June 12 visit of the Pakistani Foreign Minister to Delhi. It is vital that the two sides talk directly.

What is the U.S. doing about the fighting in Kashmir?

The President has sent letters to the prime ministers of both countries to urge restraint and an end to the fighting. This is part of our active diplomatic effort to ensure that this dispute does not escalate further, and that tensions are eased and the fighting ended as soon as possible. .

Senior American diplomats in India and Pakistan are in touch with host government officials to make similar points. Ambassador Celeste has talked to senior Indian leaders, who have said that India's goal is to retrieve land seized by militants on the Indian side of the line of control. Ambassador Milam (pronounced MY-LUM) has expressed our concerns directly to Prime Minister Sharif.

Assistant Secretary Inderfurth at State has met the Pakistani and Indian Ambassadors to stress our concern that hostilities be ended.

We believe strongly that the solution to the present conflict can be arrived at only through direct discussions between the parties involved. We encourage India and Pakistan to be in direct contact. They should exercise restraint and avoid actions which would further escalate the conflict.

What is the U.S. position on the line of control?

The line of control, delimited on maps signed in 1972 by Indian and Pakistani negotiators, divides Indian- and Pakistani-held Kashmir. The United States calls on both sides to respect the LOC.

Is the United States considering sending a special envoy?

We have no plans to do so. We hope that bilateral contacts between New Delhi and Islamabad can resolve the problem. We do not, however, rule out such a mission in future.

Should the United Nations be involved?

We think that direct talks are the quickest and best way to resolve this situation at this time.

INDIA-PAKISTAN: SANCTIONS LEGISLATION

June 9, 1999

CONTEXT: *The Senate June 8 passed an amendment proposed by Senator Roberts and further amended by Senator Brownback that mandates a 5-year suspension of those economic sanctions against India and Pakistan imposed for actions taken by those countries prior to the date of enactment of the amendment. The amendment also permits the President to issue a national security interest waiver for prohibitions on military sales, export licenses for items on the Munitions List, foreign military financing, and exports of certain goods and technologies to both countries*

What is the U.S. position on sanctions legislation passed by the Senate last night?

We welcome Congressional attention to the need for legislative action addressing sanctions, since the current Brownback amendment waiver authority will expire this fall.

We would prefer the flexibility afforded by a waiver authority -- like authority which we exercised under Brownback last year.

We look forward to further action on the part of India and Pakistan toward our nonproliferation goals, which will enable us to remove remaining sanctions.

Doesn't the Amendment automatically lift sanctions regardless of what actions India and Pakistan take?

The legislation would mandate lifting for five years of certain statutory economic sanctions imposed in response to actions taken prior to the enactment of the legislation. Under separate authority, the President could continue to impose economic sanctions on India and Pakistan.

EGYPT: MUBARAK VISIT ANNOUNCEMENT

June 8, 1999

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

June 8, 1999

STATEMENT BY THE PRESS SECRETARY

Official Working Visit with President Hosni Mubarak of Egypt

President Clinton extended an invitation to President Hosni Mubarak of Egypt for an Official Working Visit on July 1 which President Mubarak has accepted. The visit provides an important opportunity to further develop the partnership between Egypt and the United States and to deepen cooperation and coordination on the Middle East Peace Process. The two leaders also will discuss a range of regional and international issues.

President Mubarak also will be meeting with Vice President Gore to continue their work on the U.S.-Egypt Partnership for Economic Growth and Development.

#

JERUSALEM EMBASSY ACT WAIVER

June 9, 1999

CONTEXT: *President is likely to sign the waiver today or tomorrow. We are making some heads-up calls today to Hill and community members. PRESIDENT HAS NOT SIGNED YET.*

Why did the President exercise the waiver now?

This does not represent a new stance. The President said when this legislation passed in 1995 that he would use his waiver authority to avoid damage to the peace process. That remains his position.

We have a responsibility to do all we can to help the parties reach the goal they both want to achieve real peace with real security.

