

M S M a i l

DATE-TIME 26 July 95 19:11
FROM Wozniak, Natalie S.
CLASSIFICATION UNCLASSIFIED
SUBJECT Daily Guidance Update [UNCLASSIFIED]
TO Andreassen, Steven P.
Andricos, George M.
Aoki, Steven N.
Appel, Edward J.
Argarin, Jocelyn D.
Armstrong, Fulton T.
Atkin, Timothy J.
Atlas, Edwin L.
Baker, Jane E.
Baker, James E.
Bakke, Kyle D.
Baldwin, Kenneth
Bassett, Leslie A.
Bass, Peter E.
Battenfield, Pat
Beers, Rand R.
Behring, Deanna M.
Bellamy, Ralph C.
Bell, Robert G.
Benjamin, Daniel
Bieda, James M.
Birkland, Andrea L.
Blacker, Coit D.
Blieberger, Marion H.
Blinken, Antony J.
Bolinski, Charlene C.
Boorstin, Robert O.
Boright, John
Bradley, Amelia J.
Breeland, Jocelyn G
Bresnahan, Gary E.
Broadway, Jamuna
Brown, Dallas
Bruton, Robert G.
Bryan, Lloyd D.
Burrell, Christina L.
Kevin J. Cadieux
Canty, Mary T.
Carter, Michael E.
Cicio, Kristen K.

Clark, Bronya
Clarke, Richard A.
Claussen, Eileen B.
Cooper, Kathleen H.
Crispell, Thomas G.
Daniel, Patty A.
Danvers, William C.
Darby, Melanie B.
Darnes, Victoria J.
Debortoli, Michelle A.
Deshazer, Macarthur X.
Dimel, Marsha L.
Dohse, Fred J.
Dragone, Karen D.
Drew, Samuel N.
Dupuy, Shawn L.
Dymersky, Debra L.
Eddy, Randolph P.
Edwards, Joan
Emery, Mary C.
Evans, Paul A.
Feinberg, Richard E.
Fetig, James L.
Ficklin, John W.
Flessas, Daniel
Fried, Daniel
Friedrich, M. K.
Froman, Michael B.
Fuhrman, Thomas A.
Gardner, Anthony
Gates, Brian K.
Genton, Regina A.
George, Christopher
Gerstner, Christina L.
Glinski, David
Gorsuch, Robert P.
Gray, Wendy
Guekel, Kathi A.
Hale, John E.
Hall, Wilma G.
Halperin, Morton H.
Hamilton, Roy A.
Hammond, Cathy J.
Hammonds, Lisa W.
Harmon, Joyce A.
Harris, Elisa D.
Harrison, Lyle M.
Hawes, David J.
Hawkins, Ardenia R.
Herrington, David E.

Heslin, Sheila N.
Hilliard, Brenda I.
Hill, Roseanne M.
Hofmann, Stephen D.
Houck, Baerbel K.
Hunerwadel, Joan S.
Jones, Steven R.
Joshi, M. Kay
Kammerer, Kelly C.
Kelly, Sandra L.
Kerr, Andrew S.
Ketterer, James P.
Kreczko, Alan J.
Kyle, Robert D.
Laipson, Ellen B.
Leary, William H.
Lindsey, Wanda
Litwak, Robert C.
Lorin, Matthew E.
Lowry, Jay E.
Mack, Kathryn S.
Malley, Robert
Marmol, Madelyn P.
Marshall, Betty A.
Martinez, Alejandro
Stefan T. Mauzy
Maxfield, Nancy H.
Mazzuchi, Anthony D.
McCormick, Shawn H.
McIntyre, Stuart H.
Merchant, Brian
Miller, Matthew E.
Millison, Cathy L.
Mitchell, Calvin A.
Mitsler, Elaine M.
Miyaoka, Lester H.
Moody, Angelyn D.
Neil, M. Elise
Noetzel, Jon C.
Norman, Marcia G.
Nuccio, Richard A.
O'Loughlin, Katherine
Parco, Jim E.
Gwyn M. Parker
Parramore, Carl W.
Parris, Mark R.
Pascual, Carlos E.
Pease, Bruce E.
Peggins, John W.
Peters, Mary A.

