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White House Press Release

Press Briefing By Mike Mccurry

The White House

Office of the Press Secretary

For Immediate Release

August 7, 1997

Press Briefing
By Mike Mccurry

The Briefing Room

1:10 P.M. Edt

Mr. Mccurry: Well, what have we today? Helen Thomas, why don't you begin the briefing today.

Q All right. Did the President have his meetings today on line item veto and **fast track** trade?

Mr. Mccurry: One, yes; one, no. He did have a good discussion on **fast track** authority, talk about our plans for the fall to move that very critical authority the President needs to keep opening markets to American goods and services overseas. They had a very good discussion of that with some of the President's economic advisors. I think he will have his initial meeting on some of the line item veto issues later today and then continuing into the weekend.

Q In considering the line item vetoes that he may use, how much of the politics of this would play -- in other words, would the President be concerned if a very important Democratic senator, for example, strongly supported one of those tax breaks?

Mr. Mccurry: Well, first and foremost, the President is drawing on the accumulated expertise of those in the federal government who evaluate tax expenditures. We've had a number of career people from Omb and Treasury involved in just looking at those things that would be addressed in any statement of cancellation issued by the President. They look at budgetary impact, economic impact, fiscal impact -- and then, of course, they look for the specific dollar value of the benefit and who would benefit.

Q How about this afternoon?

Mr. Mccurry: -- nearby, that involve 18-hole recreation -- (laughter) -- and maybe this afternoon, too. So the President will be nearby, but probably just recreating over the weekend. Beyond the Radio Address, no other schedule that I'm aware of.

Let me do the week-ahead while we're on it. The President on Monday morning will meet with business leaders to discuss climate change. He's got, again, a desire to consult with a wide range of constituencies and communities as we prepare for our role in the negotiations that will lead up to the conference in Kyoto, Japan, and assessing the attitude of U.S. business leaders will be an important part of that. He will do that Monday. He also speaks Monday afternoon to the National Urban League Convention. Tuesday, he signs the budget agreement; Wednesday, no public schedule; Thursday, no public schedule yet except for some fundraising dinners in the evening. Friday, no public schedule as of yet, and he plans to do the Radio Address, this says, Saturday. Is he -- next Saturday he plans to do the Radio Address here live.

Q Mike, **fast-track** authority is supposed to be a high priority of the President when Congress comes back. Does he hope to have congressional action by the time he goes to South America on that?

Mr. Mccurry: Yes. Because he, among other things, would like to be in a position where he could give them better ideas of what the schedule would be for negotiating agreements for any government in the region or any entity that is going to be the subject of free trade discussions.

Q Has he gotten any commitments from Gingrich and Lott that they can accommodate that kind of timetable?

Mr. Mccurry: He has had discussions with them about it, as you know. I don't know if he's had specific conversations about timing. I think that he has pointed out the importance of **fast-track** authority and that legislative action on **fast-track** authority this year to both the Majority Leader and the Speaker, but it's clear from what we've been doing, such as the very good meeting the President had last night with members of the House, that we are trying to build our support in Congress for that legislation. And I don't think the President needs to remind the Speaker and the Majority Leader of the importance of that legislation. In fact, they have, in some cases, suggested to him that he's going to have to work hard to try to get it. So I think they're fully aware of what the situation in both houses is.

Q In looking ahead, the President today listed five top priorities in the fall, but he didn't include in that list campaign fundraising reform. Is there a reason that that's not one of his top priorities?

Mr. Mccurry: That was an oversight on his part because, of course, as he said in his statement yesterday, he is fully supportive of the efforts of Senators Feingold and McCain to bring that legislation to consideration in September. And that will, in fact, be something that he does consider a priority.

Q Mike, why is former leader Emanuel Kosta (phonetic) not a deportable immigrant -- United States?



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Q In considering the line item vetoes that he may use, how much of the politics of this would play -- in other words, would the President be concerned if a very important Democratic senator, for example, strongly supported one of those tax breaks?

Mr. Mccurry: Well, first and foremost, the President is drawing on the accumulated expertise of those in the federal government who evaluate tax expenditures. We've had a number of career people from Omb and Treasury involved in just looking at those things that would be addressed in any statement of cancellation issued by the President. They look at budgetary impact, economic impact, fiscal impact -- and then, of course, they look for the specific dollar value of the benefit and who would benefit.

