

ARMS Email SystemRECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Kathy McKiernan (MCKIERNAN_K) (WHO)

CREATION DATE/TIME:28-JUN-1993 19:07:00.00

SUBJECT: Press Schedule 6-29-93

TO: David Seldin (SELDIN_D) (WHO)
READ: UNKNOWN

TO: Jeffrey L. Eller (ELLER_J) (WHO)
READ: UNKNOWN

TO: Manager Infomgt (INFOMGT) (SYS)
READ: UNKNOWN

TO: Mary H. Anton (ANTON_M) (OA)
READ: UNKNOWN

TO: Deborah J. Behr (BEHR_D) (OA)
READ: UNKNOWN

TO: Steven Akey (AKEY_S) (WHO)
READ: UNKNOWN

TO: Barry J. Toiv (TOIV_B) (OMB)
READ: UNKNOWN

TO: Stephen B. Silverman (SILVERMAN_S) (WHO)
READ: UNKNOWN

TO: Todd Stern (STERN_T) (WHO)
READ: UNKNOWN

TO: FAX (2685,Julia Payne) (TLXA1MAIL_ \F:2685\C:Julia Payne\\) (DEFAULT)
READ: UNKNOWN

TO: Evelyn S. Lieberman (LIEBERMAN_E) (WHO)
READ: UNKNOWN

TO: Unice B. Lieberman (LIEBERMAN_U) (WHO)
READ: UNKNOWN

TO: Anne M. Edwards (EDWARDS_A) (WHO)
READ: UNKNOWN

TO: Steve Rabinowitz (RABINOWITZ_S) (WHO)
READ: UNKNOWN

TO: Michael R. Lufrano (LUFRANO_M) (WHO)
READ: UNKNOWN

TO: Marsha Scott READ: UNKNOWN	(SCOTT_M) (WHO)
TO: Julie A. Nash READ: UNKNOWN	(NASH_J) (WHO)
TO: Ethan J. Zindler READ: UNKNOWN	(ZINDLER_E) (WHO)
TO: R. Paul Richard READ: UNKNOWN	(RICHARD_R) (WHO)
TO: Carter Wilkie READ: UNKNOWN	(WILKIE_C) (WHO)
TO: Kimberly Tilley READ: UNKNOWN	(TILLEY_K) (WHO)
TO: Eric Berman READ: UNKNOWN	(BERMAN_E) (WHO)
TO: Anne Walker READ: UNKNOWN	(WALKER_A) (WHO)
TO: David Kusnet READ: UNKNOWN	(KUSNET_D) (WHO)
TO: Meeghan E. Prunty READ: UNKNOWN	(PRUNTY_M) (WHO)
TO: Jeffrey L. Eller READ: UNKNOWN	(ELLER_J) (WHO)
TO: Lavora R. Barnes READ: UNKNOWN	(BARNES_L) (WHO)
TO: Lisa Mortman READ: UNKNOWN	(MORTMAN_L) (WHO)
TO: Joshua N. Silverman READ: UNKNOWN	(SILVERMAN_J) (WHO)
TO: Ernest D. Gibble READ: UNKNOWN	(GIBBLE_E) (WHO)
TO: C. Patricia Cogdell READ: UNKNOWN	(COGDELL_C) (WHO)
TO: Richard Strauss READ: UNKNOWN	(STRAUSS_R) (WHO)
TO: Jonathan P. Gill READ: UNKNOWN	(GILL_J) (WHO)

TO: Patricia A. Enright READ: UNKNOWN	(ENRIGHT_P) (WHO)
TO: Maria M. Tio READ: UNKNOWN	(TIO_M) (WHO)
TO: Jess Sarmiento READ: UNKNOWN	(SARMIENTO_J) (WHO)
TO: Kimberly S. Hopper READ: UNKNOWN	(HOPPER_K) (WHO)
TO: David B. Anderson READ: UNKNOWN	(ANDERSON_D) (WHO)
TO: Karen L. Hancox READ: UNKNOWN	(HANCOX_K) (WHO)
TO: Susan Brophy READ: UNKNOWN	(BROPHY_S) (WHO)
TO: Howard Paster READ: UNKNOWN	(PASTER_H) (WHO)
TO: Lorraine C. Miller READ: UNKNOWN	(MILLER_L) (WHO)
TO: Stuart E. Trevelyan READ: UNKNOWN	(TREVELYAN_S) (WHO)
TO: Steve Ricchetti READ: UNKNOWN	(RICCHETTI_S) (WHO)
TO: Nestor M. Davidson READ: UNKNOWN	(DAVIDSON_N) (WHO)
TO: LeeAnn Inadomi READ: UNKNOWN	(INADOMI_L) (WHO)
TO: Melissa G. Banks READ: UNKNOWN	(BANKS_M) (WHO)
TO: Kathleen L. O'Neill READ: UNKNOWN	(ONEILL_K) (WHO)
TO: Margaret C. Sherry READ: UNKNOWN	(SHERRY_M) (WHO)
TO: Timothy J. Keating READ: UNKNOWN	(KEATING_T) (WHO)
TO: Lisa M. Caputo READ: UNKNOWN	(CAPUTO_L) (WHO)

TO: Margaret A. Williams READ: UNKNOWN	(WILLIAMS_MA) (WHO)
TO: Evelyn Lieberman READ: UNKNOWN	(LIEBERMAN_E) (WHO)
TO: Karen Finney READ: UNKNOWN	(FINNEY_K) (WHO)
TO: Melanne Verveer READ: UNKNOWN	(VERVEER_M) (WHO)
TO: Ann Stock READ: UNKNOWN	(STOCK_A) (WHO)
TO: G. N. Lattimore READ: UNKNOWN	(LATTIMORE_G) (WHO)
TO: Isabelle R. Tapia READ: UNKNOWN	(TAPIA_I) (WHO)
TO: Anne Walley READ: UNKNOWN	(WALLEY_A) (WHO)
TO: Stephanie Streett READ: UNKNOWN	(STREETT_S) (WHO)
TO: Marcia Hale READ: UNKNOWN	(HALE_M) (WHO)
TO: Nancy Hernreich READ: UNKNOWN	(HERNREICH_N) (WHO)
TO: Joshua A King READ: UNKNOWN	(KING_J) (WHO)
TO: David Leavy READ: UNKNOWN	(LEAVY_D) (WHO)
TO: Steven A. Cohen READ: UNKNOWN	(COHEN_SA) (WHO)
TO: Dee Dee Myers READ: UNKNOWN	(MYERS_D) (WHO)
TO: Lisa M. Caputo READ: UNKNOWN	(CAPUTO_L) (WHO)
TO: Marla Romash READ: UNKNOWN	(ROMASH_M) (VPO)
TO: Nancy L. Ward READ: UNKNOWN	(WARD_N) (WHO)

TO: Jeremy Gaines READ: UNKNOWN	(GAINES_J) (WHO)
TO: Chad H. Griffin READ: UNKNOWN	(GRIFFIN_C) (WHO)
TO: Debra D. Bird READ: UNKNOWN	(BIRD_D) (WHO)
TO: Ricki Seidman READ: UNKNOWN	(SEIDMAN_R) (WHO)
TO: Heather Beckel READ: UNKNOWN	(BECKEL_H) (WHO)
TO: Amanda Crumley READ: UNKNOWN	(CRUMLEY_A) (WHO)
TO: Lorraine A. Voles READ: UNKNOWN	(VOLES_L) (WHO)
TO: Dawn A. Alexander READ: UNKNOWN	(ALEXANDER_DA) (WHO)
TO: A. Victoria Rivas-Vazquez READ: UNKNOWN	(RIVASVAZQU_A) (WHO)
TO: Regina Montoya READ: UNKNOWN	(MONTOYA_R) (WHO)
TO: Jeff Watson READ: UNKNOWN	(WATSON_J) (WHO)
TO: Rahm Emanuel READ: UNKNOWN	(EMANUEL_R) (WHO)
TO: Joan Baggett READ: UNKNOWN	(BAGGETT_J) (WHO)
TO: Elaine Weiss READ: UNKNOWN	(WEISS_E) (WHO)
TO: Carola McGiffert READ: UNKNOWN	(MCGIFFERT_C) (WHO)
TO: David Dreyer READ: UNKNOWN	(DREYER_D) (WHO)
TO: Ricki Seidman READ: UNKNOWN	(SEIDMAN_R) (WHO)
TO: George Stephanopoulos READ: UNKNOWN	(STEPHANOPO_G) (WHO)

TO: Robert Boorstin READ: UNKNOWN	(BOORSTIN_R) (WHO)
TO: Michael Waldman READ: UNKNOWN	(WALDMAN_M) (WHO)
TO: Jason Solomon READ: UNKNOWN	(SOLOMON_J) (WHO)
TO: Ken Chitester READ: UNKNOWN	(CHITESTER_K) (WHO)
TO: Keith Boykin READ: UNKNOWN	(BOYKIN_K) (WHO)
TO: S. Collier Andress READ: UNKNOWN	(ANDRESS_S) (WHO)
TO: Jeffrey L. Eller READ: UNKNOWN	(ELLER_J) (WHO)
TO: Elizabeth A. Bernstein READ: UNKNOWN	(BERNSTEIN_E) (WHO)
TO: Jonathan M. Prince READ: UNKNOWN	(PRINCE_J) (WHO)
TO: Carolyn Curiel READ: UNKNOWN	(CURIEL_C) (WHO)
TO: Thomas F. McLarty READ: UNKNOWN	(MCLARTY_T) (WHO)
TO: Mark Gearan READ: UNKNOWN	(GEARAN_M) (WHO)
TO: David Watkins READ: UNKNOWN	(WATKINS_D) (WHO)
TO: Christine Varney READ: UNKNOWN	(VARNEY_C) (WHO)
TO: Dwight Holton READ: UNKNOWN	(HOLTON_D) (WHO)
TO: Andre C. Oliver READ: UNKNOWN	(OLIVER_A) (WHO)
TO: Karen A. Sudbay READ: UNKNOWN	(SUDBAY_K) (WHO)
TO: Stephen B. Silverman READ: UNKNOWN	(SILVERMAN_S) (WHO)

TO: Bruce Lindsey READ: UNKNOWN	(LINDSEY_B) (WHO)
TO: John B. Emerson READ: UNKNOWN	(EMERSON_J) (WHO)
TO: Jan O. Piercy READ: UNKNOWN	(PIERCY_J) (WHO)
TO: John Podesta READ: UNKNOWN	(PODESTA_J) (WHO)
TO: Todd Stern READ: UNKNOWN	(STERN_T) (WHO)
TO: Bernie Nussbaum READ: UNKNOWN	(NUSSBAUM_B) (WHO)
TO: Vince Foster READ: UNKNOWN	(FOSTER_V) (WHO)
TO: Ron Klain READ: UNKNOWN	(KLAIN_R) (WHO)
TO: Cheryl Mills READ: UNKNOWN	(MILLS_C) (WHO)
TO: Carol Rasco READ: UNKNOWN	(RASCO_C) (OPD)
TO: Bruce Reed READ: UNKNOWN	(REED_B) (OPD)
TO: William Galston READ: UNKNOWN	(GALSTON_W) (OPD)
TO: Shirley Sagawa READ: UNKNOWN	(SAGAWA_S) (OPD)
TO: Robert E. Rubin READ: UNKNOWN	(RUBIN_R) (OPD)
TO: Gene Sperling READ: UNKNOWN	(SPERLING_G) (DEFAULT)
TO: W. Bowman Cutter READ: UNKNOWN	(CUTTER_W) (OPD)
TO: Ira Magaziner READ: UNKNOWN	(MAGAZINER_I) (OPD)
TO: Sylvia M. Mathews READ: UNKNOWN	(MATHEWS_S) (OPD)

TO: Roy Neel (NEEL_R) (VPO)
READ: UNKNOWN

TO: Thurgood Marshall, Jr (MARSHALL_T) (VPO)
READ: UNKNOWN

TO: Greg Simon (SIMON_G) (VPO)
READ: UNKNOWN

TO: Marla Romash (ROMASH_M) (VPO)
READ: UNKNOWN

TO: Leon Fuerth (FUERTH_L) (VPO)
READ: UNKNOWN

TO: Jack Quinn (QUINN_J) (VPO)
READ: UNKNOWN

TO: Katie McGinty (MCGINTY_K) (VPO)
READ: UNKNOWN

TO: Kukis, Heidi (HEIDI KUKIS@EOP_OVP@CCGATE@EOPMRX) (DEFAULT)
READ: UNKNOWN

TO: Remote Addressee (JULIA M. PAYNE@EOP_OVP@CCGATE@EOPMRX) (DEFAULT)
READ: UNKNOWN

TO: Michael Gill (GILL_M) (DEFAULT)
READ: UNKNOWN

TO: Remote Addressee (SKILA S. HARRIS@EOP_OVP@CCGATE@EOPMRX) (DEFAULT)
READ: UNKNOWN

TO: Remote Addressee (SALLY J. AMAN@EOP_OVP@CCGATE@EOPMRX) (DEFAULT)
READ: UNKNOWN

TO: (202) 456-6444 (WNS_1) (WHO)
READ: UNKNOWN

TO: Eli J. Segal (SEGAL_E) (WHO)
READ: UNKNOWN

TO: Karen D. Ewing (EWING_K) (WHO)
READ: UNKNOWN

TO: Richard L. Allen (ALLEN_RL) (OA)
READ: UNKNOWN

TEXT:
PRINTER FONT 12_POINT_COURIER
BOTTOM ALL
FOR NEWS PLANNING ONLY
NOT FOR PUBLICATION OR RELEASE
PRESS SCHEDULE OF THE PRESIDENT

TUESDAY, JUNE 29, 1993

FOR NEWS PLANNING ONLY
NOT FOR PUBLICATION OR RELEASE

Travel Pool for Tuesday:
Wire Corr: AP, Reuter, UPI
Wire Photo: AP, Reuter, UPI, AFP
TV Crew: ABC
TV Corr: ABC
Radio Pool: UPI Radio
Mag Photo: TIME
Paper Photo: NYTI
TV Lights: NBC
Print Corr: Washington Times
Inhouse Coverage Pool:
ALL OF TRAVEL POOL PLUS:
Ind TV Corr: CONUS
Ind TV Crew: C-Span
Mults: CNN
Writing Pool:
Wire Corr: AP, Reuter, UPI, AFP
TV Net Corr: ABC
TV Ind Corr: CONUS
Radio: UPI Radio
Print Rptr: Washington Times

6:00 AM EDT HYATT REGENCY REGENCY BALLROOM OPENS FOR PRE-

POSITION for President's speech to National
Federation of Independent Businesses, 400 New
Jersey Ave., NW, Washington, D.C.

Press Note 1/Facilities: Press Entrance
is through the Hall of Battles, the
Hyatt Regency. Camera platform 75 ft.
from podium; Travel pool only at near-
stage position; Correspondent seating
near camera platform.

Press Note 2/ Remarks: Audio of the
President's remarks will be available on
the mult and over the PA in the White
House Press briefing Room.

PRESS SCHEDULE OF THE PRESIDENT
TUESDAY, JUNE 29, 1993

6:30 AM EDT TRAVEL POOL GATHERS, White House Press
Briefing Room

Press Note: Pool gathers at this

hour for protective purposes.

7:00 AM EDT REGENCY BALLROOM CLOSES for security sweep

8:00 AM EDT REGENCY BALLROOM REOPENS for final pre-position

8:30 AM EDT TRAVEL POOL GATHERS in the White House Press Briefing Room for escort to the motorcade

8:45 AM EDT THE PRESIDENT DEPARTS the White House enroute the Hyatt Regency, 400 New Jersey Ave., NW, Washington, D.C.

Travel Pool Only accompanies in motorcade

9:05 AM EDT THE PRESIDENT ARRIVES and proceeds to private time, the Hyatt Regency, 400 New Jersey Ave., NW, Washington, D.C.

9:15 AM EDT THE PRESIDENT ADDRESSES the National Federation of Independent Businesses on the Federation's 50th anniversary, Regency Ballroom, Regency Hotel
OPEN PRESS

Remarks by the President
Question and Answer Session with NFIB

audience

Press Note: For more information on the NFIB meeting, please contact Terry Hall with NFIB Public Affairs at 202-554-9000.

PRESS SCHEDULE OF THE PRESIDENT TUESDAY, JUNE 29, 1993

9:50 AM EDT THE PRESIDENT DEPARTS the Hyatt Regency enroute the White House
Travel Pool Only accompanies in motorcade

10:10 AM EDT THE PRESIDENT ARRIVES the White House

11:25 AM EDT PRESIDENT CARLOS MENEM OF ARGENTINA ARRIVES the White House and is greeted by Acting Chief of Protocol Richard Gookin
OPEN PHOTO FROM WEST WING LOBBY DRIVEWAY

Press Note: No remarks are planned.

11:30 AM EDT THE PRESIDENT MEETS WITH PRESIDENT CARLOS MENEM OF ARGENTINA, the Oval Office, the White House
POOL PHOTO SESSION AT BEGINNING OF MEETING

Press Note: Wave #1: Open US Stills;

Wave #2: US TV Pool and US Writing Pool;

Wave #3: Argentine Press

12:00 PM EDT PRESS ESCORT FOR STICKS AND STILLs to pre-position in the Rose Garden

12:00 PM EDT PRESS ESCORT for cables to the East Room

12:15 PM EDT THE PRESIDENT ESCORTS PRESIDENT MENEM to the Residence via the Rose Garden collonade
OPEN PHOTO FROM ROSE GARDEN

PRESS SCHEDULE OF THE PRESIDENT
TUESDAY, JUNE 29, 1993

1:00 PM EDT PRESS ESCORT FOR STICKS AND STILLs to the East Room

1:15 PM EDT LAST PRESS ESCORT FOR ALL PRESS going to East Room

1:30 PM EDT THE PRESIDENT AND PRESIDENT MENEM DELIVER STATEMENTS the East Room, the White House
OPEN PRESS

2:15 PM EDT THE PRESIDENT BIDS FAREWELL TO PRESIDENT MENEM, the North Portico, the White House
OPEN PRESS

2:30 PM EDT PRESS BRIEFING is conducted by Press Secretary Dee Dee Myers, the White House Press Briefing Room

THE PRESIDENT HAS NO OTHER PUBLIC EVENTS ON HIS SCHEDULE FOR TUESDAY, JUNE 29, 1993

ARMS Email SystemRECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Kathy McKiernan (MCKIERNAN_K) (WHO)

CREATION DATE/TIME:28-JUN-1993 19:13:00.00

SUBJECT: press sched 6-29-93

TO: Remote Addressee (
1=US@2=COMPUSERVE@3=CSMAIL@*ID\CBS:NET_DIST@MRX@EOPMRX) (DEFAULT)
READ: UNKNOWN

TEXT:
PRINTER FONT 12_POINT_COURIER
BOTTOM ALL
FOR NEWS PLANNING ONLY
NOT FOR PUBLICATION OR RELEASE
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TUESDAY, JUNE 29, 1993

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Wire Photo: AP, Reuter, UPI, AFP
TV Crew: ABC
TV Corr: ABC
Radio Pool: UPI Radio
Mag Photo: TIME
Paper Photo: NYTI
TV Lights: NBC
Print Corr: Washington Times
Inhouse Coverage Pool:
ALL OF TRAVEL POOL PLUS:
Ind TV Corr: CONUS
Ind TV Crew: C-Span
Mults: CNN
Writing Pool:
Wire Corr: AP, Reuter, UPI, AFP
TV Net Corr: ABC
TV Ind Corr: CONUS
Radio: UPI Radio
Print Rptr: Washington Times

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near camera platform.

Press Note 2/ Remarks: Audio of the
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OPEN PHOTO FROM WEST WING LOBBY DRIVEWAY

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POOL PHOTO SESSION AT BEGINNING OF MEETING

Press Note: Wave #1: Open US Stills;
Wave #2: US TV Pool and US Writing Pool;
Wave #3: Argentine Press

12:00 PM EDT PRESS ESCORT FOR STICKS AND STILLs to pre-
position in the Rose Garden

12:00 PM EDT PRESS ESCORT for cables to the East Room

12:15 PM EDT THE PRESIDENT ESCORTS PRESIDENT MENEM to the
Residence via the Rose Garden collonade
OPEN PHOTO FROM ROSE GARDEN

PRESS SCHEDULE OF THE PRESIDENT
TUESDAY, JUNE 29, 1993

1:00 PM EDT PRESS ESCORT FOR STICKS AND STILLs to the
East Room

1:15 PM EDT LAST PRESS ESCORT FOR ALL PRESS going to East
Room

1:30 PM EDT THE PRESIDENT AND PRESIDENT MENEM DELIVER
STATEMENTS the East Room, the White House
OPEN PRESS

2:15 PM EDT THE PRESIDENT BIDS FAREWELL TO PRESIDENT MENEM,
the North Portico, the White House
OPEN PRESS

2:30 PM EDT PRESS BRIEFING is conducted by Press Secretary Dee
Dee Myers, the White House Press Briefing Room

THE PRESIDENT HAS NO OTHER PUBLIC EVENTS ON HIS
SCHEDULE FOR TUESDAY, JUNE 29, 1993

ARMS Email SystemRECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Kathy McKiernan (MCKIERNAN_K) (WHO)

CREATION DATE/TIME:28-JUN-1993 19:13:00.00

SUBJECT: President's Public Schedule 6-29-93

TO: Remote Addressee (1=US@2=WESTERN
UNION@3=@5=EASYLINK@*ELN\62955104@MRX@EOPMRX) (DEFAULT)
READ: UNKNOWN

TO: Remote Addressee (1=US@2=COMPUSERVE@3=CSMAIL@*ID\73030,21@MRX@EOPMRX)
(DEFAULT)
READ: UNKNOWN

TEXT:

PRINTER FONT 12_POINT_COURIER
THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

June 28, 1993

PUBLIC SCHEDULE OF THE PRESIDENT
TUESDAY, JUNE 29, 1993

9:15 AM EDT THE PRESIDENT ADDRESSES the National Federation of
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anniversary, Regency Ballroom, Regency Hotel
OPEN PRESS

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OPEN PHOTO FROM ROSE GARDEN

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STATEMENTS the East Room, the White House
OPEN PRESS

THE PRESIDENT HAS NO OTHER PUBLIC EVENTS ON HIS
SCHEDULE FOR TUESDAY, JUNE 29, 1993

UPCOMING EVENTS ON THE PRESIDENT'S SCHEDULE:

June 30, 1993 President Clinton meets with
bipartisan Congressional leadership

July 3, 1993 President Clinton delivers weekly
radio address

July 4, 1993 President Clinton participates in
Independence Day celebration,
Philadelphia, PA

July 5, 1993 President Clinton addresses the
National Education Association, San
Francisco, CA

July 7-10, 1993 President Clinton participates in
G-7 Summit, Tokyo, Japan

July 11-12, 1993 President Clinton visits the
Republic of Korea

30-30-30

ARMS Email SystemRECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Mail Delivery Subsystem (1=US@*RFC-822\MAILER-
DAEMON(A)NSF.GOV@3=INTERNET@2=TELEMAIL@MRX@EOPMRX) (DEFAULT)

CREATION DATE/TIME:29-JUN-1993 15:53:00.00

SUBJECT: Returned mail: Unable to deliver mail

TO: Gill (GILL_J@A1@CD) (WHO)

READ: UNKNOWN

CC: UNKNOWN (1=US@*RFC-
822\Postmaster(a)nsf.gov@3=INTERNET@2=TELEMAIL@MRX@EOPMRX) (DEFAULT)

READ: UNKNOWN

TEXT:

RFC-822-Headers:

Received: from notel.nsf.gov by sprintf.merit.edu (5.64/1123-1.0-X.500)

id AA20409; Tue, 29 Jun 93 15:34:15 -0400

Received: by notel.nsf.gov id AB25820

(5.65c/IDA-1.4.4 for

</PN=Jonathan.P.Gill/OU=Office_of_Media_Affairs/O=EOP/PRMD=GOV+EOP/ADMD=TELEMAIL/C=US/@sprint.com>); Tue, 29 Jun 1993 15:37:53 -0400

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

ATT CREATOR: UNKNOWN (UNKNOWN)

ATT CREATION DATE/TIME:29-JUN-1993 15:53:00.00

ATT BODY PART TYPE: A

ATT SUBJECT:

ATT TEXT:

----- Transcript of session follows -----

<<< RCPT To:<DLYTEL@NSF.GOV>

<<< RCPT To:<JGILL@NSF.GOV>

<<< DATA

554 Unbalanced '<'

554 Unbalanced '<'

<<< QUIT

----- Unsent message follows -----

Received: from sprintf.merit.edu by notel.nsf.gov with SMTP id AA25820

(5.65c/IDA-1.4.4); Tue, 29 Jun 1993 15:37:53 -0400

Message-Id: <199306291937.AA25820@notel.nsf.gov>

Received: by sprintf.merit.edu (5.64/1123-1.0-X.500)

id AA20391; Tue, 29 Jun 93 15:33:53 -0400

Received: by sprint.com (SXG 6.0/scanf.7) with X.400

id 00gA9YPua001; 29 Jun 93 19:32:57 UT

Date: 29 Jun 93 19:28:18 UT

From: "Jonathan P. Gill"

</PN=Jonathan.P.Gill/OU=Office_of_Media_Affairs/O=EOP/PRMD=GOV+EOP/ADMD=TELEMAIL/C=US/@sprint.com>

To: distribution;; (see end of body)

Leon.Fuerth/OU=Office_of_the_Vice_President/O=EOP/PRMD=GOV+EOP/ADMD=TELEMAIL/C=US/@sprint.com>,

"Jack Quinn"

</PN=Jack.Quinn/OU=Office_of_the_Vice_President/O=EOP/PRMD=GOV+EOP/ADMD=TELEMAIL/C=US/@sprint.com>,

"Katie McGinty"

</PN=Kathleen.A.McGinty/OU=Office_of_the_Vice_President/O=EOP/PRMD=GOV+EOP/ADMD=TELEMAIL/C=US/@sprint.com>,

/PN=Sally.J.Aman/PRMD=GOV+EOP/ADMD=TELEMAIL/C=US/@sprint.com,

"Kukis, Heidi"</PN=Heidi.Kukis/PRMD=GOV+EOP/ADMD=TELEMAIL/C=US/@sprint.com>,

/PN=Jim.Kohlenberger/PRMD=GOV+EOP/ADMD=TELEMAIL/C=US/@sprint.com,

"Ulrich, Christopher R"

</PN=Christopher.R.Ulrich/PRMD=GOV+EOP/ADMD=TELEMAIL/C=US/@sprint.com>,

"Ethan J. Zindler"

</PN=Ethan.J.Zindler/OU=Office_of_National_Service/O=EOP/PRMD=GOV+EOP/ADMD=TELEMAIL/C=US/@sprint.com>,

KIM_WINN@SCC.SENATE.GOV

Subject: President's Remarks at Press Availability 6.29.93

Message-Id: <"81825192603991/979 EOPMRX"*@sprint.com>

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

June 29, 1993

REMARKS BY PRESIDENT CLINTON AND ARGENTINE PRESIDENT MENEM AT PRESS AVAILABILITY

East Room

1:50 P.M. EDT

THE PRESIDENT: Good afternoon, ladies and gentlemen. Today I have the great honor of welcoming President Carlos Menem of Argentina to the White House, the first leader of a Latin American state to visit here since I took office.

Under President Menem's administration, Argentina has become an international leader on the great issues of the post-Cold War era. A leader in this hemisphere in defense of democracy and human rights, a trusted and valued partner and friend of the United States, together we are constructing a Western Hemisphere community

of democracies, interpreted by common political values and growing economic ties.

We deeply appreciate President Menem's visit today. He represents a new generation of Latin American presidents committed to expanding freedom, strengthening democracy and creating prosperity. His leadership has been bold and his accomplishments truly impressive.

We talked today about Argentina's democratic reforms and the role Argentina has assumed as an international leader. Today, Argentine troops serve with the United Nations peacekeepers in Croatia, in Kuwait, in Mozambique, and in other troubled lands. In the Organization of American States Argentina consistently takes a strong stand in favor of collective defenses of democracy.

With Argentina's support, the OAS has worked to defend democratic institutions in Peru, reverse the coup in Guatemala. And I am confident, together we can restore democracy in Haiti, a subject we discussed at great length today.

Argentina has also confronted crises of recession and hyperinflation and has overcome both. Argentina slashed its tariffs and opened its economy to world markets, it ended its fiscal deficit and created a stable currency. It sold state enterprises and attracted new investment. And, as a result, last year Argentina's economy grew nine percent. I asked him for a few of those points for America today. That was one of the unresolved parts of our discussion. (Laughter.)

Once Congress successfully ratifies the North American Free Trade Agreement with Mexico and with Canada, we will want to reduce trade barriers with other countries in this hemisphere. Freer trade for most economic and democratic reforms we see in Argentina. It clearly benefits our economy as well as that of our neighbors.

As I said earlier today, in the last four years our trade with Argentina has tripled, accounting for 40,000 jobs in the United States.

Our meeting covered some other areas as well. Argentina's government has been an important voice in calling for a successful conclusion of the Uruguay Round to open the world trading system. Argentina stands among the nations leading the effort to confront the overriding challenge of stopping the spread of weapons of mass destruction. President Menem himself ended a dangerous ballistic missile program, signed important nuclear nonproliferation agreements, placed strong controls on the export of sensitive weapons-related materials and technology, and helped to lead the successful international effort to negotiate the Chemical Weapons Convention.

Argentina has been in the forefront of initiatives to increase the dialogue on security issues in its region. Its progress

and support for democracy are two reasons why this hemisphere today is more secure and more prosperous today than it was in the past and why it will show the way to a better world tomorrow.

Again, let me say it is an honor for me to welcome the President, whom I admire, whose accomplishments we respect, and whose country will be a great partner for the United States in the years ahead.

Mr. President.

PRESIDENT MENEM: Thank you very much, Mr. President. I would like to tell you of my gratitude that is sincere and loyal in the name of my country and of my government for your words. They are the result of a complete knowledge of what is happening in Argentina, in this continent, and in the world.

You may be absolutely sure that Argentina will continue along this road. There is absolutely no possibility of any change in Argentine policies in the field of economics and in the social fields. I always say this is a road that we cannot walk backwards on, and these are the results we are obtaining. If I would have to explain here the achievements obtained, I would have to repeat the same words that you have used, Mr. President, and this would not perhaps be very much in order.

But we have talked in an environment of cordiality and affection. We have discussed our relations that are now at their best level ever. We are prepared to improve on them, and I have told the President of the United States that in Argentina he will find a firm and determined ally. And we consider the United States a great ally for Argentina.

Within this framework we have discussed subjects that are related to the consolidation of democracy and freedom, not only within this continent; the issues related to Guatemala, Haiti, Cuba and Peru. But we have also discussed the absolute need for democracy, freedom, the respect of human rights, and all issues related to the environment -- should become reality of all of this world.

We would like to see disappear wherever possible that terrible scourge of war, of any kind of discrimination, of terrorism, international terrorism, drug trafficking. We have not restricted our conversations to a pre-established agenda. We have extended our talks even further. It is always good to come to the United States of America. I believe it is also good to go to Argentina, and that is why I have invited the President to visit us. Because valuable experiences are awaiting in Argentina, and this will allow us to make our links even stronger, the links that are joining Argentina to the United States.

Mr. President, once again, thank you very much. Thank you for your gift. He gave me as a gift a basketball, signed by all

the members of the Chicago Bulls. So, thank you.

Q Mr. President, I'd like to ask you about the bombing. Could the assassination plot against former President Bush have moved forward without the approval of Saddam Hussein? And why did the United States not try to hit closer to home for Saddam Hussein, perhaps his headquarters?

PRESIDENT CLINTON: We believe the evidence clearly indicates that the bombing operation was authorized by the Iraqi government. And it is highly unusual, and the experience of our people -- let me recast that. Our panelists have no experience of such an operation of that magnitude being authorized other than at the highest levels. However, it was thought that under international law and based on the facts of this particular case, that the best possible target was the target of the intelligence headquarters where in all probability the operation itself was planned; and that to damage that headquarters significantly would send the appropriate message, given the facts of this case.

Q But in your mind, did you think Saddam Hussein signed off on this?

PRESIDENT CLINTON: I have given you the only answer I think it's appropriate for me to give you.

Q Mr. President, what do you think you accomplished with the bombing of Iraq and the loss of innocent lives, the destruction?

PRESIDENT CLINTON: I think we -- first of all, we damaged their major intelligence facility quite severely. Secondly, we made it absolutely clear that we will not tolerate acts of terrorism or other illegal and dangerous acts. I think it sent a very important message.

Q We understand there's been an incident over the no-fly zone in southern Iraq today. A USF-4G Wild Weasel launched a HARM missile against an Iraqi radar installation. What can you tell us about that incident; and, secondly, what does it suggest to you that it comes at a time when the Iraqis are still threatening retaliation for the weekend bombing?

PRESIDENT CLINTON: The standard rules of engagement for flights in that region are that if radar locks onto our airplanes, our airplanes are authorized to take action against those installations. So this has happened a number of times, and I wouldn't -- based on the facts that I now have, I wouldn't read too much into it. It's part of the standard rules of engagement.

Q You said during the transition that you could conceive of a situation where we could have normal relations with Iraq with Saddam Hussein still in power. Given what's occurred, how

would you now frame your position on this issue?

PRESIDENT CLINTON: What I said, or at least tried to say in the transition was that I thought we ought to judge every country based on its conduct. And based on its conduct, I think that the possibility of normal relations is very difficult to conceive, not just in this instance, but also in the stubborn refusal of Iraq to comply with the United Nations resolutions.

Q Mr. President, just now you said that the strike had damaged the intelligence facility. Yesterday you said it had crippled the intelligence facility.

PRESIDENT CLINTON: I think it did cripple the intelligence facility. That was our -- at least the reports that I received from the intelligence services was that the bombing had -- that 15 of the missiles had hit within just a few feet of where they were exactly programmed. And, based on what they knew of the potential for destruction of those missiles, that the facility had been crippled. Those were the exact words I got from the people who briefed me about it.

Q Is it possible that you were not briefed correctly, because Pentagon officials were saying that Saddam has multiple intelligence facilities and that this was one of three or four and that, in fact, he would be operational without this facility, and especially because he relies so heavily on human intelligence, and none of the people were involved --

THE PRESIDENT: Well, I didn't mean that they wouldn't have any more intelligence. But I do think the building and whatever resources are in that building, which is plainly the main building, was severely damaged, and that's what our intelligence people told me.

Is there anyone here from Argentina? Yes -- a little equal opportunity here.

Q President Clinton, did President Menem offer you specific help to combat terrorism? And do you think you have to put more guards on President Menem because there was going to be a plot or something like that from the Arabs?

PRESIDENT CLINTON: Well, we try to always provide appropriate security to world leaders who come here. President Menem -- perhaps I should let him speak to this -- but he was very supportive of the action we took in Iraq and very determined that we ought to stand together with other civilized nations against terrorism everywhere.

PRESIDENT MENEM: With more security I would have felt uncomfortable in the United States. I have a very special philosophy in life: Nobody would die the day before his pre-established date. And I rely and trust fully in God. He brought us to this world and

he is to decide the day we leave this world.

With a great amount of security around a head of state in general, any terrorist activity may be successful; that is why terrorism has to be fought back without any kind of compassion. They lack absolutely any kind of compassion since, when they placed the bomb, they are prepared to destroy the lives of old people and children. Terrorism is now one of the worst scourges of humanity.

Q Mr. President, the United States speaks constantly of disarmament and world peace, especially after the fall of the Berlin Wall. Your government, through the Embassy in Buenos Aires, insisted on this policy of peace and disarmament. Don't you believe that the United States has not given an example to follow this course when bombarding Baghdad as a result of this intelligence information?

PRESIDENT CLINTON: No, I disagree. As a matter of fact, the United States has been a leader in disarmament. We have signed significant agreements with first the Soviet Union and now with Russia trying to reduce our nuclear arsenals. We are working very hard to reduce the spread of weapons of mass destruction. And I think what we did last weekend with regard to Iraq is a clear signal that people ought not to use weapons in illegal ways.

I would remind you that the action I took was in response to an operation that involved a bomb that, had it exploded in downtown Kuwait City, had a 400-yard radius of lethal destruction. So, I think it was the appropriate thing to do.

Q I have a question for you, Mr. Clinton and another for Mr. Menem.

First, assuming that NAFTA is approved by Congress, when do you foresee Argentina, or Chile, for that matter negotiating an agreement with the United States? I'm kind of interested in a timetable.

And for Mr. Menem, I would like to get more details on that offer you made yesterday to negotiate between the United States and Cuba to improve relations between the two countries.

PRESIDENT CLINTON: I would be prepared to discuss immediately with Argentina, with Chile, with other appropriate nations the possibility of expanded trade relations along the NAFTA model. I have long thought that NAFTA should be a model for embracing all of Latin America's democracies and free market economies. I have not timetable. I think perhaps President Menem would have a better view of that but my attitude is we ought to get on with it. We ought to try to increase the volume and the variety of trade with the appropriate countries just as quickly as possible.

PRESIDENT MENEM: On this issue, we had already discussed this with the President, and I have told him that as a priority so as to be able to start formal talks on the access of

Argentina or any other country in the region to NAFTA, it would be fundamental to finish the NAFTA agreement, that on the basis of due legislation, this process should come to its end. If NAFTA has been passed and enacted during the first months of the next year or the first of January, only then can we start discussing the incorporation of Argentina in NAFTA.

And at the same time, we must remember that we are going through another process of integration within Mercosur, and we have a commitment with the United States in the four-plus-one agreement as to the possibility of having a free trade area between these four countries of Mercosur and the United States. This indication of coming to understanding will make it possible not only to Argentina joining NAFTA, but also Mercosur as the result of the NAFTA agreement coming to its enactment, then the Mercosur countries could perhaps also be joining NAFTA. This is something that should be discussed between the three other countries that are members of NAFTA.

Q Reuters Agency said yesterday that you were proposing to act as a mediator between the United States and Cuba.

PRESIDENT MENEM: As a reply to a question by a journalist when he asked if I would be prepared in participating in any kind of negotiations between the United States and Cuba, I answered: President Bush asked me when we met in Costa Rica for the 100th anniversary of democracy, he asked me to stop over in Nicaragua to ask Daniel Ortega to respect the results of the elections that were to be held a short time after in that country, since doubts existed as to the decision that the people of Daniel Ortega's team would take on this issue.

I spent more than two hours discussing the subject with Commander Ortega and he was convinced he would be winning the elections. And finally after two hours of discussion he said, if Mrs. Violeta Chamorro wins the elections, I will give her the government. And if the United States requests it, I am prepared to discuss the issue with Fidel Castro or with whoever it is necessary. I would like to see Cuba living in democracy as soon as possible.

Q This is a question for both of you. Have you discussed -- have you discussed pharmaceutical patents and subsidies in agriculture? President Menem first and then President Clinton, please.

PRESIDENT MENEM: We have discussed this, and I have told President Clinton what I told Mr. Kantor yesterday. This draft law on patents has been introduced through the Senate to the Argentine parliament and we are expecting that it will be passed soon. But the executive power of Argentina has sent this draft law to parliament.

And on subsidies, this is a subject we discuss constantly not only with the President of the United States, but also with the presidents of the European Community countries since they

have taken the more difficult stand on this issue when they are subsidizing agriculture, damaging countries such as Argentina. You must not forget that the amount of subsidies is now exceeding \$300 billion. It becomes difficult to compete under these circumstances, and I always tell the people in the United States, the U.S. President and the Europeans they were the masters in free trade and economic freedom. It is not understandable that they should insist on these attitudes that go against the teachings that they sent to the world at large.

PRESIDENT CLINTON: The answer to your question is, just as President Menem said, we discussed the patent protection legislation and I expressed the hope of the United States that it would pass soon by the legislative body in Argentina. I also, with regard to agricultural subsidies, pointed out that the United States had reduced agricultural subsidies unilaterally in 1990, that our budget reduces them again this year, and that we strongly support the Blair House Accords which were reached last year to reduce agricultural subsidies in the Uruguay Round of GATT, and that we are with Argentina on that.

Also, having grown up in a farming area, I expressed enormous admiration for the fact that Argentina has the deepest topsoil anywhere in the world. So, if I were in his position, I would be taking exactly the same position. With 20 feet of topsoil he can grow anything and do well.

Yes -- one last question and then we've got to go.