Pifer, Steven K.
Poneman, Daniel B.
Poppiti, Victoria L.
Porter, Gidell
Quinn, Mary E.
Ramsay, Martha S.
Reade, Evan G.
Realuyo, Celina B.
Rice, Susan E.
Roth, Stanley O.
Roundtree, Beverly J.
Salvetti, Lisa M.
Sanborn, Daniel R. K.
Satterfield, David M.
Saunders, John W.
Schifter, Richard
Schmidt, John R.
Schwartz, Eric P.
Sculimbrene, Thomas A.
Seaton, James B.
Seeley, Charlotte P.
Sens, Andrew D.
Sestak, Joseph A.
Sevigny, Theodore T.
Sheehan, Michael A.
Sigler, Ralph
Simon, Steven N.
Simons, James R.
Stauffer, Helen L.
Stern, Jessica E.
Sterns, Crayton L.
Suettinger, Robert L.
Sulser, Jack A.
Tarullo, Daniel K.
Turner, Joe T.
Tyler, John T.
Unrue, Michael M.
Van Tassel, David S.
Veit, Katherine M.
Vershbow, Alexander R.
Verville, Elizabeth G.
Wadsworth, Valon J.
Wales, Jane
Walsh, Helen C.
Ward, JoAnn X.
Weber, Paul A.
Wilson, Marilyn E.
Witkowsky, Anne A.
Wooton, Kevin B.
Wozniak, Natalie S.

Wright, Allison M.
Yorkdale, Glenn H.

CARBON_COPY NO CC's on THIS MESSAGE

TEXT_BODY

In light of the President's Press Availability with President Kim of South Korea tomorrow (Thursday, July 27), please review and forward your updates to @Press by 9:00 A.M.

Thanks.

[[JUL26GUI.DOC : 4941 in JUL26GUI.DOC]]

**ATTACHMENT
FILE DATE**

26 July 95 19:8

**ATTACHMENT
FILE NAME**

JUL26GUI.DOC

Foreign Policy Talking Points

July 26, 1995

Bosnia: Reaction to Dole Resolution (NEW)

Bosnia: London Agreement

Bosnia: London Meeting (UPDATED)

Bosnia (UPDATED)

Bosnia: Talking Points on Dole Amendment

IOB Guatemala Review (NEW)

Korea: President Kim Visit (UPDATED)

China (UPDATED)

Sale of Pakistan's F-16 Aircraft

Northern Ireland

U.S.-Cuba Migration Talks

Cuba and News Bureaus

House Foreign Operations Appropriations Bill (HR1868)

Haiti

Russia (UPDATED)

REACTION BY THE PRESS SECRETARY TO THE PASSAGE
OF THE DOLE RESOLUTION ON BOSNIA (S. 21)

-- The President is very disappointed by the Senate's vote to pass S.21, which would provide for the unilateral lifting of the arms embargo against Bosnia and Herzegovina.

-- The President will continue to make his opposition clear when the issue moves to the House; He is prepared to veto any legislation requiring unilateral lift that reaches his desk.

-- A vote for the Dole Resolution is a vote to send American ground troops to Bosnia

-- Our Allies in UNPROFOR have said that a unilateral U.S. action to lift the arms embargo will result in their withdrawal from UNPROFOR, leading to its collapse. In that case the U.S., as the leader of NATO, would have an obligation to assist in that withdrawal, involving thousands of U.S. ground troops in Bosnia for a very difficult mission.

-- Moreover, requiring the U.S. to unilaterally violate a binding UN Security Council resolution would undermine other UN sanctions regimes, such as against Iraq, that serve vital U.S. interests.