But one of the things that has to be considered by the President if he excises any individual item is if there is a particular congressional district or a particular group of

constituents who are affected. That very often is the case when an individual members has sponsored a piece of tax legislation that provides some limited tax benefits. So, in some sense, we feel most are required by the statute itself to consider those types of factors.

Q Is there an actual list of --

Mr. Mccurry: Are you going to let me get away with that answer?

Q No. What does that mean?

Mr. Mccurry: Oh, all right. But the answer is, of course, once we're at the stage now where we're doing this very meticulous review of the merits of these provisions, drawing on the expertise that those in government have in the Executive Branch to look at those types of arguments, but then once that type of review is completed by Treasury, Omb people, our national economic team, it's then forwarded to the President and at that point the President can consider other factors as well.

Q There is a published report this morning that the White House was indeed party to the Coverdell Amendment, which would have given tax credits for lower --

Q Choice.

Mr. Mccurry: No, remember the history of that, and the President sent a letter to the Speaker -- to the Speaker, or to -- Speaker and the Majority Leader to advise them of the President's opposition to that amendment, the reason being the President views that amendment as really a back-door way of doing vouchers which, of course, the President opposes for use in private schooling.

Q The published report suggests that during the actual negotiations, the administration did know of it and didn't oppose it. Is that report inaccurate?

Mr. Mccurry: That's inaccurate to my knowledge. And obviously the record shows that we sent a letter prior to the conclusion of the agreement that publicly stated the President's opposition. So it's just an erroneous report.

Q Isn't this whole process that the White House is having to go through right now on this line item veto proof that this is not the place for this to take place, that people who argue this is indeed legislative and ought to rest there are having that case made by everything that you guys have to go through in terms of this process?

Mr. Mccurry: The process we're going through is not unlike the process we go through in evaluating any piece of legislation, so the answer is, no, it's fully within the normal transaction of business when the Executive Branch considers an action by the Legislative Branch. And we go through that type of same evaluation of virtually every piece of legislation submitted. It's reviewed by Omb. The Omb provides views to the President and a recommendation based on consulting with relevant agencies. It's virtually the same process.

Q Mike, when you said that beyond today's discussion on the issue, the President felt he had to talk with his staff about it into the weekend. Is that an indication that nothing is going to

surface until Monday in terms of what decision he ultimately makes?

Mr. Mccurry: Could be, or maybe not. Who knows.

Q Well, what would be the earliest likely date?

Mr. Mccurry: I'm not going to speculate on that. The President will act when the President acts and he, himself, indicated yesterday he'd do so sometime before midnight Monday.

Q Is there, in fact, a pared-down list ready to be presented to the President of, these are the possible candidates?

Mr. Mccurry: Well, the list is the list that the Joint Committee on Taxation presents along with the legislation subject --the way that the statute identifies the process. And we have gone through the list and evaluated a number -- devaluated those provisions that have been identified. The vast majority of them fall in the category of things that look like they are reasonable tax policy based on the budgetary economic fiscal impact and the rationale behind the expenditure, the conformity with existing regulations of the Irs or the code.

And then there are a handful of things that are under review that either will part of the negotiations in which case the President is inclined, as he said yesterday, as a matter of good faith to accept them or things that were outside of the boundaries of the negotiations and we're down to only a small handful of those, that might be eligible candidates for the veto. And the President will consider those and have further discussions with the appropriate officials over the weekend.

Q Has the team made a recommendation?

Mr. Mccurry: No. The President hasn't even had a single discussion formally with his advisors on this. He wants them to complete the very necessary work of evaluating these, drawing on the expertise of those in government who routinely evaluate tax expenditure items.

Q When does politics come into play? Is he being pressured from the outside not to do this and not to -- especially for those that are on the line?

Mr. Mccurry: You've seen a number of public statements and I'll let you evaluate them.

Q He does take that into consideration, doesn't he?

Mr. Mccurry: We've had numerous discussions with the Hill about this bill, and very long negotiations that went into drafting this bill -- lots of effort now to understand the thinking behind some of these provisions that we're talking about. So, of course, all that factors in, but the first part is the analysis done within the government, and that's the process that continues today.

Q Mike, when you talk about elements that were either in or not part of the negotiations in this bill, everything was negotiated -- Treasury or Omb or the White House went over every item in this bill.

Mr. Mccurry: I don't believe that is correct in the case of all 80 of these provisions, some of which were added as the bill was being wrapped up on the Hill. So some were and some weren't, Paul. Some of the significant ones were and we were aware

of it, but there are some that probably were not directly discussed as part of the negotiations.