Q Despite what General Powell said, I don't understand why the United States went after the facility at night, rather than going after the intelligence facility during the daytime when the top people were there. And will you take action if the Iraqis go after the Kurds or the Shi'ites?

PRESIDENT CLINTON: I think we've made it clear to them what our position is on the second question you asked. The reason we went at night was quite simply that we wanted to make a strong point. We wanted to do as much damage to the facility as we could. We wanted to minimize the loss of human life because of the nature of what actually happened. I think everyone knows what our military is capable of doing. What we needed to show them was that we were fully possessed of the will to do it under these circumstances. And I think we made -- I think we picked the appropriate target and I think we did it at the appropriate time under these circumstances.

Thank you very much.

THE PRESS: Thank you.

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Monday, July 12, 1993

THE PRESIDENT'S TRIP TO ASIA:
KUDOS FOR CLINTON; MIXED VIEWS ON RESULTS

Overall, writers overseas pronounced President Clinton's trip to Asia "a success," pointing to his strong performance in Tokyo at the G-7 summit, the bilateral trade agreement with Japan, the securing of the multilateral tariff deal, his call for a New Pacific Community and his words of warning to North Korea about its nuclear ambitions. Writers contended that this first trip abroad was a "test" of the president's leadership ability--which he passed in "triumph." Nevertheless, national interests prompted editorialists' concerns over the specifics of these achievements. Additionally, journalists reserved their harshest criticism for the G-7's political declaration. Highlights of these concerns follow:

- o U.S.-JAPAN BILATERAL ACCORD: In Japan, the media split over the bilateral accord and its value for Tokyo. Economic Nihon Keizai's summed up Japanese worries best: "Concern lingers over managed

trade," and stressed fears that Washington will still attempt to set numerical targets while negotiations continue. Some European commentators expressed chagrin at the U.S. coup in securing a trade deal with Japan. The accord, concluded Paris's right-of-center *Le Quotidien*, "makes the Europeans feel bitter, because they got nothing at the annual EC-Japanese summit that took place three days before the G-7 in Tokyo."

- o **TARIFF REDUCTION ACCORD:** The deal struck at the pre-summit quadrilateral meeting continued to inspire cautiously positive assessments. A majority judged that the accord could be viewed as a step forward in breaking the Uruguay Round impasse, but warned that major obstacles on agriculture and services remain.

- o **NEW PACIFIC COMMUNITY:** Dailies in Asian countries, enthusiastic over the U.S. administration's renewed commitment to remaining a Pacific player, warned that Washington can no longer expect to play the dominant role in the region. Most felt that threats and a harsh stance will not win North Korea over on the nuclear issue. Instead, they said, a multilateral approach and economic sanctions might be the solution.

- o **G-7 POLITICAL DECLARATION:** For a majority of commentators in the developing world and the Islamic nations, the G-7 political declaration signaled that the great powers had "given up" on finding a solution to end the conflict in Bosnia. Others criticized the G-7 for allegedly not making any "commitment to improve the level of official development assistance to the developing countries."

This survey was based on 87 commentaries from 31 countries, July 9-12.

EDITORS: Mildred Sola Neely, Diana McCaffrey

A Special Report is attached

EAST ASIA AND PACIFIC

JAPAN: "Tokyo Saved Washington's Face"

Moderate *Yomiuri* said (7/11), "We welcome the agreement because continued U.S.-Japan confrontation and instability in their political and economic relations would be undesirable. To break the stalemate, the United States withdrew its demand for setting numerical benchmarks which had become a symbol of its results-oriented trade policy. While refusing to accept the U.S.-imposed targets, Tokyo saved Washington's face by adopting 'objective criteria,' a system designed to objectively gauge the degree of market access. The system could, however, lead to managed trade, depending on how it is implemented. We are very concerned, however, that the government will introduce administrative guidance to promote imports."

"Concern Lingers Over Managed Trade"

Economic Nihon Keizai (7/11) stated, "The United States and Japan must review their respective trade and industrial policies thoroughly so as not to resort to managed trade. After all, the U.S. results-oriented trade policy was not recognized at the Tokyo summit. A trade strategy of the Cold War can no longer be applicable in a market economy era. The Japanese government must give priority to revising its trade policy, since it is apparent that the U.S. move was caused by unclear MITI administrative guidance given to Japanese business and industry circles."

"Strong No To Numerical Benchmarks"

Conservative Sankei concluded (7/11), "Again, we must express our opposition to future U.S. benchmark moves. Any U.S.-Japan trade agreement leading to managed trade could cause the collapse of the present free and multilateral GATT trading system."

"Japan Succumbed To U.S. Demands"

An editorial (7/11) in liberal Mainichi asserted, "In essence, Japan succumbed substantially to the U.S. demand for wider market opening. Why did a lame-duck Miyazawa have to agree hastily on such an agreement with President Clinton? As a result, Japan is now under pressure to work out action programs through working-level negotiations for government procurements, insurance and auto markets, etc., in six months and an overall accord in about a year.

"In any case, Japan must eliminate murky clauses to the agreement that, we fear, could lead to managed trade, depending on how it is implemented. Maximum efforts should be made to prevent the United States from using the accord to take punitive action against Japan. We would like to warn that the administration's trade policy will not only distort free trade but also have an adverse effect on the overall U.S.-Japan relationship."

PHILIPPINES: "G-7 Scores A Hit This Time!"

The leading Manila Bulletin noted (7/12): "A substantive result [of the meeting] is the approval of an accord to lower barriers to trade on a range of manufactured goods in an effort to conclude delayed talks on world trade in Uruguay....

"The agreement will now allow a revamp of the world trading system.... Overall, the economic summit has borne fruit through substantive agreements going beyond the rhetoric of cooperation and global free trade. The trade generated will surely stimulate the economies of participating countries, create additional jobs in countries presently suffering an economic slowdown and recession, and for Philippine manufacturers, make capital equipment needed for our own industrialization much cheaper to import with the removal of tariffs from most of these products.... The Group of Seven has certainly scored a hit this time!"

SOUTH KOREA: "U.S.-S. Korea: Conspicuous Success"

Independent Dong-A Ilbo's editorial (7/12) stated, "The U.S.-ROK summit, held at a delicate and important time, left a strong and comprehensive message: Joint U.S.-ROK efforts to counter North Korean nukes are being made with close and resolute cooperation. We feel that the U.S.-ROK relationship has been raised to a new dimension. The U.S.-ROK summit did not disappoint us. The shared perception of the two presidents was the conspicuous success."

"Clinton Demonstrates Unexpected Leadership"

Another Dong-A Ilbo (7/12) commentary by its Washington correspondent held, "President Clinton has earned unexpected political and diplomatic success by performing the role of a powerful man exercising realistic capabilities.... His diplomatic achievement in promoting the U.S. image as the central Pacific nation will surely greatly influence the political and economic composition of this region. Help in recovering his popularity may be the gift Clinton got from Japan and South Korea."

"Clinton's Optimism Noted"

A column in conservative Chosun Ilbo (7/12) said, "President Clinton's National Assembly speech could be read to mean that North Korea can join the New Pacific Community if it gives up weapons of mass destruction and nukes. This is idealism. We Koreans have to realize that we cannot always call upon the United States to be strong and tough toward North Korea."

AUSTRALIA: "APEC: Australia's Legacy"

Melbourne's conservative tabloid the Sunday Herald-Sun (7/11) featured a story headed as above, that read "Rejoice, Australia can do something breathtakingly right. Bob Hawke set up APEC, Paul Keating called for a summit meeting of its leaders and Bill Clinton is going to make it happen."

"Clinton's New Asia Doctrine"

A front-page story in the business-oriented Australian Financial Review said (7/12), "Clinton has signaled the end of U.S. military hegemony in Asia and the Pacific and called on the countries in the region to develop 'multiple new arrangements' for their defense. In a landmark address to South Korea's National Assembly, Mr. Clinton spelled out what he called 'a new vision' for security in the region after the Cold War and overturned a long-standing U.S. policy to discourage security talks between Asia-Pacific nations...."

"Together with his Tokyo speech on regional economy last week, Mr. Clinton is mapping out a policy where the United States becomes just one player in new Asia-Pacific policy bodies, rather than the power that requires regional countries to deal with it

individually."

"End-Game Match Yet To Be Played"

Conservative Australian (7/10) had a full-page article by its foreign editor that held, "The world got much more from this week's (G-7) summit...than it really had any reasonable right to expect. What it got was two things: serious progress toward a deal on the non-agricultural side of the world trading system, and a commitment from...Clinton to holding a summit of the APEC forum in Seattle in November. These were big, big pluses, major-league breakthroughs in the politics of world trade. They mean a lot.... But they don't yet represent the solution. The end-game is still to be played."

INDONESIA: "G-7's Answer To NAM Leader"

The leading, English-language Jakarta Post held in this editorial (7/12), "Better living conditions in the developing nations would stem the flow of economic refugees to the developed world. In this context, the G-7's new three-pronged strategy to spur economic growth should be welcomed as its outcome will directly benefit developing countries.... Suharto's lobbying in Tokyo and Miyazawa's efforts to enable Suharto to convey the message of developing countries to the developed world should therefore be appreciated as a contribution to enhancing global economic cooperation...stability and peace."

"Clinton's Threat"

Independent Media Indonesia (7/12) carried this commentary by Eddie Elison, under the headline above, "Now the United States is grateful because North Korea's 'stubbornness' would allow Washington to maintain its troops in South Korea.... Although Clinton likes to make threats, his recent statements in Tokyo and Seoul should not be seen as empty words.... In this regard, the world should resort to the UN again. Although we know that the United States uses the UN (for its own purposes)...no one wants to see military action.... Economic sanctions would be one alternative."

MALAYSIA: "Flexibility Is Needed In Talks With North Korea"

Second largest-circulating, Chinese-language Nanyang Siang Pau (7/12) commented, "The dispute over inspecting North Korea's nuclear facilities must be resolved through negotiations. China's behind-the-scene mediation has managed to bring the United States and North Korea back to talks. That is a good beginning. Only flexibility at the negotiating table can steer North Korea around to rescind its decision to withdraw from the Nuclear Non-proliferation Agreement and its refusal to allow the International Nuclear Energy Agency to inspect its nuclear facilities. An intransigent attitude is counterproductive."

"U.S. Presence, Yes; Power, No"

The government-influenced, English-language Business Times (7/12) wrote, "The United States should...try to understand the feelings of those in this part of the world.

"We do not want to be dominated again by any Western or other power. We, in this region, would certainly like to see the United States as a strong presence in the Pacific, but certainly not a power. There is an ocean of difference in that. Also, we would like to see the EAEC thrive."

EUROPE

BRITAIN: "Cracks In New U.S.-Japan Deal"

Today's liberal Guardian (7/12) reported, "A new trade deal between the United States and Japan yesterday showed signs of cracking, only a day after President Bill Clinton and Prime Minister Miyazawa shook hands on it. There were disagreements about what the deal meant and a sense of resentment in Japan's finance ministry that the prime minister had cut a deal for political ends to help him win next Sunday's election."

"Japan Won The Summit"

The Guardian's (7/12) economic columnist Victor Keegan said, "There is no doubt who won the Tokyo summit. It was the host nation. Not only did Japan receive a minor bout of Keynesian reflation from the spending power of 11,000 journalists, but the vast economic power she has accumulated over the past 20 years also remains untouched.... Reducing tariffs is a good thing for increasing world trade, but it is the dominant economies which will benefit. Unless Japan is forced to open her internal markets, reduced tariffs will simply make it even easier for it to sell to the rest of the world."

"Asia Trip Thumping Success For Clinton"

In the view of the centrist Independent (7/12), "By the yardstick that matters--how it plays back home--Bill Clinton's Asian trip, his debut on the international stage, has been a thumping success. For months latching on to every failure, the columnists, pundits and others who mold the accepted view of a presidency have praised Mr. Clinton's performance at the G-7 summit. By common consent, he displayed authority, tact and leadership.... After the roughest start of any modern presidency, Mr. Clinton seems to have found his sea-legs."

"Striking Turnaround For Clinton"

The conservative Daily Telegraph (7/12) stressed, "The first American post-war president not to have served in uniform rattled Cold War era sabers as he toured the demilitarized zone dividing

Korea.... The performance was a striking turnaround for a man who agitated against the Vietnam War in the 1960s and who had never previously seemed at ease with matters military."

GERMANY: "Clinton's Warning To N. Korea"

Lothar Ruehl held on the front page of right-of-center Die Welt of Berlin (7/12), "President Clinton's warning to the North Korean leadership hits the nail on the head:

"The world would be jeopardized by any further proliferation of nuclear weapons, even if this was not initially linked with any acute threat to other countries--something which cannot even be ruled out in relation to North Korea and its neighbors.... It is now up to the United States to make North Korea see reason."

"Arrogant Threats And Intimidation"

Left-of-center, former SED youth paper Junge Welt (7/12) of Berlin's Alex Ost denounced the Clinton remarks at the North-South Korea border, saying they represented "a policy of arrogant threats and intimidation--the song of death which the world is familiar with from America.... If this was a preparation for the (U.S.-North Korea) talks, we can only conclude that America wants them to fail. In view of Clinton's recent policy towards Iraq, it does not require any great imagination to realize what will happen then."

"Clinton Made Progress"

Berlin's right-of-center Neue Zeit (7/12) maintained in an editorial about the U.S.-Japan accord, "The man from the White House made progress along the difficult pathway to solving the trade problems between the two economic superpowers.... Clinton's delegation had got things moving in bilateral talks on the periphery of the Tokyo summit. The impressive thing is the speed with which things happened. It leaves no doubt that the president is staking everything on giving a major boost to the American economy as quickly as possible."

"Europe Should Sit Up And Take Notice"

Rainer Koehler commented in centrist Sueddeutsche Zeitung (7/12) of Munich, "The U.S.-Japanese deal can only be the beginning. We should sit up and take notice when Clinton says that this result-oriented agreement can open up better market opportunities for key American industries. The Tokyo agreement is clearly about American interests, not about global and certainly not about European wishes. Why did the G-7 in general and the EC in particular fail to seize the opportunity presented by the...summit?"

FRANCE: "Clinton's Firmest Warning To N. Korea"

Washington correspondent Pierre Briancon wrote for influential Liberation (7/12), "Clinton issued his firmest warning ever to North Korean leaders, by affirming that it would be 'nonsense' for them to try to build a nuclear bomb.... With this trip, Clinton was trying to reassure the South Korean government of U.S. determination vis-a-vis North Korea and its nuclear plans."

"G-7 Gave Clinton Opportunity To Show Asia Focus"

Economic Les Echos' (7/12) editorial pointed out, "During the first months of Bill Clinton's presidency, some denounced--and they were right--the fickleness of the U.S. president's policy."

"However, he has been showing constancy on a major issue: his permanent interest in the development of the Pacific Basin and, in this connection, U.S. leadership in the region."

"The Tokyo G-7 summit...gave him the opportunity to stress the Asian dimension of U.S. policy.... This project (Pacific Community) does not lack ambition. But nothing indicates that it will be accepted as such by the Asians."

"U.S. Victory: Trade Accord With Japan"

According to Les Echos' (7/12) front page, "The U.S.-Japanese trade accord...is unquestionably a victory for the United States."

"Clinton Has Many Reasons To Be Satisfied"

Catherine Chatignoux opined in Les Echos (7/12), "Clinton has many reasons to be satisfied. He left the G-7 summit with two trade accords in his pocket. One--multilateral--will ensure easier access to all continents, particularly Europe for U.S. products; the other--bilateral--was concluded with Japan in extremis Saturday, under the nose of its other partners. Once again, the Twelve (have a proof) of the 'pragmatism' of the Americans, who praise and at the same time have no respect for GATT and its free-trade dreams.... (With this accord) Japan has put a finger into a hornets' nest. It just signed up for uncontrolled U.S. harassment; the accord carries the seeds of many conflicts."

"Victorious U.S., Bitter Europe"

Right-of-center Le Quotidien (7/12) observed, "(The U.S.-Japanese accord) makes the Europeans feel bitter, because they got nothing at the annual EC-Japanese summit that took place three days before the G-7 in Tokyo.... The United States, above all its president for whom this was his debut on the international stage, cried victory."

ITALY: "Clinton-Style Leadership: Socio-Economic Warrior"

Gaetano Scardocchia wrote in centrist La Stampa (7/11), "The Tokyo summit's final communique sounds as if it had been personally

written by Bill Clinton, who imposed on the other leaders the winning theme of his electoral campaign--'new jobs.' We must acknowledge the fact that the U.S. president--undoubtedly the protagonist and the winner of the Tokyo summit--was able to impose on his European and Japanese colleagues a difficult debate, which will culminate in a special G-7 meeting this fall to discuss the specific issue of unemployment and how to fight it.... Clinton is unexpectedly proposing himself as a new type of world leader: a social-economic leader more than a political-military leader."

"Clinton Brilliantly Passed Test"

Roberto Pesenti filed from Tokyo in Rome's centrist *Il Messaggero* (7/10), "At President Clinton's urging, the G-7 summit has become once again the pole-star of the international scene, regaining its *raison d'être* in the battle for jobs and in the united front against terrorism and aggression...."

"Clinton brilliantly passed the test and is flying to Seoul today after filling the G-7 political vacuum.... Where Clinton was unable to succeed with political proposals, he tried the road of personal contact, the strategy of kindness and good-naturedness which impressed his more experienced colleagues."

AUSTRIA: "A Flat Summit"

Independent *Die Presse* (7/10-11) front-paged this comment by its foreign-affairs writer Schwarz, who elaborated on British Prime Minister Major's criticism of too much pomp and ceremony at the Tokyo summit, thus: "If it was only that, the leaders of the Western world could go home happily. Yet, there is no correlation between the satisfaction they display to the outside and the results of the summit. Looking back on the summit, this is what remains: At the very beginning, the participants, who had got their share of pessimism and criticism even before the summit started, presented a tariff agreement, passing it off as a sensational success for global trade. It remains to be seen whether this agreement will actually lead to a conclusion of the GATT round. Then, they produced a mediocre political declaration with an embarrassing paragraph on Bosnia. Thirdly, on the last day, they agreed on a prescription for the ailing global economy--lower interest rates in Europe, promotion of the Japanese economy, and deficit reduction in the United States. This idea is as old as recession itself.... Maybe a less pompous atmosphere would foster more constructive talks. Yet, it was obvious that not even the participants themselves felt comfortable."

BELGIUM: "Clinton's Strategy Bore Fruit"

Economic editor Jan Bohets judged in independent Catholic *De Standaard* (7/12) about the U.S.-Japan accord: "(Clinton's) aggressive trade strategy of demands and threats seems to have borne fruit. However, whether this is a triumph remains to be

seen."

"Clinton's Success In Japan"

Pierre Lefevre commented in independent Le Soir (7/12), "The commercial accord...confirms (Clinton's) success in Japan.... A new generation is in power in North America. It is called Bill Clinton in the United States and Campbell in Canada. It looks like it's already stimulating new dynamics around the world.... With regard to the Asian train...it goes fast. Last week, Bill Clinton--with determination--attached a U.S. wagon to it. Now it's up to Europe to hurry and impose itself.

DENMARK: "After The Summit, The Patient Is Still Sick"

Conservative Jyllands-Posten (7/10) opined: "The patient is sick...the patient in this case being the global economy.... The long (summit) communicate offers no answers; at best, it offers only cautious declarations of intent.... Perhaps the most positive result of the economic part of the Tokyo summit was the agreement on the framework for...GATT.... Despite their good intentions in the area of trade policy, the seven heads of state and government have only their unshaken optimism to lean on.... Until the prescription for the correct medicine is written, the patient will only slowly get better."

MALTA: "Modest Steps"

The independent Times (7/12) editorialized: "Leaders of rich industrial nations took modest steps to promote global trade and help Russia...but came up short in tackling what they admit are key issues facing their economies: slow growth and rising unemployment."

THE NETHERLANDS: "A Summit With Many Promises"

Calvinist left Trouw (7/10) noted: "High expectations and disappointing results are more or less the consistent characteristics of the summit meetings of the G-7.... But the agreements between the United States, Canada, Japan and the EC about the abolition or reduction of import quotas on a great many industrial products are real and constitute a further liberalization of world trade. The agreements could mean a breakthrough in the worldwide trade negotiations which have been stuck for years.

"For the rest there are ample vague promises and one cannot speak of strong initiatives to restore the world economy.... This G-7 summit has, unfortunately, to a great degree met our expectations."

NORWAY: "Clinton In Asia"

Leading, conservative Aftenposten (7/12) commented: "It is almost

six months since the American head of state began his...term. After a messy domestic six-month period, there is no doubt that he has grown on his visit to Tokyo and Seoul. General agreement was reached with the six other leaders of the world's biggest industrial nations on the reduction of some customs duties. To the Japanese, who prefer objections to be better packaged, he said a few home(spun) truths about the need to open their domestic market to imports. In South Korea he met a civilian president; there have not been too many of them in this divided country's history.

"Clinton's travel route is a signal to the Europeans. This was his first trip abroad as president, and it did not bring him to Europe. It is true that it was his itinerary, and not Clinton himself who decided to hold the summit in Tokyo. However, financially and therefore politically, Asia has become an increasingly important continent for the Americans."

"Clinton's Debut"

Independent Dagbladet (7/11) commented: "The meeting...was President Clinton's international debut. With his record weak position domestically, he had to show that he has mastered international politics and emphasize that the United States will play the leading role in world politics under his leadership, too."

"There is every indication that Clinton accomplished this task. At the meeting in Tokyo there was no doubt who took the lead, even if the competition was not overwhelming.... It may be that Clinton has presented the result of the Tokyo meeting in a far more positive way than there is reason to. But if this results in speeding up world trade with the customs barriers that now seem to be broken down, it may be possible to stop the depression Western economies have suffered for many years...."

"Clinton's international debut had a very serious aspect to it yesterday when he visited South Korea and in no uncertain terms threatened North Korea if (it) develops nuclear weapons. He said that the United States could not accept this and did not hesitate to add that military force may be used."

SPAIN: "Tokyo: Not So Great"

Centrist El Mundo (7/12) editorialized: "What has been agreed upon is only a prologue to the next Uruguay Round meeting to be held in Geneva. The question of unemployment is another issue that has not been dealt with in depth."

"What is very encouraging is the agreement reached during the last few hours between Clinton and Miyazawa to relaunch bilateral trade negotiations. The \$3 billion granted to Russia is also very positive. In short, two modest results in an overly praised summit."

SWITZERLAND: "Surprising Agreement Is A Good Beginning"

Left-of-center Basler Zeitung (7/12) commented: "The surprising trade agreement between the United States and Japan is not an end-result but a beginning. It provides a framework for future negotiations that will steer the negotiations around some well-known reefs. Half-yearly meetings are to be held at highest level to iron out trade disputes. So the next steps will be vital; until then the situation has been stabilized. This is perhaps the accord's major achievement."

TURKEY: "Was the G-7 Summit Successful?"

Engin Yildizoglu concluded in left-of-center Cumhuriyet (7/12): "According to those leaders who attended the summit, this was the most successful meeting of the last 15 years. But according to some prominent economists and managers of international business, the summit was no more than a public relations effort by a group of politicians whose popularity back home is declining.... Under today's circumstances, it is not possible to reduce unemployment, to liberalize world trade and at the same time to increase the popularity of the leaders who will be carrying this out."

"G-7: More Of The Same"

Dogan Bekin observed in religious Milli Gazete (7/10): "Many problems awaiting urgent solutions were ignored at the G-7 summit by the seven industrialized nations.... They adopted a final communique that is biased and pro-American.... This will result in loss of prestige for those countries in the eyes of the Third World.... The United States, as a result of the alliance it has established in the Security Council with the help of its loyal allies Britain and France, has managed to get many resolutions in its favor rapidly. Now a similar alliance has been established in the G-7 to ensure that the United States and its allies remain influential (in the G-7 as well)."

MIDDLE EAST

ALGERIA: "Crumbs For The Third World"

Djamel Kaouane wrote in government-controlled, French-language El Moudjahid (7/9): "With the New World Order's first steps, the dependence of Third World countries has become a declared political objective.

"Never has the North-South gap been more flagrant or scandalous.... This unfair division contains and sustains the seeds of a threat to international peace and security. The United Nations system and the club of the rich nations themselves must take into account the South's grievances for the right to development and for a better and fairer distribution of the world's resources.... The manna is generous for Moscow, while crumbs are sparingly doled out to countries that are being robbed.... The paradox is that the countries of the Third World, helped by debt service, have become

'exporters' of capital to the North. In Tokyo, the planet's seven magnates are conversing in the greatest sumptuousness. Does Western public opinion know that its leaders owe this luxury to the Somalis and the Mozambicans?"

EGYPT: "International Hypocrisy"

Salama Ahmed Salama observed in leading, government-owned Al-Ahram (7/10): "The weak statement issued by the seven big powers in Tokyo reveals the inability of these states to fulfill their promises and their resolutions. It also reveals how the new international order has become a kind of international hypocrisy.... As for the Middle East, the statement only made vague references to the peace efforts exerted in the region...and called for ending the Arab boycott of Israel, as if the boycott had stopped Israel from realizing its goals in the region.... (On Bosnia, the group) sufficed to announce that it does not recognize the conditions which the Croats and the Serbs have imposed on the Bosnian Muslims. They were satisfied to point to their economic sanctions without threatening to take any other step if the UN resolutions are not implemented.... It seems that resorting to double standards has become an international method to solve international issues. Naive is the person who believes anything about international legitimacy or human rights."

ISRAEL: "Tariff Accord: Significant Contribution"

Independent, economic Globes editorialized (7/12), "The tariff accord reached at the G-7 summit is a significant contribution to the world's trade and economic development.... However, the agreement itself is not as important as the fact that it signals that the Clinton administration, which has been sending worrisome messages of isolationism and protectionism, has made clear in Tokyo its commitment to economic liberalism and free trade.... The Tokyo developments mean a great deal to the Israeli economy. The popular theory that the Tokyo accords will make Israel lose its preferential position in the EC and the U.S. reflects incorrect thinking. Any barrier to free trade that is being torn down is another incentive to an economy capable of producing quality goods at attractive prices."

SYRIA: "G-7 Biased Toward Israel"

The government-supported Syria Times said (7/9), "With the exception of the economic aspect, which did nothing for the benefit of the current world situation...the Tokyo summit showed an unjustifiably biased position toward Israel.... The summit did not see in the region anything but the Arab boycott of Israel, and from there it issued its statement calling for an end to the Arab boycott, which is a flagrant interference in Arab affairs.... The Arab boycott of Israel is a legitimate right...to defend Arab interest against Zionist aggression."

SOUTH ASIA

BANGLADESH: "Accord Is Encouraging"

Anti-West Inqilab (7/12) said, "The benefits for the global economy and the developing nations from the accord on tariffs reached among the rich nations will depend on the sincerity of these nations in the Uruguay Round of talks in next December. However, the GATT chief remarked that the accord is a green light for the resumption of the multilateral negotiations in Geneva. On the basis of his remarks, it can be said that the accord is encouraging. But, there is a gulf of difference between hope and realization of hope."

"Mixed Results From Tokyo"

Independent Daily Star (7/11) carried this commentary, "Billed as an economic summit, the annual gathering of the heads of governments of the seven leading industrial nations of the world also issues a political declaration.... The Tokyo summit's political declaration was awaited with keen interest to see if it would provide any further clue to the latest collective thinking of G-7 on the future of this afflicted country. The clue that emerged from the summit is truly disappointing. It signals that G-7 has, in effect, given up preservation of the territorial integrity of Bosnia-Herzegovina as a lost cause. Also disappointing is the absence of any commitment to improve the level of official development assistance to the developing countries, on the ground of recession at home."

PAKISTAN: "What's In It For Developing Nations"

Center-right Nation (7/12) carried this editorial, "The agreement may just be the long sought-after mechanism through which the two can work out policy coordination on trade and economic issues. It is all very well for the leading nations to confer amongst themselves and arrive at such breakthroughs, but where do developing countries stand in all that? There is no mention in this bilateral agreement of its fallout on others, especially the developing countries. Will the Japanese markets also be available to other producers of agricultural commodities or primary goods? After all, Japan does not have a trade surplus against the United States alone. This agreement should also open the doors for others."

"Developing Countries Left In The Lurch"

Government-owned Pakistan Times (7/11) commented in this editorial, "The G-7, in their summit held in Munich last year, had pledged to adopt policies aimed at creating more jobs and growth. While it noted that signs of recovery were increasing, two guidelines for policies to promote the recovery were laid down.... The Tokyo declaration is almost similar to the Munich communique. The basic reason is that the G-7 summit has become an annual ritual only. The economic giants are individually confronted with their own specific internal economic problems which do not permit them to

meet their international obligations. This has also left the developing countries in the lurch."

AFRICA

SOUTH AFRICA: "Promises, Only?"

Pro-government Beeld (7/12) held in this editorial, "It is regrettable that South Africa was not discussed at the meeting. South Africa is not only important for its economy and politics, but as an entry port to Africa. By helping the Republic, Africa is helped. A golden opportunity has slipped by. A week ago President Bill Clinton indicated that he would help make the South African economy again part of the world economy. We hope that the G-7 attitude doesn't mean that in the future South Africa can only expect promises from the great industrial powers."

"So Now We Know"

Independent Business Day commented under the headline above, "Clinton did not lie--to the world or to President de Klerk and ANC President Nelson Mandela. It is just that South Africa is way down on the list of international priorities, and even lower now as a reforming nation than it was as a pariah.... We get a pat on the head for good behavior now and then, even from the U.S. president, but basically we are on our own. Those looking for international salvation of our political, economic and social woes should take note."

LATIN AMERICA

BRAZIL: "President Triumphs In Diplomatic Debut"

Conservative O Estado de Sao Paulo (7/12) said, under the headline above, "In his first big diplomatic incursion, Clinton achieved the prize that, up to now, has eluded him at home: The aura of a leader. Transformed into the center of attention at the Tokyo summit, Clinton dissipated all doubts the other leaders may have had about his capacity for leadership on the stage of world politics. On leaving Tokyo...the U.S. president also had some great results to exhibit for someone who had arrived saying he hoped for very little.... What Clinton's triumph in Tokyo will mean at home is an unknown factor.... The reports on the accords reached by Clinton in Tokyo were threatened with skepticism in the country's major media and not given the primary coverage dedicated to domestic events."

COLOMBIA: "Off To A Good Start In Tokyo"

The lead editorial in ruling Liberal Party-oriented El Tiempo (7/9) said, "the signing of agreements in Tokyo is something we had not even hoped would happen, let alone so soon. The question we Colombians must ask ourselves is up to what point will the events

in the meetings of the seven great powers affect commerce in our country, Columbia must await the beginning of the second round of the GATT because from there, where a possible agreement with the underdeveloped countries is being perfected, will come in turn discussions about the regulations of imports and exports in countries affiliated with GATT."

The Special Report

Monday, July 12, 1993

HAITI ACCORD: 'MINOR MIRACLE' THAT NEEDS MANY MORE TO WORK--Page 2

The verdict from the world press regarding the July 3 accord between ousted Haitian President Aristide and military strongman Lt. Gen. Cedras: It was a praiseworthy first step on the path to democracy, but much more will be needed to make that island nation a functioning, free society, including economic development, education and a return to the rule of law. San Jose's conservative La Republica described the Governors Island document as "the first effort of an exhaustive march toward peace."

For journalists, the most encouraging aspect of these developments remained the fact that international pressure and sanctions worked. Haiti, they pointed out, now stands as a successful test case for the new world order: Under the umbrella of the UN and the OAS and with strong Clinton administration backing, the Haitian coup leaders are being forced to accept the return of an elected head of state. Observers said there were lessons here in conflict resolution for the international community--for one, that sanctions work when they are universally enforced--and for would-be dictators in the region. Centrist Protestant weekly Deutsches Allgemeines Sonntagsblatt of Hamburg, for example, predicted, "This is a minor miracle which power-hungry military officers in Caracas or Guatemala will take note of."

Haitian dailies were strongest in their objection to the Governors Island agreement, with some writers (joined by counterparts in the Dominican Republic) charging that plans for a UN force to oversee implementation of the accord are tantamount to military intervention.

MENEM VISIT TO WASHINGTON--Page 9

Papers in Argentina and Brazil agreed that the Argentine president's first official visit with President Clinton was long on political dividends but short on specific achievements for Buenos Aires. Specifically, writers judged that no significant progress was made on the issues of patents, farm subsidies or Argentine

participation in NAFTA.

These surveys were based on 46 reports from 15 countries, June 23-July 9.

EDITOR: Mildred Sola Neely

LATIN AMERICA AND CARIBBEAN

HAITI: "Accord Exists To Help OAS, UN Save Face"

Aubelin Jolicoeur argued on page one of conservative Le Matin (7/8-9), "(The accord exists) to help the OAS, a manifestly discriminatory organization, and the UN...to save face after hastily imposing an unjust and criminal embargo on Haiti.... I have lived too long to see America, the great republic...go so far astray as to have lost its spirit of tolerance, charity and compassion."

"A Real Rat Trap"

A front-page article in independent Le Nouvelliste (7/7) held, "The accord...is a real rat trap. It leaves too much open to questions of constitutionality, too many opportunities for misunderstanding, too many loopholes for last-minute denials."

"Who Could Fail To Get An Accord With Strong Sanctions?"

In another article (7/7), Le Nouvelliste suggested, "To the gamut of agreements generated by the crisis, all of which have had uneven success, we can now add the Governors Island accord.... Aristide's hesitations and shilly-shallying must have made Clinton lose sleep.... Some describe this as a personal victory for Clinton. But who could fail with the strong sanctions imposed on Haiti?"

"Accord Nothing More Than A Piece Of Paper"

Le Matin's front-page article (7/7) by Max F. Guillaume charged, "I firmly denounce the accord...which is nothing more than a piece of paper written by Caputo and his colleagues. How can (they) declare victory when (according to the principle of nonrecognition of de facto authorities) Cedras' signature cannot be legitimate?"

"Teaching Haitians Same Lesson As Somalis"

In another piece on page one (7/1-2), Le Matin said, "Captain Clinton will be pleased because he will perhaps have the opportunity to send in the 'jar heads' (Un blue helmets) to teach black Haitian society the same lesson in civilization that the Somalis received...."

"It seems that all Haitians will have to die to satisfy this unbalanced man who still has no idea what he wants or what he should offer to the Haitian people."

"Time Bomb"

Michel Oreste Alerte penned this for Le Matin's front-page (7/1-2), "Everyone protests, proposes, demands but refuses to concede anything.... Meanwhile, the people wait....like a time bomb. It is very dangerous to expose the country to a social explosion which would let the people run amok."

"Disfunctional Haiti"

In the opinion of Herold Jean-Francois in Le Nouvelliste (6/29), "The legitimate president is in exile. The de facto prime minister resigned. The commander-in-chief of the army, the real holder of power, is out of the country. Yet the country goes on as if nothing has happened...."

"(This means that) Haitian institutions are so disfunctional that their existence makes no impact."

"No Choice But Respect For Rule Of Law"

Le Nouvelliste (6/29) added in a piece by Jean-Claude Bajoux, "We have wasted our time in personalizing the crisis through hate and fruitless anger. In our society, there is a cynical skepticism about...(the law) and (a tendency to manipulate language so that documents like the constitution appear to have contradictory meanings).... (Now) we no longer have the choice. There is no other recourse than (respect) for the (rule of) law."

BRAZIL: "Question Of Haiti Not Yet Resolved"

An editorial in conservative O Estado de Sao Paulo (7/6) declared, "The star of (Haiti's) President Aristide would not shine so brightly if it were not for the decisive role assumed by the OAS and the UN in the formulation of the new international order.... With the signature of the accord negotiated by former Argentine Foreign Minister Dante Caputo...the question of Haiti is not yet resolved. What has been obtained for now is the return to a situation interrupted in 1991 and no more. The process of democratization in Haiti...demands especially the end of poverty, ignorance and superstition...."

"The OAS and UN military advisers will have an important role in the beginning of the democratization process. If, however, the international community does not give the Haitians the means to live above the level of survival, Caputo's notable conquest will only last the time any general will need to rewrite Haiti's political tradition."

"A Case Of International Pressure"

According to liberal Folha de Sao Paulo's editorial (7/5), "The progressive dismantling of apartheid in South Africa, the rapid fall of President Serrano in Guatemala and now the announcement of an accord in Haiti...are all encouraging events in international politics which have a common factor: To a greater or lesser degree, they were all propelled by decisive pressure exerted by the international community....

"The plan accepted proposes normalization by stages.... If followed, Haiti will be one more American country to return to the road of democracy, rejecting the specter of authoritarianism which from time to time still lurks over the continent."

"Regional Coup Makers Sensitive To International Pressure"

Folha de Sao Paulo's staff writer (7/3) maintained, "If the outcome of the Haitian case is positive...it will demonstrate how those behind coup d'etats in Latin America are sensitive to international pressure, especially when the United States comes to the forefront of those pressures."

CHILE: "With U.S. Support, Coups Can Be Reversed"

Government-owned La Nacion observed in an editorial (7/8), "The biggest lesson to be learned from what occurred on Governors Island is that when the United States is disposed to support democracy and oppose coup-installed regimes, the possibility of reversing the situation always exists.... If the accords are followed, the constitutional president, who has strong popular support, will be able also to benefit from the support of the United States in facing the great challenge of democratizing (Haiti's) the political and economic systems."

"Conflict Only Solved On Surface"

Christian Democrat-affiliated La Epoca (7/6) judged, "The negotiations undertaken in order to re-establish the Haitian democratic regime seem to have emphasized political elements. In spite of the importance of these factors, they are not enough to put the return to institutionality of the island on a solid and stable footing. The misery, not just the poverty of the quality of life in Haiti, but rather its abject misery, is so immense that conflicts are resolved only on the surface but continue to boil within society's depths.

"Financial, technical and economic assistance (is needed) in order to really aid Haiti."

COSTA RICA: "The Best Possible Solution"

An editorial in conservative La Republica (7/7) determined, "The culmination of negotiations...is auspicious.... We could be

standing at the doorway to a return of democracy to Haiti.

"The New York agreement may not be perfect, but it is, in light of Haiti's history and of the current complex situation, the best possible solution; one that offers more opportunities to normalize the country's political life within a framework of respect for the people's will.... It represents the beginning of a long journey toward national unity and liberty; the first effort of an exhaustive march toward peace."

DOMINICAN REPUBLIC: "International Determination"

An editorial in centrist El Siglo (7/8) asserted, "Possibly what is most clear in all this is the absolute determination of the international organizations that intervened months ago in the Haitian conflict to undo the military dictatorship."

"Other Countries Should Refrain From Joining UN Force"

In the editorial view of establishment tabloid Ultima Hora (7/7), "The sensible opposition by the Dominican Republic to joining a military force intervening in Haiti under the auspices of the blue helmets--which amounts to a violation of the internal affairs of a nation--should be followed by other countries. What Haiti needs is urgent and massive economic assistance.... The presence of military troops in Haiti, under the United Nations flag, with the pretext that assistance is being sought to enforce the agreement...could unleash the forces of violence that have been miraculously contained until now."

"Aristide Will Return"

Sensationalist tabloid La Noticia (7-6) held, "Aristide will return to his country as the result of tenacious, arduous and patient work by the international community through its special organizations. And those same organizations will have to jealously safeguard the behavior of the reinstalled president."

"Unjustifiable Intervention In Haiti"

Center-left, frequently critical of the United States El Nuevo Diario (7/5) asserted about the announcement that the United States will send 1,000 soldiers to join the UN contingent to be sent to Haiti: "In other words, there is intervention in Haiti, with the blockade and now militarily.... This type of action...is unjustifiable and unacceptable from every point of view."

"Haiti On Threshold Of Military Intervention"

An editorial in Ultima Hora (7/5) agreed with the previous assessment, adding, "The announcement by Secretary...Christopher leaves no doubt that Haiti is on the threshold of a military intervention, even though under the auspices of the United Nations."

"Important Role For UN, OAS"

La Noticia's editorial (7/5) underlined, "It has to be acknowledged that finally the UN and the OAS have played an important part in the efforts to find peace in Haiti and will now maintain a strict watch by international organizations to make sure that the transition process is as problem-free as possible."

"International Pressure Surmounted Obstacles"

Santiago's independent La Informacion judged (7/4), "The international pressures resulted in the abandonment of rigid positions, demands that were obstacles, and the intransigence of those who took part in the September 30, 1991, coup and the overthrown Salesian priest."