-- It just doesn't make sense to take an action like this when we are working to stiffen the

international response to Serb aggression. This encourages our Allies to do less, not more -- and to give us sole responsibility for the future of Bosnia. A unilateral lift means unilateral responsibility.

LONDON AGREEMENT

The London Agreement calls for an extended air campaign against Bosnian Serb targets if they attack the safe area at Gorazde. This policy, and the ultimatum delivered to the Bosnian Serbs by the U.S., French and British on Sunday, is designed to deter such an attack. The London Conference participants also agreed that this policy could be applied to the other safe areas if required. Extension of the ultimatum to one or more of the remaining safe areas would require only a decision in the North Atlantic Council at NATO.

LONDON MEETING AND NATO DECISIONS ON BOSNIA

-- Early this morning in Brussels, NATO acted swiftly and resolutely to implement significant decisions taken at last week's International Meeting on Bosnia in London.

-- After intensive action by NATO military authorities, the North Atlantic Council approved planning for use of substantial NATO air power in deterring Bosnian Serb attacks on the UN safe area of Gorazde.

-- Just as importantly, NATO military authorities were instructed to formulate command and control arrangements for protecting other safe areas, particularly around Bihac.

-- Authority for the decisions taken at NATO already exist under current UNSC resolutions. We understand that NATO Secretary General Claes discussed the new arrangements with UN Secretary General Boutros-Ghali after the NAC decision.

-- The measures agreed to in Brussels confirm the London decisions to modify substantially the "dual key" previously in effect. These new arrangements will ensure that the use of air power is substantial and decisive. Such operations, once initiated, will not be lightly discontinued. In short, there will be no more pinpricks.

-- The Alliance recognizes that there are risks involved in use of substantial air power, but will not be deterred.

-- They are consistent with the requirements of the U.S. military and have its endorsement.

-- Working with our NATO Allies, the United States has embarked on a qualitatively different approach to preserving the UN mission in Bosnia.

-- New command and control arrangements agreed to in Brussels last night, combined with British and French resolve in using their Rapid Reaction Forces to secure routes into Sarajevo, are vivid examples of our heightened resolve.

BOSNIA

Key Points:

-- The United States has important strategic and humanitarian interests in Bosnia:

- to find a peaceful solution to the conflict that preserves a viable, multi-ethnic Bosnian state;
- to prevent the spread of the conflict;
- to help limit the loss of life;
- and to keep faith with our NATO Allies who have troops on the ground there.
- That is why the United States
- led efforts by NATO to lift the siege of Sarajevo last year;
- has conducted the longest humanitarian airlift in history;
- has participated in enforcing the no-fly zone;
- has deployed peacekeeping troops to neighboring Macedonia;
- and has led diplomatic efforts to find a peaceful solution to this bitter conflict.
- And that is why we support the protection and strengthening of UNPROFOR, which helped reduce deaths among Bosnian civilians from 130,000 in 1992 to less than 3,000 in 1994.
- For all its problems, if UNPROFOR withdraws -- either on its own or especially because of American action like unilaterally lifting the arms embargo
- the humanitarian crisis would worsen;
- we would either have to send U.S. troops temporarily to help UNPROFOR get out or leave our Allies in the lurch;
- and the Europeans could then give us primary responsibility for that conflict.
- We would face the choice of walking away or committing ourselves to military intervention in the conflict.
- Such a venture, to succeed, would require American ground troops in the conflict,

something
neither the President nor our people want to see.

-- So the wisest immediate course is this: support the RRF, support UNPROFOR's efforts to deal more firmly with Serb actions, support the decisions on decisive use of NATO air power taken last week in London, and work for a peaceful settlement.