Q So there are some that you didn't know about or -- how do you characterize something you're looking at?

Mr. Mccurry: There are some that we are learning about as we analyze the legislation that's been passed by Congress.

Q But how is it possible that Treasury didn't know that they were in there and didn't complain, as they did, for example, the voucher program? You watched this right up to the end.

Mr. Mccurry: They're not sitting there drafting the legislation as it's assembled within the conference committee. We had lots of discussions in the closing hours over provisions of both the balanced budget bill and the tax relief bill. But there were some that were added within the deliberations in Congress that we are analyzing now.

Q If the President plans to meet with the people this afternoon, does that mean that the analysis is scheduled to be completed by this afternoon?

Mr. Mccurry: No, some of the technical analysis will probably continue tomorrow, maybe into the weekend. And I'm sure the President's deliberations on this will continue into the weekend.

Q So will he be given this list of a handful of items this afternoon?

Mr. Mccurry: He'll have some discussions today. I don't know whether the process has generated a list at this point. They've had discussions back and forth on some of these provisions and that will continue. I think it's a little too formal to suggest that there will be some definitive list. There will be discussions back and forth on some of the items that we're looking at.

Q From a policy and consistency point of view, would it not have made more sense for the President to cast the line item vetoes at the same time at which he signs the bill, even though the law gives him five days?

Mr. Mccurry: No, Mark, because the President can only excise items that have been signed into the law. Under the statute, you first sign the law and you don't excise things from --

Q No, I understand that, but at the same time he signs it -- even as they sign this bill, I am now simultaneously casting these line item vetoes, he could say. Would it not have made more sense from a government point of view to do them simultaneously?

Mr. Mccurry: No. No, that's contrary to the read of the act. The act itself specifies that you sign the bill and then you have five days to submit your proposed cancellation. So the process is designed to the contrary, to work exactly opposite of that.

Q Forgive me if you were already asked this, but what's your understanding of the constitutional challenge? This was supposed to be expedited. In other words, does this get taken up first thing by the Court in October, or how does it work after he does it?

Mr. Mccurry: I don't -- I'd have to look at the opinion

in Byrd v. Raines to see whether the Court suggested there would be some expedited review of a challenge once a properly identified aggrieved party had come forward with a complaint. I honestly don't know, but you can go back and look probably at the opinion.

Q Mike, on the expected constitutional challenge, there's a school of thought that's -- by people like Senator McCain, that the President would be in a stronger position to be sustained by the Supreme Court if he waited for an appropriations bill, particularly defense appropriations, where he also acts in his capacity as Commander-In-Chief. There's another school of thought that says it really doesn't make any difference what he picks for the line item veto, that it's such a basic constitutional question that the content of the veto doesn't matter. What is the view of the lawyers here in the White House? What advice is the President getting on that point?

Mr. McCurry: I can't speak to that. I know that the Justice Department has looked at some of those issues, the Legal Counsel here has looked at some of those issues. I suspect there are other views that you didn't reflect in your question, too. There are some that suggest that even if you restrict the use of the line item veto to something like the military construction bill, which the President is also acting in his capacity as Commander-In-Chief, the grounds upon which the Court might consider the issue then be narrowed, that this resulting opinion might narrow the use of the authorities.

There are lots of different arguments within the legal community on this issue, and the President is first and foremost relying, as he should, on the accumulated expertise and wisdom of those in government who evaluate tax issues and do so in their capacity as attorneys at the Treasury Department or at the Omb. That's the basis of the analysis that's then submitted to the President's National Economic Council and to his economic team, and they proceed from there. The legal issues, of course, have been discussed. The Justice Department, I'm sure, has contributed thinking to it, but that's all by way of saying they're into their own deliberations that are going on both with respect to the substance of the items, then also the anticipated challenge.

Q If the review is done in time, is the President likely to announce his decision in the radio address?

Mr. McCurry: I'm just not going to speculate on that. We'll see. I honestly don't know the answer at this point.

Q Given the incredible amount of staff work that's going into this from very different agencies and with political considerations, he'll probably not end up vetoing something that's going to save the government a tremendous amount of money. Is the line item veto more trouble than it's worth?

Mr. McCurry: The President sought the authority, thinks that it's important to have and plans to use it effectively. As to the staff work that goes into this, I think you're missing the point that I stressed earlier, this same evaluative process goes into virtually everything they do. It's just -- you know, you happen to have a stronger interest in the process of this particular issue than you do typical evaluation of bills for signature by the President. But they go through the same evaluation even on everything that is submitted to the President.