Taking a step now that would be widely viewed as prejudging the outcome of the most sensitive of the permanent status issues will deal the talks a blow just when they are about to get started and will compromise our ability to play a helpful role as the process moves forward.

One more important point: Without the waiver, we would be unable to use 50 percent of the funds in the account needed to secure and maintain and diplomatic facilities worldwide.

If we had not exercised the waiver, we would have had to stop several planned security enhancements, delaying the implementation of life safety improvements.

In this time of very real terrorist threats to U.S. missions and personnel abroad, we must have access to the funds necessary to secure our people and facilities from these threats.

Why can't you agree to build something on a site everyone acknowledges is in West Jerusalem, when even the Palestinians are not claiming West Jerusalem?

The issue is not that simple. Jerusalem is the most sensitive of the permanent status issues.

The United States is the honest broker and the intermediary in the peace process.

The parties have agreed to negotiate over Jerusalem. Changes in U.S. practices there could prejudice those negotiations.

If the United States were to interfere in the outcome of the key permanent status issues in this way, the entire negotiating structure could collapse. That is not in anyone's interest, including Israel's.

Action on an embassy at this point would indeed harm the prospects for progress in the peace

process and severely undercut our ability to play the intermediary role.

That role has proven essential for reaching agreements that Israel and the Palestinians wanted, but could not conclude on their own.

Why have you not even begun construction on an embassy at the Jerusalem site?

Obviously, if we are not prepared to establish an Embassy, there is no point in starting construction. In the meantime, we have worked to preserve our options at the Allenby site.

If we decided to establish an embassy, we could move quickly to do so through non-construction means (e.g., leasing).

Doesn't the Act create an obligation for you? It is the law and it was passed overwhelmingly by both Houses of Congress.

We have worked hard since this legislation was passed to keep our options open and to put ourselves in a position to establish an embassy if we so choose.

That said, we do not want to take any action now that would hamper prospects for progress in the peace process. We have a responsibility to do all we can to help Israel and her neighbors reach agreements that constitute real peace with real security.

Future Israeli-Palestinian agreement on the issue of Jerusalem would facilitate our making a decision with regard to the location of the embassy.

In fact, the President sent a letter to Sen. Moynihan (*note: will move with the waiver*) today to let him know that we consider the ideas he has put forward on steps we could take to be constructive and a good basis for discussion.

The Jerusalem Embassy Act granted the President the authority to waive the restrictions Congress created if doing so were in the national security interest. It is.

When the bill was presented in 1995, the President said he would use this waiver authority to prevent damage to the peace process.

In using the waiver, the President is complying fully with the law and his constitutional responsibilities, including his responsibility for the diplomatic and recognition policies of the United States.

How would moving the embassy harm our national security interests?

Every Administration since the founding of the State of Israel has deemed reaching a peace between Israel and her Arab neighbors to be crucial to the national security interest of the United States.

The United States is the intermediary in the negotiations between Israelis and Palestinians. Over the years, our role in advancing this process has been crucial.

As we enter a period with real potential to move this process forward toward agreements that provide real peace with real security, we cannot afford to jeopardize our role as trusted intermediary.

Our experience in the negotiations tells us that the moving of our embassy would damage the ongoing negotiations. And again, Presidents of both parties have agreed with that assessment.

Taking unilateral actions that would prejudice the most sensitive of the permanent status issues just when those negotiations are about to start will harm the process and would run directly contrary to our long-standing position that the parties themselves should avoid unilateral actions that prejudice the final status talks

How can we not recognize and move our embassy to the city that one of our closest allies considers its capital? Isn't Israel the only country where our embassy is not in the country's self-proclaimed capital?

Our relationship with Israel is uniquely close and our commitment to Israelis rock-solid. We are proud of that. The strength of that commitment will never wane under this Administration.

But that is not the issue here. In addition to our deep commitment to Israel, we have a responsibility to do all we can to help the peace process succeed.

Moreover, reaching a comprehensive peace between Israel and her neighbors is in the national security interest of the United States and has been under all U.S. Administrations, Democrat and Republican.

For the record, U.S. embassies to at least seven countries are currently in cities other than the capitals.