"A Realistic Plan"

Left-of-center and pro-Aristide tabloid El Nacional (7/3) concluded, "Without a doubt, the solution put together by Ambassador Dante Caputo...although it's not Solomon's--is a plan that hews to reality.... The date of Aristide's return becomes the least important part of the problem. What is essential is to guarantee that the return can successfully lead Haitian society to the electoral process that the constitution of 1987 has set for the beginning of 1996."

"Keep Democratic Objective In Mind"

El Nuevo Diario (6/23) held, "If the parties to the conflict are capable of reaching agreement, we salute that solution, but the objective has to be to re-establish the democratic effort in Haiti, with or without Aristide, with or without Cedras and the other coup leaders."

MEXICO: "Constitutional Government Handcuffed To Haiti's Enemies"

An editorial (7/2) in leftist-nationalist La Jornada pointed out, "Regardless of (what) actually happens, this is a timely occasion to reflect on what has happened around this crisis.... While the United States, French and Venezuelan governments at first strongly supported the return of Aristide to power, they have also put pressure on him so that he makes one concession after another, and have led the situation to the point that the Haitian military are guaranteed impunity.... The most recent decision by President Clinton--the post-dated lifting of some sanctions and the conditioning of aid resumption to a settlement--are at the same time a pressure on Cedras, but also push Aristide to accept anti-constitutional conditions to return to the presidency.... Perhaps tougher economic sanctions could have solved this conflict earlier, but the long negotiations will only bring about the impunity of the military, and the establishment of a civilian government that will be handcuffed by the eternal enemies of the

Haitian people."

TRINIDAD AND TOBAGO: "Time Running Out For Haiti"

An editorial in the mass-circulation, independent Trinidad Express (6/28) concluded, "There is still some way to go before Aristide is returned to the office from which he was driven 21 months ago.... The meeting is also a climb-down for President Aristide, who has long resisted the idea of meeting with Cedras, and, up to the time of the meeting, was still refusing to consider some kind of amnesty for the men responsible for his downfall. But time is running out for all the parties and Haiti's best bet must lie in the knowledge that sooner rather than later, something will have to give."

EUROPE

GERMANY: "A Minor Miracle"

Centrist Protestant weekly Deutsches Allgemeines Sonntagsblatt of Hamburg's editorial (7/9) said, "Where are the positive reports, Boutros Ghali? The wars in Bosnia and Somalia are not over, shooting is continuing in Cambodia. A popular theory states that when power and inhumanity enter into an unholy alliance, the international community has to capitulate. It does not. Haiti is proof of this. Here a strict UN embargo has forced the military to give in--and granted the island which became famous through reports of its many disasters a historic opening. For the first time in the history of Latin America, a democratically elected president (Aristide) who was ousted by a military coup is to be put back into office. This is a minor miracle which power-hungry military officers in Caracas or Guatemala will take note of.

"So much for the positive news. But one does not need to be a harbinger of doom to be skeptical about the agreement reached in New York between Aristide and Haiti's army chief Cedras. Before the president returns in October, a 10-point plan will have to have been put into practice. This plan demands wide-ranging compromises. But the mere fact that both sides negotiated via third parties shows how wide the gulf between them is. On the one hand, a population thirsting for revenge and reforms. On the other, an alliance of corrupt military men and an upper class with unparalleled decadence.

"It will require more international pressure and many minor miracles before both groups come together: Not in New York, but in Port au Prince."

"New Hope, But For How Long?"

Guenter Friedlaender wrote (7/8) in Berlin's right-of-center Die Welt, "Haiti has not yet reached the end of the road to democracy. Cedras and Aristide refused to even look at each other before, during or after the signing of the new document. The agreement is to come into effect at the end of October, which is a dangerously

long waiting period. It is understandable that Spanish-speaking America will try to push through an internationally valid rule for trade embargoes to force troublemakers to their knees without bloodshed. There is new hope--but for how long?

"How Much Is Cedras's Signature Worth?"

Left-of-center weekly Die Zeit of Hamburg's editorial by Carl Goerdeler said (7/8), "The plan is clear, but how much is the signature of General (Cedras) worth? Did he act alone or on behalf of his fellow fighters? In terms of everyday life in the poorhouse of the region it is even more important that the Tonton Macoute, the killers of the secret police, are brought under control. Jean-Bertrand Aristide does not know whether he will be able to govern freely after his return to Haiti....

"One hundred and fifty unarmed UN observers on the island are not enough. This is why Washington has proposed to send a police contingent, something that neither the military nor Aristide's followers want. But Haiti welcomes another element of the New York 10-point plan: The United States, Canada and some Latin American countries have promised to support the new beginning with up to \$1 billion in economic aid. But this is to benefit the United States as well. Washington is hoping that the pacification of Haiti will at least to a certain degree contain the flood of refugees from poverty."

CANADA: "Abolish Haitian Army"

Frederic Wagniere offered this editorial in independent, French-language La Presse (7/6), "There is only one thing which is missing from the Governors Island agreement...the abolition of the army.... Even if international aid were distributed by foreign NGOs, the army will be able to get involved since it controls transportation and communications.... For the other countries of both Americas that are seeking to help Haiti, the choice is clear: First, President Aristide must complete his mandate in as democratic a fashion as he started it; secondly, the army is a costly luxury, useless and dangerous, and must be abolished."

"World Community Cannot Rest On Its Laurels"

An editorial in the leading Toronto Globe and Mail (7/6) urged, "Neither Canada nor the international community can afford to rest on their laurels. The New York accord will not succeed unless the world keeps pressure on the Haitian regime to comply with its provisions, among them separating the police and the military and removing certain top officers, including General Cedras....

"The international community must help Father Aristide create credible civil institutions that will serve as a substitute for elite rule. More important, it must make good on its pledge to help rebuild local infrastructure and public services. Only development can heal the rifts that have made Haiti such an

unwelcome climate for democracy."

"Jubilation Would Be Grossly Premature"

Readers of the liberal Montreal Gazette (7/6) saw this editorial: "Though the turn of events in Haiti is immensely satisfying, jubilation would be grossly premature.... Haitians have every reason to suspect that the army's apparent retreat is just a tactical move, not the harbinger of any power shift that would allow democracy to flourish in Haiti. If the army starts to backslide away from restoring Mr. Aristide once the pressure of sanctions is removed, the world should not hesitate to reimpose them quickly."

"U.S. No Longer Wishes To Support Military Regimes"

Sylviane Tramier opined in an editorial in independent, French-language Le Devoir (7/3), "(This) all leads us to think that the United States...does not wish to support...military regimes on the continent, as it had for many years so long as these regimes declared themselves staunchly anti-Communist."

SPAIN: "Because Of U.S. Interest"

Centrist Diario 16 of Madrid (7/7) commented editorially, "The UN has succeeded in implementing its reconciliation and peace plan for Haiti because of the United States' direct interest.... Haiti has finally become a real problem for the United States owing to the unexpected legitimacy of General Cedras."

EAST ASIA AND PACIFIC

INDONESIA: "Lesson To Military In Latin America"

"The Haitian case," indicated an editorial in leading, independent Kompas (7/6), "apparently will become a lesson to the military in Latin America that they should not topple governments established through the democratic process, especially if the process ends in a situation in which human rights are violated. The human rights situation of a country, especially a developing country, becomes one of the criteria for the West in 'rating' the country and its regime."

SOUTH ASIA

BANGLADESH: "Clinton Kept His Commitment"

Opposition Banglar Bani (7/7) pointed out, "President Clinton has kept his commitment. The situation is changing fast now that the UN has imposed strict sanctions against Haiti. Facing the sanctions, economically distressed Haiti is beginning to respond. The rulers have taken part in negotiations and accepted the UN plan for transition to democracy. It is now hoped that Haiti will soon begin its journey to democracy. Now it is to be seen whether the

country's most powerful organization will let democracy and the elected government work."

AFRICA

KENYA: "Grin And Bear It"

In an editorial (7/6), the independent Nation reminded its readers that "Father Aristide is a 'prophet' to the nation's slum dwellers and subsistence farmers, but the generals, businessmen, landowners and conservative bishops who control Haiti's wealth and wield the power regard him with suspicion. They remember his apparent approval of necklacing...when he said of the burning tire: 'What a beautiful tool, what a beautiful instrument.' It was a foolish comment and one can only hope that his subsequent experience of overthrow and exile has tempered the man who could be such an instrument of good.

"Whatever his personal views...Aristide is to be the leader of a democracy, that is of people he dislikes as well as likes, of people who hold views contrary to his own, of people who will smile but plot against him. As our own leaders have found out, it's not a comfortable situation but that is how democracy works and from Haiti to Kenya they better learn to grin and bear with it."

UGANDA: "Sanctions Work!"

An editorial in the government-supported New Vision (7/6) compared UN actions as the agent of the new world order in Somalia, Haiti and Bosnia, concluding, "It is therefore good that the UN has scored a real victory in Haiti.... Sanctions on arms, oil and financial transactions then cut Haiti off completely.... Within days, Cedras was suing for mercy.... What it proves is that sanctions can be overwhelmingly effective if unanimously supported by the world community....

"This is the way forward for the new world order. Military intervention does not provide permanent solutions. Look at Iraq.... We should stop thinking of sanctions as the soft option. They are actually the most efficient means of disciplining wayward states in the new world order."

* * * * *

MENEM VISIT TO WASHINGTON

ARGENTINA: "Good Bilateral Results"

Conservative La Prensa (7/4) stated, "The results of the Menem-Clinton summit, according to the government, were very positive. Beyond the gestures and symbols and reading between the lines, some of the men close to Menem keep emphasizing the importance of his 'direct style' which began with Bush, continued with Clinton, and creates obvious good, bilateral results for both

nations."

"U.S. Changes Its Tendency To Make Decisions For Us"

Following the Clinton-Menem talks, business El Cronista (7/1) observed, "The significant fact is that the United States has changed its tendency to be the one that makes decisions for Argentina and Latin America, a tendency that has characterized its trade policy throughout the century."

"For the first time, the White House thinks it is more relevant to its own interests to have good relations within the hemisphere than follow the overwhelming arguments of protectionist lobbies in Congress."

"Favorable, But Devoid Of Political Goals"

Washington correspondent Fernan Saguier filed for daily-of-record La Nacion (7/1), "A favorable political balance, but practically devoid of concrete goals, describes the visit between Menem and Clinton."

"More Political Support Than Tangible Economic Goodies"

Leading Clarin judged, "In his talks with the North American (leader), Menem obtained more political support than tangible economic proposals."

"A Political Success"

The independent, English-language Buenos Aires Herald (7/1) said, "As such occasions go, President Carlos Menem's meeting with his U.S. counterpart Bill Clinton was successful enough, although too much attention was devoted to issues which did not matter, while little enough happened with those which did.... The two sides were basically looking for progress on the two issues of patents and farm subsidies while the red herrings of the Condor Missile and NAFTA distracted attention.... The big picture remains, however, that the first visit of a South American president with Clinton was a political success."

"Civil Rights Are Argentina's Only Card"

Clarín's editorials (6/30) commented, "The common interests between the United States and Argentina are the defense of democracy and human rights. One must also realize (even if it isn't acknowledged) that Argentina has very little to offer the United States and that the United States doesn't need Argentina for practically anything.... President Menem must know that without civil rights, neither his government nor his country exist for the United States."

BRAZIL: "Menem Received Compliments He Was Waiting For"

The Washington correspondent for conservative O Estado de Sao Paulo (6/30) noted that, after working hard to be the first Latin American president to be received by the new administration, and "making efforts to be recognized as the major U.S. ally in South America, the Argentine leader received the compliments he was waiting for and declared that the bilateral relations are 'at their best level ever.'

"The actual importance of Argentina for the United States was put in question, however, in the press conference with the two presidents.... More concerned with the subject of the day, the American journalists ignored Menem and asked Clinton several questions about the missile attack against Baghdad.... The American president made no reference to the Argentine claim to join the NAFTA that Menem had defined as one of the objectives of his visit to Washington....

"From the U.S. standpoint, the most important political effect of Menem's visit was to expose Clinton and his advisers to South America."

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

ARMS Email SystemRECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Kenneth R Chitester (CHITESTER_K) (WHO)

CREATION DATE/TIME:18-MAR-1994 15:11:00.00

SUBJECT: 3:30 pm wire report

TO: Heather Beckel (BECKEL_H) (WHO)
READ: UNKNOWN

TO: Dianna A. Pierce (PIERCE_D) (WHO)
READ: UNKNOWN

TO: Steven A. Cohen (COHEN_SA) (WHO)
READ: UNKNOWN

TO: David Leavy (LEAVY_D) (WHO)
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TO: Carola McGiffert (MCGIFFERT_C) (WHO)
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TO: Lorraine A. Voles (VOLES_L) (WHO)
READ: UNKNOWN

TO: Jeffrey L. Eller (ELLER_J) (WHO)
READ: UNKNOWN

TO: R. Paul Richard (RICHARD_R) (WHO)
READ: UNKNOWN

TO: Virginia M. Terzano (TERZANO_V) (WHO)
READ: UNKNOWN

TO: Keith O. Boykin (BOYKIN_K) (WHO)
READ: UNKNOWN

TO: Joshua A. King (KING_J) (WHO)
READ: UNKNOWN

TO: Jonathan L. Kaplan (KAPLAN_JL) (WHO)
READ: UNKNOWN

TO: Mark Bousian (BOUSIAN_M) (WHO)
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TO: Emily A. Lenzner (LENZNER_E) (WHO)
READ: UNKNOWN

TO: Cara A. Levy (LEVY_C) (WHO)
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PRINTER FONT 12 POINT COURIER

WHITE HOUSE WIRE REPORT

3:30 p.m. edition

Friday, March 18, 1994

Produced by the Office of News Analysis (6

-7151)

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New report raises the ire of the FOBs (Reu)

Democrats: D'Amato not one to cast stones about ethics
(GNS)

Does Clinton have big plans for the G

-7? (BBN)

Gore sets whirlwind visit to South America (Reu)

Blinder says don't expect statement on Clinton

-Greenspan
meeting (BBN)

Under task force plan, few parents would be working by
1999 (AP)

Kansas City drops bid for '96 Democratic convention
(Reu)

Dallas tapped for NAFTA labor secretariat (UPI)

All eyes on US as Security Council finally moves to vote
on Hebron massacre (AP)

Lawmaker urges more pressure on North Korea; Clinton aides to meet (AP)

US rejects visa requests from Cubans to dance at Oscars (AP)

US swaps prisoners with Mexico (AP)

Senators urge Clinton to veto UN resolution on Jerusalem (AP)

Perry says Russia prepared to make major peacekeeping commitment (AP)

NATO eager for Russian partnership but held up by special request (AP)

Nixon tells West not to link Russia relations to Yeltsin (UPI)

CNN Headline News (3 p.m.)

Croats, Muslims sign Bosnian peace accord in Washington

PM Major walks through Sarajevo

UN to meet to vote on Hebron massacre resolution

Rabin, Arafat speak by phone today

IAEA blocked access by N Korea at nuke sites; S Korea wants to rejoin US war games

Iranian transport plane crashes over Azerbaijan

South African commission says police provided arms to create unrest

BC

-WHITEWATER

-REPORT (SCHEDULED)

NEW REPORT RAISES THE IRE OF THE FOBS

By Arthur Spiegelman

LITTLE ROCK (Reuter) - The Friends of Bill (FOB) are furious -- this time they say the press has gone too far.

President Clinton's leading home

-state supporters

complained Friday that his Whitewater woes are being unfairly compounded by new reports on his wife's business dealings and his relationship with the state's largest employer.

At issue is a New York Times report that Hillary Clinton made a \$100,000 profit from a business deal guided by James Blair, a lawyer for Tyson Foods Inc, the giant chicken processor that is the state's largest employer.

For Clinton's many personal friends in the state, who proudly wear the title "Friends of Bill," the report in Friday's issue was just one more example of what they regard as

a media feeding frenzy that threatens to overwhelm the only president ever elected from Arkansas.

They said the story twisted and distorted innocent relationships. Some were so angry that they suggested The Times investigate its own reporting.

"The Times ought to look at itself. I think people in New York are so cynical that they can't believe that there are people who have friends who do favors for them without expecting anything in return," said lawyer David Matthews, a longtime friend of the Clintons and former state legislator.

Matthews accused the Times of putting "a perverse spin" on the Clintons' relationship with James and Diane Blair, the couple's closest friends.

The Times reported that in 1978, Mrs Clinton made a profit of more than \$100,000 in commodity trading under the guidance of Blair, who made millions of dollars in commodity trading himself. The trading began three weeks before Mr Clinton won his first term as Arkansas governor and ended about a year later, the newspaper said.

"Jim and Diane Blair have been the Clintons' closest friends in Arkansas for well over a decade. In fact, Diane Blair is Hillary's closest friend, period," said Arkansas political journalist Ernest Dumas, who has been covering the state's politics for over two decades.

Dumas said, "I don't see what the deal is. She made money on an investment. I think that before this is over, every dollar that Bill and Hillary Clinton ever made is going to be traced and questioned. I've never seen anything like it"

The Times story is the latest in a series of reports that have questioned the Clintons' business dealings in this tiny state, where everybody seems to know everybody else and to have a business, personal or political relationship.

The articles arise in part over the Clintons'

investment in a vacation resort property called Whitewater. The investment was arranged by a failed Arkansas Savings and Loan operator, James McDougal.

The Times story also raised questions about Clinton's relationship with Tyson Foods, whose chairman, Donald Tyson, has been a major financial and political backer.

But Tyson Foods has been a power in the state for decades, winning concessions from governors and legislators long before Clinton came on the political scene.

Tyson was a strong backer of Clinton's educational reform program, making speeches offering to pay higher taxes if that meant better schools.

Said former state Banking Commissioner Marlon Jackson, a man who has often differed publicly with Clinton, "I never knew him or his wife to do anything wrong. My

question is what is so terrible about investing your money and making a profit on it. Isn't that what people are supposed to do?"

Walter Skelton, a lobbyist for the tobacco industry, said he thought the national press just didn't understand Arkansas and thus was misinterpreting things.

"We are so inbred here that what a lot of people see as odd is just taken for granted here," he said.

REUTER

bc

-whitewater

DEMOCRATS: D'AMATO NOT ONE
TO CAST STONES ABOUT ETHICS

Eds: Analysis; see also WHITEWATER

-DAMATO and
WHITEWATER

-LEACH

By CHUCK RAASCH=

GNS Political Writer=

WASHINGTON If Republicans are using Whitewater as a political cudgel, why use the clawed New York pit bull, Sen. Alfonse D'Amato, as a chief attacker?

D'Amato himself has a history of ethical problems. So some analysts believe he is a bad choice to grace the nation's television sets and newspapers with questions about Bill?and?Hillary Rodham Clinton's investments ?with?Arkansas S&L owner James McDougal, and with calls?for? congressional hearings.

Simply put: D'Amato gives Democrats a counterattack target wider than the Potomac. And some Democrats, principally Democratic National Committee Chairman David Wilhelm, have jumped on him with relish.

But other analysts think the combative D'Amato plays an effective bad cop to the good cop of the GOP's other chief Whitewater inquisitor, Rep. James Leach, R

-Iowa, who has a
reputation as one of the least partisan politicians on

Capitol Hill.

Do not look for Democrats to stop attacking D'Amato, even after Thursday's reversal by Majority Leader George Mitchell to?allow?Senate hearings on Whitewater sometime later this year.

"If the real concern were to get to the truth, get to the bottom of this, Al D'Amato would be the last person I would think a party would put forward," Wilhelm told reporters Friday at a breakfast, where he refused to recant earlier attacks on the ethics of D'Amato and other

GOP leaders. "It underscores the Republicans' preoccupation with this issue."

Special counsel Robert B. Fiske Jr., is investigating whether the Clintons' Ozarks development partnership, called Whitewater, benefited from cash from McDougal's failing Madison Guaranty Savings & Loan. Leach also is looking into whether undue pressure was brought on federal whistleblowers looking into Madison, and has discussed his concerns with Fiske.

Leach is pushing for House hearings next week.

While Leach has a reputation as a House do

-gooder, a

moderate whose obsession with the venerated "process" of the institution sometimes irritates even his staff,

D'Amato received an Ethics Committee rebuke after a 1992 investigation into whether he used his office to steer favors to friends and relatives. D'Amato's brother, Armand, was convicted of mail fraud for using Sen. D'Amato's office and letterhead to solicit business for a Long Island defense contractor.

"Being attacked on ethics by Al D'Amato is like being called ugly by a frog," Wilhelm said in a speech to party leaders in Cleveland, a speech in which he also attacked the ethics of Senate Majority Leader Bob Dole and Sen. Phil Gramm, R

-Texas.

Wilhelm has refused to recant his criticism, which he says was not coordinated by the White House, although leading party members, including House Speaker Tom Foley, said they thought Wilhelm had gone too far.

But Wilhelm said as long as Republicans were using Whitewater as a "diversion" to derail Clinton initiatives on health care, crime and other issues, he would not shy from attacking.

Wilhelm conceded that attacking Leach will be harder.

"Jim Leach is obviously somebody with a record of greater integrity ... than Al D'Amato," he said.

D'Amato is shooting the Whitewater rapids largely by virtue of his position as the top Republican on the Senate Banking Committee, which oversees S&Ls.

"He is the ranking Republican on the Banking Committee," said Chuck Greener, spokesman for the Republican National Committee, by way of explaining why D'Amato is out front on the issue. Greener dismissed as "White House blame spin" the reasoning that D'Amato is a flawed GOP spokesman.

Despite Wilhelm's charges that Whitewater attacks and calls for hearings are part of a "risky" GOP strategy to divert attention from health care and crime to scandal, Greener said that there has been no grand GOP design. GOP Hill insiders claim there has been little coordination on

Whitewater between Leach and D'Amato.

"Literally, we have not even put out any talking points," Greener said, referring to the common practice by both parties of briefing key party spokespeople on topical issues so the message will be constant. "We have not because we are not going to get into the position of abetting their very weak defense of blame the press, blame Republicans, blame everyone.

"It has been you guys (the press) following this story," Greener said.

Despite Greener's assertion that the RNC wants to stay out of a partisan finger

-pointing match, Greener could not resist showing the fruits of some research: a 1991 Philadelphia Inquirer quote from Clinton that Greener said shows how Whitewater undercuts Clinton's rhetoric about the greedy 1980s under Republicans.

"The 1980s were not just a decade of greed and self

-seeking," Clinton is quoted in the clipping. "They were a decade of denial and blame."

Republican pollster Ed Goetas conceded that D'Amato "certainly would not be my pick" to carry on GOP calls for hearings into Whitewater. "But on the other hand, that is not the issue.

"The issue is that he is in that position in the Senate to be a leader on this issue ... The response to Clinton to everything is to attack those making the point against him, and that is going to wear thin after a while ... If we threw someone else out there, they'd just attack that person. There are a lot of people asking the questions."

BC

-White

-House

-Watch:-

-Does

-Clinton

-Have

White House Watch: Does Clinton Have Big Plans For The G

-7?

Washington, March 17 (Bloomberg) -- There was a

little

-noted undercurrent flowing through President Clinton's "jobs conference" in Detroit this week of the world's leading industrialized countries.

Beyond the talk about growing unemployment and the need for a more skilled workforce, there were hints that Clinton and his top aides may have something more ambitious in mind than just a series of seminars on job training.

In his Detroit address to the ministers from the Group of Seven nations -- the U.S., Germany, Japan, Britain, Italy, France and Canada -- Clinton said he intended to go the July summit of G

-7 leaders in Naples, Italy "with a real agenda where we can all be committed to going forward."

Going toward what goal? A few moments later, Clinton cited the years immediately after World War II, when "alliances were built" and "institutions were created that kept the peace (and) promoted prosperity."

It was a clear reference to the founding in the 1940s of the International Monetary Fund, the World Bank, and the General Agreement on Tariffs and Trade -- the panoply of organizations that have helped to manage and provide the financing for global recovery, growth and commerce.

Treasury Secretary Lloyd Bentsen said the Detroit meeting was an "important first step" for a "global dialogue on how to lead change and manage it."

A week before the Detroit conference, Robert Rubin, the former Goldman Sachs investment banker who heads the White House National Economic Council, spoke even more explicitly about the parallels between the present and the postwar period of institution

-building.

'Big Institutional Changes'

Rubin referred to the "big institutional changes" that came out of the "post

-World War II period," and said: "I think that's what you are now starting to see with the G

-7."

Others in the administration are clearly sympathetic to the view that the G

-7 has potential for a new leadership role. Jeffrey Garten, Commerce undersecretary for international trade, wrote in a book before taking office that "today's (international) institutional framework"

handling economics ``needs not only new blood but major modification."

If the G

-7 did take more concrete form (right now, it only acts on an ad hoc basis), the goal of the U.S., at least, would be first and foremost the acceleration of economic demand by Europe and Japan. Some more liberal analysts maintain the U.S., too, should move to stimulate its own economy, though the current Federal Reserve board is more concerned with preventing inflation from heating up.

While the U.S. has had strong economic growth recently, the job

-producing export boom has slowed down. There may come a moment in the not

-too

-distant future when the U.S.

really will need a shot in the arm from abroad. Europe, with unemployment rates averaging 11%, requires action right away.

However, the G

-7 nations ``are limited in their ability to create jobs alone," said Jeff Faux, president of the Economic Policy Institute, a liberal Washington think tank.

Germans Resist Stimulus

For many years, of course, the Europeans -- most

importantly, the Germans -- have resisted American calls for a deep cuts in interest rates that could boost economic growth. The reason was the historic German fear of inflation.

This year, however, fear of rising unemployment may cause the voters in Germany to vote out the conservative Christian Democratic Party that has run the government for a decade.

If the liberal German Social Democratic Party takes control, ``you'll have a genuine European audience for the kind of conversation we (in the U.S.) want to have" on stimulative measures, said Walter Russell Mead, an economist associated with the World Policy Institute in New York.

Yet even if the German Christian Democrats stay in power, the U.S. is in a much better position to ask for expansionary policies from the Europeans. As Clinton noted in his Detroit speech, the U.S. has done much of what its
G

-7 partners asked it to do throughout the 1980s, such as

reducing the budget deficit and improving product quality.

The administration's suggestions of new institutional arrangements could be more rhetoric than real. Even a booster of a more activist G

-7, such as Faux of the Economic Policy Institute, who is close to the more liberal elements of the Clinton entourage, said: "I doubt they have a master plan."

"But knowing the characters (in the administration), there have been discussions about" greater G

-7
cooperation, Faux said.

Commerce Secretary Ron Brown, asked at the end of the Detroit conference if a new G

-7 structure was in sight, said: "It's too early to tell. This is the first time we've raised the issue to this level." Between now and the Naples G

-7 summit, "we'll try to drive that agenda."

Nevertheless, Undersecretary Garten believes that there is in process a "shift of power to the G

-7," whose summits bring together the leaders of the world's most financially powerful countries. "It is in this forum," Garten has written, "that the major decisions about global economic and social management will be made or avoided."

-Steve Dryden (202) 343

-1828/mfr/ (For more on the G

-7:
NI G7; on the Clinton administration: NI EXE; on labor: NI LBR; on the economy: NI ECO; on Germany: NI GER; on the IMF and World Bank; NI IMF)

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BC

-LATAM

-USA

-GORE (SCHEDULED)
GORE SETS WHIRLWIND VISIT TO SOUTH AMERICA

By Gene Gibbons

WASHINGTON, March 18 (Reuter) - Vice President Al Gore roars off Sunday on a jet

-age sprint through Bolivia,

Argentina and Brazil to discuss economics and plan for a ``Summit of the Americas."

Gore, accompanied by wife Tipper on a whirlwind goodwill tour of less than 48 hours, will also keynote an international conference in Buenos Aires that will focus on how to bring modern communications to the most remote parts of the globe.

The World Telecommunications Development Conference, which opens Monday, is sponsored by the International Telecommunications Union, a Geneva

-based U.N. agency with 182 member nations.

Gore will be the highest

-ranking official at the meeting. Lorraine Voles, his press secretary, said his presence ``signals how important telecommunications is to the Clinton administration."

The administration is pushing development of a U.S. electronic network capable of handling data, voice and video transmissions and linking computers in homes and businesses across the country.

Gore's overnight visit to Argentina for a Monday speech on this ``information superhighway" and a meeting with President Carlos Menem is sandwiched between a seven

-hour visit to Bolivia Sunday and a six

-hour stop in Brazil Monday.

In the Bolivian capital of La Paz, he will attend church services, hold talks with President Gonzalo Sanchez de Lozada and participate in a community festival.

In Brasilia, Gore will see President Itamar Franco, hold a town hall meeting and have dinner with Foreign Minister Celso Amorim.

Gore flies back to Washington early Tuesday morning.

Voles said scheduling difficulties dictated Gore's hectic pace -- he was committed to attend the annual Gridiron dinner of Washington's journalistic elite Saturday night and address a Democratic fundraiser in New York Tuesday.

The trip follows President Clinton's announcement that he will invite all the democratically elected leaders of the Western Hemisphere to Miami in December for a ``Summit of the Americas" focusing on economic growth and

democracy.

On a visit to Mexico late last year, Gore said Clinton's interest in such a conference was triggered by congressional approval of the North American Free Trade Agreement intended to expand trade among the United States, Canada and Mexico.

Clinton said he chose Miami because its economy was "fully integrated with the economies of Latin America and the Caribbean. In so many ways, it represents the promise of hemispheric integration."

In his talks with the leaders of Bolivia, Argentina and Brazil, Gore will discuss the agenda of the upcoming summit and environmental issues, Voles said.

The vice president is likely to travel to South

America again next month to visit Venezuela, she said.

REUTER

BC

-Blinder

-Says

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-Expect

-Statement

-on

Blinder Says Don't Expect Statement on Clinton

-Greenspan

Meeting

Washington, March 18 (Bloomberg) -- Alan Blinder said he would be "shocked" if there's any statement issued at the conclusion of this morning's just

-concluded meeting

between President Clinton and Federal Reserve Board Chairman Alan Greenspan.

Blinder, who isn't at the meeting, described it as "just a periodic chit

-chat about how the Fed sees the economy and how we see it" in an interview with Bloomberg Business News.

Asked if the president is worried that the Fed will raise short

-term interest rates again when the policymaking open market committee meets on Tuesday, Blinder replied, "I have no comment on that."

Blinder, a member of the president's Council of Economic Advisers, declined to say whether interest rates are being discussed. However, he did say that when Clinton and Greenspan meet, "they talk about the economy, not the weather."

Blinder said the meeting was initiated by the president. When Clinton and Greenspan last met, in January, it was at Greenspan's request, he said.

Blinder, who is suffering with laryngitis, said he found out about the Clinton

-Greenspan meeting yesterday.

He said he was "surprised" to learn today that Greenspan canceled a speaking engagement to attend.

Blinder said he doesn't expect any statement or announcement to be made when the meeting concludes. "I would be shocked" if anything is made public, he said.

Blinder is expected to be nominated by the president to succeed the departed David Mullins as vice chairman of the Federal Reserve Board. The seat has been vacant since mid

-February. Blinder said announcement of his appointment is "pretty close."

However, he said that the choice of a successor to Wayne Angell to fill a second seat on the Fed is a ways off. The last word he heard is that "about 20 names" are being checked out for the second nomination, Blinder said.

-Monroe W. Karmin (202) 434

-1827/mfr/ (For more on the president: NI EXE; on the federal reserve: NI FED)

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AM

-Welfare to Work, Bjt,760
Under Task Force Plan, Few Parents Would Be Working By

1999
By JENNIFER DIXON= Associated Press Writer=
WASHINGTON (AP) After five years and \$15 billion in new services for the poor, only a fraction of all parents on welfare would be nudged into the work force under the Clinton administration's draft strategy.

President Clinton raised expectations for sweeping reform when he promised during his campaign to "end welfare as we know it" and require all able

-bodied

recipients to take a job after two years on the rolls.

His aides, however, have drafted a plan that initially exempts two

-thirds of all parents on welfare from any time limits or work requirements, covering only those born after 1972.

And it takes years before significant numbers of welfare recipients are pushed into a private job or a subsidized work program.

At the end of the plan's first five years, just 200,000 of the estimated 1.67 million young families who will be covered by the new welfare system will either leave the rolls because of various reforms in day care, welfare and health care, or have a parent working in a subsidized job.

The administration argues that it is smarter, in an era of scarce resources, to move carefully and target its reforms on the youngest mothers with the highest risk of long

-term welfare dependency and the greatest potential for turning their lives around.

"It is much better to start with a small program that sends a strong signal to new recipients that things are different. And a system that is more easily administered makes a real guarantee that the sanctions are going to be enforced," said a senior administration official who insisted on anonymity.

But Gerald Whitburn, secretary of health and social services in Wisconsin, questions the decision to leave out significant numbers of parents.

"If we're going to move expeditiously to change welfare as we know it, and then exempt two

-thirds of the caseload, and in many cases the longest

-term recipients, that's a real question," Whitburn said.

He cited the case of a Wisconsin woman who signed up for welfare in 1954 and has been on since. "Forty years without a disconnect from the program ... is the kind of case that drives the public alarm."

Under the administration's draft, states are given two years to get new education, training and work programs up and running, before the clock on time limits starts ticking. Parents would start to feel the effects of the time limits in 1999.

The administration estimates that 70,000 of the 1.67 million young parents on welfare at the end of the decade will leave the rolls because of various reforms. An additional 1.1 million will be working part

-time, in school or in training. And 130,000 will be in

a subsidized job because they hit the two

-year time limit and failed to find work in the private sector.

By the year 2004, the administration estimates that various reforms will be responsible for reducing the welfare rolls by 500,000. An additional 630,000 young parents will be in a subsidized work program, and 1.2 million would be in education, training or a part

-time job.

Thousands more will be exempt because they are disabled, or caring for an infant or disabled child.

According to the administration's preliminary estimates, the five

-year cost of the welfare plan is \$15 billion. The price tag covers \$820 million for a new work program, \$8.4 billion for day care, \$3 billion for training and education, and \$2 billion to end welfare's discrimination against two

-parent families.

The current welfare system costs about \$22 billion a year.

House Republicans are ridiculing the draft.

"This is a joke," says Rep. Rick Santorum of Pennsylvania, the senior Republican on the House Ways and Means subcommittee on human resources. "This is not ending welfare, this is expanding welfare. This is an out

-and

-out expansion of the system with window dressing on work to cover these new entitlement programs."

But Rep. Dave McCurdy, D

-Okla., said any welfare reform plan must be phased in "because of the large up

-front costs associated with truly changing the system, but also the culture."

Will Marshall, president of the Progressive Policy Institute, the policy arm of the centrist Democratic Leadership Council, says reforming the welfare system can't be done overnight.

"We simply don't have the capacity to put large numbers of welfare recipients into jobs smoothly and quickly," Marshall said. "We've got to build the

capacity."

BC

-USA DEMOCRATS

KANSAS CITY DROPS BID FOR '96 DEMOCRATIC CONVENTION

KANSAS CITY, Mo (Reuter) - Mayor Emanuel Cleaver, citing a need for the city to focus on more "immediate priorities," Friday dropped Kansas City's bid to host the 1996 Democratic National Convention.

This leaves New Orleans, Chicago, New York and San Antonio in the running, with many Democrat insiders picking Chicago as the favourite.

In withdrawing Kansas City, Cleaver said asking civic leaders for additional millions of dollars needed to host the convention would "detract from our more immediate priorities."

Indications in recent months showed that civic leaders were unwilling to donate the \$21 million in cash and contributed services required by the Democratic National Committee, and such donations would dilute efforts to renovate the abandoned Union Station into a science museum and expand the mayor's "Summer Jobs" programme for youths.

"In short, this city has a full plate," Cleaver said in a letter to David Wilhelm, chairman of the national committee.

Kansas City hosted the 1976 Republican National Convention.

REUTER

Dallas tapped for NAFTA labor secretariat

DALLAS, March 18 (UPI) Dallas is expected to be the home of the North American Free Trade Agreement labor secretariat, one of only three major administrative offices for the trade agreement, officials said Friday.

Rep. John Bryant, D

-Texas, announced at a news conference that the Clinton administration will formally nominate Dallas on Monday, saying the designation could make Dallas "the capital of North America."

"This decision now places Dallas at the center of North American and hemispheric commerce," said Bryant, whose district includes Dallas.

NAFTA is designed to create a North American market of 360 million consumers by taking down nearly all trade and investment barriers among the United States, Canada and Mexico. Its first provisions took effect Jan. 1.

Canada was designated environmental secretariat and Mexico was named the trade secretariat, but the home cities for those offices have not been chosen, officials

said.

Dallas won the nomination to host the labor office over Houston, San Antonio, Chicago, Washington, D.C. and New York.

Charles Roh, Jr., assistant U.S. trade representative for North American affairs, said "No city in the United States worked harder than Dallas for NAFTA, and that had a lot to do with it (selection of Dallas)."

The labor secretariat will advise the three nations on enforcement of labor laws, and monitor conditions such as joblessness, wages and productivity in labor markets.

NAFTA will spin off a border environment commission likely to be established in the El Paso, Texas

-Cuidad

Juarez, Mexico area, and the North American Development Bank, which will begin its operations in the nation's capital, said Inside NAFTA, a Washington newsletter.

On its own, the labor secretariat is expected to create only a few dozen jobs. But Dallas officials and community leaders believe its presence will attract other businesses

hoping to benefit from NAFTA.

AM

-UN

-Mosque Massacre,0431

All Eyes on US As Security Council Finally Moves to Vote on Hebron Massacre

Eds: Voting session to open at 3:30 p.m. EST.

By ANDREW KATELL= Associated Press Writer=

UNITED NATIONS (AP) The Security Council prepared Friday to try to remove a barrier to Middle East peace talks by voting on a resolution condemning the mosque massacre that stalled the negotiations.

All eyes were on the United States to see whether President Clinton would give in to members of Congress demanding the United States veto a clause in the resolution calling Jerusalem an occupied territory. The State Department reportedly wanted Washington to abstain.

If U.S. Ambassador Madeleine Albright votes no on the clause, it would be the first U.S. veto in the Security Council since a May 31, 1990, decision on the same issue, the occupied territories.

The U.S. tactic has been to use the resolution to coax the PLO to return to peace talks with Israel broken off Feb. 25 when a Jewish settler killed 30 Palestinian worshippers at a mosque in the West Bank city of Hebron. The PLO's Executive Committee in Tunisia postponed a decision on whether to return to the talks until after the

Security Council acted.

If the council adopts the resolution, PLO official Samir Ghoshe said Yasser Arafat and Foreign Minister Shimon Peres of Israel might meet Sunday in Cairo, Egypt.

The 15 Security Council members are unanimous in supporting the resolution's condemnation of the massacre but have argued for three weeks about the Jerusalem clause and a call for stationing "a temporary international or foreign presence" to protect Palestinians in the occupied territories.

The United States and Israel object to referring to Jerusalem as an occupied territory because they want the issue settled in peace talks. Jordan controlled East Jerusalem until 1967, when Israel took it during a war and then annexed it.

The United States and Israel, not a Security Council member, are willing to accept an unarmed civilian force, but only in parts of the occupied territories to come under Palestinian autonomy according to the Sept. 13 Israel

-PLO accord. The PLO wants much more, such as an armed international force to protect Palestinians and removal of Jewish settlements from Palestinian population centers.

Prime Minister Yitzhak Rabin of Israel has proposed Arab police be deployed in Hebron, provided they are under Israeli authority. And he is considering moving the Jewish settlers in Hebron into one enclave as a compromise with the PLO demands, Israeli army radio and the Haaretz daily reported.

AM

-US

-Korea, Bjt,720

Lawmaker Urges More Pressure On North Korea; Clinton Aides To Meet

By ROBERT BURNS= Associated Press Writer=

WASHINGTON (AP) A leading House Democrat urged a resumption of U.S. military maneuvers in South Korea on Friday to "ratchet that pressure up" on North Korea. Seoul, in a turnaround, said it was ready to accept U.S. Patriot missiles.

The White House scheduled a meeting of President Clinton's top national security aides for Saturday to discuss the situation in North Korea, where international inspectors this week were blocked from finishing a check on nuclear facilities.

North Korea contends its nuclear sites are only for peaceful research, but the United States and other nations

claim they are being used to build nuclear bombs.

The inspection snag has increased the likelihood that the United States and others will push for U.N. economic sanctions against North Korea, a move the communist government in Pyongyang has said would be tantamount to a declaration of war.