London Conference and Follow-up Decisions by NATO

- We went to London convinced that the status quo in Bosnia was untenable and that only strong and decisive action would be sufficient to halt Serb aggression, restore UNPROFOR's effectiveness, and reestablish conditions that could lead to a political settlement.
- We were particularly determined that clear decisions be taken to prevent the Bosnian Serbs from attacking the last remaining safe area in eastern Bosnia, Gorazde, and that measures be adopted for relieving the Serbs' siege of Sarajevo.
- The London meeting achieved these objectives. Early Wednesday morning, NATO approved the military plans needed to implement the London decisions: air power to defend Gorazde.
- We are fully satisfied with results at NATO: they reflect full reaffirmation of London decisions:
- NATO reaffirmed that any Bosnian Serb attack on Gorazde would be met with a substantial and decisive response by NATO air power, going beyond the limited strikes conducted previously, if the Serbs defy our ultimatum.
- Allies agreed on concept of operations that provides for broad-gauged strikes against

nst military
forces attacking Gorazde or concentrating for an attack in a wide geographic area
ar
ound Gorazde.
They also agreed that, if these strikes did not halt Serb offensive, NATO would
be p
repared to move to
strike Serb military targets elsewhere in Bosnia.

- Allies endorsed the substantial changes to the "dual key" system approved in
Londo
n. They
agreed that authority to initiate air strikes should be in the hands of the NATO ai
r commander and the
UN ground commander, consistent with normal military practice.

- Allies agreed it is vital, for strategy to work, that UN political authorities be
taken out of the
chain of command. We will press UN Secretary General Boutros-Ghali to
delegate his
"key" to the UN
force commander, General Janvier, who would in turn delegate authority to the
approp
riate subordinate
commander on the ground.

- Allies also agreed that NATO Military Authorities should immediately develop
plans
for applying
this new approach to Bihac and other safe areas, if that proves necessary.

-- Allies took this decision fully aware of risks that the Bosnian Serbs would seek
to respond as they have
in the past by taking hostages, but agreed that our policy would not be held
hostage
to hostage-taking.

- The second important decision in London was to take decisive action to ensure
acce
ss to Sarajevo for delivery
of humanitarian aid and resupply of UN forces, through early use of the Rapid
Reacti
on Force. The British
announced their decision to send a battalion to Sarajevo to further strengthen the
e
ffectiveness of UN
capabilities there.

- In light of Bosnian Serb attacks on UN peacekeepers along the Mt. Igman road,

our
allies have now
deployed elements of the Rapid Reaction Force as reinforcements.

- The London meeting also reaffirmed the international community's commitment to achieving a political settlement, stressing the urgency of renewed negotiations among the Bosnian parties based on the Contact Group plan.

- The participants voiced their support for the efforts of EU mediator Carl Bildt to secure recognition of Bosnia by Serbia-Montenegro and a sealing of Serbia's border with Bosnia.

- Bildt briefed Contact Group Ministers on the package he has worked out with Milosevic, but that package was not approved; in fact, we see a number of issues that still need to be satisfactorily resolved, and we also need to consult with the Bosnian Government on whether the terms for mutual recognition are acceptable.

- The Contact Group will be meeting again with Bildt in London today.

- The participants in the meeting also agreed to increase support for efforts to address Bosnia's humanitarian crisis, which was exacerbated by the Serb attacks on Srebrenica and Zepa and the new wave of brutal ethnic cleansing. The participants demanded the international community be given immediate access to all detainees still being held by the Bosnian Serbs.

- Underlying all these decisions is a reaffirmation that a strengthened and more effective UNPROFOR should remain in Bosnia.

- We continue to believe that UNPROFOR's withdrawal would lead to a larger human tragedy in Bosnia and an increased danger of wider conflict in the Balkans.

- Our allies made clear in London that action by the U.S. to lift the arms embargo unilaterally will force the withdrawal of UNPROFOR. It would also undermine the London meeting's renewed display of resolve, reaffirmed today in Brussels today, for UNPROFOR to deal firmly with the Bosnian Serbs' outrageous behavior.
- We should not be taking actions that drive UNPROFOR out at the very moment actions are being taken to protect the Bosnian people in Gorazde and other safe areas.