What is your position on Jerusalem? You used to say the USG supported an undivided Jerusalem. Now you are mum. Have you changed your stance?

Our position has not changed.

Israel and the Palestinians have agreed that Jerusalem would be one of the issues covered in the permanent status negotiations. We should respect that decision.

What will you do if Congress passes new, even more restrictive legislation?

I am not going to comment on things that might or might not happen.

We held discussions with Congress on this issue, one which we recognize is of great interest to the Members. We are ready to continue those discussions. But we need to use the waiver now to preserve our access to funds necessary to protect our personnel and missions abroad from security threats.

But as I said, we have a responsibility to the peace process and to the two parties to do all we can to help them reach agreements that can provide real peace with real security.

What is the status of the Ambassador's apartment in Jerusalem? Is it a secondary residence? Have you raised the profile or enhanced the diplomatic uses of that facility to try to satisfy Congress and others who want to see the Embassy moved?

U.S. Ambassadors to Israel have routinely leased a hotel apartment or suites for their use in visits to Jerusalem and for security convenience and meetings. That continues to be the case.

Maintaining these arrangements as we have does not represent a change in our position on the issue of moving the Embassy from Tel Aviv to Jerusalem.

The current apartment - located at the Hilton Hotel - is being used in the same manner as previous apartments or suites at other hotels. This apartment is not a secondary residence. The Ambassador's only residence is in Hilton.

Aren't you effectively giving the Palestinians a veto over this issue by falling back on this desire not to prejudge the outcome of negotiations?

No.

We need to promote this peace process. That is entirely consistent with our unshakable commitment to Israel.

The parties must settle their differences only through negotiations.

I would also remind you that this is the same principle we used to help prevent a unilateral declaration of a Palestinian state in May. The principle's value is clear.

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

June xx, 1999

STATEMENT BY THE PRESS SECRETARY

Today, the President exercised his waiver authority provided under the Jerusalem Embassy Act of 1995. The President made this decision in order to protect our critical national security interests, most crucially in preserving the prospects for a comprehensive, just and lasting peace between Israel and its neighbors. The President took this action at this time because, absent the waiver, the Act would have denied the Department of State further access to funds necessary to protect our personnel and missions worldwide so they can continue to pursue vital U.S. objectives.

The pursuit of Israeli-Palestinian peace has been a consistent, objective of the United States under Republican and Democratic Administrations. Israelis and Palestinians have agreed to include Jerusalem among the issues to be covered in their permanent status negotiations. At a time when there is real potential for movement on the peace process, and as we look forward to the start of those crucial negotiations, the United States should not be taking steps of its own that prejudge those negotiations and make them more difficult. The differences that remain between Israelis and Palestinians can only be resolved through direct negotiations and the United States should do everything it possibly can to facilitate their success.

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IRAN: ARREST OF MEMBERS OF IRANIAN JEWISH COMMUNITY

June 8, 1999

Do you have any information regarding members of the Jewish community in Iran being arrested on charges of spying for the US and Israel?

We are aware that thirteen members of the Jewish community have been arrested and are expected to be charged with espionage for Israel and the United States. The arrests send a very disturbing signal.

We call on the government of Iran to ensure no harm comes to these individuals and to release them.

(If asked)

When did the US know about the arrest, and what actions have we taken?

We learned about the arrests in April and have been monitoring the situation closely since then. We treated this matter with discretion at the request of those who were directly involved in attempting to seek the release of the individuals.

Now that the issue is in the public domain, we believe it is the right time to speak out.

(If asked)

Who is the USG in touch with regarding these prisoners?

There are a number of groups who are following this issue.

I do not have any further information.

(If asked)

What is the State Department's view on Representative Sherman's resolution condemning Iran for the arrests, demanding their release, and condemning Iran for religious persecution?