"The pattern here has been that North Korea does eventually accede if enough pressure is put on them," Rep. Lee Hamilton, D

-Ind., chairman of the House Foreign Affairs Committee, said on NBC's "Today" show.

"We can't be sure that that will happen again," he added. "All we can do now is ratchet that pressure up and at the same time keep open the opportunity for a negotiated solution."

Hamilton called for a resumption of U.S.

-South Korean military exercises and the deployment of Patriot missiles, but added that "the preferred option here in terms of pressure" was pushing for economic sanctions by the U.N. Security Council.

In Seoul, national security adviser Chung Chong

-wook said his government would propose reinstating the joint U.S.

-South Korean military exercise known as "Team Spirit," which had been suspended to coax the North into allowing nuclear inspections. The planned Patriot deployment also will go ahead now, he said.

Chung spoke after a 20

-minute phone conversation between Secretary of State Warren Christopher and South Korean Foreign Minister Han Sung

-joo, in which they agreed

to study new measures to deal with the dispute.

Last December, the senior U.S. military commander in South Korea, Army Gen. Gary Luck, had requested that Patriot air defense missiles be installed in South Korea as protection for airfields and ports within range of the North's Scud missiles. The White House approved the request, but Seoul balked out of concern that it would provoke Pyongyang into abandoning nuclear cooperation.

Defense Secretary William Perry, who is visiting Russia and other republics of the former Soviet Union, denied that the U.S. Navy was beefing up its presence in the vicinity of the Korean Peninsula. But he also strongly hinted at a role for U.S. warships in persuading North

Korea to change its stance.

"The movement of U.S. warships in the Indian Ocean and the Pacific now are normal movement as of this point," Perry said in a CNN interview from Moscow.

"We do have considerable naval resources in that near vicinity, though. And, obviously, if we reached a stage where we thought there was any sort of an imminent risk of military activities taking place, we would make use of those warships."

Navy officials said Friday that no unscheduled ship movements were under way, although earlier this week an unusual number of major warships were in the vicinity of the Korean Peninsula en route to previously planned destinations.

The aircraft carrier USS Independence returned to its main operating base at Yokosuka, Japan, on Wednesday after a tour of the Indian Ocean and Persian Gulf, and an amphibious assault ship was heading from its base at Sasebo, Japan, to Okinawa to pick up Marines en route to a port visit at Hong Kong.

Also, the aircraft carrier USS Carl Vinson, which departed Alameda, Calif., about a month ago, was approaching Hong Kong for a port visit as part of a scheduled tour of the Western Pacific and Indian Ocean, Navy officials said.

In a related development, CIA Director R. James Woolsey confirmed recent news reports that North Korea is developing but has not yet tested two new ballistic missiles with ranges longer than those it already has in production.

Woolsey said the missiles, if exported to interested buyers such as Iran, could threaten Europe.

AM

-US

-Cuba,160

US Rejects Visa Requests from Cubans to Dance at Oscars

WASHINGTON (AP) The State Department has turned down visa requests from two Cuban dancers invited to perform at the Oscar awards ceremony Monday night in Los Angeles,

officials said Friday.

They said the U.S. government generally does not allow professional entertainers from Cuba to perform in the United States because of the U.S. embargo.

Even if the dancers performed free of charge, their appearance would contribute to their "reputation, marketability and future earnings," all grounds for rejecting visa requests, the officials said.

The Cuban dancers prevented from attending are Lienz Chang Oliva, a Chinese

-Cuban, and Maria del Rosario Suarez.

The officials said that visas were granted for Cuba's most famous ballerina, Alicia Alonzo, and a representative of a ballet magazine. Alonzo will attend the ceremony as an observer.

Cuba was one of eight countries whose national dance companies were invited to send representatives to perform at the ceremony Monday.

AM

-Prisoner Swap,240

U.S. Swaps Prisoners With Mexico

By MICHAEL J. SNIFFEN= Associated Press Writer=

WASHINGTON (AP) The United States sent 86 Mexican citizens serving criminal sentences back to Mexico Friday in exchange for 11 U.S. citizens from Mexican prisons. Both groups will serve out their sentences in their native lands.

Announcing the exchange, Attorney General Janet Reno said the prisoner transfer program ``makes more prison space available in the United States and permits prisoners to be near their families and friends" in both countries.

She said Friday's exchange would save U.S. taxpayers more than \$250,000 a year and the program ultimately could save millions of dollars spent on supporting prisoners here. Eight thousand Mexicans in federal prisons are being reviewed for possible transfer, along with 334 U.S. citizens in Mexican prisons.

It was the second prisoner transfer since Reno visited Mexico last year and agreed with her Mexican counterpart, Jorge Carpizo, to step up the pace. Last December, 83 Mexican nationals were sent back, but no U.S. citizens were returned.

The exchange Friday took place in El Paso, Texas. The Mexicans were transferred from the nearby La Tuna Federal Correctional Institution.

Prisoners must volunteer for the program, and both countries must approve each transfer. Generally, prisoners must have more than six months left to serve in order to be eligible. Returned U.S. citizens finish their sentences in federal prisons.

AM

-US

-Mideast,240

Senators Urge Clinton To Veto U.N. Resolution on Jerusalem

WASHINGTON (AP) Eighty

-two U.S. senators joined Friday in urging President Clinton to order a veto of a U.N. resolution that refers to Jerusalem as occupied territory.

They said the language is biased and takes one side of an issue Israel and the Arabs are to take up in devising a final Middle East settlement years from now.

The reference appears in the preamble of a resolution expected to be approved by the U.N. Security Council unless the United States exercises its veto power to kill it.

The Palestine Liberation Organization has insisted on the resolution, including the reference to Jerusalem, as a precondition for resuming negotiations with Israel over Palestinian self

-rule on the West Bank and in Gaza.

The resolution also calls for an "international presence" on the West Bank, another PLO demand, while condemning the massacre of at least 30 Muslims in a mosque in Hebron Feb. 25.

The PLO hopes to establish a state with Jerusalem as the capital. Israel captured the older part of the city in the 1967 Six

-Day war, annexed it and vowed the united Jerusalem would remain its capital.

The senators told Clinton it was wrong, morally and practically, to permit the Security Council to adopt a resolution calling Jerusalem occupied territory.

"Sacrificing core principles for short

-term objectives will ultimately retard, not advance, the peace process," they said.

AM

-Perry

-Russia, Bjt, 750

Perry Says Russia Prepared to Make Major Peacekeeping Commitment

By JOHN DIAMOND= Associated Press Writer=

MOSCOW (AP) Despite big defense reductions, Russia will play a major role in NATO's Partnership for Peace, including possible refereeing of disputes in neighboring countries, Defense Secretary William Perry said Friday.

Russia's joining the partnership, a step short of actual membership in the Western alliance, "would be a major event for NATO," Perry said. "Russia is a great power. It's a nuclear power. They would play a very

special role."

Perry discussed the partnership with Russian Prime Minister Viktor Chernomyrdin a day after Russia's defense minister announced the nation would join by the end of the month.

The Partnership for Peace was created by NATO to allow former East Bloc nations to demonstrate their commitment to a European alliance without becoming full NATO members.

The Russian government had opposed NATO membership for East Bloc states out of fear that Russia would be isolated against an enlarged alliance. Those objections might diminish if Russia were given the status of first among equals in the partnership program.

Also, opponents of the partnership program in Moscow argue that Russia would cede its position as a major power by lining up as an equal with smaller former Soviet states that are eager to join.

In words apparently aimed at countering that argument, Perry said, "Of all the countries considering joining the partnership, Russia of course, is the largest and has the most resources and can bring the most to bear on the Partnership for Peace."

Perry, completing two days of talks with officials in Moscow, said Russia's focus in joining the partnership will be on her neighbors.

"They have a very great concern with peacekeeping in countries around the border of Russia," Perry said. "I would expect their primary emphasis would be in dealing with those problems."

He added that Russia should respect the independence of her neighbors and embark on peacekeeping efforts only at the request of a host country or the United Nations.

Russia, like other partnership members, would have to agree to share information on defense activities with NATO members and maintain a commitment to democracy.

Perry said Chernomyrdin set no conditions on Russia's joining.

Chernomyrdin, the No. 2 official below Russian President Boris Yeltsin, said Russian and American officials "have come very close" to reaching a consensus on how to destroy chemical and biological weapons that remain in the Russian military stockpile. Further talks on those issues will be held in Washington in June, Chernomyrdin said.

Yeltsin was out of town, canceling a planned meeting with Perry.

The Perry

-Chernomyrdin meeting took place in the Russian "White House," its charred facade repaired since the damage incurred in the defeated revolt of last October.

Later, Perry signed an agreement providing for \$40 million in aid to Russia for weapons plant conversion, housing for retired soldiers and job training for laid

-off
defense workers.

"This is a real landmark today," Perry said of the agreement. "Up until now we've been talking about defense conversion. From here on in we're going to be acting on it."

Both Russia and the United States have dramatically reduced defense spending. The Pentagon procurement budget has dropped 60 percent over the past decade, Perry said, while Russia's declined by 70 percent over a shorter period. And both have reduced the size of their active

-duty
forces.

But just as the United States continues to develop modern versions of the Cold War arsenal, so Russia's military program continues.

"They continue to produce nuclear attack submarines just as we're continuing with a low rate of production," Perry said, "and I believe for much the same reasons that we're doing it: to maintain that facility."

Russia also continues to develop intercontinental ballistic missiles while the Pentagon is developing a new Trident missile, Perry said.

Although Russia's defense budget is under \$50 billion, compared to \$263.7 billion proposed by the Clinton administration for next year, Perry said the Russian figure is deflated by the lower costs of buying weapons from state

-run industries and by their conscription army.

Later Friday Perry was flying to Kazakhstan, the second of four former Soviet republics he is to visit in a seven

-day journey. He will also visit Ukraine and Belarus.

AM

-NATO

-Russia,0441

NATO Eager For Russian Partnership But Held Up By Special Request

By ROBERT J. WIELAARD= Associated Press Writer=

BRUSSELS, Belgium (AP) NATO said Friday it is eager to get a Partnership for Peace accord with Russia. The

problem is how to deal with Russia's demand for special consideration.

NATO does not want to blatantly favor Russia over 12 of Moscow's former Cold War allies that have already signed partnership accords.

Russia said Thursday it was ready for a Partnership for Peace deal with NATO this month. No date has been set, but a NATO official, speaking on condition of anonymity, suggested it may have to wait until April because NATO has a busy schedule.

NATO insists Russia cannot be first among equals in its Partnership for Peace program, the military and political cooperative venture between the former Warsaw Pact members and NATO.

NATO acknowledges that Russia has a special status in the world as a nuclear power and permanent United Nations Security Council member. It also still has influence in east Europe as shown by its mediation efforts in the Bosnian war.

U.S. Defense Secretary William Perry discussed the issue with senior officials in Moscow on Thursday and Friday. He said a Partnership for Peace accord with Russia "would be a major event for NATO."

NATO is debating various formulas for security talks with Russia "outside the scope of Partnership for Peace," said the NATO official, who is familiar with allied consultations on the issue.

"You cannot treat the Russians like anyone else. It is in the interest, of course, of all East European nations for NATO to have a constructive dialogue with the Russians," said the diplomat.

NATO's partnership accords provide for security consultations in crisis situations only. They include exchanges of military information, joint peacekeeping exercises and crisis management consultations.

Romania, Lithuania, Poland, Estonia, Hungary, Ukraine, Slovakia, Bulgaria, Latvia, Albania, the Czech Republic and Moldova have signed partnership accords with NATO. Georgia and Slovenia are to follow suit in the next two weeks.

In considering Russia, NATO must decide which side can initiate security consultations and at what level.

The accords may lead to but do not guarantee eventual NATO membership for some east European nations. Only a few months ago, Moscow opposed the partnership program, accusing NATO of seeking to absorb its onetime allies and leave it isolated.

Opponents of President Boris Yeltsin do not favor a Partnership for Peace accord for Russia. They say it will relegate their country to a second

-rate power, equal to

Moscow's former allies.

(PR: helmut kohl: HEHL'moot KOHL; vladimir zhirinovsky:
VLA'

-di'

-mir ZHIR'

-in

-ohf

-ski; alexander ruzkoi:
ALEX'

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-koi)

Nixon tells West not to link Russia relations to Yeltsin

BERLIN, March 18 (UPI) Former U.S. President Richard Nixon said Friday the West should not link its relations with Moscow to Russian President Boris Yeltsin.

On a stopover in Bonn after a Moscow visit, Nixon told Chancellor Helmut Kohl that ties with the Russian parliament should be as carefully nurtured as those with Yeltsin.

During his stay in Moscow, Nixon met with Yeltsin opponents Vladimir Zhirinovsky and Alexander Ruzkoi, but was not received by Yeltsin.

ARMS Email SystemRECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Kenneth R Chitester (CHITESTER_K) (WHO)

CREATION DATE/TIME:21-MAR-1994 12:25:00.00

SUBJECT: 12:30 pm wire report

TO: Heather Beckel (BECKEL_H) (WHO)
READ: UNKNOWN

TO: Dianna A. Pierce (PIERCE_D) (WHO)
READ: UNKNOWN

TO: Steven A. Cohen (COHEN_SA) (WHO)
READ: UNKNOWN

TO: David Leavy (LEAVY_D) (WHO)
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TO: Carola McGiffert (MCGIFFERT_C) (WHO)
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TO: Arthur L. Jones (JONES_A) (WHO)
READ: UNKNOWN

TO: Jeremy M. Gaines (GAINES_J) (WHO)
READ: UNKNOWN

TO: Kathy McKiernan (MCKIERNAN_K) (WHO)
READ: UNKNOWN

TO: Aman, Sally J. (SALLY J. AMaN@EOP_OVP@CCGATE@EOPMRX) (DEFAULT)
READ: UNKNOWN

TO: Joseph W. Cerrell (JOSEPH W. CERRELL@EOP_OVP@CCGATE@EOPMRX) (DEFAULT)
READ: UNKNOWN

TO: Kukis, Heidi (HEIDI KUKIS@EOP_OVP@CCGATE@EOPMRX) (DEFAULT)
READ: UNKNOWN

TO: Payne, Julia M. (JULIA M. PAYnE@EOP_OVP@CCGATE@EOPMRX) (DEFAULT)
READ: UNKNOWN

TO: Lorraine A. Voles (VOLES_L) (WHO)
READ: UNKNOWN

TO: Jeffrey L. Eller (ELLER_J) (WHO)
READ: UNKNOWN

TO: R. Paul Richard (RICHARD_R) (WHO)
READ: UNKNOWN

TO: Virginia M. Terzano (TERZANO_V) (WHO)
READ: UNKNOWN

TO: Keith O. Boykin (BOYKIN_K) (WHO)
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TO: Joshua A. King (KING_J) (WHO)
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TO: Jonathan L. Kaplan (KAPLAN_JL) (WHO)
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TO: Mark Bousian (BOUSIAN_M) (WHO)
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TO: Emily A. Lenzner (LENZNER_E) (WHO)
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TO: Cara A. Levy (LEVY_C) (WHO)
READ: UNKNOWN

TO: David Dreyer (DREYER_D) (WHO)
READ: UNKNOWN

TEXT:

PRINTER FONT 12_POINT_COURIER

WHITE HOUSE WIRE REPORT

12:30 p.m. edition

Monday, March 21, 1994

Produced by the Office of News Analysis (6

-7151)

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Former judge apparently cuts plea bargain in Whitewater
probe

LITTLE ROCK, Ark., March 21 (UPI) A former Little Rock
judge who alleges that President Clinton pressured him to
make a fraudulent loan is expected to agree Tuesday to a
plea bargain deal with Whitewater investigators.

David Hale, who was indicted last September on charges
of fraud, conspiracy and making false statements to the
Small Business Administration, is expected in court at
9:30 a.m. Tuesday, according to his lawyer's office.

Randy Coleman, Hale's lawyer, told The New York Times
his client will enter a plea at the hearing before U.S.
District Judge Steven Reasoner. Hale was scheduled to go
on trial March 28 in Little Rock.

Coleman said Hale will plead guilty to one count of
conspiracy in connection with his lending company, Capital
Management Services Inc., and one count of mail fraud in
his dealings with Madison Guaranty Savings and Loan, the
failed thrift run by James McDougal.

Hale claims Clinton pressured him eight years ago to
make a \$300,000 SBA

-backed loan to Susan McDougal, one of
Clinton's partners in the Whitewater land development
deal. Clinton has denied it.

The timing of the plea bargain has attracted attention
in the Arkansas capital where a prominent Republican who
has been outspoken in his criticism of the Whitewater
affair is announcing his candidacy for governor.

During a previous hearing in the Hale case, prosecutors
said the trial would show Hale generated "bogus loans,"
some of them going to well

-known Arkansas political
figures. No names were disclosed.

A company owned by Arkansas Gov. Jim Guy Tucker, a
Democrat, has received loans through Hale's firm, Capital
Management, but the governor said his loans were proper

and were repaid.

Hale's decision to plead guilty and cooperate with Whitewater special counsel Robert Fiske comes as Tucker begins his re

-election campaign. His chief opponent, Republican Sheffield Nelson, will announce his campaign 30 minutes after Hale enters his plea on Tuesday.

McDougal, his wife Susan, the president and Mrs. Clinton were co-investors in the Whitewater development project, which never got off the ground in north Arkansas on the White River.

Part of the Whitewater investigation is focusing on whether money from Madison helped shore up Whitewater's cash flow problems and whether Madison funds were funneled improperly to Clinton's Arkansas gubernatorial campaign fund.

Clinton and McDougal have denied the charges.

On Capitol Hill, House Republicans hoping to turn a mandated hearing on the status of the federal savings and loan cleanup into a forum on Whitewater have requested Hale testify at the scheduled hearing Thursday.

Republicans have invoked their House privileges by inviting several key figures in the Whitewater affair to testify before the House Banking Committee. The panel's chairman, Rep. Henry Gonzalez, D

-Texas, has not approved the GOP witness list.

PM

-US

-Korea, 3rd Ld

-Writethru, a0551,750

Facing Showdown With North Korea, U.S. Counting On China's Support

EDs: Tops with 6 grafs of Christopher statements on North Korea nuclear situation, picks up with 2nd graf pvs, Two senior...; editing throughout to tighten

By JIM ABRAMS= Associated Press Writer=

WASHINGTON (AP) Secretary of State Warren Christopher today said China, for its own security reasons, would cooperate as the United States moves for U.N. trade sanctions against North Korea.

China wanted diplomacy used to try to get North Korea to permit full inspection of its suspect nuclear sites and "we've certainly done that in a patient and deliberate way," Christopher said.

The official New China News Agency reported over the

weekend that Prime Minister Li Peng had told Japanese Prime Minister Morihiro Hosokawa during talks in Beijing that the issue should be solved through dialogue and negotiation.

But Christopher, talking to reporters here, was confident that China would not use its veto in the Security Council to block a resolution the Clinton administration is getting ready to push.

China "has indicated in the past it would be very undesirable to have a nuclear capability on the Korean peninsula," Christopher said. "I think they have been very supportive of our efforts and I am sure they will continue to be now," Christopher said of China.

He said the Clinton administration would proceed "very deliberately" to take into account concerns that an economic squeeze could touch off a conflict on the Korean peninsula.

Two senior lawmakers also backed a possible increase in U.S. troop strength in South Korea as the administration pondered how to punish North Korea for its belligerent stand toward nuclear weapons inspections.

President Clinton said he still held out "some hope" that North Korea would open its nuclear facilities to inspections but added that "we are proceeding to consider all our options."

"There appear to be people within North Korea that want to proceed to normalize the relations of their country with the international community and people who don't. We'll just have to see what they do now where we go from here," Clinton said upon arriving in Miami for a health care forum.

"To some extent, the ball is still clearly in their court. But we are proceeding to consider all our options," the president said.

Later, an unidentified North Korean Foreign Ministry spokesman monitored in Tokyo on an official Korean Central News Agency report, renewed a March 12 threat to pull out of the Nuclear Non

-Proliferation Treaty.

The International Atomic Energy Agency met in Vienna, Austria, today to discuss North Korea's refusal to allow full inspections and decided to refer the dispute to the United Nations Security Council. Christopher said the IAEA meeting will be followed by U.N. action against North Korea.

The 15

-nation Security Council has not yet received an official report from the IAEA and therefore cannot take any immediate action. Diplomats predicted this could come later this week.

In the meantime, key players on the Security Council permanent members China, the United States, Britain,

France and Russia are likely to meet as early as Monday to begin informal discussions. It is possible they will want the Security Council to threaten to slap economic sanctions on North Korea, not actually put them in place, to give the North Koreans one last chance.

Christopher said on CBS' "Face the Nation" that the United States would push for a resolution against Pyongyang and that ultimately the United States is "preparing for trade sanctions."

Senate Minority Leader Bob Dole, R

-Kan., saying the

North Korean nuclear threat was "probably the most serious thing on the radar screen now," told NBC's "Meet the Press" that "we may want to beef up our own forces there."

House Majority Leader Dick Gephardt, D

-Mo., agreed,

saying, "I think we ought to have aircraft carriers in the region. We might ultimately send more troops to beef up the South Korean side."

Christopher said there were no immediate plans to increase the 37,000 American troops in South Korea, but "we'll be looking at that situation day in and day out."

Christopher said the United States will be discussing with South Korea the stationing of a Patriot missile battery there, and scheduling the "Team Spirit" joint military exercises that were to have been postponed as a goodwill gesture if North Korea lived up to its commitments on inspections.

"Now that the negotiations are at an impasse, I can tell you we'll be talking to the South Koreans about reinstituting them and doing it in the very near future," he told CBS.

BC

-KOREA

-AGENCY 2NDLD (SCHEDULED, PICTURE)

IAEA GIVES N.KOREA LAST CHANCE TO AVOID CRISIS

(Eds: adds Blix news conference, Japanese, Russian support)

By Steve Pagani

VIENNA, March 21 (Reuter) - The United Nations nuclear safeguards agency on Monday gave North Korea a last chance to avoid an international crisis by ending its resistance to nuclear inspections.

The International Atomic Energy Agency (IAEA) said its experts must conduct meaningful tests at all North Korea's nuclear sites before they could reassure Pyongyang's neighbours and worried Western powers that

there was no secret atomic weapons programme under way.

"We are ready to carry out inspections but this time we must have unequivocal assurances from North Korea that the inspectors will be able to carry out their activities," agency director

-general Hans Blix told a news conference.

IAEA inspectors who spent two weeks in North Korea this month reported that they had been denied access to a key site, a laboratory Blix called the "most proliferation

-sensitive" facility of the seven sites Pyonyang agreed to open.

Pyongyang's defiance wrecked a timetable of diplomatic contacts aimed at reconciling the two Koreas, shelving the South's regular war games with the United States, and ending the Stalinist North's deep isolation.

Blix was speaking after a majority of 25 countries on the 35

-member IAEA board of governors approved a resolution urging North Korea to drop its resistance to full inspections.

Pyonyang's ally China abstained while Libya voted against.

In Moscow, the foreign ministers of Russia and Japan threw their countries' support behind the IAEA. "We (Russia and Japan) demand that North Korea agrees to receive inspectors from the International Atomic Energy Agency," Japanese Foreign Minister Tsutomu Hata told a news conference after talks with Russian counterpart Andrei Kozyrev.

Itar

-Tass news agency said Kozyrev, asked whether any possible Kremlin action against North Korea was discussed, replied: "We shall firmly insist that all obligations and due procedures be carried out. I believe we will be acting in very close contact with Japan as well as with other partners."

North Korea, while preventing full IAEA checks for more than

a year, denies it is developing a nuclear bomb. Western intelligence officials think it has already done so.

At the closed

-door meeting in Vienna, North Korean delegate Yun Ho

-Jin repeated that the IAEA had tried to make intrusive inspections. He said North Korea hoped the agency would "rescind its unjust assessment on the result

of the recent inspection."

The United States, making good its threat, cancelled high

-level talks it had promised to hold with Pyongyang's representatives in Geneva this week when the IAEA reported that its experts were refused access to the radiochemical laboratory.

The North stormed out of talks with South Korea which had been part of the overall deal.

The U.S. has warned that it may seek economic sanctions on North Korea and hinted that China would not block such a move.

South Korea, meanwhile, resumed preparations for war games with the United States in the face of North Korea's latest threat to abrogate the nuclear Non

-Proliferation Treaty (NPT).

The deepening tension affected financial markets. U.S. dealers said the dispute could hurt the yen and help the dollar.

Blix said in Vienna the IAEA resolution would be sent to the U.N. Security Council which could decide to take action. But attention was focused the reaction of North Korea's government.

IAEA sources said the board's decision would unleash a flurry of low

-key diplomatic talks with the North Koreans to try to defuse the current row before the Security Council deemed it necessary to get tough. "There is no appetite for a confrontation, not in China or Japan or South Korea," one said.

But if North Korea kept up its defiance for an unreasonable period of time, or pulled out of the nuclear Non

-Proliferation Treaty, the Security Council might have no choice but to take punitive action against the impoverished nation, he added.

The resolution called upon North Korea "immediately to allow the IAEA to complete all requested inspection activities and to comply fully with its safeguards agreement."

IAEA officials said the agency would still seek to inspect two further sites at Yongbyon, where Western governments suspect nuclear arms are being developed.

REUTER

S 090MAR21 (SEE 080MAR21)

UNCLAS 4Z

DPRK: No DPRK Reaction to IAEA Draft (FYI) SK2103160394
FOR YOUR INFORMATION

Pyongyang KCNA in English signed off at 1507 GMT on 21 March without carrying reaction to the IAEA referring the nuclear issue to the UN Security Council. The next Pyongyang KCNA in English cast is at 0400 GMT on 22 March.

Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 21 March newscast did not carry any reports on or reaction to IAEA decision to refer issue to UN Security Council. The next scheduled Pyongyang Radio newscast is at 2100 GMT on 21 March. 21 MAR 1615z sjh NNN

Christopher says time at hand for action against North Korea

WASHINGTON, March 21 (UPI) U.S. Secretary of State Warren Christopher says the Clinton administration will press the U.N. Security Council to take some form of punitive action against North Korea for refusing to permit full inspections of its nuclear facilities. He also expressed confidence China, which yields a veto on the Security Council, will cooperate on the matter.

PM

-Argentina

-Gore, 1st Ld

-Writethru, a0563,0313

Retransmitting a0563 to ADD writethru designation, ed's note

Gore Meets Menem, Says U.S.

-Argentine Ties 'Never Stronger'

Eds: New throughout to UPDATE with Gore quotes, protests, edits to conform.

By WILLIAM H. HEATH= Associated Press Writer=

BUENOS AIRES, Argentina (AP) Vice President Al Gore met with Argentine President Carlos Menem today and discussed Argentina's desire to join the North American Free Trade Agreement.

"The friendship between our countries has never been stronger," Gore said after the 45

-minute meeting at the presidential office in the Pink House in downtown Buenos Aires.

About 15 protesters belonging to the Workers Socialist Movement chanted "Gore Go Home!" outside a downtown hotel where Gore addressed a World Telecommunications Development Conference attended by delegates from 150 nations. There were no violent incidents.

Gore, accompanied by his wife Tipper, opened a two

-day
visit to three South American nations on Sunday with a
seven

-hour stop in Bolivia. He was scheduled to leave
Buenos Aires for Brazil this afternoon.

The Gore

-Menem meeting was attended by Foreign Minister
Guido Di Tella, Economy Minister Domingo Cavallo and
Alberto Lestelle, Argentina's chief anti

-drug officer, as
well as U.S. Ambassador James Cheek and Argentina's
Ambassador Raul Granillo Ocampo.

Menem told a brief news conference before the meeting
that "in principal, there probably is no possibility of
Argentina entering NAFTA" if it does not approve a
medicinal patents law.

Washington has been pushing Argentina's Congress to
approve a Menem

-backed bill to recognize intellectual
property. U.S. pharmaceutical companies say sale of
copycat medicines in Argentina is costing them millions of
dollars.

Menem said U.S. sale of subsidized farm products
"which damage countries like Argentina," a major
exporter of grain and beef, was also a topic.

"It is impossible to talk about free trade on one side
and maintain a policy of subsidies" on the other, Menem
said.

(1 grafinsert2ndgraf x x x health care pickup3rdgraf;
Clinton who - adding quote from mcdermott)
McDermott praises Clinton promise
By PAUL BASKEN=

WASHINGTON, March 21 (UPI) Rep. Jim McDermott,
D

-Wash., said Monday he was pleased by President Clinton's
commitment to sign into law, if it passes Congress, his
legislation to create a single

-payer system of
government

-run health care.

"As the president and others continue to back away
from the alliances and the other complicated workings of
his own plan, it is highly significant that the president
has chosen this time to say for the first time that he

would sign a single

-payer plan, which has simplicity as one of its biggest advantages," McDermott said.

Clinton, who previously suggested the McDermott bill may be too liberal, made the promise in an interview Friday with wire service reporters.

"If it passed, yes, I would sign it, of course I would," Clinton said during a 40

-minute Oval Office interview with health care reporters.

Clinton was asked to explain his reason for proposing an alternative bill that would provide all Americans with guaranteed health care coverage through a system of mandatory state

-based health care alliances.

He said he was concerned both by the McDermott bill's political unpopularity and the potential loss of market forces under a single-payer system.

"I have two problems with it one is substantive and one is political," Clinton said. "The political problem is I have absolutely no reason to believe that the Congress, that this Congress, is prepared to adopt a tax that big and put the health insurers out of business.

"I don't think even if I were stomp

-down for this plan

I don't believe that I could pass it," he said. "We're (having) a hard enough time passing a more moderate, modified plan.

"Secondly, I think there is a substantive reason not to go that far at this time. Keep in mind our plan does permit states, on their own, to go to single

-payer systems.

"That really is what Canada did, you know they started off by the provinces doing it. ...let me make an argument for why this might be better, the argument against my approach is that while it is less expensive to administer than the present system, which has the highest administrative costs in the world, bar none.

"So...say you go to a single benefits package, a single form, you know you can save some considerable administrative overhead...we can see that a single

-payer system is the cheapest way, you only have to look at the Medicare system to see that," Clinton said.

However, Clinton pointed out that Canada "is the only country the size of the United States spending more than 9 percent of its GNP on health care," he said.

``And I think you can make a compelling case that if you have shared responsibilities, if the employers and the employees pay more directly to their health care, and if the insurers or self

-insured people, or PPOs, are involved in the management of the care, that you're more likely to have responsible efforts to keep costs under control and improve quality within existing revenues, than if you just go to a single

-payer system."

The president also said he thought ``the German system is a good example of that, where they have mixed bonds and systems, and a lot of real negotiations and hard work about how to maintain costs."

House panel rejects GOP amendment affecting low

-income
subsidies

WASHINGTON, March 21 (UPI) The House Ways and Means health subcommittee has rejected a Republican

-offered
amendment that would limit health care subsidies for
low

-income Americans to the amount being provided by health care savings. The amendment would have created a system for expanding low

-income subsidies on a phase

-in
schedule based on available health care funding and savings.

Health panel rejects physician mandate amendment

WASHINGTON, March 21 (UPI) The House Ways and Means health subcommittee has rejected a Republican amendment that would mandate an increase in the number of general practitioners. The panel rejected in a 6

-5 vote the
proposal that would have required at least 53 percent of all residents who begin training be in primary care specialties.

PM

-Ukraine

-Perry, 2nd Ld

-Writethru, a0506,670

Perry to Visit Nuclear Weapons Sites in Ukraine

EDs: TOP 10 grafts new to UPDATE with details on agreement,
Perry comments on shipment of warheads; picks up 8th graf
bgng, In a...

By JOHN DIAMOND= Associated Press Writer=

KIEV, Ukraine (AP) The United States today provided Ukraine with an additional incentive to eliminate nuclear weapons, signing an agreement providing the former Soviet Republic with \$50 million to destroy silos for its missiles.

The money is in addition to the \$135 million the Clinton administration decided earlier this year to give Ukraine to remove its nuclear weapons. The new money is for eliminating the silos for 46 SS

-24 missiles. Each
SS

-24 can carry 10 nuclear warheads.

As Perry signed the agreement, Ukraine moved two shipments totaling 120 warheads to Russia. Once there, the warheads are to be deactivated and dismantled.

"The first two trainloads of warheads have already departed Ukraine and gone to Russia for dismantlement," Perry said following a meeting with Ukraine Deputy Foreign Minister Borys Tarasyuk.

A spokesman for Ukraine's Ministry of Defense could not immediately confirm that a second trainload of warheads had already departed Ukraine.

Eager to prevent any delay in the shipment of nuclear weapons to Russia for dismantling, Perry planned an extraordinary visit Tuesday to two Ukrainian nuclear testing and launch facilities.

"This will be an unprecedented trip for the secretary of defense of the United States to go to these two very important sites," Perry said upon arrival late Sunday night from Kazakhstan, where he visited the once

-top
secret Baikonur space center.

In January, Ukraine, the United States and Russia signed a document committing to, but not guaranteeing, the elimination of nuclear weapons from Ukraine.

Perry hopes to accomplish that Tuesday at Ukraine's Tervomaysk base, where the warheads are being loaded onto trains to shipment to Russia.

The defense secretary told reporters he wanted to observe the operation to get at least a "lukewarm feeling" of confidence that Ukraine is indeed eliminating the weapons.

In a last

-minute addition to the agenda, Perry on Tuesday will visit another missile facility at Dnipropetrovsk, where missiles and space launch vehicles are manufactured.

With the sun glinting on fresh snow in this ancient capital, high

-stepping soldiers of the Ukrainian army greeted Perry on his arrival today outside the czarist

-era

Defense Ministry building.

Then Perry met for more than a hour with his counterpart, Defense Minister Vitaly Radetsky. After signing the grant agreement, Radetsky said the U.S. aid comes at a critical time.

"We've just begun to build up our independent state and our armed forces," Radetsky said. "It's no secret that the process is extremely complicated." Given Ukraine's goal of eliminating its nuclear weapons, he added, "it is of great importance that the development of our armed forces is secured."

Radetsky did not comment directly on the disposition of the second shipment of warheads but noted that with U.S. and Russian assistance, "Ukraine has found a way to break down the nuclear deadlock."

Ukraine will have 1,684 nuclear warheads after the removal and shipment of the 120 from the SS

-24s, according to both a White House official and an independent review by the Washington

-based Arms Control Association.

Other initiatives ready for action by Perry and his Ukrainian counterpart include:

\$10 million in U.S. aid to help Ukraine account for its enriched nuclear weapons material and to establish an export

-control program to keep elements of weapons of mass destruction from being sold to other countries.

\$40 million in aid for a business partnership plan to allow U.S. companies to team up with Ukrainian weapons makers on civilian projects and to purchase housing for retired military officers.

Establishing an economic stability and reform commission with U.S. and Ukrainian representatives.

Perry visited Moscow earlier and will wind up his week

-long trip in Belarus on Wednesday. Ukraine, Belarus and Kazakhstan, the three republics other than Russia that retain parts of the former Soviet nuclear arsenal, have all agreed in principle to turn their warheads over to Russia.

BC

-CIS

-UKRAINE

-USA 2NDLD (SCHEDULED, PICTURE)

U.S. GIVES UKRAINE \$100 MILLION TO SCRAP WARHEADS

(Eds: Includes Kravchuk meeting, quotes)

By Charles Aldinger

KIEV, March 21 (Reuter) - U.S. Defence Secretary William Perry pledged \$100 million more American aid to Ukraine on Monday and praised the former Soviet republic for sending a second trainload of nuclear warheads to Russia for destruction.

Perry told President Leonid Kravchuk that agreements to help Kiev dismantle missiles and convert its defence industry to commercial use were a direct result of Kravchuk's talks this month with President Bill Clinton in Washington.

"I am happy with this," Kravchuk responded at a meeting with Perry. "I understand what we've got today has become possible due to our visit to Washington and our meeting with President Clinton and the agreements we have signed."

Ukraine has promised to get rid of 1,600 former Soviet nuclear warheads, the world's third largest arsenal, and Ukrainian defence officials told Perry on Monday that a second trainload of 60 warheads had been returned to Russia in mid

-March for destruction.

"Progress on the nuclear disarmament phase is going well," Perry said in a meeting with Borys Tarasyuk, deputy foreign minister and Ukraine's top arms negotiator, earlier on Monday.

Kravchuk has spearheaded Ukraine's drive to go non

-nuclear. He signed an accord with Clinton and Russian President Boris Yeltsin in January to rid his country of nuclear weapons. He also met Clinton two weeks ago.

Perry signed three agreements totaling \$100 million in additional U.S. aid to Ukraine on Monday.

One provides \$50 million to help dismantle Ukraine's SS

-24 and SS

-19 nuclear missiles, send the warheads to Russia for destruction and clean up their silos. That would be in addition to \$135 million provided earlier by Washington.

A second agreement would allocate \$40 million to help Ukraine change its defence industry to civilian use, including conversion of some military bases into housing for retired military officers.

The third provides \$10 million for Kiev to keep tight control over storage and shipment of its nuclear arsenal to prevent theft.

The United States has given hundreds of millions of dollars under a law sponsored by U.S. Senators Sam Nunn and Richard Lugar to help Ukraine, Kazakhstan and Belarus dismantle and transport their nuclear weapons back to Russia.

Perry is expected to see missile dismantling work in progress when he goes with Defence Minister Vitaly Radetsky to the Pervomaik SS

-24 missile complex south of Kiev on Tuesday.

"The relationship between Ukraine and the United States is of great strategic importance to us," Perry told Ukraine Defence Minister Vitaly Radetsky after a meeting earlier on Monday.

Radetsky told reporters after signing the first agreement that the West must consider Ukraine's strategic position on Russia's border and its "influence on events in southeast Europe."

"To meet all the obligations related to the nuclear disarmament process is very costly, so we appreciate... assistance from your country," he told Perry.

Perry, who earlier visited Russia and Kazakhstan, arrived in Kiev on Sunday night and will go on to Belarus on Wednesday before returning to Washington.

REUTER

BC

-MIDEAST

-ROSS ISTLD

ARAFAT MEETS U.S. ENVOY

(Eds: adds talks with Arafat, PLO official's comment on talks)

TUNIS, March 21 (Reuter) - U.S. Middle East peace process coordinator Dennis Ross emerged from talks with PLO leader Yasser Arafat on Monday saying they had been

useful ``useful'' but PLO officials said there had not yet been any breakthrough.

PLO executive committee member Yasser Abed

-Rabbo told journalists after the meeting no agreement had been reached on implementation of last week's Security Council resolution on protection for Palestinians in the occupied territories.

Abed

-Rabbo also said there had not yet been any breakthrough in talks on Monday with an Israeli team, which is seeking to relaunch talks with the PLO on Palestinian self

-rule. The PLO halted the talks after the February 25 Hebron mosque massacre.

Ross, speaking after a two

-hour meeting with Arafat, said talks were to resume later in the day. Abed

-Rabbo said talks with the Israeli team would also resume later in the day.

It was not immediately clear whether the talks were to be jointly or to resume separately.

REUTER

BC

-YUGOSLAVIA

-WEAPONS

-NATO

NATO URGES IMMEDIATE HANDOVER OF SERB GUNS
BRUSSELS, Belgium (Reuter) - NATO Monday demanded the immediate handover to U.N. forces of Serb heavy weapons found near Sarajevo and said if the arms were not surrendered they were subject to air strikes.

``We expect these weapons to be put under UNPROFOR (U.N. Protection Force) control immediately," a NATO spokesman said when asked about the discovery of a big Serb arms cache within a heavy weapons exclusion zone around the Bosnian capital.

``We understand that UNPROFOR is today attempting to resolve the situation through negotiations. Uncontrolled heavy weapons in the exclusion zone remain subject to NATO air strikes in accordance with NATO's 9th February decision."

The spokesman said no deadline had been set for handing over the weapons and any request for NATO help

would have to come from UNPROFOR.

REUTER

Somali factions to sign declaration

NAIROBI, March 21 (UPI) Representatives from 15 of Somalia's warring factions are scheduled to sign declaration of national reconciliation on Tuesday, said a U.N. spokesman in Nairobi, Monday.

The United Nations has provided the representatives of the factions with an incentive to get the signing accomplished, by warning them Monday that if they do not sign the scheduled declaration here Tuesday, it would stop funding their stay at Nairobi luxury hotels.

Addressing a press conference, UN Operations in Somalia spokesman George Bennett said representatives from the 15 main factions are expected to sign the declaration, which was reached following intensive consultations in the Kenyan capital next week.