Q Mike, the other day the President said that when he was governor he used it a couple of times and then he didn't have to

use it anymore. Presumably, some message was sent and tax law conformed to his wishes after that. What is the message that he's trying to send?

Mr. Mccurry: You've got it pretty right there, I think.

Q Can you articulate that, though? Why does he want a line item veto?

Mr. Mccurry: He wants it so he can trim unnecessary and wasteful spending from the budget and protect the interests of American taxpayers.

Q But does he assume that when he does this, it will be clear with the line item veto what he considers wasteful and unnecessary so people can make sure he doesn't use it again?

Mr. Mccurry: I think it will be clear to the Congress that he is willing to use an authority available to him under law to strike and cancel wasteful discretionary spending or tax expenditures of a limited benefit that are narrower than the general public interest. And that message, presumably, will instruct Congress as it prepares future legislation.

Q Mike, were there specific measures here that were prepared by specific legislators, would the President speak to them directly before vetoing their measure, or will it just come as a shock to the people who inserted them that specific measures were not done?

Mr. Mccurry: I think that we will do our best effort to consult closely with Congress as we would in any important executive decision.

Q Mike, to go back to the rationale for this, it doesn't seem to be that it's merely wasteful, discretionary spending, but rather wasteful, discretionary spending that there hasn't been a quid pro quo on. I mean, if both sides agree to something that turns out to be wasteful, discretionary spending, the White House seems to be okay with that. It's something that gets slipped in that you didn't know about --

Mr. Mccurry: That's painting with too broad a brush. There may be some things here that represent sound tax policy, sound economic policy that are correcting some injustice done to some limited number of taxpayers. And that's the reason why an individual senator or congressman would seek redress for constituents. I mean, that's fully appropriate; that happens, I think, probably on virtually every tax bill that Congress sends to the President.

There are some items in here that were involved in the negotiations back and forth between the Executive Branch and the Legislation Branch as we wrote a very complex tax bill and complex balanced budget bill, and the President, as he indicated to you yesterday, believes as a matter of good faith he should be true to the negotiation that occurred on that -- so that some of the items fall in that category.

Q Mike, there's a U.N. Conference on Global Climate Change wrapping up in Bonn. At the conclusion of this meeting there was a lot of criticism that the White House, by not coming forward with a specific proposal, was making it difficult to get momentum going towards Kyoto and it would be more difficult to have an agreement in Kyoto.

Mr. Mccurry: I suspect I know from whence came some of that criticism and it is on behalf of those that have proposed specific reductions that the United States government believes are unrealistic. And the President is interested in preparing a draft document that has realistic, achievable, enforceable limits on greenhouse gas emissions and that's going to require more work by the international community and not schemes that have been advanced. It won't be achievable.

Q A couple of questions for you. One, as you know, Tony Blair completes his first hundred days in office tomorrow. Comparisons have been drawn between him and President Clinton.

Mr. Mccurry: He's had a better first hundred days than Bill Clinton did. (Laughter.)

Q Could you give us your assessment of Tony Blair's first hundred days?

Mr. Mccurry: Well, from our transactions of work with the new government, we have worked effectively on a number of very critical issues -- the future of Europe, the Northern Ireland peace process, matters in which we and the United Kingdom address common concerns on a range of issues. And the excellent working relationship we had with the government of John Major has certainly continued. And, importantly, a very close, personal relationship has developed between Bill Clinton and Tony Blair and they've enjoyed the opportunity to compare notes on a range of issues.

The Labor government has put together a very ambitious program. They have the benefit of a large majority in Parliament which will allow them to address that program. And I think at times the President of the United States has expressed some envy for the position that Tony Blair is in. But our government to government work with them is what counts most and that continues in the fashion of the very special relationship we have with the United Kingdom.

Q Can I ask one more question on a different topic? Britain is following the U.S. model of appointing a drug czar. There has been criticism in Britain that this model isn't an effective one, it's too military, and that we're making a mistake if we follow your lead. How would you defend the style that the U.S. has adopted?

Mr. Mccurry: I'm hesitant to draw the direct comparison because the position of Office of Director of National Drug Control Policy in our government results from the fact that so many agencies within our government have a piece of what must be a comprehensive antidrug strategy. I'm just not familiar enough with how the antidrug effort is structured within the various ministries in the government of the U.K. to comment effectively on it. And we'll make one point. General Barry McCaffrey, who is the Director of our office, is the first to remind us that the metaphor of militarism is not always the most useful way to think about what we need to do to fight drugs, that it is not so much a war on drugs as really going out and treating drug use as what it is -- a public health problem, a problem almost like a disease that has to be treated like a disease with all the relevant treatment strategies. So he, himself, I think rejects that metaphor, and maybe that would be useful.