I have not seen the latest text of Representative Sherman's resolution. We share his concerns about these individuals and the Iranian government's treatment of religious minorities.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

June 8, 1999

STATEMENT BY THE PRESS SECRETARY

Actions by Iran Against Jews

The United States is deeply troubled by the Government of Iran's recent arrest of thirteen members of the Jewish community, including several religious leaders, and yesterday's announcement that they have been charged with espionage on behalf of the United States. These charges are entirely without foundation. We call on the Government of Iran to uphold its stated commitment to protect the rights of all religious and ethnic minorities by releasing these individuals and ensuring that no harm comes to them.

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PASSAGE OF COX/DICKS AMENDMENT

June 10, 1999

CONTEXT: on June 9th, the House of Representatives approved an amendment offered by Reps. Chris Cox (R-CA) and Norm Dicks (D-WA). The amendment would implement some of the recommendations of the Cox Committee with regard to improving security at U.S. nuclear labs and other issues related to espionage by China. The amendment was approved by a unanimous vote of 428-0. The amendment was brought to the House floor without any Committee consideration; no hearings; no markups; and no public scrutiny. The Administration was able to remove some objectionable provisions through informal discussions with the sponsors – but issues of concern remain. The administration is hopeful that these remaining concerns about the amendment can be resolved in conference.

We strongly support the Amendment's provisions to strengthen security and counterintelligence capabilities at the U.S. national laboratories.

These measures help to codify and strengthen the steps that the President directed in February 1998 to improve lab security.

We are examining other provisions that deal with export controls over dual use technology, such as computers and communication satellites, and look forward to working with Congress on these provisions in conference.

We appreciate the constructive efforts by the authors of this amendment to work with us in revising the language so that it best accomplishes our shared objectives, and we look forward to continuing this constructive process through conference of the bill.

CHINESE DISSIDENT
June 10, 1999

Any comment on China's sentencing of dissident Fang Jue to four years in prison?

We understand from press accounts that political essayist and former government official Fang Jue was sentenced to four years in prison for "illegal business practices." We are not in a position to judge Fang's business practices, but it appears that his peaceful expression of political views brought him to the authorities' attention.

We have long urged the Chinese government to ratify the International Covenant on Civil and Political Rights, respect international standards with regard to fundamental freedoms such as due process and free expression, and to accommodate dissenting voices in public discussion of China's political, economic, and social development.

Did U.S. Embassy representatives attend the trial?

Our Embassy asked to attend the trial but was refused.

(If asked) Has Fang Jue asked for medical parole to the U.S.?

We have no way of confirming either Fang's state of health or his reported desire for medical treatment abroad. If Fang's medical condition warranted release for treatment abroad, we would encourage the Chinese authorities to allow that to happen.

INDONESIA: COUNTRY-WIDE ELECTIONS

June 10, 1999

CONTEXT: *Indonesians went to the polls in large numbers June 7 in the first country-wide elections since 1955 in which the outcome was not known in advance. Voter participation nationwide was high, although widespread boycotts were reported in two troubled provinces, East Timor and Aceh. Violence on election day was minimal. Preliminary, unofficial indications are that the party of Megawati Sukarnoputri, daughter of former President Sukarno, is doing well in many parts of the country, but vote tabulations are taking longer than expected (about 12 percent as of June 10) and it will likely be several more days hours before a clearer picture emerges. At this point, logistical challenges and bureaucratic inexperience are probably the main reasons for the slow vote count, although there are growing concerns about possible government manipulation..*

Your assessment of the Indonesian elections?

We welcome the fact that Indonesians voted in apparent record numbers on June 7 in Indonesia's first genuinely openly-contested elections since 1955. These elections are an important first step -- but only a first step -- in Indonesia's democratic transition.

According to preliminary reports from International and domestic election observers, the balloting was carried out in a generally peaceful and orderly manner. Former President Carter and the National Democratic Institute, which led an observer delegation to Indonesia, issued a detailed statement today noting the "truly impressive display of enthusiasm for and commitment to democracy" by the Indonesian people. The vote tabulation is taking quite a bit longer than National Election Commission officials had expected, and it may be several more days before even unofficial nationwide results are in.

It will be important for the ballot counting to be conducted impartially, and for the Indonesian National Election Commission to be able to address disputed results in a credible manner.