Srebrenica and Zepa

- What has happened in Srebrenica and Zepa is tragic and inhumane. No one can be anything but outraged by the Bosnian Serbs' brazen attack on UN safe areas and the new wave of ethnic cleansing.
- The actions by Bosnian Serb forces in Srebrenica and Zepa are a flagrant and brutal contradiction of the United Nation's peace efforts. The United States reiterates its condemnation of these attacks in the strongest terms.
- The Srebrenica and Zepa safe areas were established primarily as a haven for refugees expelled from other parts of Bosnia as a result of Serbian ethnic cleansing. The attack against these undefended enclaves and the peacekeepers stationed there, and the reports of brutal ethnic cleansing in the aftermath of this travesty, provide further dramatic proof of the intent of Bosnian Serb forces.
- The United States continues to work with the UN, our Allies and the Contact

Group
to ensure
that the safety and well being of the civilian inhabitants of Srebrenica and the Dutch peacekeepers are
ensured. We call upon the Bosnian Serb authorities to allow full access by
UNHCR to
all the civilian
refugees in the enclave, and to cease their illegal and inhumane detention of
groups
of refugees on the
basis of unsubstantiated or trumped-up "war criminal" charges.

-- Despite these tragic events, we remain convinced that UNPROFOR's
withdrawal would
lead to
an even greater tragedy.

-- Events of the past weeks emphasize the importance of strengthening
UNPROFOR so that
it can
carry out its mission more effectively. Had the Rapid Reaction Force we have
supported been in country,
it would have provided options for peacekeepers which were not available.

-- We have also called on the Serbian authorities in Belgrade to use their
influence
to stop this
aggression and ensure the safety of civilian populations and UN peacekeepers.
Serbia
must make clear in
word and deed that it joins with the civilized world in condemning such brutal
acts.
In particular, it should
redouble its efforts to ensure the complete physical and political isolation of the
Pale regime.

-- We are consulting urgently with our allies and other troop contributors on next
steps aimed at
strengthening UNPROFOR's effectiveness so that it can continue to perform its
mission. (See separate
points on London meeting proposals)

-- Clearly, the situation in the enclaves is grim, but the alternative being suggested on Capitol Hill --
lifting the arms embargo -- would be worse. It would automatically drive
UNPROFOR out of Bosnia and

draw the United States in.

Q & A: Hot Issues

Q: Isn't the dual key unchanged under the NATO decision on Gorazde?

-- NATO allies have unanimously endorsed significant change to dual key in new decision on Gorazde. This would involve delegation to the UN and NATO military commanders of the authority to call in close air support and to initiate air strikes to defend Gorazde.

-- Now seeking to nail this down with UN.

Q: What if UN doesn't agree?

-- For us, effectiveness of decision depends on removing UN political authorities from chain of command. Believe UN will see that this is only way we can prevent Bosnian Serbs from attacking Gorazde.

Q: Why should we believe this is different from previous NATO decisions that led to nothing more than "pinprick" strikes?

-- NATO decision breaks important new ground in authorizing large-scale air strikes against wide range of targets
-- not only forces attacking the safe area of Gorazde, but concentrations of weapons and forces directly threatening the safe area.

-- Authorizes effective actions to suppress air defenses at time strikes initiated.

-- Substantially modifies dual key, consistent with normal military practice.

Q: Is Contact Group meeting today going to endorse lifting additional sanctions on Belgrade? How can you even

consider this after recent Serb offensives and ethnic cleansing?

-- Contact Group is meeting with EU negotiator Carl Bildt in London to discuss status of negotiations with Milosevic on recognition of Bosnia.

-- We and Bosnian Government continue to believe that mutual recognition, if accompanied by serious measures to seal Serbia's border with Bosnia and cut-off of all support for the Bosnian Serbs, could be basis for suspension of some economic sanctions on Belgrade.

-- Still many issues to be resolved, including mechanism for reimposing sanctions if Milosevic does not fulfill his commitments.

Q: Is UNPROFOR withdrawing from the Eastern enclaves? In general?