Q Mike, I have a budget Department of Energy question I wonder if you can look into. As you know, Doe is in charge of nuclear nonproliferation and also declassifying a lot of secrets, but there is a House bill, an appropriations bill that if it is passed, it will result in firing of up to about 1,600 people in Doe who are doing this, both in this country and in Russia. And I just wondered

if the administration has a position on that bill, if you could maybe look into it and get back to me.

Mr. Mccurry: I am not familiar with the provision. The Clinton administration has been very aggressive in declassifying documents, opening up records to public inspection, and that has been especially true at the Department of Energy. But I'm just not familiar with the provision you are talking about. I'll see if I can get some more information on that.

Q Yes, because a lot of people who might be cut are the younger ones who are just hired for this and then they'd be fired, and then there goes the program.

Mr. Mccurry: I'm not familiar with it. I'll see if I can find anything out about it.

Q Mike, what's the word from the White House on Mayor Marion Barry, who is literally a political nonentity right now, vowing to --

Mr. Mccurry: Nonentity? I saw him all over the news this morning.

Q A political nonentity.

Mr. Mccurry: Political. I don't know that I would accept that characterization, but anyhow, go ahead.

Q Okay, well, he's vowing to lead the charge to regain home rule. What's the White House saying about that?

Mr. Mccurry: Well, the President is a strong believer in home rule himself. He's asked Director Raines to continue dialogue with the Mayor and with those who are working on the problems of the District as we work to restructure the fiscal affairs of the District and deal with some of the governance issues that have arisen in recent days. I know Director Raines looks forward to having further discussions with the Mayor.

Q A follow-up. You say he's not a nonentity. He's not doing anything, but --

Mr. Mccurry: I'm just making the point that he didn't seem to be a nonentity from my perspective.

Q On the Ups strike, the President was saying yesterday that it would be inappropriate for him to intervene because Taft-Hartley sets such a high standard, requiring such serious damage that it hadn't reached that standard yet. The question is, would that always be true for the Ups strike because it just doesn't reach deeply enough into the economy, or as it goes on and lasts longer, might he be able to intervene under that standard?

Mr. Mccurry: The evaluation of that most likely by the Labor Department is one that is flexible and takes into account whatever overall impact the strike is having on the economy. It's clear that there may be, as the act requires a significant portion of one sector of the economy affected within an individual sector, but the second part of the standard which is impact that imperils the national safety and health is one that is a fairly difficult standard to reach and hard to imagine how it would come into play in this strike.

At the same time, we will continue to monitor the

strike. The President's obviously encouraged that the parties are resuming some informal dialogue, and we continue to hope that they will resolve their differences at the table and the workers can go back to work.

Q Mike, since the President's news conference and the Secretary of State's speech yesterday, Palestinian leaders, from Arafat on down, really haven't changed their rhetoric, it continues to be very, very tough and really assuming no responsibility for curbing violence or terrorism, sort of off-loading the problem onto Netanyahu. In advance of Ross' arrival there, is the embassy consular officials working with Palestinian officials to try and ameliorate the climate?

Mr. Mccurry: Well, you've made a judgment about the response that I don't know that we have had sufficient time to evaluate. We are pleased that there has been a positive reaction by the Palestinian Authority to the President's remarks and to the Secretary of State's remarks. And we believe that they understand the import of the President's message. With respect to security, we will be watching carefully in coming days and then of course talking directly to the Chairman and to others to see if we can encourage them to take the kinds of steps on security that we have asked for.

And as to whether Ed Abington, our Counsel General, has been in touch with the Chairman since the Secretary's speech. I don't know the answer to that, but we have ongoing contact with the parties and, of course, Ambassador Ross is scheduled to be there very shortly.

On the question of rhetoric, obviously, the United States believes that the rhetoric on both sides should de-escalate because we need to create an environment in which the parties can develop trust in each other and begin to reasonably adjudicate their differences and their different points of view with respect to both the interim issues and the permanent status issues that they have to address. And that's better done in an environment in which the parties are talking to each other and with each other and not at each other.