Early reports are that opposition leader Megawati is leading nationwide Any views?

Let's wait until the results are in.

You said the ballot tabulation is taking quite a bit longer than expected. Any reason to suspect manipulation or foul play?

We have to remember the logistical challenges facing this election are enormous. We urge election officials to expedite the count as much as possible in a manner that is impartial and credible.

HAITI: HOUSE VOTE ON TROOP WITHDRAWAL

June 10, 1999

CONTEXT: *The House of Representatives voted 227-198 last night to withdraw the U.S. "Support Group" from Haiti by December 31. The Support Group, in Haiti since the restoration of democracy in September 1994, includes about 400 personnel who conduct medical clinics and support visiting engineering units that undertake projects such as school-refurbishing, road-building and well-digging. (The Senate version of the Defense Authorization Bill is silent on Haiti troops.)*

Any comment on the House vote to withdraw the Support Group from Haiti?

We are disappointed. Vote sends an unfortunate — and incorrect — message that our commitment to Haitian democracy and stability is wavering, especially as Haiti prepares for elections.

Particularly unhelpful when combined with Congressional efforts to curtail human rights monitoring by specialists from UN and Organization of American States.

Support Group and exercises it has supported have made tremendous contribution. Visible manifestation of our support for Haiti's democracy and economic development. The Support Group also provided key support to U.S. counter-drug operations in the region.

Training exercises for U.S. military engineers and medics have provided direct benefit to Haiti's neediest — from medical clinics, refurbished schools, newly dug wells, to repaired roads.

If enacted, this provision will interfere with the President's ability to deploy troops abroad for non-combat purposes where important foreign policy and U.S. security interests are at stake.

Hope to continue working with the Congress to reach agreement on this important matter.

Would the Administration prefer to keep the troops in Haiti permanently?

No. Our presence there has only been to assist in maintaining a stable environment for the transition to democracy. The President has already committed to reducing and eventually withdrawing our troops from Haiti.

Have modestly reduced force strength and frequency of projects, and regularly review our mission and objectives.

But didn't SouthCom Commander recently testify that the situation in Haiti is deteriorating rapidly and the Support Group should be withdrawn immediately?

Secretary Cohen and General Shelton agree with current approach.

DOD strongly opposed the measure passed by the House last night. DOD deployments schedules must be based on U.S. interests, and maintaining stability in Haiti as it prepares for elections is of utmost importance.

NATIONAL MISSILE DEFENSE (NMD)

June 4, 1999

CONTEXT: Our goal is to get the President to sign before he goes to the G-8 Summit next Wednesday, but we are still waiting to receive it from the Clerk's office, so the 10-day clock has not started yet.

When will the President sign the National Missile Defense bill?

Bill has not been received at the White House yet.

Once bill is received, President has 10 days to sign.

We have said publicly that the President will sign.

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Statement by the President

Today, I am signing into law H.R. 4, the "National Missile Defense Act of 1999." The Administration is committed to meeting the growing danger that rogue nations may develop and field long-range missiles capable of delivering weapons of mass destruction against the United States and our allies, and I commend Congress for passing legislation on this important issue.

Section 2 of this Act states it is the policy of the United States to deploy as soon as technologically possible an effective National Missile Defense (NMD) system capable of defending the territory of the United States against limited ballistic missile attack, with funding subject to the annual authorization of appropriations and the annual appropriation of funds for National Missile Defense. By specifying that any NMD deployment must be subject to the authorization and appropriations process, the legislation makes clear that no decision on deployment has been made. This interpretation, which is confirmed by the legislative record taken as a whole, is also required to avoid any possible impairment of the President's constitutional authorities.

Section 3 of this Act states it is the policy of the United States to seek continued negotiated reductions in Russian nuclear forces. Thus, section 3 of the bill puts Congress on the record as continuing to support negotiated reductions in strategic nuclear arms, reaffirming this Administration's position that our missile defense policy must taken into account our arms control objectives.