He said arch

-enemies, clan leader Mohamed Farrah Aideed and self-styled president Ali Mahdi Mohamed, were expected to be present at the ceremony.

At least 70 Somalis representing the 15 factions will witness the signing, seen here as the last effort to put the Horn of Africa nation back on its feet after two years of devastation caused by factional fighting and starvation, which left about 300,000 people dead.

The declaration was supposed to have been signed yesterday, but Bennett said it was put off to give the Somalis time to work out a comprehensive document.

He said the Somalis had put the past behind them were now working on prospects for the country's political future.

At the height of the anarchy that followed the ouster of the dictator Mohamed Siad Barre in January 1991, the UN was forced to send in about 30,000 peacekeepers, but most of them, mainly from the West, are now leaving and should be out by the end of this month.

PM

-Scotus

-English Only, 1st Ld

-Writethru, a0553,750

Court Seeks Justice Department Advice on Requiring English on the Job

Eds: INSERTS 7 grafs after 4th graf pvs, The court is not ... to include other court action; ADDS transition in 12th graf, In the English

-only case ...; picks up 13th graf,

Spun Steak runs ...

By RICHARD CARELLI= Associated Press Writer=

WASHINGTON (AP) The Supreme Court today asked the Clinton administration how easy it should be for employers to require workers to speak only English on the job.

The justices said they want to know what Justice Department lawyers think about a ruling that said a California company did not discriminate illegally against Spanish

-speaking employees by imposing an English

-only
rule.

Such rules are increasingly common nationwide.

The court is not expected to say whether it will review the California case until it hears from administration lawyers, a process that often takes months.

In other actions today, the Supreme Court:

Sought the Clinton administration's opinion on whether the Federal Election Commission can appeal a ruling that invalidated its makeup. The court asked Justice Department lawyers to comment on whether the commission has the authority "to represent itself in this case." Government entities are usually represented by the solicitor general's office within the Justice Department.

A federal appeals court ruled that the commission's makeup is unlawful because it includes two nonvoting members employed by Congress. The commission, represented by its own legal staff, appealed to the high court.

Refused to reinstate an Ohio woman's conviction for inciting violence when she burned an American flag during an anti

-war demonstration. The justices, without comment, let stand a ruling by Ohio's highest court that jurors should have been told they could not base a conviction on the constitutionally protected act of burning a flag.

Cheryl Lessin was arrested in a public square in downtown Cleveland during an Aug. 10, 1990, demonstration against the Persian Gulf war. She spoke against U.S. military intervention and burned an American flag after a tug

-of

-war with onlookers who tried to protect the flag.

The Supreme Court ruled in 1989 that burning the American flag as a form of political protest is protected by the Constitution's free

-speech guarantee. But during

Lessin's trial, the presiding judge told jurors there was no Supreme Court case that allowed burning the American flag and refused to instruct the jury that burning the flag is protected speech and that a conviction of inciting violence could not be based on that act.

The Ohio Supreme Court reversed her conviction after ruling that such instructions should have been given to the jury.

In the English

-only case, Priscilla Garcia and Marciela Buitrago, together with their labor union, sued the Spun Steak Co. in South San Francisco in 1991, alleging that its English

-only rule violated a federal law barring on

-the

-job bias based on national origin.

Spun Steak runs a meat

-processing plant where the two women worked on a production line. The company employs just over 30 people. Most of them, like Garcia and Buitrago, are Hispanic and bilingual.

The company's English

-only rule was not imposed until late 1990, after Garcia and Buitrago were accused of making derogatory, racist remarks in Spanish and English about two co

-workers.

A federal judge ruled that Spun Steak's English

-only rule violated the federal anti

-bias law. Calling the rule too broad and unnecessary, the judge likened it to ``hitting a flea with a sledge hammer."

The judge relied on guidelines established by the federal Equal Employment Opportunity Commission treating English

-only rules in employment as presumptively illegal.

The guidelines state that barring employees from speaking their primary language may create ``an atmosphere of inferiority, isolation and intimidation based on national origin which could result in a discriminatory working environment."

The 9th U.S. Circuit Court of Appeals rejected the EEOC

guidelines in ruling for Spun Steak by a 2

-1 vote.

``We cannot conclude that those employees fluent in both English and Spanish are adversely impacted by the policy," the appeals court ruled last July. ``Because they are able to speak English, bilingual employees can engage in conversation on the job. (The anti

-bias law) is not meant to protect against rules that merely inconvenience some employees."

The appeals court said the English

-only rule might be illegal if imposed against employees who speak little or no English.

The 9th Circuit court's ruling is binding law in nine Western states California, Alaska, Arizona, Hawaii, Idaho, Montana, Nevada, Oregon and Washington.

The appeal acted on today said disputes over English

-only rules are bound to increase. It cited 1990 census figures showing that about 32 million U.S. residents over the age of five speak a foreign language at home.

BC

-USA

-COURT

-FLAG
SUPREME COURT DENIES APPEAL IN FLAG

-BURNING CASE
WASHINGTON, March 21 (Reuter) - The Supreme Court Monday let stand a ruling that had overturned the conviction of a woman for inciting violence after she burned a U.S. flag to protest the Gulf War.

In a landmark 1989 ruling, the Supreme Court said flag

-burning was a form of political expression, protected by the constitutional guarantees of freedom of speech under the First Amendment.

The justices, without comment Monday, denied an appeal of an Ohio Supreme Court ruling that flag

-burning was a constitutionally protected form of speech and may not be

considered by the jury as proof of the defendant's guilt to incite violence.

The case involved Cheryl Lessin, who had been convicted of inciting violence and sentenced to one year in prison.

She participated in a demonstration August 10, 1990, in downtown Cleveland to protest President Bush's decision to send troops to the Gulf. Also taking part were about 20 other demonstrators from the Revolutionary Communist Party.

Lessin read prepared statements denouncing the U.S. military action and criticising U.S. foreign policy in the Middle East.

A crowd of about 150 people soon gathered, and a tug

-of

-war over the U.S. flag developed before Lessin recovered it and set it on fire.

Lessin then ran through the crowd, screaming obscenities and hollering, "F--- the United States. I hate this country," according to trial testimony. There was conflicting testimony from on whether she also punched and shoved people.

Lessin testified at her trial that she neither encouraged nor witnessed any acts of violence, although she admitted there had been "pretty heated debating" taking place.

After the police arrested Lessin, the crowd began to disperse without incident.

In its ruling, the divided state high court said the trial judge had failed to properly instruct the jury that flag burning was a form of constitutionally protected expression.

The prosecutors asked the Supreme Court to review the case, but the justices denied the appeal without any comment or dissent.

REUTER

BC

-USA

-COURT

-NAZI

HIGH COURT DENIES ACCUSED NAZI OFFICER'S APPEAL

WASHINGTON (Reuter) - The Supreme Court denied an appeal Monday by Konrad Kalejs, an accused officer in a Nazi execution squad in Latvia during World War Two, challenging his deportation from the United States to Australia.

Kalejs, 80, had appealed to the Supreme Court after an

immigration judge in Chicago found he had served in Nazi-occupied Latvia as a company commander in the Latvian Auxiliary Policy, a unit that murdered unarmed civilians.

Kalejs, a native of Latvia, fled after the war to Australia, where he became a citizen. He entered the United States in 1959, claiming to have been a farm laborer during the war.

Kalejs has denied that he was an officer in the unit or that he assisted in other Nazi persecutions as an officer, policeman or concentration camp guard.

The Justice Department's Nazi

-hunting Office of Special Investigations charged that Kalejs had misrepresented his wartime activities when he entered the United States and must be deported.

The immigration judge ordered that Kalejs be deported, finding that he was responsible for acts of persecutions against Jews, Gypsies and other civilians.

The judge said Kalejs also served as commander of the guards at the Nazi concentration camps in Latvia and in Russia, where thousands were killed, and that he was involved in other atrocities by the unit.

Kalejs, who never applied for U.S. citizenship, designated Australia as the country he wants to be deported to. He has been free on \$750,000 bond, pending the outcome of his case.

The deportation order was upheld in November by a U.S. Court of Appeals in Chicago.

In appealing to the Supreme Court, attorneys for Kalejs challenged the immigration judge's decision to admit into evidence videotaped depositions that had been taken in the Soviet Union in the late 1980s.

They also challenged whether the evidence was sufficient to support the findings against Kalejs and argued that the deportation order should be overturned because of what they contended was newly discovered evidence.

But the Supreme Court sided with the Justice Department and turned down the appeal without any comment or dissent, clearing the way for his deportation.

REUTER

BC

-USA

-COURT

-DRUGS

HIGH COURT ALLOWS FORFEITURE OF ALLEGED DRUG FUNDS

WASHINGTON (Reuter) - The Supreme Court Monday allowed the seizure by the government of more than \$10 million that allegedly represented drug proceeds laundered through

various bank accounts by a Colombian drug cartel.

The forfeitures arose out of an effort by law enforcement authorities to thwart the money laundering activities of the Cali drug cartel, which sends more than three tons of cocaine per month to the United States.

The cartel moves its funds through the banks by various means, including electronic fund transfers for eventual deposit into Colombian bank accounts.

The seizures at issue in the case stemmed from the 1990 arrest in Luxembourg of three associates of one of the cartel's leaders, Jose Santacruz

-Londono. Authorities in Europe, Panama and the United States then seized funds in the various nations.

Seventeen Colombian companies, all said to be clothing export firms, filed claims to about \$6.5 million of the seized funds in the United States.

The companies denied the allegations of the civil forfeiture complaint, asserting that the money had been derived from legitimate clothing sales.

They also sought damages, charging that the government had violated their constitutional right against unreasonable searches and seizures.

After a trial in New York, a jury returned a verdict that the funds be forfeited to the government, and the claims by the companies for damages were dismissed. A U.S. Court of Appeals upheld the ruling.

A number of the Colombian firms then appealed, but the Supreme Court sided with the Justice Department and denied their appeal without any comment or dissent.

REUTER

PM

-Satellite System, 6th Ld

-Writethru, a0541

-544,780

McCaw and Microsoft Chairmen Plan New Global Satellite Network

EDs: Combines pvs; minor editing; ADDS byline

By JEAN CHRISTENSEN= Associated Press Writer=

WASHINGTON (AP) Two of the country's most accomplished high

-tech entrepreneurs today announced plans to build a gigantic, \$9 billion satellite communications network linking every spot on the globe.

William H. Gates, chairman of Microsoft, and Craig O. McCaw, chairman of McCaw Cellular Communications, formed Teledesic Corp. to build the network, which would begin service in 2001.

The satellite system would reach millions of people bypassed by today's advanced communications systems. It is intended to help deliver affordable, advanced information services to remote parts of the United States and the world, said Teledesic, which based in Kirkland, Wash., near the headquarters of McCaw and Microsoft.

Jerry Salemme, vice president of McCaw, said an application would be filed today with the Federal Communications Commission for permission to begin work on the network.

The company seeks to create a "Global Internet," with a worldwide partnership of service providers, manufacturers, governments and international agencies, to bring the "information revolution" to people who cannot be served through existing technology. McCaw will serve as its chairman.

In its FCC application, Teledesic said it is proposing a network that would provide for delivery of services via a global network of 840 satellites that will orbit Earth at a low altitude.

The low, 435

-mile orbit prevents the signal delays common in conventional communications satellites, which operate at an altitude that is 50 times higher, Teledesic said.

The network, whose transmission times would be comparable to optic fiber, would not be vulnerable to natural disasters, and could serve as "a vital lifeline" for emergency communications for hospitals and other facilities that now depend on terrestrial systems, Teledesic said.

"Economic growth and human affairs have come to rely on good communications," McCaw said in the company statement. "Today, the costs to bring modern communications to poor and remote areas is so high that many of the world's people can't participate in our global community. Universal service has always been central to this country's telecommunications policy.

"There is an opportunity now to broaden this vision to include all of the world's citizens. Achieving that goal will require a broad cooperative effort. Through Teledesic, we hope to take a small step in that direction," McCaw said.

Teledesic said it does not intend to market its services directly to users, but to provide an open network for others to deliver services. Its network is planned to enable local telephone exchanges and telecommunications authorities in host countries to modernize their existing communications systems and provide affordable access to rural and remote locations.

The network utilizes technology based partly on work done in NASA's commercial satellite communications program, and has undergone a design audit by NASA's Jet

Propulsion Laboratory, Teledesic said. It also utilizes technology from U.S. defense programs, including the "Brilliant Pebbles" program of the Strategic Defense Initiative, which was conceived as an orbiting constellation of 1,000 inter

-connected satellites.

Teledesic said that the program's \$9 billion cost would cover design, construction and deployment. The network represents the first time satellites and their subsystems will be designed and built in large enough quantities to be mass produced and tested, making them more economical. To minimize launch costs, the satellites will be compatible with more than 20 launch systems around the world and will have the ability to be stacked, so that several can be launched at the same time.

"The real promise of this system is to bring access for rural and remote areas of the world to the health and education services that you can get in major urban centers," Russell Daggatt, Teledesic's president, said in today's New York Times.

At this point, the network is little more than a vision. Teledesic has yet to raise any construction and launch money, save for the small fraction Gates and McCaw have contributed, the Times said.

Gates and McCaw each own about 30 percent of Teledesic. McCaw Cellular also owns about 30 percent, and another 10 percent is held by a venture capital fund owned by Edward Tuck, founder of the Magellan global

-positioning satellite system.

The proposal requires the approval of the U.S. and foreign governments.

McCaw Cellular is the nation's biggest cellular phone company with \$2.2 billion in annual revenues. McCaw is selling it to the American Telephone & Telegraph Co. for \$12.6 billion.

A Microsoft spokesman said the software company is not directly involved.

"This is apparently something that Bill is doing on his own," Microsoft spokesman Marty Taucher said in the Los Angeles Times.

Microsoft, with \$4 billion in sales, leads the market in operating system software for IBM

-compatible personal computers. Gates, its founder, has a net worth estimated at \$4 billion.

ARMS Email SystemRECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Joseph W. Cerrell (JOSEPH W. CERRELL@EOP_OVP@CCGATE@EOPMRX) (DEFAULT)

CREATION DATE/TIME:23-MAR-1994 15:16:00.00

SUBJECT: Wire report for March 22-including index

TO: MCGINTY_K (MCGINTY_K@A1@CD) (OPD)
READ: UNKNOWN

TO: Albert Gore (ALBERT GORE@EOP_OVP@CCGATE@EOPMRX) (DEFAULT)
READ: UNKNOWN

TO: Michael A. Gill (MICHAEL A. GILL@EOP_OVP@CCGATE@EOPMRX) (DEFAULT)
READ: UNKNOWN

TO: ALL SENIOR STAFF (ALL SENIOR STAFF@EOP_OVP@CCGATE@EOPMRX) (DEFAULT)
READ: UNKNOWN

TEXT:

The following attachments were included with this message:

TYPE : FILE
NAME : AGJ3.22

===== ATTACHMENT 1 =====
ATT CREATOR: UNKNOWN (UNKNOWN)

ATT CREATION DATE/TIME:23-MAR-1994 15:16:00.00

ATT BODY PART TYPE: P

ATT SUBJECT:

ATT TEXT:

UNABLE TO CONVERT USR\$DISK4:[SHARED_AREA.SHARB183]ZVDJLTQLB.FGN TO ASCII.
THE FOLLOWING IS THE RAW DATA
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- 3) Gore winds up Argentina tour
- 4) Ambiguity in Menem comments on patents law clarified in
reference to NAFTA
- 5) Gore meets Menem, says U.S.-Argentina ties "never
stronger"
- 6) Argentine leader discusses patents, labor law and
Thatcher visit
- 7) Argentina's Menem slams British ex-Premier Thatcher
- 8) Brazil and U.S. extend scientific agreement

- 9) Brazil examines U.S. position on telecommunications
- 10) Gore calms Brazil fears over resource-rich Amazon
- 11) Gore ends South American tour, heads home
- 12) Gore visits Brazil on homeward leg of Latin America trip
- 13) Bolivian foreign minister comments on future inter-American summit
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- 18) U.S. blocks progress on waste trade at Basel Convention
- 19) Director followed travel expense rules, GSA says
- 20) Reno mining center escapes threatened ax
- 21) Senator Coats takes pupil up on invitation to visit her 4th-grade class
- 22) Tommy Lee Jones wins Best Supporting Actor

BC-UN-TELECOMMUNICATIONS (SCHEDULED)

U.S. CHALLENGES WORLD TO BUILD "NETWORK OF NETWORKS"

By Peter Bate

BUENOS AIRES, March 21 (Reuter) - The United States Monday urged countries to build a "network of networks" that could pump billions of dollars into the global economy by linking computers in homes, schools and offices around the world.

Vice President Al Gore told a U.N.-sponsored conference on telecommunications development that the world has the financial and technical resources to spin such a web, which he baptised a Global Information Infrastructure (GII).

"We now can at last create a planetary information network that transmits messages and images with the speed of light from the largest city to the smallest village on every continent," Gore said.

Some U.S. experts maintain a world computing network could be built and run by private industry. In fact, Gore pointed out in his speech, the network is already being built in bits and pieces as fiber-optic cable is laid under seas and across continents.

His announcement coincided with the creation of a joint venture between the founders of Microsoft Corp and of McCaw Cellular Communications Inc, which appears to share a similar philosophy.

In his speech to an audience including some of the world's top policy-makers and the biggest names in the communications industry, Gore said his country would throw all its might behind the global network project.

Gore described a vision of a web capable of improving international communications, of raising businesses'

productivity, taking education to the farthest corners of the world and even promoting representative democracy.

"The global economy will also be driven by the growth of the Information Age. Hundreds of billions of dollars can be added to world growth if we commit to the GII," he added.

The nine-day conference organised by the International Telecommunications Union (ITU), a U.N. body with 182 member states, will also work on an action plan to extend modern communications to the least developed countries.

According to the union, despite numerous technological breakthroughs and the fact that telecommunications projects have proved profitable around the world, there is a huge gap between rich and poor nations.

The 24 wealthiest countries have 70 percent of the world's telephone lines and only 15 percent of its population, ITU Secretary-General Pekka Tarjanne said, noting that two-thirds of the world's homes still have no phones.

The ITU estimates the world will have to invest around \$530 billion by the year 2000 to boost "teledensity" -- measured by main telephone lines per 100 inhabitants -- to 14.5 from 10.

But, Tarjanne noted, several developing countries have managed to build up their telecommunications, including Botswana, Turkey, Korea and Chile.

"There is no blueprint for success, although there are common points that can be adopted by developing countries," Tarjanne said.

Gore and Argentine President Carlos Menem, who in 1990 opened his country's ailing telephone system to private-sector operators, spoke out in favour of privatisation and competition in telecommunications.

Gore noted that participation by private industry spurred advances in communications in dozens of countries and urged others to follow the lead of Argentina, Chile and Mexico.

"But privatisation is not enough. Competition is needed as well. Today, there are many more technology options than in the past and it is not only possible but desirable to have different companies running competing but interconnected networks," he said.

REUTER

Gore Opens Telecomm. Development Conference In Argentina

BUENOS AIRES (AP-DJ)--Vice President Al Gore on Monday urged countries to participate in the construction of international telecommunications networks as a way to encourage economic growth and spread democracy.

Speaking at the opening of the nine-day World

Telecommunication Development Conference in Buenos Aires, Gore said the networks, or global information infrastructure (GII), are "an essential prerequisite to sustainable development."

(MORE) DOW JONES NEWS 03-21-94
1259EST

Gore winds up Argentina tour

BUENOS AIRES, March 21 (UPI) U.S. Vice-President Al Gore has completed an 18-hour visit to Argentina where he inaugurated the International Telecommunications Union congress along with President Carlos Menem. Gore described an earlier meeting with Menem as "very good and advantageous."

S 129MAR21

UNCLAS 6K

Argentina: Ambiguity in Menem Comments on Patents Law Clarified PY2103213994 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1940 GMT 21 Mar 94

[Text] Buenos Aires, 21 Mar (NA) -- An official source said today that any ambiguity in President Carlos Menem's concept of the pharmaceutical patents law and the conditions for joining NAFTA "is in appearance only."

The source admitted that in Menem's comments before meeting with U.S. Vice President Al Gore "some kind of misunderstanding could have occurred," while declaring that Menem had been referring not only to joining NAFTA as such, but also to its prior approval by the U.S. Congress, which will occur in the middle of this year.

The source also said that "the approval of the patents law this year will be solely a gesture of Argentine good will toward the U.S. congressmen," and that "within two years, however, the approval of that law will be an essential condition for joining NAFTA."

This explanation was necessary because Menem believes the approval of the patents law "does not represent a full condition" for joining NAFTA, while in private he said that without that law it would be impossible to imagine Argentina becoming a member of NAFTA. 21 MAR 2144z sc NNN

PM-Argentina-Gore, 1st Ld-Writethru, a0563,0313
Retransmitting a0563 to ADD writethru designation, ed's note

Gore Meets Menem, Says U.S.-Argentine Ties 'Never Stronger'

Eds: New throughout to UPDATE with Gore quotes, protests, edits to conform.

By WILLIAM H. HEATH= Associated Press Writer=

BUENOS AIRES, Argentina (AP) Vice President Al Gore met with Argentine President Carlos Menem today and discussed Argentina's desire to join the North American Free Trade Agreement.

"The friendship between our countries has never been stronger," Gore said after the 45-minute meeting at the presidential office in the Pink House in downtown Buenos Aires.

About 15 protesters belonging to the Workers Socialist Movement chanted "Gore Go Home!" outside a downtown hotel where Gore addressed a World Telecommunications Development Conference attended by delegates from 150 nations. There were no violent incidents.

Gore, accompanied by his wife Tipper, opened a two-day visit to three South American nations on Sunday with a seven-hour stop in Bolivia. He was scheduled to leave Buenos Aires for Brazil this afternoon.

The Gore-Menem meeting was attended by Foreign Minister Guido Di Tella, Economy Minister Domingo Cavallo and Alberto Lestelle, Argentina's chief anti-drug officer, as well as U.S. Ambassador James Cheek and Argentina's Ambassador Raul Granillo Ocampo.

Menem told a brief news conference before the meeting that "in principal, there probably is no possibility of Argentina entering NAFTA" if it does not approve a medicinal patents law.

Washington has been pushing Argentina's Congress to approve a Menem-backed bill to recognize intellectual property. U.S. pharmaceutical companies say sale of copycat medicines in Argentina is costing them millions of dollars.

Menem said U.S. sale of subsidized farm products "which damage countries like Argentina," a major exporter of grain and beef, was also a topic.

"It is impossible to talk about free trade on one side and maintain a policy of subsidies" on the other, Menem said.

S 127MAR21

UNCLAS 6K

Argentine President Discusses Patents, Labor Law, Thatcher Visit PY2103211594 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1840 GMT 21 Mar 94

[Text] Buenos Aires, 21 Mar (NA) -- President Carlos Menem today left an apparent sensation of confusion over the pharmaceutical patents law insistently claimed by the

United States. While he said that without the approval of this law it would be impossible" for Argentina to join the North American Free Trade Agreement (NAFTA), he at the same time played down the idea that the delay in approving the law would dramatically influence things, considering that all the pressures so far received are but warnings."

The contradictory concepts became apparent during a news conference given by Menem at Government House a few moments before receiving in his office U.S. Vice President Al Gore, who arrived in Argentina to speak precisely about the need for Argentina to have a law on pharmaceutical patents rights acknowledging the rights of foreign inventions, as well as about the dangers of corruption and drug trafficking.

During the news conference President Menem gave his opinion that approval of a law on pharmaceutical patents rights "does not represent an absolute condition" by the United States for Argentina to access NAFTA, while a little after he added that "in principle there is no possibility that Argentina could join NAFTA if the pharmaceutical patents rights law is not approved first."

Afterward Menem said that the claims and connections between the approval of the law and joining NAFTA "are simply a kind of warning about our relations," noting that "the Argentine Government is doing the same with the U.S. Government regarding agricultural subsidies."

Instead of clarifying the Argentine position regarding this controversial subject, Menem's statements really contributed to generating greater confusion among those who, soon after he made his statements, began to closely read and analyze them.

The president said that the draft law on pharmaceutical patents rights "is one of the promises we made to the U.S. Government two and a half years ago, when Carla Hills was U.S. trade representative," adding that "since then we have been making efforts to get Congress to approve the law."

On another subject, Menem again denied the possibility that the opening up of labor laws will be imposed by decree, and said that the government expects the bill "to be approved by consensus in Congress."

The Argentine president also noted statements by Eduardo Bauza, secretary general of the presidency, that the candidates for Menem's vice president are Vicente Joga, Ruben Marin, and Eduardo Duhalde.

Menem said: "In a party like the Justicialist Party, and in a full democracy, those who decide on the presidential ticket are not the leaders but the party members."

Further on, Menem spoke about former British Prime Minister Margaret Thatcher, saying that "she was too outspoken when she said that Argentina's return to democracy is partly due to her."

He described her statements as "absurd and aggressive," considering them "things one has to listen to and then be silent about, as they make no sense."

"Here we live in democracy and freedom thanks to the Argentine people, and in no way thanks to Mrs. Thatcher," he stated.

Menem said that the Malvinas war "was not the unleashing factor that made Argentina return to democracy and freedom. It was the people's permanent and constant struggle that made tyrannies lose their validity, here as in any part of the world."

Asked whether Thatcher's presence in Chile would affect relations between Chile and Argentina, Menem said that relations "have never been as good as they are now," adding that relations "at the Armed Forces level are really spectacular."

On another subject, Menem said he does not share the belief of Radical Civic Union leader Leopoldo Moreau, who said that the Constituent Assembly should place all judges on availability status
en comision].

"This is an entirely unwise statement which is not in keeping with the current terms referred to in the Constitution," he said.

As for the medical checkup he will undergo tomorrow at the Buenos Aires Cardiovascular Institute, Menem said it was "routine," adding that "I have had them ever since I came to the presidency."

"The thing is that they are now more significant, following the carotid surgery I underwent last October," Menem stated.

He also said on that on 1 May he will announce during his message to Congress the implementation of a three-year plan that will extend through 1996.

"All the conditions are ready to announce something of this kind through 1996 or perhaps 2000," he said, adding that "we have had a zero inflation rate since last year."

Menem then said that he was aware of the charges by nun Martha Pelloni regarding the alleged sale of babies in Corrientes Province.

He said that "a charge of this kind, in which several organizations are mentioned, is worrisome" adding that "the subject is being investigated." 21 MAR 2141z cjt
NNN

BC-ARGENTINA-THATCHER

ARGENTINA'S MENEM SLAMS BRITISH EX-PREMIER THATCHER

BUENOS AIRES, March 21 (Reuter) - Argentine President Carlos Menem on Monday angrily rejected former British prime minister Margaret Thatcher's claim that Argentina owed its democracy to her and to the 1982 war for the Falkland (Malvinas) Islands.

``In some respects, Mrs Thatcher got carried away by her own tongue," Menem was quoted as saying by the DyN news agency, adding that her statement was ``aggressive" and ``absurd.."

The Argentine press reported a statement by Thatcher during a visit to Chile last week that the fall of Argentina's dictatorship was thanks to its defeat by Britain in the Falklands war.

``(The war) was not the precipitating factor in bringing Argentina back to democracy, it was the continuous fight of the people," DyN quoted Menem as saying.

Menem was speaking to reporters just before a meeting with U.S. Vice President Al Gore, who is in Buenos Aires for the inauguration of a U.N.-sponsored conference on world telecommunication development.

REUTER

Brazil and U.S. Extend Scientific Agreement

BRASILIA, Brazil (AP-DJ)--Brazil and the U.S. settled a trade dispute and extended a scientific cooperation agreement that was suspended by Washington in 1991.

The scientific and technology agreement was signed on Monday during a visit by Vice President Al Gore. It will allow Brazil to acquire U.S. technology for supercomputers, nuclear power and a rocket guidance system.

(MORE) AP-DOW JONES NEWS 03-22-94
0716GMT

S 125MAR21

UNCLAS 6K

Brazilian Article Examines U.S. Position on Telecommunications PY2103210494 Sao Paulo GAZETA MERCANTIL in Portuguese 21 Mar 94 p 12

[Text] To attract international attention to the necessity of using telecommunications resources more harmoniously in the five continents: This is one of the main messages U.S. Vice President Al Gore will convey in the speech he will deliver at the ceremony opening the First World Conference on Telecommunications Development, which is promoted by the United Nations and the International Telecommunications Union (ITU). The event, which will take place in Buenos Aires and will be attended by Argentine President Carlos Menem, will gather together representatives from 182 countries.

On 18 March USIS distributed a note reporting on the special attention the United States is giving to the event in that Vice President Gore is involved in the issue

through the development of the "information superhighway." This network will enable the United States to create the conditions to transmit images, data, and voice through one physical medium.

Another important point to be viewed in Gore's speech will be the proposal to open the telecommunications area to biddings, because in several countries telecommunications are a monopoly, under state control. Gore will go to Argentina to defend the fast deregularization of the sector, as this is "a path that can increase investment in the area and result in improving the quality of the services."

This message, and the idea of ensuring harmonious development, will also be presented at the G-7 conference scheduled for July in Italy. Al Gore will stay in Buenos Aires only for the opening of the conference, which will last nine days. The U.S. delegation to the conference is comprised of representatives from the Federal Communications Commission (FCC), which regulates this sector; from the Department of State and the Department of Commerce; and from private enterprises. FCC Chairman Reed Hunt will take the opportunity to point out to those attending the conference that information" can be in two places at the same time. He will address them via satellite, live, from another meeting -- the National Association of Broadcasters convention -- which will be taking place in Las Vegas in the United States.

Gore will begin a series of discussions searching for harmonious solutions to telecommunications development. What has become clear is that it does not help to concentrate physical means, optic fibers, and satellites in the northern hemisphere while the world turns around a globalized economy. The program contemplates the definition of practical actions.

Another goal of the meeting is to discuss the bases for ITU regulations and programs aimed at developing telecommunications during the 1995-1999 period. 21 MAR 2124z cjt
NNN

BC-LATAM-GORE-BRAZIL 1STLD (PICTURE)

Gore CALMS BRAZIL FEARS OVER RESOURCE-RICH AMAZON

(Eds: New throughout)

By Tova Chapoval

BRASILIA, March 21 (Reuter) - Vice President Al Gore, moving to calm Brazilian fears over foreign interference in the resource-rich Amazon, said Monday that Brazil could rest assured the United States had no territorial designs on the region.

``People in Brazil think the United States has designs on the Amazon, plans to invade the Amazon. When we in the

U.S. hear these comments we are completely mystified," Gore said during a meeting in Brasilia with representatives of different sectors of Brazil's society.

"We have no thoughts of anything remotely resembling that," the vice president told his audience, which included leaders of Amazon Indian tribes.

Gore, who was on a six-hour visit in Brazil, the third and last stop of a two-day South American tour, said the idea of the United States invading the Amazon was comparable to thinking that Brazilians wanted to invade Florida.

Western diplomats said his remarks appeared in part to be aimed at soothing past Brazilian diplomatic and military sensitivity over training manoeuvres involving U.S. troops carried out in neighbouring Latin American states which border on the vast Amazon region.

Gore earlier met Brazilian President Itamar Franco.

As part of his visit, acting U.S. ambassador to Brazil Mark Lore and Brazilian Foreign Minister Celso Amorim signed a protocol renewing and expanding a 1991 bilateral treaty on scientific and technological cooperation. The protocol added clauses safeguarding intellectual property rights and royalties for projects developed in cooperation.

During the meeting with Brazilian community representatives at a local tennis academy, Gore was asked about the Whitewater affair dogging President Clinton's administration.

He lightheartedly brushed off the question, saying: "This involves a real estate investment of 16 years ago. Next thing you know they'll be investigating ex-President (Jimmy) Carter for the 1980 elections which he lost. I don't think it makes sense."

Talking about social inequalities, a sensitive issue in Brazil where the gap between rich and poor is large and very visible, Gore said such inequalities were extremely serious and a threat to stability. "In some countries, they are a threat to democracy," he added.

He suggested some solutions, such as redistribution of land, social justice and the fight against corruption.

"Corruption is like inflation. We must always fight to bring it down to one percent," he joked.

Brazil has just emerged from a major corruption scandal in which Congress recommended in January the expulsion of 17 deputies accused of being part of a budget bribery ring.

Gore, who was in a jovial mood, cracked jokes about the headphones he was using to hear the translation of questions.

He also laughed when one woman in the audience told him he was the best-looking vice president she had ever met. "I hope my wife thinks so," he said.

Gore, who had already visited Bolivia and Argentina on

his two-day tour, was due to head home Monday night.
REUTER

BC-LATAM-GORE-BRAZIL DEPARTURE GORE ENDS SOUTH AMERICAN TOUR, HEADS HOME

BRASILIA, March 22 (Reuter) - U.S. Vice-President Al Gore left Brazil and headed back to Washington early Tuesday at the end of a two-day South American tour which had also taken him to Bolivia and Argentina.

Gore, who was accompanied by his wife Tipper, had held talks with Brazilian President Itamar Franco and Foreign Minister Celso Amorim during a seven-hour stopover in Brasilia.

REUTER

BC-LATAM-GORE ISTLD GORE VISITS BRAZIL ON HOMEWARD LEG OF LATAM TRIP

(Eds: Updates with Brazil visit)

By Gene Gibbons

BRASILIA, March 21 (Reuter) - Vice President Al Gore, on the homeward leg of a diplomatic swing through South America, paid a brief goodwill visit to Brazil late Monday after calling for a dramatic expansion of global telecommunications.

Arriving at the airport, Gore recalled that he and his wife Tipper last visited this country in 1992, when he was a senator, for the environmental summit in Rio de Janeiro.

"Now, as vice president, I have returned to reaffirm our personal affection for the Brazilian people, the friendship that has long flourished between our countries and the warm relations between our governments," he said.

Gore's agenda in this futuristic capital, built less than 40 years ago, included a meeting with President Itamar Franco at Planalto Palace and a town hall question-and-answer session with a cross-section of Brazilian society.

Gore and Franco signed a pact renewing and expanding a 1991 accord on cooperation in science and technology. Newly added clauses provided for the protection of intellectual property rights.

A working dinner with Brazilian Foreign Minister Celso Amorim concluded the vice president's schedule.

Gore, accompanied by his wife and senior U.S. officials, flew here from Buenos Aires, where he spoke at the opening session of the first World Telecommunication Development Conference, a nine-day conference focused on bringing modern communications to the world's poorest, most remote points.

"In this decade, at this conference, we now have at hand the technological breakthroughs and economic means to

bring all the communities of the world together," Gore said.

But, he cautioned that development of a global information infrastructure must be a worldwide cooperative effort and not be dictated by a single country.

Gore also visited Bolivia on Sunday and met Argentine President Carlos Menem at the Casa Rosada to discuss trade.

U.S. officials said they discussed Argentina's displeasure with U.S. farm export subsidies and U.S. displeasure with Argentina's perceived laxness on intellectual property rights.

"It was a good meeting. There was excellent chemistry between them," said one official in Gore's travelling party.

"Those two issues are now higher on our respective radar scopes. In that sense, they moved the ball forward," he said.

REUTER

S 123MAR21

UNCLAS 6BB

Bolivian Foreign Minister on Future Inter-American Summit
PY2103202894 Madrid EFE in Spanish 1637 GMT 21 Mar 94

[Text] Brasilia, 21 Mar -- Bolivian Foreign Minister Antonio Aranibar said here today that U.S. Vice President Al Gore is interested in knowing the positions of Bolivia, Argentina, and Brazil regarding the continental summit organized by U.S. President Bill Clinton for December in Miami.

Bolivia was the first country visited by Gore on his tour to these three countries. Aranibar met with the U.S. vice president during the eight hours he was in Bolivia yesterday before traveling to Buenos Aires, where he finds himself today.

Aranibar told EFE that Gore had expressed his wish to receive from the Latin American leaders "topics for the future inter- American dialogue," an initiative that demands appropriate preparation.

Gore also discussed drug enforcement with Bolivian President Gonzalo Sanchez de Lozada and other Bolivian personalities, although it was "not the central subject" of conversation, Aranibar said.

Following his visit to Bolivia, Gore is currently in Buenos Aires, from where he will travel to Brasilia, the last leg of his Latin American tour. He will stay in Brasilia for six hours.

The Bolivian foreign minister arrived today on an official flight from La Paz to attend a meeting of the foreign ministers of the Rio Group. The Rio Group is made up of 13 members: Brazil, Argentina, Bolivia, Peru, Chile, Colombia, Venezuela, Paraguay, Uruguay, Mexico, Ecuador,

Guatemala (representing Central America), and Trinidad and Tobago (representing the Caribbean).

The 48-hour Rio Group meeting began today at Itamaraty Palace, and is being held precisely to discuss positions for the summit organized by Clinton, and for a preliminary document prepared by experts from several governments and the Economic Commission for Latin America, ECLA, on "poverty, the neglected sectors, and unemployment."

Regarding the summit in Miami, Aranibar said that the countries of the continent must prepare "an agenda for the new world" which must include the main subjects that will dominate the inter-American dialogue in the next few years.

He also said that certain subjects connected with economic and social development, as well as regional integration -- including the possible membership of other Latin American countries to the North American Free Trade Agreement among the United States, Canada, and Mexico -- must also be included in the agenda.

According to Aranibar, the inter-American subjects for the Miami summit must include participative democracy, the struggle against corruption, the stability and solidness of the democratic institutions, and rational development.

21 MAR 2045z cjt NNN

PM-Political Jokers,740

WALTER MEARS: Best Darts Are Ones Aimed at the Mirror
An AP News Analysis

By WALTER R. MEARS= AP Special Correspondent=

WASHINGTON (AP) In the elusive art of political humor, there is nothing more engaging than self-parody. It also is the most likely to succeed.

Vice President Al Gore proved that with a straight-faced stream of wisecracks about his wooden image, after having himself wheeled on in a hand cart and propped up to speak.

"Al Gore is so stiff, racks buy their suits off him," he deadpanned.

"If you use a strobe light, it looks like Al Gore is moving.

"Al Gore is so boring his Secret Service code name is Al Gore."

There was double-edged parody in the satirical TV advertisement on health care, featuring the President and Mrs. Clinton. With built-in jokes about the complexity of the Clinton health proposal

she cites page 27,655 they also made fun of the health insurance industry's Harry and Louise commercials.

"Paid for by the Coalition to Scare Your Pants Off," the joke ad ended.

In it, the Clintons discover, in mock horror, that even if the health care plan is passed, people are still going

to get sick and die. "I've never been so frightened in all my life," the president intones in his TV role.

Every spring, Washington jokes about Washington, and political rivals break bread together at the dinner of the Gridiron Club, 109 years old, foremost among the formal affairs at which the establishment government and media let their guards down just a bit. Gridiron is an evening of song, satirical skits, and speeches by figures from each political party, then by the president.

Presidents since Benjamin Harrison have been coming to Gridiron dinners. Calvin Coolidge joked there, although his humor is lost to history because in that day, it was all off the record. That rule now is observed only in the breach. Nobody minds.

Clinton joked about it, saying he knew everything was off the record, and so felt comfortable showing the gag commercial. The White House sent tapes of the piece to all the networks in time for Sunday morning talk shows.

"Maybe all of us can remember to laugh a little bit in this place we occupy at the intersection of our nation's government, our national media and our people's future," Clinton said at the Gridiron dinner. "If we can laugh, perhaps we can better assume our responsibilities and be faithful to our common trust for the future of this country."

Saturday night's laughter had a nervous edge to it at times, given the Clintons' headaches over Whitewater.

"I think this whole Whitewater business is getting out of hand," said Gov. William F. Weld of Massachusetts, in his address for the Republicans. "Last weekend, for the first time, there were more subpoenas delivered to the White House than pizzas."

Gore said he would have told Whitewater jokes but he didn't want to get everybody in the place subpoenaed. Gore and Clinton both called it old and losing business, the vice president saying it was like investigating to see if Jimmy Carter rigged the 1980 election, which he lost. Clinton said there ought to be hearings on Whitewater and also on the money Harry Truman lost as a haberdasher before he became president.

Political humor can be a weapon. It also can backfire. But that doesn't happen when politicians are joking about themselves. That was Gore's winning score.

There's too much ridicule of vice presidents, whose only constitutional duty is to break tie votes in the Senate, he said. "The other day it occurred to me: Every time I vote, we win."

He said he has his own red phone on the desk, and knows that at any time he can immediately be put on hold. He told of the thrill of boarding Air Force Two and watching the guy spin the propeller.