Q Senator Lugar this morning suggests that he might be able to use his position as Chairman of the Agriculture Committee to keep Senator Helms out of -- on some of the tobacco issues that are coming before that panel. Is that a tactic that the White House would endorse as you're going --

Mr. Mccurry: Well, it's an interesting development, but it involves inter-relationships within the Senate that I think it's advisable that we not comment on here.

Q Tonight's events -- how much money is being raised and in what sums is it being raised?

Mr. Mccurry: John, I honestly don't know. I'd have to refer you to the Dnc. I heard -- and I'm not sure which is which event -- but it was \$350 at one and \$300 at the other, but I don't know what the split was.

Q And can I go back to something the President said yesterday? Given all the evidence that's come of people who gave money with at least the expectation, if not necessarily the result, of gaining access to the administration because of their contribution, is he really prepared to defend his assertion that somehow Democratic contributors have altruistic motives versus Republicans who have self-interested motives like capital gains?

What did he mean by that?

Mr. Mccurry: I don't believe that's what he said yesterday.

Q That's precisely what he said. He said that, "our people give --

Mr. Mccurry: I don't want to argue with you --

Q No, but it's precisely, I think, on point to the question of why people give -- which he said, Democrats give because of good government and that's why we need to keep raising this money, so we can pass campaign finance reform; Republicans give because they want capital gains and other things.

Mr. Mccurry: I was there. I think that's a rather tortured rendition of what he said.

Q What do you think he said? No, wait a minute, what do you think he said? I think that's an accurate paraphrase.

Mr. Mccurry: I just think there's a transcript available we can get for you and you can read it.

Q Well, defend that assertion, though, that he made that somehow Democratic contributors are not interested in --

Q We have a transcript right here.

Mr. Mccurry: I'm denying that he made that assertion.

Q Okay. We've got one, we can read it.

Q Well, let me get my question out since -- the drug czar issue. Is it a double-edged sword about cocaine going down and the heroin going up for kids, getting back to the drug issue?

Mr. Mccurry: There is a lot in that report that both Secretary Shalala and General McCaffrey addressed yesterday that I think are -- I think it's important to look both at the mix of drugs, that they've come up, and then what the overall trends have been. There are obviously some things in that report that are very encouraging. But it all leads us to believe that the effort that we're making needs to continue and we have to continue to press the case against the use of all forms of illegal drugs -- not just marijuana, but marijuana, crack, all forms of illegal substances.

Q The President's had a couple of meetings already with House Democrats on the **fast track** legislation. Can you give us some idea of what type of concerns they are expressing to him and also maybe a little more detail on today's meeting?

Mr. Mccurry: They've expressed concerns that are not unfamiliar in the general debate about free and open trade. They talk about their concerns about the impact on workers in their district, some have expressed concerns about the environmental effects that we see in other countries and the concerns that we've heard in previous free trade debates, and some expressed general anxiety about how you cope with the change in the global marketplace that comes about in part because of free trade.

The President has listened carefully to those arguments and I think is prepared to address them and to see what is the best

way to address them in the context of negotiating free trade instruments.

Q You said earlier in the week that it was a political achievement basically to separate the balanced budget legislation from Medicare and Social Security reform because it would eliminate the perception that the balanced budget was being done on the backs of the elderly. But the President said yesterday that there is \$400 billion worth of entitlement savings in this balanced budget agreement, so what's the connection between the two?

Mr. Mccurry: Those are the Medicare changes over the next decade that generate those savings which stretch the solvency of the Medicare trust fund out into the next decade. That does not solve the longer-term problem which arises when the Baby Boom begins to draw on the Medicare and the Hospital Insurance Fund -- 10, 15, 20 years into the next century, and that is a longer-term problem that needs to be addressed.

And the President's point is that, yes, we have generated entitlement savings; we've even shown in prior legislation that we can introduce concepts like means testing into the effort to reform entitlement spending. But we now can address the long-term issues of entitlement reform without concern that we are trying to generate savings either for a tax cut or attempting merely to balance the budget on the backs of any individual groups of citizens, that we can really look at the structural problems that Medicare and Social Security have and address them over the long-term.

Q Mike, is one of the things that Ross will take to the Middle East some sort of proposed freeze on settlements in disputed territory?

Mr. Mccurry: He hasn't gone, and I'm not going to speculate on what ideas he's taking with him.

Q Can I follow up, just one follow-up? For the longest time the President was talking about private diplomacy in the Middle East. And now with the Secretary going and Ross going, is this to mark a return to public diplomacy in some large sense?