Next year, we will, for the first time, determine whether to deploy a limited national missile defense when we review the results of flight tests and other developmental efforts, consider cost estimates, and evaluate the threat. In making our determination, we will also review progress in achieving our arms control objectives, including negotiating any amendments to the ABM Treaty that may be required to accommodate a possible NMD deployment.

PUERTO RICO – VIEQUES TARGET RANGE PROTEST

June 8, 1999

CONTEXT: On April 19th, U.S. jets conducting night bombing practice at the Navy bombing range on Vieques Island in Puerto Rico dropped two 500-pound bombs on the range observation tower, killing one and injuring four Department of the Navy contract employees. Vieques, a small island with a population of roughly 9,500 is two-thirds U.S. Government owned. The live bomb impact area – where the accident occurred – is on the uninhabited end of the island. Although the incident occurred on the range complex and more than seven miles away from the closest civilian property, it has caused a political firestorm in Puerto Rico. Many have demanded a permanent cessation to DOD's use of the target complex and maneuver ranges on Vieques. Others seek an end to the use of live ordnance on Vieques. The national security interest in Vieques is that it is the only target range in the U.S. where aircrew can practice live ordnance deliveries from high altitude, and is the only live range for the joint training of our East Coast Carrier Battle Groups who deploy to the Mediterranean or Southwest Asia. It is used for the combined air-land-sea coordination of ordnance delivery, and as part of the Roosevelt Roads training complex, and is the largest open-ocean/airspace training area on the East Coast of the United States.

Points:

We are all saddened by the loss of life and injuries caused by the tragic accident in April.

In view of the accident, the Navy has temporarily ceased training on the Island pending the results of investigations into the incident.

Refer to Navy for further information on this investigation.

In the wake of the accident, Secretary Cohen tasked Secretary Danzig and the Navy to formally review range complex use, including options to reduce the frequency of live ordnance delivery there, and to determine what additional safety measures can be implemented to ensure the safety of employees and local residents.

Refer to DOD for further information on this study.

Today the President has asked Secretary Cohen to establish a formal panel to review Puerto Rican concerns as well as national security requirements; that panel will have a non-DOD, non-military affiliated member.

The President hopes that the panel will report it's finding back to Secretary Cohen in August, so that the Defense Department can make its recommendation for further action.

The Navy has notified Governor Rossello that the next pre-deployment utilization of the Atlantic Fleet Weapons Training Facility in Puerto Rico is scheduled to begin on June 21st. The Navy does not plan ordnance delivery on Vieques Island during this training.

We appreciate the support the citizens of Puerto Rico and its elected officials have given to our

national security readiness training, especially during this time of ongoing operations in Kosovo and Southwest Asia.

During this period of investigation and review, we urge that citizens avoid the live impact area at the Vieques Island complex because of the serious danger posed by unmapped ordnance there.

Appreciate the cooperation of the residents of Vieques Island, the citizens of Puerto Rico and its elected leaders with Secretary Cohen and Secretary Danzig's investigation.

Refer you to DOD for additional information.

COMPUTER EXPORT CONTROLS

June 9, 1999

Is the WH considering a change to Tier 2 computer controls in advance of the meeting with computer CEOs on the 11th?"

The issue is under review, but we do not anticipate a decision by the end of the week.

John Podesta plans to meet with industry leaders this week and we expect that they will raise this issue, among others.. We want to hear all sides before reaching a judgement on the best course to help U.S. industry remain competitive while also protecting our national security.

We are very mindful that technology continues to advance and we have to be sure that our export controls keep pace with industry advances, consistent with our national security concerns.

What are you going to do about Tier III countries?

Right now what is being discussed within the interagency is adjustments for Tier II countries.

Remember, we are facing a situation which could restrict the export of computers with updated chips that you can buy at your neighborhood computer store. We want to be sure that export controls keep pace with practical changes in the marketplace, consistent with our national security concerns, and can be reasonably enforced.

Background for Briefer: Tier II countries include, for example, Latin American countries, those between NATO countries (Tier I), but not those facing the most stringent conditions, such as China (Tier III).