"And then, of course, comes that moment during my weekly lunches with the president, when he turns to me and utters those historic words:

``You gonna finish that?"

EDITOR'S NOTE Walter R. Mears, vice president and columnist for The Associated Press, has reported on Washington and national politics for more than 30 years, and is president of the Gridiron Club.

bc-Gore-CMS-Energy-contr
TO BUSINESS EDITOR:

VICE PRESIDENT GORE SIGNS RISK INSURANCE
CONTRACT

FOR CMS ENERGY PROJECT IN ARGENTINA

BUENOS AIRES, Argentina, March 21 /PRNewswire/ -- During Vice President Al Gore's visit to Argentina, the Overseas Private Investment Corporation (OPIC) today announced the signing of a \$30 million contract to provide risk insurance to an American company participating in the privatization of a hydroelectric power complex in southern Argentina.

"In signing this contract, America demonstrates its commitment to helping Argentina privatize a key sector of its economy," said Ruth R. Harkin, OPIC's President.

The contract was signed by officials of OPIC, a U.S. Government agency, and CMS Generation Co. of Dearborn, Michigan.

"Argentina's goal is to promote greater competition and develop a more reliable, efficient and affordable source of power. This project will do all of this and we are proud to be able to help," said Mrs. Harkin.

Under the terms of the contract, CMS Generation will receive risk insurance for its investment in the privatization of two hydroelectric plants with a generating capacity of 1320 MW. CMS and its American, Spanish and Chilean partners won the bid to purchase 59 percent of the plants after the Argentine government began privatizing the state-owned utility, Hidronor, in April 1993. Thirty-nine percent of the project will be in the hands of provincial government with two percent belonging to employees.

Mrs. Harkin said the project would give CMS Generation Co. -- one of America's top five independent power producers -- a prominent role in a key sector of the Argentine economy. Over the first eight years of operation, the project could generate \$8 million in U.S. exports of such things as new information systems, transformers, communications equipment and monitoring devices.

Argentina expects to receive \$38 million in annual tax revenues from the project which will generate another \$18 million for the local economy.

The power plants are located on the Limay River in southwest Argentina about 125 miles from the Chilean border. The dams will be run in strict compliance with Argentina's environmental protection, water management and dam safety standards.

The Overseas Private Investment Corporation, which now operates in more than 140 nations, recently announced a \$1.7 billion initiative to generate U.S. business investment in Latin America. The investments are to focus on environmental technology and privatization.

OPIC already is involved in more than 30 projects in Argentina, Belize, Barbados, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Haiti, Honduras, Grenada, Guatemala, Guyana, Jamaica, Nicaragua, Panama, St. Lucia, St. Vincent, Trinidad and Tobago, Uruguay and Venezuela. These projects are in dozens of sectors from consumer products and banking to oil exploration and telecommunications.

Since 1971, OPIC has been the key U.S. government agency encouraging American private business investment in developing nations. At the request of President Bill Clinton, OPIC has focused the energy and resources of private industry on newly emerging democracies and fledgling free-market economies.

The Agency assists American investors in three primary ways: financing of business through loans and loan guaranties; insuring investments against a broad range of political risks; and, providing various other investor services, such as match-making investment missions.

OPIC is a self-sustaining agency that has recorded a positive net income for every year of operations. It has returned its initial start-up appropriation from the U.S. Treasury and now has accumulated reserves of more than \$2 billion. In the last two decades, OPIC has supported investments worth nearly \$60 billion, generated \$26 billion in exports and helped create 100,000 American jobs.

-0- 3/21/94

/CONTACT: Kelly M. Farr, Corporate Communications of CMS Energy, 313-436-9253; or Sydney Rubin of OPIC, 202-336-8710/

(CMS) CO: CMS Energy Corporation; CMS Generation Co.; Overseas Private

Investment Corporation ST: IN: OIL UTI SU: CON
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PM-TN--TVA-Gore,380

TVA Named Government Reinvention Lab

By DUNCAN MANSFIELD= Associated Press Writer=

KNOXVILLE, Tenn. (AP) TVA's efforts to improve itself may turn up in other areas of the federal government.

The giant federal utility was designated Monday a "model government reinvention laboratory" by Vice President Al Gore's National Performance Review initiative.

The Tennessee Valley Authority joins about 100 other government agencies and programs working on new approaches to cutting red tape, improving service and giving the public more for their dollars.

"The reason we select places like the Tennessee Valley Authority is that they are already demonstrating the kind of management that we want to have emulated throughout the federal government," said Doug Farbrother, who is directing the labs project.

"These are the places where we can define the future of government management by example, and we can show people how to do it because they are doing it there already."

TVA chairman Craven Crowell demonstrated the objective by holding aloft two thick manuals on personnel procedures. That was the old bureaucracy at TVA, he said.

"It left no room for imagination, obviously," Crowell said. "You just looked it up and there it was."

Then he picked up a much slimmer volume: The new bureaucracy at the 19,000-employee Tennessee Valley Authority.

It is based on a "very simple set of procedures which permit people to get involved in decision making and to show some initiative," said Crowell, who has championed such changes since his appointment last year.

This kind of applied self-examination attracted Gore's notice, Farbrother said in announcing the lab designation with Crowell and TVA directors Bill Kennoy and Johnny Hayes.

No big grants or federal appropriations of any kind come with the designation. But Farbrother said regulatory exemptions will be offered to get new processes in place faster.

Farbrother and TVA officials said several TVA programs have been discussed for idea-sharing in the lab project. The programs ranged from rescheduling power plant "down time," producing savings of \$1 million a day, to an automated travel voucher system for employees.

Farbrother said the lab program has no ending date. "Quality is a journey not a destination," he said.

BC-TN--TVA-Gore-List,160
TVA Programs Eyed for Lab
With TVA-Gore

KNOXVILLE, Tenn. (AP) Here are some Tennessee Valley Authority programs attracting attention from Vice

President Al Gore's National Performance Review staff for improving government:

TVA's rescheduling efforts have reduced "down time" for power plants, saving more than \$1 million a day systemwide.

Procurement practices using a "supplier excellence program" involving 2,600 companies have reduced delivery time, raised quality and cut costs. For example, using a single vendor for hand tools saved the agency \$3 million last year.

A power-generating group task force's attack on paperwork resulted in a 60 percent reduction in reports, cut 40 days off the time to get purchases and 90 days off the time to get a project approved.

An automated travel voucher system that reimburses employees in a day or two instead of a week. Payments are made through direct deposit in their banking accounts instead of issuing checks, saving \$700,000 to \$800,000 a year.

bc-waste-trade-basel 03-21

United States Blocks Progress on Waste Trade at Basel Convention

To: National Desk, Environment Writer

Contact: Nick Morgan, 202-319-2452, or

Heather Spalding, 202-319-2453, both of GREENPEACE

WASHINGTON, March 21 /U.S. Newswire/ -- As the first day of the Basel Convention on international waste trade concluded, the U.S. showed every intention of thwarting the will of developing countries seeking to ban hazardous waste exports.

Despite recent progress with its domestic waste policy, the U.S. is undermining a Danish government proposal to ban all waste shipments from countries which are members of the Organization for Economic Cooperation and Development (OECD) to non-OECD countries.

During today's meeting, Dave Bussard of the U.S. Environmental Protection Agency openly objected to the Danish proposal. As he did under the Bush Administration, Bussard blocked all progress on the issue, despite his admission that there is sufficient domestic capacity for all wastes the U.S. generates.

"On this vital matter of global environmental justice, the United States continues to show a flagrant disregard for the desires of developing countries," said Nick Morgan, Greenpeace's U.S. Waste Trade coordinator.

"Bussard's actions today seriously erode the promise of Vice President Gore's recently announced waste trade principles."

Greenpeace today released an inventory of hazardous waste export schemes from OECD to non-OECD countries which

have occurred since the 1989 signing of the Basel Convention. The inventory reveals that OECD countries have exported more than 2.6 million tons of hazardous waste to non-OECD countries since 1989.

The Basel Convention currently allows exports of toxic wastes for the alleged purposes of "further use" or "recycling." Greenpeace investigators have found that the vast majority of hazardous waste exports from OECD countries occurs under the guise of recycling. In nearly every instance, this "recycling" was found to poison workers and harm the environment.

At least 120 countries, including 14 of the 24 member nations of the OECD support the Danish proposal to amend the Basel Convention to ban waste trade from OECD to non-OECD countries. Three regions of the world -- Africa, Central America, and the Pacific -- prohibit hazardous waste imports.

Coinciding with today's Basel session, a ship carrying 160 drums of toxic mercuric chloride arrived in Savannah, Ga., after leaving the U.S. on January 25 destined for South Africa. The wastes are being returned to Borden Chemicals in Louisiana after Greenpeace alerted Borden to the extreme hazards posed by the release of mercury at the Thor Chemical facility in South Africa.

Note to Editors: The countries obstructing a ban on waste trade from OECD to non-OECD countries include: Australia, Canada, Germany, Japan, the Netherlands, the U.K., and the U.S. A two-page backgrounder on plastic waste exports to Indonesia is available from Greenpeace.

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/U.S. Newswire 202-347-2770/

BC-GSA national editors:OC

Director followed travel expense rules, GSA says

By James V. Grimaldi

Orange County Register

WASHINGTON Roger Johnson, head of the General Services Administration, followed federal regulations when he received travel expenses while visiting his California home, the agency's chief financial officer has determined.

Johnson, however, plans to pay back \$1,062 the expenses in question while the agency will pay him for a previously overlooked \$353 air-fare expense he was owed. The difference means Johnson owes \$709.

Johnson had asked for an internal review of his travel expenses after The Wall Street Journal reported reimbursements he received while visiting California, including trips to his home in Laguna Beach.

Johnson told The Orange County Register last week that he planned to pay for four trips to Orange County and that

he did not find out until the Journal story that he had been paid per diem expenses while staying at his homes in Orange County and Utah.

"I said, 'That's ridiculous; I'll pay that back,' " Johnson said in an interview last week.

Johnson was reimbursed properly, said Dennis J. Fischer, the GSA's chief financial officer. Another review is being conducted by the agency's inspector general.

Fischer said in a memo that his office made a mistake in a reimbursement made on one trip. Johnson bought a commercial ticket and was reimbursed \$473 more than the government contract fare. Johnson will pay back the administration.

Johnson, former chief executive of Western Digital Corp., said he routinely turned over his expense reports to Fischer, who then figured his expenses.

On future government trips to Southern California, Johnson said, he will not take per diem expense money, ranging from \$30 to \$38, when he stays at his Laguna home.

On one trip he accompanied President Clinton and on another Vice President Al Gore. He also visited Orange County after the Northridge earthquake and the Laguna Beach wildfires.

PM-NV--Mining Research, Bjt,0350

Reno Center Escapes Threatened Ax

By TOM GARDNER= Associated Press Writer=

RENO, Nev. (AP) A mining research center here that reportedly was headed for closure will stay in operation and keep its \$5.3 million annual budget, U.S. Interior Department officials have assured Lt. Gov. Sue Wagner.

"When I got word there was the potential to close this research center, it was of major concern to me in my position as chair of the Nevada Commission on Economic Development," she said.

Wagner, who is in Washington, D.C., for a gathering of lieutenant governors, met on Monday with Debra Knopman, deputy assistant secretary for water and science and Hermann Enzer, acting director of the federal Bureau of Mines.

"I'm thrilled to say the administration has changed its mind and will not be closing the Reno center," she said. "Three other states will, at this point in time, get the hit."

She said current plans call for centers to be closed in Alaska, Missouri and Alabama.

Wagner said the closures come as part of Vice President Al Gore's program to "reinvent government" and the Reno facility had been rumored to be headed for closure or to be phased out over the next three to five years.

"I'm delighted to learn that this is not going to

happen, although the work might shift a little because the administration's philosophy has shifted," the lieutenant governor said in a telephone interview.

The Reno Research Center, located on the University of Nevada, Reno campus, employs about 80 people and is funded by the U.S. Bureau of Mines. Wagner said she anticipated that, among other things, the facility would step up its studies of pollution prevention and control.

"It's doing some of that now with the mining industry, but I think there will be more at this particular center than it has done in the past," Wagner said.

While the final decision on the center's future rests with Congress, "it's now pretty well firmed up that Reno will be one of the remaining research centers," she added.

PM-IN--Coats-Classroom,Bjt,470

Senator Takes Pupil Up On Invitation To Visit Her
4th-Grade Class

AP Photo EV101 of March 21

By BOB LEWIS= Associated Press Writer=

EVANSVILLE, Ind. (AP) For two years, Sarah Masterson has written to presidents, senators and governors, inviting them to visit her school and discuss her No. 1 topic the environment with her class.

On Monday, Sen. Dan Coats surprised the 9-year-old fourth grader with an hour-long lesson on the workings of Washington and an interstate trash-hauling bill he wants Congress to approve.

Sarah's one-page letter with her looping, neat longhand on one side and a crayon landscape of a dog, a tree and a lake on the other was all the prodding the Indiana Republican needed.

"She wrote me a very nice letter and drew a lovely picture on the back," Coats said. "In it she said 'It's a beautiful earth, so save it.' She didn't use any excess words and that impressed me."

Coats explained that his bill would give rural states the right to put their landfills off-limits to dumping from haulers in big cities. The measure has cleared the Senate twice in the last two years. Rep. Ron Wyden, D-Ore., is sponsoring the bill in the House where it awaits a hearing before the Energy Committee.

"Some states ... want to put it (trash) on a train or a truck and send it to another state. Do you think that's OK?" Coats asked Linda Lemmons' class of gifted fourth- and fifth-grade students.

Sarah says she's a Republican "because all the Republicans I know of are Christians, good people." So she favors former President Bush to President Clinton, a Democrat.

The Bush White House sent her signed letters and a photo, and former Vice President Dan Quayle hinted that he might visit her school until he lost his job to Clinton's running mate, Al Gore. But Clinton also sent her a signed letter, and Sarah appreciates the stance Clinton and especially Gore have taken on the environment.

She comes by her concern for clean air and water honestly. Her father, Keith Masterson, is an environmental compliance coordinator for Kimball Corp.'s piano factory in Jasper, 60 miles northeast of Evansville.

"She started writing letters in the second grade. She came to me and started asking questions about why is the president doing this and why is the president doing that," Keith said.

"So I told her, 'Why don't you write the president and find out because I can't speak for him.' And she did."

Only two politicians Gov. Evan Bayh, a Democrat, and Sen. Richard Lugar, a Republican seeking reelection this year have not replied to Sarah's letters, said her mother, Connie Masterson.

bc-osc-color

THE PARTY WAS OFFSTAGE

Editors: Also moving on the entertainment wire

By ANN OLDENBURG=

USA TODAY=

LOS ANGELES Presenters hovered in the wings. Statue-clutching winners held court backstage. Gala-goers, though, flitted in and out of the pavilion foyer, to catch a quick smoke or down a drink with a fellow actor.

The Dorothy Chandler Pavilion was like a giant cocktail party happening everywhere except on the stage.

One point where most Oscarcast-goers were glued to their seats: Bruce Springsteen's performance of his Oscar-winning song "Streets of Philadelphia." After Tom Hanks' impassioned acceptance, the party tone turned somber even more somber with Steven Spielberg's heartfelt speeches.

Earlier, Hanks and Alec Baldwin were clutching each other in an exaggerated hug in the foyer, where Al Pacino and Gabriel Byrne were shaking hands. Winona Ryder cut in line at the ladies room. Goldie Hawn, Kurt Russell and Val Kilmer shared tales of their trip to Istanbul to promote "Tombstone." Sharon Stone's brother, Michael, snatched a quick beer.

Oscar-winner Stacey Kaba, concerned that the producers had cut her off after she won for a documentary short about domestic violence, did a beeline for the phones. "They didn't though," she said.

``We called home" to check.

The wow-of-wow among couples: Byrne and estranged wife Ellen Barkin showed up together, as did Emma Thompson and Kenneth Branagh.

Oscar winner Tommy Lee Jones' shiny hairless scalp was a show stopper. Even former Harvard roommate Al Gore ``laughed like hell," Jones said, when the vice president saw the actor's shaved head.

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

ARMS Email SystemRECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Mark Bousian (BOUSIAN_M) (WHO)

CREATION DATE/TIME:30-MAR-1994 16:11:00.00

SUBJECT: 3:30 p.m. wire report

TO: Heather Beckel (BECKEL_H) (WHO)
READ: UNKNOWN

TO: Dianna A. Pierce (PIERCE_D) (WHO)
READ: UNKNOWN

TO: Steven A. Cohen (COHEN_SA) (WHO)
READ: UNKNOWN

TO: David Leavy (LEAVY_D) (WHO)
READ: UNKNOWN

TO: Carola McGiffert (MCGIFFERT_C) (WHO)
READ: UNKNOWN

TO: Arthur L. Jones (JONES_A) (WHO)
READ: UNKNOWN

TO: Jeremy M. Gaines (GAINES_J) (WHO)
READ: UNKNOWN

TO: Kathy McKiernan (MCKIERNAN_K) (WHO)
READ: UNKNOWN

TO: Aman, Sally J. (SALLY J. AMaN@EOP_OVP@CCGATE@EOPMRX) (DEFAULT)
READ: UNKNOWN

TO: Joseph W. Cerrell (JOSEPH W. CERRELL@EOP_OVP@CCGATE@EOPMRX) (DEFAULT)
READ: UNKNOWN

TO: Kukis, Heidi (HEIDI KUKIS@EOP_OVP@CCGATE@EOPMRX) (DEFAULT)
READ: UNKNOWN

TO: Payne, Julia M. (JULIA M. PAYnE@EOP_OVP@CCGATE@EOPMRX) (DEFAULT)
READ: UNKNOWN

TO: Lorraine A. Voles (VOLES_L) (WHO)
READ: UNKNOWN

TO: Jeffrey L. Eller (ELLER_J) (WHO)
READ: UNKNOWN

TO: R. Paul Richard (RICHARD_R) (WHO)
READ: UNKNOWN

TO: Virginia M. Terzano (TERZANO_V) (WHO)
READ: UNKNOWN

TO: Keith O. Boykin (BOYKIN_K) (WHO)
READ: UNKNOWN

TO: Joshua A. King (KING_J) (WHO)
READ: UNKNOWN

TO: Jonathan L. Kaplan (KAPLAN_JL) (WHO)
READ: UNKNOWN

TO: Mark Bousian (BOUSIAN_M) (WHO)
READ: UNKNOWN

TO: Emily A. Lenzner (LENZNER_E) (WHO)
READ: UNKNOWN

TO: Cara A. Levy (LEVY_C) (WHO)
READ: UNKNOWN

TO: David Dreyer (DREYER_D) (WHO)
READ: UNKNOWN

TO: Kenneth R Chitester (CHITESTER_K) (WHO)
READ: UNKNOWN

TEXT:
PRINTER FONT 12_POINT_COURIER
WHITE HOUSE WIRE REPORT
3:30 p.m. edition
Wednesday, March 30, 1994
Produced by the Office of News Analysis (6

-7151)

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Major developing countries call for reforms in the U.N.
(UPI)

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(Reuter)

BC

-Clinton

-Alabama, 150

President Declares Disaster Area in Alabama

CORONADO, Calif. (AP) President Clinton declared

Alabama a major disaster area today and ordered federal
aid to supplement state and local efforts to recover from
tornadoes and flooding that swept through the South.

The declaration makes federal financing available to
affected individuals and local governments in Calhoun,
DeKalb, Marshall, Cherokee, St. Clair and Shelby counties,
the White House said in a statement.

Assistance can include disaster housing, grants,
low

-cost loans to cover uninsured property losses and
other programs to help individuals and business owners
recover from the effects of the disaster.

Clinton issued the declaration while vacationing in
Southern California.

In a related action, Federal Emergency Management
Agency Director James Lee Witt designated Melvin Schneider
of FEMA's regional office in Atlanta to coordinate federal

recovery operations in the affected areas.

FEMA said damage surveys were continuing in other areas, and additional counties could become eligible for assistance.

PM

-Clinton

-Federal Buyouts, 390

Clinton Signs Bill to Reduce Federal Workforce with Buyouts

By NANCY BENAC= Associated Press Writer=

CORONADO, Calif. (AP) President Clinton signed legislation today to help reduce the federal workforce by about 273,000 workers over the next five years by offering some employees buyouts of up to \$25,000 if they leave government.

"After all the rhetoric about cutting the size and cost of government, our administration has done the hard work and made the tough choices," Clinton said in a statement.

The legislation is aimed at helping cut the full

-time

federal workforce to 1.88 million by the end of fiscal year 1999 in a more compassionate and cheaper way than involuntary layoffs. The downsizing is expected to reduce the workforce by nearly 12 percent over five years.

Under the bill, a federal worker who has completed 12 months of continuous service could take severance pay or a lump sum of \$25,000 whichever is less upon leaving the government.

The employee

-buyout plan gained wide bipartisan support after it became evident that the reduction goals would not be reached through other means such as attrition or involuntary dismissals. Congressional investigators concluded that involuntary dismissals would disproportionately affect minorities and women.

Clinton said the legislation would help the government

achieve goals laid out in the National Performance Review released by Vice President Al Gore last year, which promised to make government "work better" and "cost less."

Clinton signed the legislation while vacationing in Southern California.

"Agencies need the cost

-effective incentives provided
in this bill in order to avoid excessive

reductions

-in

-force that are costly, disruptive and disproportionately strike younger workers, many of whom are recently hired women and minorities," Clinton said.

"With the 'buyout' authority granted by this legislation, agencies can target employees in unnecessary high

-level

jobs and maximize savings."

Also today, Budget Director Leon Panetta announced that the Clinton administration had eliminated 284 federal advisory committees, exceeding its goal of a one

-third

cutback in advisory committees not required by law.

Examples of those eliminated as part of a campaign to cut "excessive" bureaucracy include the Advisory Committee on Publications Subvention and the Advisory Panel on Dictionary of Occupational Titles.

Panetta said the government would save \$17 million by eliminating the committees.

Backstairs at the White House
UPI News Commentary
adv weekend april 2

-3 thereafter

(800)

By HELEN THOMAS= UPI White House Reporter=

WASHINGTON (UPI) Greenbrier's loss is apparently the White House's gain. Walter Scheib, chef at the resort in White Sulphur Springs, W.Va., is undergoing a security check and is expected to wind up in the White House kitchen in mid

-April.

Scheib, who attended the Culinary Institute of America, has been tapped to succeed chef Pierre Chambrin, whose skill in preparing French cuisine ran counter to first lady Hillary Rodham Clinton's preference for American cooking.

Scheib also has worked as the top chef at several Washington hotels and knows all about cooking for large crowds.

=

Hillary Rodham Clinton has told some journalists "it's lonely in the bunkers, come see me."

That's an impressive invitation, but don't try it. After President Clinton at a news conference reinforced

his wife's availability to reporters, some decided to call her office to see if indeed the first lady would be willing to give interviews about the Whitewater affair and anything else.

Most of them, predictably, struck out.

The president's wife is more available to reporters on the road than she is to the White House media. Although the press room is a stone's throw from her office in the West Wing, there is no access to her for those covering the Executive Mansion.

She is following predecessor Barbara Bush's caveat about reporters: "Avoid them like the plague."

Actually, Mrs. Bush wasn't afraid of reporters, was much more accessible and a delight to interview because she called them as she saw them.

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The betting at the White House is that there will be a compromise national health care reform bill in the making before Congress recesses in August.

Aides point out that legislation by Rep. Pete Stark, D

-Calif., head of a Ways and Means subcommittee on health, has been voted out, and other committees are using the Clinton measure as a model to prepare their own bills.

When the president returns from his Easter vacation, he plans to hit the road early and often to campaign for universal health care.

Aides also are happy to note that William Kristol, a conservative Republican who served on Vice President Dan Quayle's staff, has criticized Republicans for belaboring the Whitewater affair while Democrats make gains on health care reform.

=

White House counselor David Gergen, who also served three Republican presidents, said on C

-span recently that Democratic administrations are more freewheeling and GOP administrations are "more hierarchical."

The Republican White House structure is top to bottom, he said, while the Democratic White House has the president in the center with aides surrounding him.

As for his own position as a "political carpetbagger," who was summoned by President Clinton to help him get back on track, Gergen says philosophically, "I wasn't promised a Rose Garden. I knew there would be some bumps."

He likes to point out that his main support comes from Clinton and chief of staff Thomas "Mack" McLarty, while the youthful aides who made the long march with the president from Little Rock are more likely to indulge in backbiting.

Gergen calls himself a "non

-partisan" at the moment,
although he has voted on both sides of the fence.

=

Gergen also says "I don't think there is much there"
in terms of the Whitewater affair which has preoccupied

the White House.

"I don't know what is at the bottom of this," he
said, but added that the president's order for full
disclosure is being carried out and aides are cooperating
with special counsel Robert Fiske.

There are allegations that some funds from the failed
Madison Guaranty thrift may have been funneled into
Clinton's gubernatorial campaign or in an Ozarks resort
development known as Whitewater.

President and Mrs. Clinton were co

-partners with James

McDougal, owner of the bankrupt thrift.

McDougal recently filed as a candidate for Congress,
and was quoted as saying he wants to go to Washington
"where I can truly face these Republican bums."

=

Unlike some White House children, Chelsea Clinton has
managed to have her privacy in the White House, as
reporters have made no attempt to clock her comings and
goings.

The only time her picture is taken is when she is on a
family outing. The White House also insists on anonymity
for the friends, usually her classmates from Sidwell
Friends School, whom she invites on outings and vacations.

Reporters could identify them fairly easily but respect
the first family's wishes.

One of Chelsea's friends recently injured her knee on a
bike ride with the first family in San Diego and she was
treated by a White House doctor. No one tried to find out
her name.

(adv weekend april 2

-3 or thereafter)

AM

-CA-

-Clinton Watchers, 740

Everyone Wants Time With the Clinton Clan

bg1

SAN DIEGO (AP) Even on vacation President Clinton is
having a tough time getting away from it all. Everyone in
town, it seems, wants a little time with the Clinton clan.

The barest rumor that the president, Hillary Clinton,

daughter Chelsea and even Chelsea's unidentified school friend might be en route is enough to make usually unflappable institutions such as Sea World, which hosts 3 million visitors a year, snap to.

The aquatic theme park began readying for a possible visit after Sea World officials heard a media

-fanned rumor
that 14

-year

-old Chelsea wants to become a marine biologist. Shamu, the park's headlining killer whale, was put on alert for a possible VIP visit.

"We're ready to give them a grand tour, behind the scenes, up close to Shamu, everything," Sea World spokeswoman Diane Oaks said.

The San Diego Zoo, the city's most popular tourist attraction, is working with its Washington lobbyist in hopes of luring the Clintons to the zoo. A special glass sculpture of an eagle, with appropriate inscription, is being prepared for the President, just in case.

If the Clintons are hungry, Arkansas House, a down

-home
barbecue joint in blue

-collar La Mesa, stands prepared to serve pork ribs, rotisserie chicken, sweet potato pie, and gumbo. This is friendly political turf.

There is a picture of the President and First Lady in the window. The special this week is the Clinton Dog, an all

-beef frank smothered in chili, cole slaw and mustard.
"I grew up eating them that way and I'm sure President Clinton did too," said owner and former Clinton

-Gore
volunteer Karen Huff, who once lived in Pine Bluff, Ark., and opened the 12

-stool eatery four months ago.

Huff, who attended the President's inauguration, says she is suffered through lots of jokes from customers about the Clinton Dog, like the guy who said "Clinton Dog? That must mean it's not what it appears to be." Huff has been known to show such jokers the door.

Last Saturday the Secret Service paid a visit, leading Huff to believe her invitation to her political idol has a chance of being accepted. One agent said they were acting as the President's food tasters.

If the President gets antsy while staying in Coronado and wants to slip out for a little late

-night partying, a group of politically active motorcyclists has invited him to a fund

-raiser at a honky

-tonk in downtown San Diego called Checkers.

If he brings his saxophone, he can play a lick or two. If not, he can listen to the humor of Wild Willy Parsons, billed as the world's only biker comedian.

``We're having a kick

-butt, rock 'n' roll comedy party," said biker leader New York Myke in his official invitation to Clinton. ``I'll be honest with you. I'm not your biggest fan might even be your loudest detractor. But you're our President. Come on down and bring Hillary. Just tell them at the door you know New York Myke."

The bikers would like to lay a little message on Clinton about the perfidy of helmet laws. They were buoyed when they saw pictures on television of Chelsea and her girlfriend riding their bicycles Monday without helmets.

``We'd like to think he feels helmets are a matter of choice," said biker Steven (Red) Barron, ``and so he let Chelsea make her own decision."

San Diego

-area politicians have been waiting at their phones hoping they might be summoned to a presidential audience, jog or snack.

Some have not been content to wait. San Diego Councilman Juan Carlos Vargas on Monday morning stood in the street outside the seaside manse where the Clintons are staying and waved a sign reading: ``President Clinton, We Need the NAFTA Train," a reference to a proposed

\$7

-million trans

-border train line.

As Clinton left in a limousine, he gave a thumb's up to Vargas. The gesture was enough to encourage Vargas to return Tuesday. Arriving at 5:30 a.m., Vargas was ready with his sign when Clinton emerged for a jog at 7 a.m. This time, Clinton provided a thumb's up and a soothing, ``I know, I know."

Vargas counted that as progress and vows to return. ``All I want is two minutes," Vargas said. ``I'll even jog with him in my suit."

BC

-WHITEWATER

-COMMODITIES

HILLARY CLINTON WAS EITHER LUCKY OR GOOD

By Andrew Stern

CHICAGO, March 30 (Reuter) - Hillary Rodham Clinton either showed impeccable timing or was very lucky in raking in \$100,000 in profits from the wild commodity trading pits in Chicago, commodity experts said Wednesday.

The future First Lady also likely got a lot of help when she embarked on her 1&1/2 year trading spree in 1978 -- it was the start of a raging bull market in cattle futures prices that produced heady profits for some and huge losses for others.

"She had to be awful lucky to make that kind of killing in the commodities market," said Max Naylor, a farmer in Jefferson, Iowa, who has used the market to hedge his crops of corn, soybeans and livestock for many years.

There was no impropriety what she was doing -- a multitude of investors have tried to do the same -- as long as she put up the proper margin and was not receiving preferential treatment from her broker, Robert "Red" Bone of Springdale, Arkansas. The Clinton's close friend, lawyer and commodity speculator Jim Blair, was also advising her on trades.

According to trading records released by the White House on Tuesday, her winnings outpaced her losses by a 3 to 1 margin and she earned nearly \$100,000 from October of 1978 until she quit the high

-stakes game early in 1980.

"If you look at that general time period, there was a definite steep rally in cattle prices. Those are the kind of markets where one can make a lot of money in a short time," said Darryl Good, an agricultural economist at the University of Illinois in Champaign.

The price of the August live cattle contract traded at the Chicago Mercantile Exchange rose from 60 cents per pound in October 1978 (for a 40,000

-pound contract) to 76

cents in late April of the following year. From there, the price plummeted to 56 cents by August.

The reason for the rise in cattle prices in the fourth

quarter of 1978 was that U.S. ranchers had begun rebuilding their thinned

-out herds, causing beef prices to

rebound as slaughter animals became scarce.

"Theoretically, she could have easily made 10 cents per pound, which comes out to \$4,000 per contract," Good said. "It just proves that timing is everything," he added.

Currently, futures brokerages require at least \$5,000 to open a trading account, Naylor said, but the initial investment can be quickly built up or lost depending on market moves. Apparently, Mrs Clinton racked up early winners.

The vast majority of neophytes lose when they speculate on highly volatile commodity futures -- roughly three out of four according to some professionals.

Losses can mount quickly because of the leverage exerted in the futures market, where the margin serves only as a "good faith deposit" and where "margin calls" can be traumatic.

Hillary Clinton's margin, or her initial investment of \$1,000, could have been swallowed up quickly had she incurred losses -- but her initial winnings likely served to buffer her account and allowed her avoid investing any more of her "own" money.

Attaching oneself to a good trader can produce a perfectly legal, and lucrative, avenue into the nerve

-wracking commodities business, experts said.

There has always been a segment of the farming community that has resented the futures markets and the high

-flying speculators in Chicago, New York and other cities where millions can be made or lost in a matter of a minutes.

"They view the futures market with scepticism, believing that somehow there's someone controlling or manipulating prices for their own benefit," Good said.

"My view is that that is a declining segment, as more and more producers understand the workings of the futures markets," he said.

As more investors have sought out the huge profit potential of the futures markets, commodity funds that pool investors' money have emerged as the latest perceived evil.

Those funds, when acting in concert, can jolt markets on a day

-to

-day basis, but probably have little effect on long

-term price trends that are governed by the fundamentals of supply and demand, Good said.

REUTER

BC

-CLINTON

-HILLARY

WHITE HOUSE DEFENDS HILLARY CLINTON'S INTEGRITY

By Susan Cornwell

WASHINGTON (Reuter) - The White House defended Hillary

Rodham Clinton Wednesday against insinuations she was a money

-grubber after a flood of unflattering headlines about her fabulously successful commodities trading in the 1970s.

Presidential counselor David Gergen said that instead of focusing on the commodities profits, people should consider the professional life of President Clinton's wife and how she donated some time as a lawyer instead of "going after money".

"I think that the truth is that over a long period of time she has built a very considerable reputation for integrity," Gergen told C

-Span television.

"And I believe when the record is written of the Clinton years, she will be seen as a substantial asset to her husband," Gergen said.

U.S. newspapers trumpeted the details of the first lady's commodities profits Wednesday after the White House disclosed Tuesday that she had turned \$1,000 into nearly \$100,000 in cattle futures and other commodities markets in 1978

-79.

The trades were made while her husband was attorney general, then governor of Arkansas.

"Hillary's cash cows," announced the New York Daily News on page one. "'Hill' made a mountain out of a grand," said the New York Post on an inside page.

"How \$1,000 stake netted \$100,000," said The Washington Post, and The Wall Street Journal, in a play on commodities pit trading, titled an editorial "Hillary in the Pits".

Gergen told C

-Span he had just returned from a breakfast with reporters at which they asked "how is it she went out there and made all that money. Is she just into money? Was she out there money

-grubbing?"

Gergen said he told them they should "keep in mind, if you will, her professional life over a long period of time."

Mrs Clinton had been a teacher and a lawyer in the Rose Law Firm in Little Rock, Arkansas and had been listed as one of the best 100 female lawyers in the country, he said.

But she still had one of the lowest salaries of partners in the Rose Law Firm, he said. "The reason for that was, instead of going after money in that law firm, she gave a lot of her time free, to various public activities, such as the Childrens' Defense Fund, a hospital there in Little Rock, raised other kinds of things," Gergen said.

Gergen added that "there's no indication to me at least, at least so far, and I don't think there will be, that there was anything improper" about Mrs Clinton's commodities trades.

But he said we are in "a new age" in which presidents' spouses have professional lives and face increased scrutiny.

Since her husband became president, Mrs Clinton has had an unprecedentedly high profile as first lady. She actively participates in policy

-making, especially in health reform.

Gergen is a masterful image

-maker who served three Republican presidents before he was hired by Clinton last May to help the president rebound from early problems.

He has stayed in the background, but some officials have urged him to speak out more for the president since the controversy over the Clintons' investment in the Whitewater land deal exploded. That investment, and its possible links to a failed savings and loan, are the subject of a federal probe.

Whitewater appears unrelated to Mrs Clinton's commodities trades, although she got into the cattle futures markets the same year the couple bought into the Whitewater deal, 1978.

Her commodities profits were revealed last week when the White House released the Clintons' tax returns from 1978

-79 to back arguments they lost money on their Whitewater investment.

The Wall Street Journal's editorial noted the Clintons were Democrats who had crusaded against 1980s greed, quoting Hillary Clinton as saying in 1993 that "The 1980s were about acquiring -- acquiring wealth, power, privilege."

``In any event, the '80's weren't even born when Hillary was cleaning up in cattle," the Journal remarked.
REUTER

PM

-AL-

-Tornado Aftermath,2nd Ld

-Writethru,1,050

Gore Tells Church Pastor Her Strength In Tragedy Inspires Nation

Eds: UPDATES in grafs 9

-15 with remarks at the funeral for
4

-year

-old Hannah Clem late this morning; picks up 10th
graf prvs ``On Tuesday, xxx
With PM

-AL-

-Tornadoes

-Pulling Together, BC

-Tornado Toll,
BC

-Tornado Deaths

-Years

With AP Photos

By JAY REEVES= Associated Press Writer=

PIEDMONT, Ala. (AP) Vice President Al Gore brought a promise of aid and words of comfort today to a devastated country church and its pastor, the Rev. Kelly Clem, as she prepared to bury her 4

-year

-old daughter.

As Mrs. Clem fought back tears, Gore said the nation had been inspired by her family's strength after a tornado hit the Goshen United Methodist Church during a Palm Sunday service, killing her child and 19 other people.

``It is an experience of grace for our country that you have maintained your ability to lead your congregation," the vice president told Mrs. Clem and her husband, the Rev. Dale Clem.

He also said President Clinton later today will sign a disaster declaration for six Alabama counties hit hard by the storm. A toll

-free telephone number will be in place Thursday and application centers will be set up in two or three days, he said.

Gore also said the Clinton administration will announce a "new approach" that will improve severe weather warning systems, especially in rural areas.

There was no warning siren in the rural Goshen community when the tornado tore into the area before noon Sunday.

"This is a tragedy that we hope will result in a learning experience for our country," said Gore.

He was joined by a delegation of Alabama officials, including Gov. Jim Folsom, plus Federal Emergency Management Agency Director James Lee Witt and Agriculture Secretary Mike Espy.

Following Gore's tour of the devastated church which had its black metal sign propped back up this morning the Clems went to the First United Methodist Church at Anniston, where funeral services were held for Hannah. The child was to be buried later today at Huntsville.

At the funeral, the 4

-year

-old's drawings and paintings were displayed at the front of the sanctuary, some propped on easels, some hung with clothespins on stands. The front of the funeral program had a picture of a fuzzy bear holding a balloon that Hannah drew.

Mrs. Clem, her eyes still purple and swollen from facial injuries she suffered in the disaster, had a shoulder brace over her black dress and walked gingerly as she carried her 2

-year

-old daughter, Sarah, to the front of the church. Sarah, wearing a bright pink coat, held a fuzzy yellow Big Bird doll.

Bishop Robert E. Fannin, head of the United Methodist Church for north Alabama, told the more than 500 people crowding the Anniston church that Gore had given the Clems a letter from President Clinton. Fannin read the president's words from the letter: "We will keep you and the members of your community in our prayers."

The Rev. Bobby Green remembered Hannah as being a little girl who loved to paint, dance, sing and ask questions about God.

"There are people saying, 'Why did this happen? And

why did it happen to a church, God's people?' But we say, 'Thank God they were a people grounded in God's love,'" he said.

Fannin also recalled a time when the Clems brought Hannah to his home for a visit. "I could tell in a moment it did not impress her one bit that I was the bishop. She played on our floor like any floor, and spread her crumbs."

On Tuesday, the sun was bright and killer winds were replaced by a gentle breeze. But a dark mood hung over the

tornado

-ravaged community as the Goshen church began burying its dead.

At the start of a string of funerals that will last all week, three church members were laid to rest Tuesday with songs, hugs and tears.

Mrs. Clem could not attend the services as she prepared for her own daughter's funeral.

So a friend of Mrs. Clem, the Rev. Leeann Scarbrough, led about 200 mourners at services for Ethelene Blair, 54. Ms. Scarbrough, a Presbyterian minister, became choked up just thinking about what the coming days hold for Mrs. Clem and the Goshen church.

"I don't know who's going to do all the funerals," she said softly.

At the same hour in nearby Centre, a standing

-room

crowd of about 400 attended a double funeral for Kirk Scroggin, 37, and his 79

-year

-old father, George Scroggin.

None of the funerals will be at the Goshen church the sanctuary was destroyed by a Palm Sunday twister that killed 20 people and injured about 90 more.

"We're going to do everything we can for you," Folsom told Mrs. Clem as they stood beside the rubble of the church Tuesday.

"Pray for us," replied Mrs. Clem, both eyes swollen and purple after being hit by a flying brick when the tornado tore apart the building.

Twenty

-two people died in Alabama and another 157 were hurt as waves of powerful storms raked across the state Sunday, ripping roofs off buildings and razing entire forests.

Alabama emergency management officials seeking federal aid estimated \$12.5 million in damage to individuals and

businesses, with another \$7.5 million to repair public facilities and remove debris. The state will provide \$3.9 million.