Mr. Mccurry: Not necessarily. There's always an element of public diplomacy when we are dealing with a sensitive question like the Middle East peace process. But there will be a combination of things that we say privately to the parties as we attempt to encourage them to advance their dialogue, just as there will be a public debate and public interest in the results that our own mediation efforts produce, and then what the parties themselves do as far as their own contacts between each other and with other parties in the region.

Q Mike, he was saying in Madrid that the less he said about this, the better. Has that changed now?

Mr. Mccurry: He has said -- the Secretary of State and the President have both said more about it because it was appropriate at this point to say some things publicly that will help our effort. We're at a different moment now than we were at in Madrid, and we will continue different moment now than we were at in Madrid and we'll continue, I think, our effort.

Q When the Secretary says that she supports accelerated final status talks, but married to interim status talks. What is the difference between that and what Netanyahu is pushing

with his own accelerated status talks?

Mr. Mccurry: There is a difference -- the linkage between interim status discussions and the concept of accelerating the permanent status discussions. That's a modification of what the government of Israel has presented. But I don't want to present myself as speaking on behalf of Prime Minister Netanyahu, who I think has been clear on his own ideas.

Q Well, let me sharpen the question. Is it intended as a partial embrace of the Netanyahu position? Clearly, it's not a full embrace, but is it meant as a signal that we agree in part with what he's saying?

Mr. Mccurry: It's not presented as a move towards the position of either side. It's presented as the best ideas the United States government has at this point -- the best idea that we have at this point about how to advance the process. And we think a combination of moving forward on the final status issues as implementation continues in the interim agreement is a sound way to approach a process that needs to be rejuvenated.

Q Is that a change in U.S. policy, or is that a reiteration of --

Mr. Mccurry: Well, our policy towards the Middle East never changes, but that is a modification. (Laughter.) It's different from what -- we have expressed some interest in the -- we, obviously, have always wanted to see the parties get to the final status issues and begin to deal with it, because they are at the heart of what will be, in the end, the comprehensive settlement between those parties and probably one of the linchpins to just, comprehensive, lasting peace in the region.

But we have suggested that you get to them in part by building confidence through the implementation of those things they've identified in their interim agreement as part of the Oslo process. And then you strengthen and deepened their appreciation of what they're doing with each other as you move towards interim implementation. But that -- they're at a point now where they're stuck even on that process and they need to do something to jump-start some of the larger points of the dialogue that are the fundamental points of the dialogue. We've got now some ideas of modifying the way in which the parties would attempt to resolve these issues. But it's process-oriented much more than substantively -- or oriented as far as the elements of the dialogue that have to be addresses for there to be a settlement.

Q The President keeps emphasizing security, and nobody can be for bullets or bombing in any case. But when you send 500 troops armed to the teeth to help people come in and bulldoze your land, it's a form of terrorism as such. And the President only emphasizes security. You never take a stand against these settlements, which are against the Geneva agreement and the Oslo agreement.

Mr. Mccurry: I would suggest you go make a much more careful read of Secretary of State Albright's speech yesterday, because I think you'll see --

Q Well, I'm talking about the President's statements.

Mr. Mccurry: The President embraced --

Q They're very one-sided.

Mr. Mccurry: The President embraced what the Secretary said yesterday. And I think with respect to --

Q She didn't make the policy, he makes foreign policy.

Mr. Mccurry: He does, and he embraced what she said. And she said something that I think expressed our views on exactly the subject you addressed without embracing or acknowledging some of the premise of your question.

Q Back on entitlement reform. Since the solvency problem for Social Security doesn't come to a head for several years after Medicare, why does the President think Congress would want to tackle that issue anytime soon?

Mr. Mccurry: The President believes there will be sentiment in Congress to tackle that issue soon -- and maybe even next year.

Q There is a sizable gap in terms of when both programs would become insolvent if no action is taken. So what would be the impetus for Congress to act anytime soon on Social Security when they have to face Medicare first?

Mr. Mccurry: Generational obligation.

Q On the greenhouse question earlier, does the administration have any timetables for when you're getting to set your quotas, standards, limits, or are you going to wait up until Kyoto for that?

Mr. Mccurry: Well, we can't, as a practical matter, wait until December, but we'll be developing that during the course of the fall.

Q Mike, could you possibly set up the juvenile and elderly diabetes event tomorrow?

Mr. Mccurry: The President tomorrow at Georgetown Hospital will have some important things to say about new efforts the federal government can make working with the health community to combat the disease of diabetes, and he looks forward to making those remarks.