-- No. Events of the past few weeks emphasize the importance of strengthening UNPROFOR so that it can carry out its mission more effectively.

-- If UNPROFOR withdraws, the humanitarian crisis would worsen;

-- we would either have to send U.S. troops temporarily to help UNPROFOR get out or leave our Allies in the lurch;

-- and the Europeans could then give us primary responsibility for that conflict.

-- This is an outcome neither the President nor the American people want to see.

Q: Would the Rapid Reaction Force, if in place, have helped save Srebrenica or Zepa?

-- Had the Rapid Reaction Force we have supported been in country, it would have provided options for peacekeepers which are not currently available.

Q: Why did we not support the French desire to deploy the RRF to help defend Gorazde?

-- Our military experts did not believe that deploying 1000 members of a rapid reaction force to

conduct a static defense of Gorazde was the most efficient use of the abilities of the RRF. Moreover, their view was that the threat of massive use of air power would have a greater deterrent impact.

-- We fully support French and British efforts to use RRF to ensure access to Sarajevo.

The Dole Resolution:

Q: Will the President veto the Dole Resolution?

-- We strongly oppose unilateral lift. So long as resolution would require unilateral lift, President prepared to veto.
Unilateral lift makes Bosnia a unilateral U.S. responsibility.

-- Announcing a virtually automatic commitment to unilateral lift while UNPROFOR forces are still in place would make withdrawal operation much more dangerous for U.S. and allied forces.

-- Unilateral lift would lead to a wider and bloodier conflict, with a very uncertain outcome for which the U.S. would have ultimate responsibility. The Bosnian Serbs would have the ability to make major gains in the months before the Bosnian government forces could be rearmed and trained.

-- By provoking an UNPROFOR withdrawal, it will allow the Allies to place the blame for UNPROFOR's failure on the U.S.

-- It would lead to the Americanization of the war.

-- The U.S. would be obligated to send U.S. troops to help UNPROFOR withdraw.

-- The U.S. would be blamed for the deteriorating military and humanitarian situation.

-- Having provoked UNPROFOR's withdrawal, the U.S. would be under great pressure to intervene to stem the deteriorating situation.

-- We could well be held accountable for events throughout the remainder of the war

-- thus making the war a unilateral U.S. responsibility.

Q: Bosnian Foreign Minister Sacirbey continues to call for lifting the arms embargo

. If that's what the Bosnians' say they want, why not support them?

-- We support the concept of a multilateral lift of the arms embargo, should the UNP ROFOR mission be terminated.

-- We do not support unilateral lift, which would have the effect of causing UNPROFO R to withdraw

prematurely.

-- We remain concerned that, in the time between lifting the embargo and the integration of new weapons into the Bosnian armed forces, the Bosnian Serbs would take military action that the Bosnians would be hard pressed to resist on their own.

Q: The Dole Resolution mandates lifting the arms embargo after UNPROFOR withdraws.

Isn't that the Administration's policy?

-- The resolution would unilaterally lift the arms embargo.

-- Such an effort would violate the UN resolutions, trigger a withdrawal of UNPROFOR and cause a deterioration of an already difficult humanitarian situation.

-- American forces would thus be sucked into the crisis and much of the blame for the deteriorating situation would be placed on us.

President's Comments on UNPROFOR Withdrawal:

Q: The President has said that if things did not improve in Bosnia, UNPROFOR may leave. Do you expect UNPROFOR to leave?

-- No. We expect UNPROFOR to stay and urge it to do so.

-- The key is for UNPROFOR, backed up by the RRF, to deal more firmly with Serbian actions to interfere with its mission.

-- This view was fully supported by the London conference.

Q: In reiterating his support for multilateral lift of the arms embargo, was the President signaling his expectation that UNPROFOR will withdraw?

-- No. We expect and urge UNPROFOR to remain and urge it to do so.

-- We have long supported multilateral lift if UNPROFOR were to leave Bosnia but we do not expect that to occur.

-- We strongly oppose unilateral lift and oppose current efforts in Congress to achieve that goal.