As members of the Goshen church picked through the debris to retrieve a Bible stand and collection plates, the pastor told Folsom no one knew a twister was on the way because there are no tornado sirens in the area.

"If we had known there was a warning, we would not have met," said Mrs. Clem. "Maybe you can do something about that."

Folsom said he would do what he could, but added that state and federal budgets are tight. Alabama has only \$15,000 in federal money available for emergency warning systems, he said.

Mrs. Clem said a mass memorial service would be planned as a "pulling together time."

But her congregation is not ready for that yet.

"We've got to have funerals first," said Mrs. Clem.

BC

-Rubin

-Says

-U.S.

-to

-Cut

-Barriers

-on

-U.S.

Rubin Says U.S. to Cut Barriers on U.S. Electronics Exports

Washington, March 30 (Bloomberg) -- The U.S. government will move unilaterally to cut barriers to exports of unsophisticated telecommunications and computer equipment, Robert Rubin, head of President Clinton's National Economic Council, said today.

His announcement came as American companies are seeking ways to profit from new markets in formerly communist nations in the post

-Cold?War ?environment.

"The Commerce Department will remove individual licensing requirements for virtually all civilian telecommunications equipment and computers," not including highly sophisticated equipment, he said at a Bureau of Export Administration luncheon.

Clinton aims to promote exports to bolster U.S. economic growth, providing new markets for American companies by lowering export barriers that are no longer needed with the end of the Cold War and disintegration of the Soviet Union, Rubin said.

Those barriers were established by the United States and its allies, working together in COCOM, to prevent then

-communist nations from obtaining goods with technologies that could be used for military or terrorist purposes.

However, even in the post

-Cold War environment, COCOM will have a continuing role to play, Rubin said. The United States and its allies will retain controls on exports to nations that support terrorist acts or build nuclear weapons, such as North Korea, Rubin said.

"Members of COCOM, the Coordinating Committee on Multilateral Export Controls, have agreed to end the Cold War regime" of strict controls on shipments of goods to many nations, "and work together to establish a new arrangement aimed at enhancing transparency and restraint in arms sales and transfers of sensitive technology," a U.S. fact sheet distributed at his speech said.

"Today we confront very different threats to peace, and they exist in regions outside Europe," such as "the Korean peninsula, the Persian Gulf, and in South Asia," the fact sheet said.

In these places, the threat of military aggression is increased "by the spread of weapons of mass destruction and the behavior of such countries as Iran, Iraq, Libya, and North Korea," the fact sheet said.

Rubin's comments come as North Korea has repeatedly rebuffed United Nations officers in their attempts to inspect that nation's suspected nuclear weapons development sites. North Korea also threatened to incinerate South Korean cities.

The Commerce Department will publish interim export rules in the Federal Register, the fact sheet said. -

-Dave
Ahearn (202) 434

-1831/mfr/ (For more on trade: NI TRD; on

the Clinton administration: NI EXE; on the Commerce Department NI COM)

-0- (BBN) Mar/30/94 14:35 EOS (BBN)
Mar/30/94 14:35 86

(ED: subs for incomplete russia

-us filed earlier)

Russia agrees to exempt Boeing sale from new tariffs

MOSCOW (UPI) U.S. Secretary of Commerce Ron Brown announced Wednesday that the Russian government has agreed to exempt the sale of four U.S.

-made aircraft from new

import tariffs which had threatened to jeopardize the deal.

The sale of four Boeing airliners to Russia would have been derailed by the new, 50

-percent tariff applied to imported aerospace equipment.

"That tariff will not be applied, as I understand it, to the Boeing delivery," Brown told reporters after three days of talks with senior Russian officials, including President Boris Yeltsin and Prime Minister Viktor Chernomyrdin.

Brown said he had been told by Russian officials that many of the new import tariffs, applying to everything from food to transport equipment, would be reviewed. Brown has been critical of the new tariffs.

Brown, who is in Moscow along with 28 U.S. business executives to encourage trade opportunities for U.S. companies in Russia, said the aircraft would be delivered in early April.

Brown also announced a range of new deals and partnerships between Russian and U.S. companies.

Among them is a program by Westinghouse Electric Corp. to modernize Russian nuclear power plants; plans by Astrum International Corp. to produce and market luggage in Russia; a joint venture by Cytran, a biotech firm, to do pharmaceutical research and manufacturing using former Russian defense scientists; a joint venture by McDermott International in shipbuilding in the Russian Far East; telecommunications ventures by U.S. West; and the manufacture of oil well equipment by Halliburton.

Brown also said the U.S. Exim bank may finance the refitting and replacement of gas compressors for the Russian natural gas monopoly, Gazprom.

"We think that...encouraging market reform and the move towards a market

-driven economy is going to be the key to the future of our two countries," said Brown.

AM

-Packwood,370

Packwood to Field Phone Calls About Ethics Case on National TV

EDS: Larry King show ends 10 p.m. EST; story will be topped

By LARRY MARGASAK= Associated Press Writer=

WASHINGTON (AP) For more than a year, Sen. Bob Packwood's lawyers told him not to aggressively respond to ethics allegations of sexual misconduct. Now the embattled senator has a new lawyer and a new strategy.

After appearing on ABC's ``20

-20" on March 11,

Packwood prepared to carry his strategy to a new level Wednesday night. He was booked for CNN's ``Larry King Live," which means the Oregon Republican will have to field phone calls from the public.

``It's about time that we did this," Packwood spokeswoman Bobbi Munson said. ``Under advice of lawyers, we spent a full year not responding. Now, that's changing. You'll probably see more of Sen. Packwood."

The Senate Ethics Committee is investigating allegations that Packwood made unwanted advances to more than two dozen women over two decades, some of them Senate employees.

The inquiry also is delving into whether Packwood and his staff tried to intimidate women from coming forward and whether the senator tried to obstruct the investigation by altering his personal diaries.

The diaries became vital to the case when the committee found entries on job offers that lobbyists and businessmen made to Packwood's wife.

The committee subpoenaed the diaries, and Packwood challenged the action in federal court. The Justice Department also subpoenaed the diaries because of the job offers, as part of a separate criminal investigation.

A U.S. district judge ordered Packwood to provide the diaries to the committee, saying nothing publicly about the Justice Department. Packwood appealed, but subsequently dropped the case.

Washington attorney James Fitzpatrick had formulated Packwood's don't

-talk strategy. Packwood replaced Fitzpatrick with Jacob Stein, one of Washington's most prominent criminal defense attorneys.

Munson said Packwood received favorable responses from constituents after his ABC interview. He received a warm welcome last Friday night at the Oregon State Society's annual banquet here

capturing as much applause at his introduction as did the popular Sen. Mark Hatfield, R

-Ore.

Packwood said he was being an effective senator and, as ranking Republican on the Senate Finance Committee, intended to be a major player in the national health care debate.

U.S. blames Israel for Gaza killing

WASHINGTON, March 30 (UPI) The Clinton administration says blame for the killing of six armed Palestinians in a Gaza Strip refugee camp rests squarely on the shoulders of Israel. The incident threatened to further stymie international efforts to place the Middle East peace process back on track.

AM

-US

-Israel

-Unrest,130

State Department Faults Israel In Shooting Of Palestinians

WASHINGTON (AP) The State Department criticized Israel in the fatal shooting of six Palestinians by Israeli soldiers in Gaza.

"We truly believe that these incidents should not have happened," spokesman Michael McCurry said Wednesday. "We expect the Israeli authorities to take proper actions regarding this incident and to prevent further incidents of this type."

The six slain Palestinians wore uniforms identifying them as belonging to the Fatah Hawks, an armed faction of the Palestine Liberation Organization led by Yasser Arafat.

The Israeli Army said they were armed but said the soldiers, who were dressed as Palestinians, had fired first.

"The Israeli authorities have the responsibility to take action to prevent that type of incident," McCurry said.

Israeli army places half

-million Palestinians under curfew

JERUSALEM, March 30 (UPI) The Israeli army imposed a curfew on most major Palestinian cities and refugee camps in the West Bank Wednesday, confining close to a half

-million people to their homes.

The move followed a day of violent clashes and rioting in the occupied territories in response to Monday's killing of six Fatah activists by Israeli undercover soldiers in the Gaza Strip's Jebalya refugee camp.

One Palestinian was killed and more than 70 were wounded Tuesday as soldiers tried to disperse the angry stone

-throwers.

Security forces were especially concerned that the violence would continue Wednesday as Israeli Arabs commemorated Land Day, an annual protest against the confiscation of Arab land by the Israeli government.

The army placed curfews on major West Bank cities, including Nablus, Ramallah, Hebron, Halhul and Tulkarm, in the hopes of calming the tension which reached a peak following the Hebron massacre of 29 Muslim worshipers last month, and resurfaced after the shooting in Jebalya.

Leaders of the Palestine Liberation Organization, furious over the shooting of six members of its majority Fatah faction, blamed Israel for breaching the agreement the two sides signed last September, which laid down the principles for peaceful cooperation beginning with Israeli withdrawal from Gaza and the West Bank town of Jericho.

Fatah leaders in Gaza denied reports in the daily Yediot Aharonot that they had met with a senior military commander in Gaza Tuesday to coordinate operations in an effort to prevent another incident where soldiers kill Fatah activists.

"The only way to fix this situation," said Hisham Ali Abdel Razik, a senior Fatah figure in the Gaza Strip, "is for the two sides>

to reach an agreement as soon as possible and for Israel to pull troops out of the Gaza Strip."
(Written by Dianna Cahn, edited by Jonathan Ferziger)

AM

-South Africa

-Lewis,310

U.S. Civil Rights Veteran Says South Africa Will Make Progress

Eds: Also moved for PMs.

By DONNA BRYSON= Associated Press Writer=

JOHANNESBURG, South Africa (AP) Georgia Rep. John Lewis, a veteran of America's sometimes bloody civil rights struggle, said Wednesday that South Africans must not be discouraged by violence on the road to change.

Lewis and six other U.S. lawmakers arrived in Johannesburg Monday, hours after fighting in the streets of the country's largest city left at least 53 people

dead. The violence exploded at a march by nationalist Zulus opposed to South Africa's first all

-race vote.

Lewis, a student leader of the 1960s, recalled at a news conference Wednesday that black Americans were once denied the right to vote. Lewis was severely beaten during a 1965 voting rights march in Selma, Ala., where black politicians now control the city council.

"We conducted a non

-violent revolution in America.

People were beaten, some were shot, some were killed. But we didn't give up," he said. "We have made progress in spite of violence and intimidation and harassment. And progress will be made in South Africa."

Lewis said that despite the violence, considered the greatest threat to free and fair elections, he remained optimistic that South Africa would make the transition

from apartheid to democracy. The first elections to include the country's black majority are scheduled April 26

-28.

Lewis' delegation has met with South African President F.W. de Klerk and African National Congress leader Nelson Mandela, and is to meet Thursday in Durban with Zulu nationalist leader Mangosuthu Buthelezi, head of the Inkatha Freedom Party and the KwaZulu black homeland.

Lewis said he had encouraged de Klerk and Mandela to work to quell the violence and would stress that point with Buthelezi.

"I have a feeling that a great deal of the burden is on Buthelezi's followers," he said.

(ED: complete writethru: adding shalikashvili visit)
U.S. Chief of Staff discusses possible role of American troops in Bosnia
By DANIEL J. YOVICH=

SARAJEVO, March 30 (UPI) The chairman of the U.S. Joint Chiefs of Staff told the U.N. commander for Bosnia

-Herzegovina Wednesday American forces can be committed to peacekeeping efforts there as soon as Bosnian Serbs join a peace initiative.

Gen. John Shalikashvili made the remarks at a Sarajevo meeting with U.N. Protection Force commander for Bosnia, Gen. Michael Rose.

"I think (U.S.) President Clinton has been very clear in his willingness to consult with Congress to help

initiate the peace plan," Shalikashvili said. "So we are very anxious to help implement the plan."

Shalikashvili said American forces would be committed in large numbers only when Bosnian Serbs sign on to an agreement in concert with the Bosnian Muslim and Bosnian Croat officials.

The Muslims and Croat factions signed an agreement March 12 in Washington that allows for joint military commands and political power sharing.

Bosnian Serbs have so far refused to consider entering the agreement, instead seeking a separate arrangement.

Touring with Shalikashvili was Madeleine Albright, the U.S. ambassador to the United Nations.

Albright toured Sarajevo before dedicating the building that will house the U.S. embassy for Bosnia.

She also announced a \$10 million grant to rebuild the devastated capital.

Meanwhile, in its third day of session, the Bosnian parliament overwhelmingly ratified a new constitution for Bosnia

-Herzegovina, which will serve as a blueprint for the federation between the Bosnian Muslim and Bosnian Croat governments. It also allows for a possible

confederation between Croatia and Bosnia.

A vote expected Tuesday was delayed when Bosnian Muslim representatives questioned the credentials of some Bosnian Croat representatives. Most of the 140 members of the parliament were appointed by their political parties instead of elected.

Elsewhere in Bosnia

-Herzegovina, a U.N. High

Commissioner for Refugees spokesman said humanitarian aid convoys would resume Wednesday from the Serb stronghold of Banja Luka, 80 miles (130 km) northwest of Sarajevo, after convoys were suspended Tuesday.

UNHCR spokesman Kris Janowski said the suspension was caused by the theft of humanitarian cargo from a UNHCR warehouse, an action he blamed on Bosnian Serb troops.

Meanwhile, UNPROFOR confirmed reports of heavy fighting near Gorazde. "We have reports of at least one civilian killed, but no military casualties," spokesman Rob Annink said. "Our observers confirmed at least 500 detonations during the shelling."

The Bosnian government army still has not removed six anti

-aircraft weapons discovered by UNPROFOR troops on Monday. The Bosnian army was told by UNPROFOR to remove the weapons by Thursday night, "or we will remove them," Annink said.

In the Sarajevo area, near Cifluk, 17 artillery and

mortar pieces were still in place. Annink said negotiations were still underway with Bosnian Serbs in an effort to get them relocated outside the 12

-mile (20 km)

exclusion zone that rings Sarajevo.

(Edited by Joseph Chrysdale in Belgrade and Ian McCaleb in Washington)

PM

-KS-

-Shalala

-Rural Doctors, 1st Ld

-Writethru,0520

People Must Demand Health Care They Want, Shalala Says
Eds: UPDATES with Shalala, Slattery visiting Onaga hospital this morning; leads with 15 new grafes; NO PICKUP PRECEDE Kansas City, Kan.

By LIBBY QUAID= Associated Press Writer=

ONAGA, Kan. (AP) U.S. Health and Human Services Secretary Donna Shalala praised the operation of a rural Kansas hospital today, calling it "the future of rural health care."

Shalala, on a two

-day visit to Kansas to promote

President Clinton's health care reform plan, visited Onaga Community Hospital for more than an hour. She was accompanied by U.S. Rep. Jim Slattery.

The secretary said the Clinton administration is using the Onaga hospital as its model for studying the nation's rural hospitals, because it has been successful in serving

its rural community. Onaga is a town of about 750 people 40 miles northwest of Topeka in northwest Pottawatomie County.

"If Congress passes a health care reform plan that doesn't include provisions for ensuring rural health care, then it will have failed, she said.

Shalala and Slattery visited two centers at the hospital, the birthing center and the fitness center, talking both to staff members and patients.

The Onaga hospital is the only one in the county that offers labor and delivery services. Between 80 and 100 babies are born at the hospital each year.

Shalala asked birthing center Supervisor Elaine Becker what she needs from the federal government. Becker said funding for pre

-natal and post

-partum care, including such things as providing training in parenting skills for young mothers.

About 90 percent of the mothers who have babies at the hospital are married, she said, with 10 percent single mothers.

"They're scared to death when they get home, and they need someone to call (for advice)," Becker told Shalala.

At the fitness center, Slattery talked to Jerry Abits, a cerebral palsy victim who was using a rowing machine.

"One year ago, I could hardly walk," Abits told Slattery, but the hospital's program has helped him so he can exercise.

Shalala said the Clinton plan, or any plan that he will accept, must have enough flexibility that people can decide the type of care and coverage for themselves.

Another goal is to ensure that young providers will work in rural areas, she said.

She said people must take a stronger lead on what they want their local health care to be.

"We have to have the confidence in local areas' ability to use the programs creatively," she said.

Shalala also visited the University of Kansas Medical Center in Kansas City, Kan., late Tuesday.

She said the Clinton health care plan would improve rural health care by providing financial and social incentives for young doctors to work in outlying areas.

Her Kansas visit came as Clinton's health plan winds its way through Congress. About 70 stops are scheduled this month by administration officials to bolster support for the plan.

Clinton's plan offers young doctors up to \$1,000 a month, and nurses up to \$500 a month, in tax credits to take jobs in rural areas, Shalala said.

But the plan also considers other factors, Shalala said.

"It's as much psychological as financial," she said.

Key elements include programs that use TV hookups to let rural doctors consult quickly with experts at universities, and support programs that let rural medical

workers take vacations, Shalala said.

"A strong package of investment must be part (of it)," Shalala said.

AM

-BRF-

-Lebanon

-Israel,0215

Israeli Aircraft Raid Guerrilla Bases in Southern Lebanon
MARJAYOUN, Lebanon (AP) Israeli warplanes attacked hilltop bases of Lebanese guerrillas on Wednesday, the latest clash in nearly two months of heightened tension in southern Lebanon.

The strike came hours after guerrillas fired three rockets into an Israeli

-held enclave in southern Lebanon.

There were no reports of casualties from either attack, said security sources, speaking on condition of anonymity.

Two Israeli fighter

-bombers, with two other aircraft flying cover and releasing missile

-deflecting heat balloons, fired rockets in a five

-minute raid on Hezbollah positions in the hills of Iqlim Al

-Tuffah.

Guerrillas opened up with anti

-aircraft guns and shoulder

-fired missiles. Israel's air force said the planes returned safely to base.
Iqlim Al

-Tuffah, or Apple Province, is a stronghold of the fundamentalist Shiite Muslim Hezbollah, which is leading a guerrilla war to dislodge Israeli forces from southern Lebanon.

Hezbollah positions in the hills, most of them cement

-reinforced and dug in underground, have been frequent targets of Israel's 10 air raids in Lebanon this year. Seven guerrillas have been killed in the previous strikes.

The clash is the latest confrontation between Hezbollah and Israeli or Israeli

-allied forces since ambushers killed four Israeli soldiers and wounded five in southern Lebanon on Feb. 7.

-KOREA

-UN

CHINA SAID TO PROPOSE U.N. STATEMENT ON N. KOREA

By Anthony Goodman

UNITED NATIONS (Reuter) - China, in a surprise move Wednesday, submitted a draft statement to the other four permanent members of the Security Council urging North Korea to permit inspection of its nuclear facilities, a council source said.

China had originally opposed any action by the council on the Korean nuclear issue, saying it should be settled through dialogue. But Beijing later said it could consider a statement of a ``mild, constructive, positive and objective nature."

It was not known whether the statement proposed by China at a meeting with representatives of the United States, Russia, Britain and France was firm enough to satisfy the other permanent council members, most of whom suspect North Korea of conducting a clandestine nuclear program.

The council has been working on both a resolution and a presidential statement, in hopes that one or other might be adopted in the near future.

While a resolution would carry greater weight, it appeared unlikely that China would vote for one in any form and would at best abstain rather than use its veto.

A statement issued by the council president, on the other hand, would require the concurrence of all 15 members, including China, and thus have the advantage of presenting North Korea with a united front.

The council source noted it was rare for China to propose the wording of a statement, usually preferring to offer amendments to texts circulated by other delegations.

The Chinese action appeared to be aimed at choosing the least unpalatable alternative of initiating a mild statement instead of accepting a tougher one proposed by other delegations, or being forced to abstain on, or even veto, a formal resolution.

Diplomats said China particularly objected to a provision in a draft resolution circulated by the United States last week which would not only urge North Korea to allow an International Atomic Energy Agency team to complete its inspection of nuclear facilities, but warn that the council would consider further action if necessary.

Beijing was said to regard this as a threat of possible sanctions if North Korea continued to balk.

REUTER

-KOREA 1STLD (SCHEDULED, PICTURE)
S.KOREAN LEADER SEES PEACE PREVAILING ON PENINSULA
(Eds: Updates with Kim returning home)
By Lee Su

-wan
SEOUL (Reuter) - South Korean President Kim Young

-sam
returned home Wednesday from a week

-long visit to Japan
and China, saying he was confident North Korea's nuclear
ambitions can be thwarted without war.

"I have a firm belief we can defeat North Korea
without any fighting and we can maintain peace and
stability on the Korean peninsula," Kim said before
leaving Beijing.

"I confirmed to Chinese leaders that South Korea has
never had any intention to absorb the North or isolate it.
Rather, I told them we were ready to help the North," Kim
told South Korean reporters based in Beijing.

Kim said the South would cooperate with the United
States, Japan, China and Russia to find a peaceful
solution to the impasse over inspection of Pyongyang's
nuclear facilities.

Seoul, Washington and Tokyo fear Pyongyang is building
a nuclear bomb. North Korea denies it.

Kim said Chinese President Jiang Zemin had supported
the idea of holding talks between top leaders of North and
South Korea to resolve the nuclear and other problems.

The South Korean president last month said he was
willing to hold talks with North Korea's Stalinist leader
Kim Il

-sung to discuss unification of the peninsula,
divided since the end of World War Two.

On his arrival in Seoul, the South Korean leader said
he and Jiang had agreed on the need for peace and
stability on the peninsula.

Kim has taken a conciliatory line on the North since
he held talks with Jiang and other Chinese leaders, who
have repeatedly stressed that consultation is the only way
to solve the crisis.

In contrast to his warnings only days ago that South
Korea's patience might be running out, Kim told a news
conference in China Tuesday he would persist in efforts
"to resolve this issue through dialogue and persuasion."

China, one of Pyongyang's few remaining allies and a
permanent, veto

-wielding member of the U.N. Security

Council, says putting pressure on Pyongyang to force it to open nuclear sites to inspection would be counterproductive.

Tensions grew rapidly last week as the increasingly defiant North repeatedly warned that international efforts to force U.N. inspection of its nuclear sites could lead to war.

Officials in Seoul said Kim was expected to decide soon whether to hold this year's "Team Spirit" military exercises with the U.S., which had been suspended to tempt Pyongyang to talk.

Washington has already said it is sending anti

-missile

Patriot missiles to boost South Korean defenses.

The North says it will quit the nuclear Non

-Proliferation Treaty aimed at curbing the spread of atomic bombs if Team Spirit is staged, but preparations for the exercises have been resumed since the collapse of talks between the two Koreas.

South Korea's Vice Unification Minister Song Young

-dae

said on Wednesday "multiple efforts for dialogue" were likely to be made once the United Nations acted on the North's standoff with the West.

The United Nations has been discussing a U.S.

-advocated resolution warning the North to fulfill its commitments to let International Atomic Energy Agency experts complete inspection of seven declared nuclear sites.

But envoys at the United Nations said Washington was also negotiating with Beijing about a statement which would carry less weight than a resolution, urging Pyongyang to permit international inspections.

Song said the North might reveal its position on the row and inter

-Korean ties on April 6 during a session of its Supreme People's Assembly.

REUTER

PM

-EU

-New Members, 2nd Ld

-Writethru, a0540,0441

EU Agrees on Membership Terms with Austria, Sweden, Norway, Finland

Eds: New throughout to UPDATE with three others agreeing to join, ADDS details.

By PAUL AMES= Associated Press Writer=

BRUSSELS, Belgium (AP) The European Union concluded the final terms of membership with Austria, Finland, Sweden and Norway today, paving the way for those nations to join on Jan. 1.

A day earlier, the dozen members of the trading bloc removed the final hurdle holding up the bargaining when they overcame an acrimonious dispute over voting rules in the expanded union.

Still, each nation's entry must still be approved by its citizens and the EU's 518

-seat parliament, which is expected to vote May 4 on the membership treaties.

For a month, the enlargement has been delayed by British and Spanish opposition to changes in EU voting rules that they claimed would weaken their veto power over union decisions.

British Prime Minister John Major said Tuesday he would accept a compromise that makes it more difficult for nations to veto decisions, but allows the current "blocking minority" of two large members and one small member to delay disputed decisions.

The other 11 nations accepted the compromise.

"This means a green light for Sweden," said Swedish Prime Minister Carl Bildt. Voters there will decide membership in a Nov. 13 referendum.

Major had been under enormous pressure to accept the deal by other EU nations, who accused Britain of jeopardizing the expansion and dragging the union into crisis.

But the issue deeply divided Major's Conservative Party. Cabinet members today lined up to support him while two critical legislators called for his resignation.

Many decisions at EU ministers' meetings, such as those affecting foreign affairs, must be approved unanimously. But others are taken by a vote in which nations are given votes roughly corresponding to their population sizes.

Britain, France, Germany and Italy get 10 votes each; Spain, eight; Belgium, Greece, the Netherlands and Portugal, five apiece; Denmark and Ireland, three each;

and Luxembourg, two.

Under the current system, 23 votes can block decisions approved by the majority. Britain and Spain fought to keep it like that, but the others insisted on a move to 27, making it more difficult to veto EU decisions.

Under the compromise plan, the "blocking minority" will be raised to 27. But 23 votes against a decision would be enough to require further talks.

Differences appeared among EU nations about how long that could delay a decision. Major suggested a delay could be indefinite, but the Belgian government and others suggest a two

-month limit.

Major developing countries call for reforms in the U.N.

By NEELAM JAIN=

NEW DELHI, March 30 (UPI) Leaders from developing countries, concluding the G

-15 summit in New Delhi, called Wednesday for a restructuring of the United Nations, and demanded a monitoring mechanism to protect their interests in the new General Agreement on Tariffs and Trade.

A joint communique issued at the end of the three

-day summit demanded the permanent membership of the U.N. Security Council be expanded.

"Both reform and expansion aspects of the restructuring of the U.N. Security Council, including veto power and its decision making process, should be examined as an integral part of a common package," it said.

The communique also asked for the expansion of membership in the U.N. Conference on Disarmament.

The closing ceremony of the fourth G

-15 summit was attended by the prime ministers of India and Malaysia, the presidents of Nigeria and Argentina, and the foreign ministers of 11 other member countries.

The presidents of Indonesia, Zimbabwe and Senegal, who were present for the plenary sessions, however, left earlier.

The members of the G

-15 group, modeled after the G

-7

club of industrialized countries, are Algeria, Argentina, Brazil, Chile, Egypt, India, Indonesia, Jamaica, Malaysia, Mexico, Nigeria, Peru, Senegal, Venezuela and Zimbabwe.

The group of 15 developing countries was set up during the 1989 Belgrade summit of the Non

-aligned countries.

The developing countries, in their communique, voiced concern over moves by developed countries to bring new issues such as labor and environmental standards into the yet

-to

-be established World Trade Organization, replacing the GATT.

``We expect that the WTO in its functioning would positively contribute to a rule

-based, predictable,
non

-discriminatory, multi-lateral trading system and uphold the rights and interests of the weaker trading

partners," the communique said.

The summit emphasized the need for a productive partnership with industrialized countries while increasing cooperation among developing nations.

``We have the potential of becoming consultative partners with the G-7 on issues and policies affecting the international environment for accelerated growth and sustainable development," India's Foreign Minister Dinesh Singh said earlier.

The G

-15 countries collectively represent a combined gross domestic product of \$1.4 trillion, a total trade turnover of \$404 billion, and markets that have been recognized as significant by developed countries. India, Malaysia and Indonesia have large emerging markets which western corporations are keen to exploit.

President Carlos Menem of Argentina will chair the next G

-15 next summit, In Argentina, in May 1995.

BC

-FRANCE 2NDLD (PICTURE)

BALLADUR BOWS TO PROTESTS, SCRAPS WAGE LAW
(Eds: Recasts with quotes from Bon)

By Paul Taylor

PARIS, March 30 (Reuter) - French Prime Minister Edouard Balladur on Wednesday scrapped a discredited youth wage law which had sparked nationwide street protests and replaced it with a subsidy to firms giving young people their first job.

Trade unions and left

-wing opposition parties exulted.

Philippe Campinchi, head of the students' UNEF

-ID union,
said the climbdown was ``a victory of French youth" and a mass protest planned on Thursday in Paris would turn into a victory march.

A statement from Balladur's office said that in the light of consultations held by the head of the national employment agency Michel Bon ``the prime minister has decided to withdraw the CIP (contrat d'insertion professionnelle)."

The law allowed employers to pay young people less than the minimum wage on short

-term training contracts.

Critics said it would devalue the young, force down wages and give no guarantee of stable employment.

Instead, the government ``decided to give employers an incentive to anticipate the emerging economic recovery and give young people their first job," the statement said.

A subsidy of 1,000 francs (\$170) a month will be paid for the first nine months to any company giving a young first

-time worker a job for at least 18 months. The amount would be doubled for any young person employed before

October 1.

Bon told Reuters the plan could benefit half a million young people this year at a cost of six billion francs (\$1 billion).

``This responds to two main points made by the trade unions and students: the need for a simple measure applicable to every first

-time worker, and...the need for job stability," he said.

``When you get into the habit of working with someone over 18 months, you keep them on," he said.

Balladur told Labour Minister Michel Giraud, under fire as an architect of the controversial law, to open talks with employers and trade unions to help make the measures efficient.

Socialist leader Michel Rocard said the withdrawal was ``late but necessary."

``Everything is now ready for a real dialogue between young people and the whole of French society," he said.

Influential parliamentarians from Balladur's Rally for the Republic (RPR) made thinly

-veiled calls for Giraud's dismissal. Floor leader Bernard Pons said ``ministers are there to go to the front line and serve as fuses if necessary."

Giraud said on television he would not resign and he still enjoyed Balladur's confidence.

There were more street protests in western France before Balladur's announcement. University and high school students maintained Thursday's planned mass demonstration in Paris. The main national high school teachers' union called a one

-day strike and said it would join the march.

Students blockaded the western city of Nantes to demand the release of young people arrested in violent protests earlier.

They blocked six bridges across the Loire River and main roads leading to the town centre, severely disrupting traffic, local government officials said.

Government spokesman Nicolas Sarkozy said after a cabinet meeting that the government would make a statement to parliament on youth employment when the Spring session opens on Tuesday.

Sarkozy backed off from a proposal, attacked by trade unions as discriminatory, for a job

-seeking agency for the young. He said the idea, mentioned by Prime Minister Edouard Balladur on Monday, came from student organisations and the government had merely agreed to study it "which does not mean it will lead to the creation of a youth employment agency."

Reducing labour costs for young and unskilled workers and introducing greater flexibility into working hours and practices were the main features of the government's five

-year employment law, passed overwhelmingly by parliament last year.

While many employers and economists regard the 5,900 francs (\$1,100) a month minimum wage as a barrier to

employment, an opinion poll in the newspaper Le Parisien on Wednesday said 77 percent of French voters were against abolishing it.

REUTER

BC

-IRISH

-TRUCE

-STATEMENT URGENT

IRA ANNOUNCES TEMPORARY CEASEFIRE, SINN FEIN SAYS

BELFAST, March 30 (Reuters) - The IRA announced on Wednesday it was calling a temporary ceasefire in its campaign of violence against British rule in Northern Ireland, the group's political wing Sinn Fein said.

MORE

ARMS Email SystemRECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

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READ: UNKNOWN

TO: Jeffrey L. Eller (ELLER_J) (WHO)
READ: UNKNOWN

TO: R. Paul Richard (RICHARD_R) (WHO)
READ: UNKNOWN

TO: Virginia M. Terzano (TERZANO_V) (WHO)
READ: UNKNOWN

TO: Keith O. Boykin (BOYKIN_K) (WHO)
READ: UNKNOWN

TO: Joshua A. King (KING_J) (WHO)
READ: UNKNOWN

TO: Jonathan L. Kaplan (KAPLAN_JL) (WHO)
READ: UNKNOWN

TO: Mark Bousian (BOUSIAN_M) (WHO)
READ: UNKNOWN

TO: Emily A. Lenzner (LENZNER_E) (WHO)
READ: UNKNOWN

TO: Cara A. Levy (LEVY_C) (WHO)
READ: UNKNOWN

TO: David Dreyer (DREYER_D) (WHO)
READ: UNKNOWN

TO: APRIL K. MELLODY (MELLODY_A) (WHO)
READ: UNKNOWN

TEXT:

PRINTER FONT 12_POINT_COURIER

WHITE HOUSE WIRE REPORT

3:30 p.m. edition

Thursday, May 19, 1994

Produced by the Office of News Analysis (OEOP 162, 6

-7151)

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Onassis' lymphoma worsens; Clinton says his family thinking of her

States claim victory in safe drinking water act passage

AIDS now No. 1 killer of San Francisco men

Michigan initiative seeks to find AIDS cases of pregnant mothers

Clinton meets with Indian prime minister

Patients killed as Rwandi hospital shelled

PM

-US

-India, 5th Ld

-Writethru, a0604

-610

-612

-617

-577,880

Clinton Praises 'Closing Working Relationship' With India
EDs: Combines pvs; minor editing; no pickup

By RITA BEAMISH= Associated Press Writer=

WASHINGTON (AP) President Clinton today launched what he called "a very close working relationship" with India and said the United States is keeping an open mind on membership for India on the United Nations Security Council.

After meeting with India's Prime Minister P.V. Narasimha Rao, Clinton acknowledged the two nations have some differences, but chose to emphasize the positive aspects of "two democracies with a great future together."

Clinton announced he would send Energy Secretary Hazel O'Leary to India in July for talks on cooperation on renewable energy and he will dispatch Commerce Secretary Ron Brown in November to promote trade and investment ties.

Rao, joining Clinton at a news conference said he had invited the president to India and Clinton accepted. He characterized his meeting with Clinton, the first by an Indian prime minister since 1987, as "constructive useful and candid, as discussions between friends should be."

Clinton said differences remain on human rights and nuclear non

-proliferation, "but in the context of our common interests and common values, we believe they can be managed in a constructive way."

Referring to the long Cold War chill between the two countries and the tensions that have arisen more recently, Clinton said, "I have been disturbed by the apparent strain or limitation on the relationship between the United States and India."

On the touchy subject of India's nuclear program, Clinton was asked how far advanced he believed New Delhi's program is. He deflected it saying, "I think you ask the wrong person that."

The United States has proposed that both India and neighboring Pakistan cap their nuclear programs, but has received little encouragement from either country.

Nonetheless, Clinton said his discussions with India would not follow a course that would harm India's security for the sake of disarmament.

"No one should be asked to put their own security at risk to achieve that," he said.

Asked by an Indian reporter to clarify confusion about the administration's position on the Pakistan

-Indian fight over Kashmir, Clinton said, "The ultimate answer there is for these two great nations to get together and resolve that."

He reiterated the State Department's finding that there was insufficient evidence of Pakistani support for Kashmir

rebels to warrant putting Pakistan on the U.S. list of nations supporting terrorism.

But, he said, "there is still assistance by private parties in Pakistan."

Rao responded with a simple, "No," when asked if there were widespread human rights abuses in his country.

The United States has criticized India for persistent abuses by its security forces.

But Clinton summed up his talks with Rao, he said, "Today we began what I hope will be a very close working relationship."

Earlier, hundreds of people carrying signs outside the White House protesting India's policies in the Kashmir and Punjab regions demonstrated with marches and chants, including demands that India get out of Kashmir.

"India is the world's largest democracy by a long ways and a very important partner of the United States on many issues," Clinton said at a picture

-taking session at the beginning of the meeting.

He cited India's "very impressive rate of economic growth."

Clinton sidestepped a question on India's continued refusal to sign the Nuclear Non

-Proliferation Treaty long an aggravation to the United States.

"We'll have a chance to talk about a number of issues. We have a broad

-based approach," Clinton said. He cited other international nuclear agreements that are also important to the United States of which India has been more supportive, including a comprehensive ban on nuclear testing.

The U.S.

-Indian relationship "should grow and flourish and deepen," Clinton said. As a result of today's meeting, Clinton said, "I think we'll have a deeper and better partnership. I look forward to building on it."

Both governments have billed it as a chance to cast off their Cold War chill and more recent diplomatic strains.

"Neither of us today are burdened with any unnecessary legacy, and we can in a clearer light look at the commonalties and complementarities that link us," Rao said in a toast at a luncheon Tuesday hosted by Vice President Al Gore. He lauded "the enlightened leadership of this great country and ... our ever

-progressing relationship."

Congress also appeared anxious to help patch up relations with India, convening a joint meeting of the House and Senate on Wednesday, the first to hear a foreign leader during Clinton's presidency. The Senate began confirmation hearings Tuesday for Clinton's nominee as ambassador to India, Frank Wisner.

On Wednesday, the advocacy group Human Rights Watch issued a report lambasting India for "a brutal police force whose resort to murder and torture has been sanctioned by the state as an acceptable means of

combating political violence" in Punjab.

The group also said "disappearances, torture and extrajudicial executions have become endemic" in Kashmir.

Similar criticisms from the State Department's annual report on worldwide human rights practices are strongly resented by India.

The world's second most populous nation, with almost 900 million people, India has liberalized its economy and is now welcoming foreign business. The United States is its biggest trading partner.

PM

-Clinton, 390

Clinton Defends Foreign Policy

WASHINGTON (AP) President Clinton defended his foreign policy today, rejecting a suggestion that strategy shifts on Bosnia and Haiti proved his administration had no clear global vision.

Asked if his foreign policy was "ad hoc," Clinton answered, "No." He stopped there for a moment, but then launched into a lengthy defense of his administration.

"If you want to say that this administration has not waged a magic wand and solved all the problems that I was given when I came to office, that's one thing," Clinton told a White House news conference.

"I continue to look for new solutions," he said of the turmoil in Bosnia and Haiti. "When we look for new solutions when old solutions don't work does that mean we don't have a foreign policy? I dispute that."

Clinton said his administration has acted wisely in keeping to the No. 1 foreign and national security concern of any president "the safety and security of the American people."

As examples, he cited the moves in Russia and other former Soviet republics to dismantle many of their nuclear weapons and to agree not to export sensitive weapons technology.

And Clinton said that while he would not bend from his refusal to send American troops into potential combat situations in Bosnia, he said the progress that has been made in the former Yugoslavia was largely because of U.S.

diplomatic and humanitarian efforts.

On other subjects, Clinton said he was committed to introducing a welfare reform measure this year and did not believe it would interfere with congressional consideration of his top priority, health care reform.

Clinton said there was a chance for both to pass this year, but he left a clear impression he expected the welfare debate to carry into next year.

The president declined to give any details of secret administration talks with the Chinese government, saying

it would be inappropriate because the talks are ongoing. Clinton must decide by June 3 whether to extend China's most

-favored

-nation trade status, and has been urging Beijing to make concessions on human rights issues.

Clinton said he would wait until the deadline to make his decision, which is widely expected to include some targeted sanctions against China but not a full revocation of status that grants it the lowest possible import tariffs.

(ED: Narasimha: nahr

-ah

-SEEM

-hah; Rao: rauw)

Clinton meets with India's Rao

WASHINGTON, May 19 (UPI) After meeting with India's Prime Minister P.V. Narasimha Rao, President Clinton is stressing the positive aspects of the ties between the world's two largest democracies. Clinton said remaining differences over human rights and nuclear proliferation issues "can be managed."

BC

-Clinton

-Meets

-India's

-Rao

-In

-1st

-Indian

Clinton Meets India's Rao In 1st Indian State Visit Since 1987

Washington, May 19 (Bloomberg) -- President Clinton met with Prime Minister P.V. Narasimha Rao today in the first visit from a Indian head of government since Rajiv Gandhi visited the U.S. in 1987.

Clinton praised India for its "sustained democratic record for many decades now" and said he planned to reopen ties and expand cooperation with India in the coming months.

He also said that he would keep an open mind on membership for India on the United Nations Security Council.

Rao characterized the meeting between the two as "extremely friendly" and invited the president to come to India at his earliest convenience.

Clinton also said that his Commerce Secretary, Ron Brown, will take a business mission to India in November. The U.S. is now India's largest trading partner, Rao said.

The two leaders said they didn't make any specific progress on the issue of nuclear and conventional arms proliferation, which is one of the U.S.'s chief concerns about India. -- Dina Temple

-Raston at the White House
(202) 434

-1884 /ba (For more on India, see NI INDIA. For more on the U.S., NI US. For more on Clinton, NI EXE. For more on Asia, NI ASIA, ASIAX. For more trade news, NI TRD)
14:42

-0- (BBN) May/19/94 14:42 EOS (BBN) May/19/94 14:42
86

Clintons' thoughts with Jackie

WASHINGTON, May 19 (UPI) President Clinton said Thursday he and first lady Hillary Rodham Clinton have been in touch with Jacqueline Kennedy Onassis in the last few days and their thoughts and prayers are with the family as the former first lady's condition appears to be worsening.