Q Is there any truth to the reports that part of his announcement may address funding for a cure of Type I research?

Mr. Mccurry: If so, that truth would become abundantly clear tomorrow when the President makes his remarks. (Laughter.)

Q Yesterday, the President said that he would like to see a very strong grass-roots sentiment to put members of Congress on record by the time the Senate takes up campaign finance as to where their elected members stand on this issue. Does the White House plan any particular campaign, drive, effort at the grass-roots level to get people to focus on this and to get people to actively contact members of Congress, particularly senators to do what the President hopes will be done?

Mr. Mccurry: We have had contact from time to time with organizations that are doing exactly that. Common Cause, of course, has been probably first among many organizations trying to generate

that type. The President's purpose in asking Ambassador Mondale and former Senator Kassebaum, now Kassebaum-Baker to take on the leadership role that he asked both of them to do was to spearhead exactly that type of effort on behalf of the administration and work with those groups that are trying to generate that type of response. We hope it becomes successful and hope it becomes part of the effort to see passage of the legislation.

Q And will the President continue to go public on this issue between now and the time that he and Feingold try to bring this up?

Mr. Mccurry: He has regularly and often spoken to it publicly, and he will continue to do so.

Q Is there any chance the President is going to change his position on land mines? There seems to be a national campaign with many humanitarian groups and otherwise who really are putting a lot of public pressure. Is he definite on not taking the Ottawa --

Mr. Mccurry: He's definite on what we are attempting to achieve, which is a global, verifiable ban on land mines, but the issue is much more one of how do you best arrive at that and we are looking at what is the best process to use to try to achieve that goal. There are two different ways of going about that, and we have been pursuing one and acknowledging the importance of the other and continuing to work with the other we will evaluate what kind of progress we're making and see if we need to think of other approaches that might be more successful in getting what we seek.

Q Mike, yesterday the President said that the Republican Party gets more money from non-citizens than the Democratic Party.

Mr. Mccurry: I'm not sure what he meant about that. I'll have to ask him.

Q Did he mean illegal money, or -- you don't know what he meant?

Mr. Mccurry: I'm not sure what that -- the way he meant --

Q Do you think that's correct, that statement?

Mr. Mccurry: I'd have go to look and see. I'm not sure exactly the point he was trying to make there, and I'm -- I'd want to talk to him further about it.

Q Can you post it if you get an answer back?

Mr. Mccurry: Or you can just ask me tomorrow.

Q Mike, did the President intend to indicate yesterday any lessening of his support for Governor Weld when he said that he would make a good ambassador rather than what you've told us, that he would make an excellent one? (Laughter.)

Mr. Mccurry: No, and to the contrary, I think he was trying to strengthen his public support for Governor Weld

Q How much weight has the President lost over these past few months?

Mr. Mccurry: I have no idea.

Q Do you know what he weighs now?

Mr. Mccurry: No.

Q How much have you lost?

Q Do you care?

Q Mike, what do you know about the Dc-8 cargo crash in Miami?

Mr. Mccurry: I know that it happened, because I saw it on Cnn and others. (Laughter.)

Q Mike, maybe I'm being a bit tendentious here, but he said, this money was given to us -- the people that contributed money to us by and large were people that could have made a lot more money contributing to the Republicans, because they were the party of the capital gains tax, the estate tax, and all of that. They did it because they believed in what we were doing.

I'm just surprised to hear the President would say he's proud of the soft money he raises, not acknowledge that there has been evidence of people giving soft money to this administration and to the Democratic Party who clearly have been shown to have interested motives.

Mr. Mccurry: Look, everyone has -- ultimately, has some interest --

Q But isn't that the problem that he's already acknowledged? It seems like yesterday he was sort of shrugging that.

Mr. Mccurry: That's, I think, a tortured read of that passage. Clearly, the President was saying he appreciated the support he's gotten from the people who have contributed funds to him. That was the point he was making. I mean, it's hard to read that as anything else. I think you're being a little too exigential.

Q What does "exigentical" mean? (Laughter.)

Q Could you spell that?

Mr. Mccurry: You can look it up.

Q Same to you. (Laughter.)

Q I wanted to just come back to tomorrow's event. How would you characterize what the President might be doing in terms of Type I and Type II diabetes?

Mr. Mccurry: I'm not going to advance that story. It would be a good story. He's got some important things to say about diabetes, but I'm not going to make the news that he intends to make tomorrow.

Anything else? Let's go. Good-bye. See you tomorrow.

End

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