Speaking with reporters, Clinton said he was receiving "regular updates" on Onassis' condition since she terminated her medical treatment for a cancer of the lymph nodes.

Clinton revealed nothing further about what he has been told about Onassis' condition, adding, ``She has been quite wonderful to my wife and my daughter and to a

BC

-KOREA

-CLINTON

CLINTON WARNS N.KOREA AGAIN ON NUCLEAR ISSUE

WASHINGTON, May 19 (Reuter) - President Clinton said Thursday North Korea would be making a mistake to continue thwarting international nuclear inspection but declined comment on concerns it might be creating plutonium for bombs.

``I think it would be an error for North Korea to continue to thwart these inspections after they've agreed to comply with them," Clinton said at a news conference.

MORE

BC

-KOREA

-CLINTON

-2 WASHINGTON

But Clinton stepped back from a question about reports that North Korea may begun withdrawing spent fuel rods from nuclear reactors without international inspectors present, raising concerns it might convert the spent fuel into plutonium, the basic ingredient of nuclear bombs.

``I want to make sure I have the facts from the inspectors," he replied. ``When I know what the facts are, I will then make a statement about them."

North Korea has been at loggerheads with the world community for months about requests for U.N.

-sponsored
inspection of its nuclear facilities to ensure it is not secretly making weapons in violation of international accords.

REUTER

PM

-Clinton

-Draft

-Ore.,350

Oregon Lawmakers Criticize Clinton's Refusal To End Draft

By SCOTT SONNER= Associated Press Writer=

WASHINGTON (AP) Sen. Mark Hatfield and Rep. Peter DeFazio today criticized President Clinton's decision to continue draft registration despite the Pentagon's conclusion there is no risk to national security.

"The Selective Service System is one of the most poorly run agencies in the federal government and it has no military mission," said Hatfield, ranking Republican on the Senate Appropriations Committee.

Hatfield and DeFazio, D

-Ore., were among those who urged Clinton to end the draft outright.

But Clinton said Wednesday he followed the recommendation of his National Security Council in deciding it was essential to continue registration and the Selective Service System.

Clinton cited three reasons to keep the draft:

Draft registration serves as "a hedge against unforeseen threats and is a relatively low

-cost 'insurance policy' against our underestimating the maximum level of threat we expect our armed forces to face."

Ending registration now "could send the wrong signal to our potential enemies who are watching for signs of U.S. resolve."

As fewer people in the general population have direct experience with the armed forces and military life it is important "to maintain the link between the all

-volunteer force and the society at large."

Hatfield said today continuing the draft is costing the federal government \$23 million a year.

"It's not an insurance policy as the president suggests. It's a black hole that drains taxpayer dollars," the Oregon senator said.

Hatfield and Sen. Bill Bradley, D

-N.J., introduced a bill earlier this year that would end the draft and put the service in a standby mode at a cost of about \$5 million a year.

The Pentagon concluded in a report to Congress in early March that reinstatement of an actual draft is highly unlikely. "Consequently, peacetime draft registration could be suspended without irreparable damage to national security," the report said.

DeFazio said called the report the "first time in 14 years we've gotten a straight answer from the Pentagon that says peacetime draft registration has nothing to do with real defense needs."

AM

-Clinton

-Immunity, 540

White House Didn't Seek Formal Justice Opinion On Clinton Immunity

By MICHAEL J. SNIFFEN= Associated Press Writer=

WASHINGTON (AP) The Justice Department has finished supplying the White House with research and commentary on past cases involving presidential immunity from civil suits, but was never asked for a formal legal opinion, Justice spokeswoman Julie Anbender said Thursday.

She denied earlier reports that White House Counsel Lloyd Cutler had sought a formal legal opinion on whether presidents can be sued over events that occurred before they took office.

The question could become the crux of President Clinton's defense against a sexual harassment suit filed by a former Arkansas employee.

"The White House never requested a formal written, legal opinion," Anbender said. Justice's "Office of Legal Counsel staff attorneys have provided the White House counsel's office with briefs and historical research on prior cases related to presidential immunity."

The Justice lawyers "provided some written commentary on those materials without rendering any opinion," Anbender added.

A department official, demanding anonymity, said the request from the White House counsel's office came several weeks ago, just before Paula Jones, a former Arkansas state employee, filed suit against Clinton.

Anbender said Justice never releases material prepared for its clients. Attorney General Janet Reno told her weekly news conference that under past practice the client, in this case the White House counsel's office, decides whether to release the material.

"We are done providing requested information for the White House counsel's office," Anbender said. But a department official, who declined to be identified by name, said research on the issue was still going on at Justice in case the department was asked by a judge to file a brief on the government's views.

Such a request is a real possibility, because there is relatively little case law on the issue. The Supreme Court ruled in 1982 that presidents cannot be sued in office or after leaving it for official acts as president.

But neither that nor any other case addresses suits based on events before the president was elected. One outstanding question is whether such suits would merely have to await a president's departure from office.

On Tuesday, Cutler said he is studying the case's

impact on the presidency, and defended the Justice research.

``There is an institutional aspect of the Paula Jones case relating to the presidency. And the circumstances under which it's appropriate for a court to subject a president to the distractions and time of defending a

complex, private law suit, and what that does to his ability to carry out his other duties," Cutler said on CNN's ``Larry King Live." ``That is an issue that I am looking into."

In a related matter, he said it is a distinct possibility that a fund will be established to help President and Mrs. Clinton pay the cost of Jones' lawsuit and the Whitewater inquiry. ``It is entirely legal," Cutler said.

Jones alleges that Clinton made a sexual advance when he was governor of Arkansas. Clinton's private attorney, Robert Bennett, denied the accusation and has indicated he will try to block the lawsuit by arguing that a president should not be distracted by private legal action.

BC

-CLINTON

-HARASSMENT ISTLD

JUSTICE DEPT SENDS WHITE HOUSE IMMUNITY MATERIAL

(Eds: combines takes, adds details)

By James Vicini

WASHINGTON (Reuter) - The Justice Department said Thursday it sent to the White House requested information, but took no position, on whether a president can be sued for acts committed before taking office, a question raised by the sexual harassment lawsuit against President Clinton.

Spokeswoman Julie Anbender said Justice Department lawyers over the past few weeks have forwarded to the White House counsel's office legal briefs and historical research on prior cases regarding presidential immunity.

She said the lawyers provided some commentary on the materials, but did not render a legal opinion on whether the president can be sued for acts that occur before taking office.

Anbender said the White House never asked for a formal legal opinion on the issue, and that such an opinion would have been provided if requested.

Department officials said the White House requested the materials several weeks ago, before former Arkansas state employee Paula Jones filed her lawsuit alleging that Clinton as governor sexually harassed her three years ago.

The latest version by Anbender contradicted earlier accounts by Justice Department and White House officials that the request had been made this week and that the

White House wanted a Justice Department opinion.

Even Thursday morning, Attorney General Janet Reno said at her weekly news conference that the White House had asked for an opinion on the issue and that she did not know how long it would take to prepare one.

Clinton's lawyer, Robert Bennett, has called the lawsuit by Jones "tabloid trash." He is expected to move shortly to have the suit dismissed by arguing that a sitting president cannot be sued while in office.

Department officials said attorneys in the office of legal counsel would continue to do legal research and analysis in case the government is requested to file a brief expressing its views in the Jones lawsuit.

Anbender was unable to say precisely when the Justice Department had completed sending the information to the White House. She said that as a matter of policy such information is not released.

Reno rejected suggestions that the Justice Department legal work would be turned over to Clinton's private lawyers. "I don't know any reason why it would be given to Bob Bennett."

The Supreme Court ruled in a 1982 decision that a president cannot be sued for civil damages based on actions taken in office, partly because responding to such lawsuits would be a burden and distraction.

But the high court left unanswered the questions of whether and when a president can be sued for actions that occurred before taking office.

REUTER

AM

-Clinton

-USIA,100

RETRANSMITS a0586 to add cycle designator

Clinton Announces USIA Appointment

WASHINGTON (AP) President Clinton plans to name Barry Fulton, a career government information officer, to be associate director of the U.S. Information Agency, the White House said Thursday.

Fulton helped develop USIA's new Information Bureau and will be responsible for disseminating information overseas about U.S. institutions, the American people and the U.S. government, the White House statement said.

In a USIA career that began in 1968, Fulton has served in Pakistan, Japan, Italy and Belgium. He has been acting associate director of the Bureau of Educational and Cultural Affairs since 1992.

AM

-Reno

-Motor Voter, 450

Reno Warns States of Deadline for Complying With Voter Law
By MICHAEL J. SNIFFEN= Associated Press Writer=

WASHINGTON (AP) Attorney General Janet Reno urged 23 states Thursday to comply quickly with a new law easing voter registration. She promised to sue any that ultimately refuse to act.

Justice Department officials said 23 states have complied with the act and four are exempt.

The National Voter Registration Act, signed by President Clinton

a year ago this week, requires states to pass laws letting people register by mail, when they get or renew drivers licenses and at various state agencies.

The deadline for most states is Jan. 1, 1995.

"I applaud those states who are working hard to comply," Reno told her weekly news conference. "But many states still have much work to do."

"We will be in touch with state election officials and with attorneys general to offer our cooperation and to assure them that we want to work with them," Reno said.

"But for those states who ultimately do not comply, I will be prepared to take appropriate action that I'm authorized to take under the law to ensure compliance."

The law allows the Justice Department to sue in federal court to force compliance.

In a letter to all but the four exempt states, Assistant Attorney General Deval L. Patrick, head of the civil

-rights division, offered assistance. But he noted that "some state legislatures have adjourned for the year without adopting legislation" and others are considering bills attempting to take advantage of exemptions written for other states under other circumstances.

Justice officials said Minnesota, North Dakota, Wisconsin and Wyoming are exempt because they either had no voter registration or same

-day voter registration before the federal act was passed.

They said three noncomplying states are trying to claim exemptions: Idaho and New Hampshire by passing legislation that retroactively adopts same

-day voter registration and Kansas by trying pass a bill to eliminate voter registration retroactively.

Two noncomplying states, New Mexico and Indiana, have adjourned their legislatures without adopting new

legislation and do not plan to reconvene until after the Jan. 1 deadline, the department said.

Three noncomplying states, Arkansas, Virginia and Vermont, may be allowed additional time to amend their state constitutions, Justice officials said.

The other 15 noncomplying states were identified as California, Illinois, Louisiana, Michigan, Montana, Nevada, New Jersey, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina and Texas. The District of Columbia also has not complied.

The 23 complying states were identified as Alabama, Alaska, Arizona, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Iowa, Kentucky, Maine, Maryland, Massachusetts, Mississippi, Missouri, Nebraska, Oregon, South Dakota, Tennessee, Utah, Washington and West Virginia.

BC

-Commerce's

-Brown

-Says

-Targeted

Commerce's Brown Says Targeted Sanctions for China Possible

Washington, May 19 (Bloomberg) -- U.S. Commerce Secretary Ron Brown said today that targeted sanctions could be part of a package that would permit China to have its favorable trade status renewed.

Speaking at the White House today, Brown said that it is difficult to evaluate the impact of targeted sanctions but "it is an option that is on the table," as President Clinton decides whether to renew China's most

-favored

-nation trading status before June 3.

Brown was not specific, but senior State Department officials have said one of the possibilities under discussion is to renew MFN for Chinese exports in general, except those exported by Chinese military companies, specifically, the People's Liberation Army's trading arm, NORINCO.

A year ago, Clinton gave China until June 3 of this year to show progress on liberalizing its human rights policies. If they didn't make the grade he said they could lose MFN.

President Clinton confirmed this morning that the United States was still discussing with China the renewal

of the status and no decisions had been made yet.

U.S. exports to China last year totalled some \$8.8 billion, while China exported some \$30 billion worth of goods to the U.S. Total trade between the U.S. and China increased by 65% in nominal terms from 1990 to 1992, according to U.S. government figures. -- Dina Temple

-Raston
at the White House (202) 434

-1884/mfr (For more on China:
NI CHINA; on the Clinton administration: NI EXE; on trade:
NI TRD; on the Commerce Department: NI COM) 13:00 13:00

-0- (BBN) May/19/94 13:02 EOS (BBN) May/19/94 13:02 86

AM

-Pay Phones,475
FCC Wants to Make Long

-Distance Calling Easier From Pay
Phones
By JEANNINE AVERSA= Associated Press Writer=
WASHINGTON (AP) People would be able to make
long

-distance calls from pay phones without first dialing
access codes to reach their preferred long

-distance
company under a proposal regulators brought back to life
Thursday.
The Federal Communications Commission said it wants to
move forward on its plan, which would save consumers an
estimated \$280 million a year by avoiding the higher rates
often charged by operator service providers.

The operator service provider, listed on the front of
the pay phone in small print, carries a long

-distance call
if the caller doesn't have an access code to reach his or
her preferred long

-distance company.
In a previous interview, FCC Chairman Reed Hundt said

the plan underscores the new, consumer

-oriented direction
in which he is trying to steer the agency. Hundt took over
the FCC in late November.

The operator service provider's rates are generally

higher than an average of the big three long

-distance

companies' rates, in part because they include a commission that goes to the establishments where the pay phone is located, said Gary Phillips, an attorney in the FCC's Common Carrier Bureau.

The FCC estimated that its plan, which has been delayed for two years, would save operator service providers \$340 million a year in commissions to establishments.

But the proposal, which the FCC is seeking public comment on, faces substantial opposition from segments of the telephone industry.

To make the plan work, telephone companies would have to install equipment, which the FCC estimated would cost \$1.1 billion.

"Those costs would be passed on to consumers in higher rates," said Herb Linnen, a spokesman for AT&T Corp., which opposes the plan. "It is not necessary because customers have become accustomed to how to reach their long

-distance carrier of choice."

AT&T offers operator services on its own and has arrangements with independent operator service providers, the FCC said. The plan will "help to erode AT&T's advantages," said A. Richard Metzger, acting chief of the FCC's Common Carrier Bureau.

Pacific Telesis, which would have to install equipment, hailed the plan. "It's the best solution to give consumers a choice. Then they won't have to be a captive of the pay phone system," said spokesman Robert Stewart.

Attorneys representing the pay phone industry were unavailable to comment.

The FCC decided to gather more information before making a final decision, which could come early next year.

"The record is old and cold...but the benefits appear to outweigh the costs, said Hundt.

The FCC will make available its cost

-benefit analysis

of the plan for parties who wish to comment.

AM Health Reform,490

Hints of Compromise as Kennedy Committee Debates Health Reform

By NITA LELYVELD= Associated Press Writer=

WASHINGTON (AP) The first glimmers of bipartisan compromise on Sen. Edward M. Kennedy's health reform bill emerged Thursday as senators debated the thorny issue of who should decide what medical services will be covered.

Sen. Nancy Landon Kassebaum of Kansas, the ranking Republican on Kennedy's committee, had offered an

amendment that would take such decisions out of the hands of Congress by creating a commission to list specific benefits, subject to congressional approval.

"It seems to me that this ensures such a package will not only be technically sound but shielded from congressional tinkering," she said.

But she later withdrew her amendment in favor of voting instead on a compromise plan offered by Sen. Jeff Bingaman, D

-N.M.

Under Bingaman's proposal, Congress would come up with a list of benefits guaranteed all Americans. But six months before a health bill went into effect, a national health board would conduct an analysis of the benefits in the package.

The board would look at the costs of the benefits, the ability of the bill to control spending and its impact on the federal deficit.

If it felt it was necessary to prevent major, unexpected deficit increases, the board would make adjustments to the package. The adjustments would go into effect unless Congress passed a joint resolution disapproving them within 60 days.

The committee was expected to vote on Bingaman's proposal Thursday.

Kassebaum's proposal was based on a similar plan in the health proposal of Sen. John Chafee, R

-R.I. Several

Republican senators agreed with her that letting Congress decide benefits was simply asking for trouble.

Kennedy, whose bill builds on the president's and expands the benefits package, strongly disagreed, saying, "I think we have a real responsibility to the American people to let them know what is being covered, what is not being covered and how much it will cost."

"This is a central issue that's walked into people's living rooms and is staring them in the face," said Sen. Paul Wellstone, D

-Minn., who also argued Congress must make the decisions.

During the morning session, Democrats defeated, 10

-7,

an amendment by Sen. Dan Coats, R

-Ind., that would hold off a vote on the Kennedy plan until the committee received estimates of its cost from the Congressional Budget Office.

The CBO has been backlogged, trying to do estimates for

a variety of health proposals.

When the House Ways and Means Committee met Thursday, Rep. Dan Rostenkowski, the chairman, complained about the slowness of CBO.

"I do not have a chairman's mark. I can't honestly tell you whether or when I will have one," said Rostenkowski, D

-Ill. "I'm frustrated as you are that we are working on an issue this important without fully developed cost estimates for all the different alternatives.

Kennedy Moves To Cut 'Breakthrough Drugs' Council

By Mary Agnes Carey
Dow Jones Staff Reporter
WASHINGTON

-DJ- Sen. Edward M. Kennedy has moved to eliminate President Clinton's "Advisory Council on Breakthrough Drugs" from the health care bill now pending before the Senate Labor and Human Resources Committee.

The Massachusetts Democrat who chairs the Senate panel has proposed an amendment that would eliminate the council from his bill to appease committee members Sen. Judd Gregg, R

-N.H., and Sen. Orrin Hatch, R

-Utah, The legislators were concerned that such a council would "inhibit needed research and development in biotechnology," Kennedy said.

Gregg said Kennedy's willingness to remove the breakthrough drugs council from his bill demonstrates "a significant number of members are very worried" about how such a council would affect capital formation and innovation in the biotech industry.

For months, pharmaceutical manufacturers have expressed concerns about the council, charging that it would seriously harm the industry's research and development of new drugs.

Kennedy wants to replace the breakthrough drugs council with a "medical technology impact program." The panel would assess "the impact of old, new, and emerging medical technologies on health care costs, social costs, and patient outcomes," according to Kennedy's proposed amendment.

Rep. Barbara Mikulski, D

-Md., who is co

-sponsoring the amendment, said it represents "a good compromise which improves the opportunity for new discovery in an area such as biotechnology that can cure diseases which are high in human suffering and high in medical cost."

(MORE) DOW JONES NEWS 05

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-Space Station,400

House Chairman Proposes Reduced Funds for Space Station
By HARRY F. ROSENTHAL=

WASHINGTON (AP) The chairman of the House space committee said today he will submit a reduced budget to Congress that keeps space station funds intact, but eliminates one shuttle flight and delays some other programs.

Rep. George Brown, D

-Calif., who had been threatening

to withhold his support for the station if NASA's overall budget suffered a major cut, delayed a final decision until there is final action by the appropriations committee.

"While there is still some flexibility for the appropriators to do better by NASA," he told a news conference, "the situation is grim."

The subcommittee that handles NASA also allocates funds for federal housing programs and veterans, and Brown said its total allocation is \$350 million to \$500 million less than has been requested.

The new spending bill Brown will introduce in the next few days cuts \$290 million from the \$14.3 billion President Clinton had requested by reducing the shuttle flight rate to a maximum of seven a year, canceling a Spacelab mission, eliminating the start of a new Mars Surveyor program.

But he also added \$140 million in new items, which reduces the overall NASA cuts to \$150 million.

"The effect of this bill would be to give NASA a budget of \$14.15 billion," Brown said. "For those of you who have been asking where I draw the line on support for the space station, this is the line."

"With fewer resources than this, I will oppose the space station program in its current form either by reducing funding for the station or by killing it outright and redistributing those resources in other NASA

programs."

Brown has led the fight for the space station in Congress for a number of years and an abrupt reversal would probably swing enough votes to doom the \$30 billion program, on which more than \$11 billion already has been spent.

Even with his support, Brown estimated the chances for the station's survival only at 50

-50. It squeaked through on only a single vote in one roll call last year.

One of the leading opponents of the station, Rep. Dick Zimmer, R

-N.J. announced through his spokesman today that he will submit a spending proposal of his own that does not include funds for the station.

(complete writethru Rostenkowski refuses comment; Foley predicts no indictment, explains impact of felony charges on chairmanship)

Lawyers for Rostenkowski seeking plea

WASHINGTON, May 19 (UPI) Rep. Dan Rostenkowski, D

-Ill., refused to comment Thursday on published reports that his attorneys are trying to negotiate a plea bargain with federal prosecutors that could avoid a felony indictment against the powerful House Ways and Means chairman.

The talks could lead to Rostenkowski agreeing to plead guilty to a lesser charge, The New York Times reported Thursday. But at this point, lawyers told the newspaper, the government and Rostenkowski's lawyers are still far apart and the effort to reach an agreement could go nowhere.

In that case, Rostenkowski could be indicted by Memorial Day, the report said.

As Rostenkowski was leaving a Democratic caucus meeting to discuss the party's legislative agenda Thursday morning, he smiled, but refused to comment on the reported negotiations.

House Speaker Thomas Foley said at his daily press conference that he had no knowledge of whether the Illinois Democrat's attorneys are negotiating with Justice officials, but said he found the "alleged conversations...a little surprising."

He said he believes such discussions raise ethical questions about "the propriety of that sort of leakage."

"My position is that I don't believe Mr. Rostenkowski is going to be indicted. He's going to continue as

chairman," Foley said.

Rostenkowski, who has denied any wrongdoing, has been the subject of a two

-year investigation that focused initially on improprieties by House Post Office employees.

The probe later expanded to include allegations he misused his official House accounts and even paid Chicago employees for work they did not perform.

Avoiding a felony indictment is crucial to his maintaining his post as head of the House Ways and Means Committee, whose influence is seen by the Clinton administration as vital to help pass a health care reform bill.

Foley said if the chairman is indicted on a felony charge that carries a sentence of two or more years, he would have to relinquish his chairmanship to the next most senior member on the committee, Rep. Sam Gibbons, D

-Fla.

Under the scenario, Gibbons, a proponent of a Canadian

-style health care reform alternative to President Clinton's plan, would continue as chairman until the charges against Rostenkowski are either dismissed or lessened.

If Rostenkowski were charged with a misdemeanor, he would not be forced to step down immediately. But he still would be subject to censure by his colleagues, which could still lead to his surrendering his chair.

Lawyers involved in the case told the Times he might seek to improve his bargaining position in plea negotiations by offering to resign later in the year.

Attorney General Janet Reno refused to comment on the issue Thursday at her weekly news briefing. Reno would only say she is going to make sure that any Justice

Department action taken is in accordance with the law.

White House spokeswoman Dee Dee Myers also refused to comment Thursday. "It is a Justice Department matter," she said. "The White House has no involvement."

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U.S. Official Says Reactor Fuel Rod Withdrawal Now Under

Way

EDs: LEADS with 5 graf to UPDATE with Clinton comments;
picks up 6th graf, The defueling...

By ROBERT BURNS= Associated Press Writer=

WASHINGTON (AP) U.N. atomic energy inspectors reported that North Korea has begun removing used fuel rods from a small nuclear reactor suspected of supplying plutonium for a nuclear arms program, a U.S. official said today. President Clinton urged North Korea to allow inspections of the facility.

North Korea last weekend stated publicly that it was going ahead with the reactor defueling process even though no agreement had been worked out with the International Atomic Energy Agency to have IAEA inspectors present at the reactor.

"They've started the process," said the official, who spoke today on condition of anonymity.

Clinton said he was briefed on the situation today by the Joint Chiefs of Staff. But he declined to confirm that the removal of fuel rods was under way, noting that IAEA inspectors had visited the reactor site this week.

Later, at a news conference, Clinton said he would not comment in any detail because he was awaiting a detailed report. But, he said, "I think it would be in error for the North Koreans to thwart these inspections after they agreed to comply with them."

The defueling is a normal event after a nuclear reactor has been operating for a lengthy period. The international concern over this stems from the fact that North Korea has balked at allowing the IAEA to verify that the used fuel rods which contain small amounts of plutonium are not diverted to a weapons program.

The IAEA wants to monitor the defueling and to have its inspectors take samples from some rods in order to learn more about the disputed history of the experimental reactor.

North Korea contends its nuclear program is strictly for non

-military purposes.

The CIA has said there is a better

-than

-even chance

that fuel rods removed several years ago from the reactor provided enough plutonium to build one or two nuclear weapons.

Until today there had been no confirmation that the defueling was under way. The Washington Post reported in today's editions that North Korea's engineers are still at the early stage in the process of removing all the reactor's fuel rods.

Confirmation that the fuel rod removal had begun was relayed by atomic energy inspectors who visited the
25

-megawatt reactor on Wednesday, the U.S. official said.
Rep. Lee Hamilton, D

-Ind., chairman of the House Foreign Affairs Committee, said in a television interview today that it was too early to judge whether North Korea was diverting the withdrawn reactor fuel to a nuclear weapons program.

The fuel rods contain small amounts of plutonium, which is a key ingredient in nuclear warheads. It was unclear today whether the IAEA had any indication that North Korea has diverted the fuel rods it had withdrawn.

U.S. Defense Secretary William Perry has said that if North Korea diverted the fuel rods, or otherwise blocked adequate monitoring of the defueling process by international inspectors, the Clinton administration would push the U.N. Security Council to enact economic sanctions against the communist North Korean government.

David Kyd, a spokesman at the atomic energy agency's headquarters in Vienna, Austria, said today the inspectors had visited the reactor as well as a radiochemical laboratory suspected of processing plutonium for weapons use. Kyd said the inspectors had decided they would continue their work on Friday.

Kyd said the atomic energy agency intended to issue a public statement on the initial findings at Yongbyon today after consultations with Hans Blix, the agency's director. Until then the agency would have no comment on the defueling, Kyd said.

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-VIETNAM

-USA 1STLD (SCHEDULED)

U.S., VIETNAM INCH TOWARD SWAPPING DIPLOMATS

By Jim Wolf

WASHINGTON, May 19 (Reuter) - Vietnam and the United States have agreed in principle to send diplomats to each other's capitals as the next step toward normal relations, a senior Vietnamese official said Thursday.

Le Van Bang, Vietnam's ambassador to the United Nations, told reporters he expected the diplomats to open projected "liaison" offices in Washington and Hanoi within the next three months.

Between 10 and 20 envoys will be involved in the exchange, Le Bang said.

He said he had agreed on the staffing level at a meeting Wednesday with James Hall, director of the State

Department's office of Vietnam, Laos and Cambodia affairs.

Le Bang made his remarks at a business conference attended by the first big Vietnamese delegation to visit the United States since President Clinton lifted a
19

-year

-old trade embargo on February 3.

The two sides have been negotiating details of the offices since shortly after Clinton proposed them when he scrapped the trade ban.

At issue has been their size, status and such matters as whether they will fly national flags. In separate but parallel talks, the two countries have been working out a comprehensive settlement of wartime financial claims.

The opening of the offices, which is subject to an exchange of protocols, would be an important step toward the normalisation of relations.

But the United States has linked the establishment of full diplomatic ties to continued Vietnamese cooperation in tracing the fate of the 2,233 U.S. servicemen missing in Indochina, 1,642 of them in Vietnam.

Le Bang said the liaison office in Washington would make it easier to do business with Vietnam by issuing visas and acting as a kind of clearing house for information on opportunities. It would not be a full

-fledged embassy.

Asked whether he expected the exchange of diplomats within months or weeks, Le Bang replied: "I think months. One month, two months, three months."

The State Department had no immediate comment, but a department official said some details had still not been settled. Among these is when the Vietnamese will be allowed to move into the former South Vietnamese embassy in Washington.

Le Bang said Hanoi eventually planned to move its diplomats into the embassy, which he said he had just toured as part of preparations for moving to Washington, where he is expected to head the Vietnamese office.

The handover of the former South Vietnamese embassy is being worked out as part of a deal that would involve the simultaneous return of the former U.S. embassy in Saigon, now known as Ho Chi Minh City.

Communists seized the U.S. embassy moments after helicopters plucked fleeing Americans and Vietnamese from its roof in April 1975.

Le Bang said he expected the liaison offices initially to be housed in temporary premises in Washington and Hanoi.

Deputy Prime Minister Tran Duc Long told the business

conference that Hanoi was anxious to bury the hatchet from the war, which ended in 1975 with the Communist takeover of Saigon and the unification of Vietnam with Hanoi as capital.

"Let bygones be bygones and look into the future -- that is the wish of the government of Vietnam," said Tran Duc Long, who is expected to meet Secretary of State Warren Christopher Friday before taking his investment

pitch to business conferences in New York and San Francisco.

He said Vietnam was seeking billions of dollars in foreign capital, as well as what he called "dynamic and modern U.S. managerial skills" to help meet its ambitious growth targets.

Vietnam is aiming to more than double the 1990 per capita Gross Domestic Product by 2000, he said. That would put it in the neighbourhood of \$500 a year, since GDP is starting from a very low base.

REUTER

REUTER

Argentines fathom trade with the U.S.

By JORGE A. BANALES

WASHINGTON, May 19 (UPI) Argentine officials and diplomats huddled Thursday for a two

-day session to

discuss ways to overcome the soaring trade deficit with the United States, the Argentine Embassy reported.

Argentina, ranking 23 among 228 U.S. trading partners, recorded a \$2.56 billion deficit in merchandise trade in 1993, according to the Office of the U.S. Trade Representative. The U.S. share of Argentine imports was 22.8 percent.

The overall trade deficit imbalance with the United States shot up by 132.3 percent in the first two months of 1994, contributing to a \$1.11 billion deficit in Argentina's foreign trade, an almost ninefold increase over the same period last year, according to the Argentine census bureau.

Ambassador Raul Granillo is chairing the gathering of all Argentine consuls and trade officers in the United States. The Deputy Secretary for Foreign Trade Marcelo Avogadro also is attending the meetings at the Argentine Embassy.

"Although Argentine exports to the United States show some improvement in recent months, it is obvious that Argentine exports face a major challenge to close a substantial portion of the trade gap," the Embassy said.

"The United States comprises a number of regional markets, each one with its own climate, industrial base, and cultural preferences that have an impact on what can

be, and cannot be sold," the embassy report said.

Early in May, Argentina's Economy Minister Domingo Cavallo stated that the trade deficit "does not constitute a problem" for Argentina because it was caused by the importation of capital goods, which produce more investments.

"The increase in imports does not constitute a problem if it helps to increase our productive capacity," Cavallo told journalists in Buenos Aires.

Argentine trade officials identified fishing, fruit and vegetable produce, concentrate juices, wines and processed foods as the most promising items to promote for import in the United States. Also mentioned were construction materials, and auto parts.

The officials are also discussing ways to encourage U.S. investment in Argentina, and the Embassy mentioned without adding details "recent investments by Nabisco Brand Inc., DeKalb Genetics Corp., Philip Morris, CPC International, Kraft General Foods, which are helping to develop the industrial and exporting capacity" of the country.

A country of 33.1 million with a gross domestic product per capita of \$6,900 and an average GDP growth rate of 5.87 percent between 1989 and 1992, Argentina has seen foreign investment growing in the same period from 1.82 percent to 3.33 percent of its GDP.

Since 1989, Argentina has curtailed subsidies to domestic industrial production, abolished most price controls, outlawed restrictive practices and regulations impeding access to the Argentine market, and launched a fast

-moving privatization program.

Argentine tariffs were reduced from an average of 22 percent to just over 10 percent in 1993, and the maximum tariff was lowered from 40 percent to 20 percent.

President Carlos Menem's administration abolished import

-licensing requirements and most quantitative restrictions on imports. Argentina signed a bilateral investment treaty with the United States, and joined the General Agreement on Tariffs and Trade's subsidies code in 1991.

"Inadequate protection of intellectual property rights remains a serious problem," according to the USTR.

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-China Lobbying, Bjt,880
U.S. Firms Have Billions at Stake in Chinese Human

-Rights

Battle

By JIM DRINKARD= Associated Press Writer=

WASHINGTON (AP) In early May, eight members of Congress gathered for lunch to hear Australia's ambassador explain how his country divorced its worries about human rights in China from its trade policy.

Ambassador Donald E. Russell said his country has sent human

-rights delegations to China to satisfy domestic political concerns. And he passed along a veiled warning from the Chinese ambassador: "You can only shoot the hostage once." Translation: If the United States plays its trade card, it will have no leverage left with Beijing.

President Clinton must decide by June 3 whether to cut off or continue China's most

-favored

-nation trade status.

That decision could mean hundreds of millions of dollars in trade to big U.S. manufacturers like AT&T, IBM, Caterpillar and Boeing and to lobbies like the Fertilizer Institute, which sponsored the luncheon.

American business lobbyists have been working overtime for months to create a political climate in which the president will feel safe in extending China's normal trade status for another year or longer.

"They're all over the Hill," said Rep. Nancy Pelosi,

D

-Calif.,

a leader of those who see MFN as the only meaningful U.S. leverage on China's human

-rights behavior. "They're schmoozing breakfast, lunch and dinner."

On Capitol Hill, efforts like the May 4 luncheon have paid off. This week 106 House members 50 Democrats and 56 Republicans put their names on a letter to Clinton urging him to address human rights in China through a bilateral commission, and abandon use of U.S. trade policy as a lever.

House Foreign Affairs Committee Chairman Lee Hamilton, D

-Ind., urged Clinton to break the linkage between trade and human rights in a May 10 speech a public statement business lobbyists had urged him to make.

"It has been shoe leather," said Calman Cohen of the Business Coalition for U.S.

-China Trade, which has been coordinating much of the lobbying attack. "We have done everything we could to explain the situation."

Other lawmakers have been making similar appeals privately to the White House. Many are suggesting creating a human

-rights commission on the Australian model as an alternative to addressing problems like China's treatment of dissidents and its use of prison labor, without getting in the way of commerce.

The aim is to show Clinton a political escape route from the policy he announced a year ago. Then, he extended MFN on condition that China make "overall significant progress" in human rights, as measured by seven specific standards. Human

-rights groups argue that little progress has been made, and that MFN should be denied or restricted.

A couple of changes have made the lobbyists' job easier.

In the past the Democratic Congress had sought to make it politically dangerous for a Republican president George Bush to maintain open trade in the face of China's human

-rights failures. Now the effort is to make it politically safe for Clinton, a Democrat.

Critics of MFN such as Pelosi and Senate Majority Leader George Mitchell, D

-Maine, have held their fire until recently, leaving the field open to business lobbyists.

"The whole game is to convince the president that if he does de

-link, he won't be alone," said one senior

corporate lobbyist.

Also eclipsing human rights as a worry has been North Korea's nuclear weapons program, which makes cordial relations with Beijing more important.

Members of the business coalition have targeted congressional delegations in states where they have an important presence. Fertilizer interests have tackled Florida lawmakers, for example, because that state is the source of most of the phosphate exported to China. Grain growers have homed in on farm

-state lawmakers. Automakers have hit states where they have plants.

The group includes major corporations such as McDonnell Douglas, Boeing, Caterpillar, AT&T and IBM, as well as the National Association of Manufacturers and the U.S. Chamber of Commerce.

Other corporations, including Arco, Pfizer, General Electric and Salomon Brothers have revived the cooperation they used to help sell the North American Free Trade Agreement last year.

"We are a California company with interests in Colorado and Texas," said Arco's Jerry Pruzan. "We have seen and talked to virtually every single member of those delegations." At stake for Arco are billions in investments in China, including a huge gas pipeline now under construction.

At the same time, business has engaged in a form of "reverse lobbying" helping the White House convey its human

-rights concerns back to the Chinese, and coaching Beijing on moves it might make to assure trade remains open.

The Chinese themselves have lobbied actively, as well.

The embassy in Washington hosted a small group of senior congressional aides at an uncommon dinner earlier this year to underscore how rapidly Chinese culture has changed in recent years. The underlying message: The United States is being impatient and trying to force change more rapidly than is possible, according to one participant.

Another recent boost came from a Congressional Research Service study that estimated the cost to the U.S. economy of ending China's normal trade status of upwards of \$10 billion a year. The study, however, ignored other conclusions, including that ending MFN "would have only a small overall effect on the U.S. economy" and that some U.S. industries would benefit from lessened competition from China.

BC

-HAITI

-USA

U.S. WANTS ALLIES TO TAKE IN HAITIAN REFUGEES

WASHINGTON, May 19 (Reuter) - The United States is asking its allies, several of whom have ties to Caribbean

nations, to take in Haitian refugees, the White House said Thursday.

"We want them to help," said White House spokeswoman Dee Dee Myers. But she did not say if any of the countries contacted agreed to the U.S. proposal.

U.S. officials said that Britain, France and Canada

were among the countries approached so far by the United States to take in refugees Florida officials fear will arrive in droves following a change in U.S. immigration policy.

President Clinton bowed to pressure from the Black Caucus in Congress and others in softening U.S. policy toward those fleeing Haiti.

The United States has chartered two Ukrainian

-registered cruise ships for interviewing Haitian refugees. U.S. policy is to allow immigration only to those who can show they are fleeing political persecution.

Clinton recently said Haitian boat people picked up at sea would no longer be sent back without such asylum hearings, which he said could take place on ships at sea. But he said it would take several weeks to implement the new policy, and in the meantime Haitians are still being turned back.

A British embassy spokesman said Clinton called British Prime Minister John Major Monday to ask for the help in establishing a centre in the Turks and Caicos islands, which has British ties, to process the refugees.

"The prime minister responded that he understood the importance of the president's request and would give the matter careful consideration in consultation with the Turks and Caicos government," the embassy spokesman said.

The processing centre would allow U.S. authorities to interview Haitian refugees to determine whether they qualified for political asylum.

The Turks and Caicos are a chain of about 30 islands near the southeast end of the Bahamas. Only six of the larger islands are inhabited and officials said the U.S. request had not centred on a specific location.

Myers compared the Haitian refugee situation to the Vietnamese who fled that country and were taken in by a number of countries in addition to the United States.

REUTER

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-YUGOSLAVIA

-USA (SCHEDULED)

U.S., RUSSIA, EUROPE MEET ON BOSNIA

By Carol Giacomo

WASHINGTON, May 19 (Reuters) - U.S., Russian and European officials, trying to hold a common front as they struggle to end the Balkan war, met Thursday to craft peace options for new negotiations with Bosnia's fighting factions.

The meeting was to put flesh on proposals by the foreign ministers of the major powers who agreed last

Saturday in Geneva to join in a last

-ditch peace effort.

They called for a four

-month truce and new negotiations
between the parties.

As the so

-called "contact group" met at the State
Department, urgent diplomatic efforts were under way
elsewhere to end the two

-year conflict, with dire warnings
to the fighting factions if they did not cooperate.

A further foreign ministers meeting was announced for
June 13, preceded by peace talks in France among the
factions. France is threatening to pull its peacekeepers
out of Bosnia unless there is progress toward peace.

A senior U.S. official, who declined to be identified,
said that at Thursday's meeting, U.S., Russian and European
representatives would "go over the territorial issues to
develop our own stable of ideas" to present to the
factions.

He acknowledged that it was unclear if Serbs and
Moslems were yet ready for a negotiated settlement of
their war.

"We need to see if we can't have the most common
front possible among ourselves in terms of what generally
needs to be done for an acceptable solution," he said.

Unlike past negotiations "where everyone said the
parties must produce ideas (for a settlement and
territorial division of Bosnia), we're going to play the
catalytic role ... presenting our ideas to each of them,"
he said.

The aim is to persuade the Bosnian factions to stop
fighting and accept a partition giving Serbs control of 49
percent of the country and Moslems and Croats the rest.

The contact group is due to hold new peace talks with
the Bosnians factions next week and the official said all
factions were expected to attend.

He noted that Moslems, Croats and Serbs have in the
past put forward many suggestions for a deal and now the
contact group "will see if we can repackage them, combine
them in different ways, do something to them that hasn't
been done before that might make them more acceptable."

He said he did not expect the group to put forward a
specific proposal or even a series of proposals when it
meets the Bosnian factions next week.

Instead, he said the group would focus on key
territorial issues -- western Bosnia, eastern Bosnia and
the northern corridor.

Pressure was intensified by France's threat to begin
withdrawing peacekeepers and the announcement of the June

13 foreign ministers meeting in Geneva.

Britain said the rival factions had about eight weeks to reach a settlement or face a relapse into full

-scale

war and withdrawal of U.N. troops and aid.

REUTER