Rapid Reaction Force:

Q: Where do your efforts to get Congressional approval for RRF funding stand?

-- We have consulted with the Congress on the President's intent to provide \$15 million of transportation and equipment support. Of this amount, the President has signed a Presidential Determination authorizing the provision of \$12 million of transportation support to the allies. The Administration is also preparing for a drawdown of about \$3 million of equipment.

-- The Administration is preparing for the provision of about an additional \$27 million of goods and services -- under 506a authorities and primarily for equipment.

Q&A: Recurring Questions

Our Policy for the Way Ahead: Current policy reflects a coherent multi-pronged approach to our objectives:

- Achieve a negotiated end to the conflict that would preserve Bosnia's political independence and territorial integrity, providing for a reasonable division of territory among its ethnic groups;
- Pressure the Bosnian Serb leadership to accept the Contact Group plan already accepted by the other parties;
- Negotiate with Milosevic to obtain recognition of Bosnia and Croatia and tightening his cut-off of support for the Bosnian Serbs in return for gradual sanctions relief for Serbia;
- Support the Bosnian Federation, which has helped end the fighting in central Bosnia, promoted reconciliation among Bosnia's Muslims and Croats, and improved the prospects for an overall settlement.
- Sustain and strengthen UNPROFOR in order to help prevent a resumption of all-out war that would increase casualties and humanitarian suffering, risk the spread of the conflict, and effectively end the prospect for a negotiated settlement. Toward that end, we are:
 - supporting efforts of the troop contributing nations in the UN, short of providing our own ground forces, to reinvigorate that mission so that it can fulfill its mandate, most notably through creation of a Rapid Reaction Force (RRF);
 - working with our NATO allies to bolster the confidence of those with forces on the ground by ensuring that, should the position of UNPROFOR become untenable, an adequate

te plan

and forces are available to relocate or withdraw trapped units; and

-- continuing to provide support for NATO Deny Flight and Close Air Support missions

to protect those on the ground.

-- Strengthen and adapt the abilities of existing, proven, organizations such as NAT

O to deter a

repetition of the tragedy of the former Yugoslavia. We cannot do this if we abandon

our Allies.

-- The real choices remain with the parties to the conflict. They can perpetuate the military standoff, or they can stop spilling blood and start making peace.

-- As a first step, we reiterate our call for the Bosnian Serbs to join the other parties to the conflict in accepting the Contact Group plan as the basis for a negotiated settlement.

Rapid Reaction Force:

Q: What is the mission of the RRF? How will it be different from other UNPROFOR efforts that have proven ineffective?

-- The rapid reaction force is intended to provide the UNPROFOR commander with well-armed and mobile forces with which to respond promptly to threats to United Nations personnel. It will be used to reduce the vulnerability of UNPROFOR personnel and to enhance its capacity to carry out its existing mandate.

-- We expect it to be in place and fully operational by mid-August.

-- Based on discussions at the UN, its missions would include:

-- emergency actions/responses to assist isolated or threatened UN units;

- help redeployment of elements of UNPROFOR;
- facilitate freedom of movement where necessary.
- This force will be used to perform tasks that have previously been impossible for UNPROFOR.
- By providing the UN with the means to defend itself if attacked while fulfilling its mandate, the RRF force should enhance UNPROFOR's overall credibility and effectiveness.

Q: What have we given the RRF?

- We have authorized \$12 of lift support to the RRF, and we have begun to help move it into theater.

Q: What support are we prepared to give the RRF?

- We are committed to providing U.S. support to our allies who are contributing troops to the RRF.
- We have indicated to our allies that if asked, and in consultation with Congress, we would be prepared to:
 - provide close air support through NATO;
 - assist in establishment of an intelligence coordination cell and provide timely intelligence data;
 - provide equipment such as, communications gear and night-vision equipment (but not with U.S. personnel);
- These commitments are intended to strengthen Allies' resolve to maintain UNPROFOR, whose presence is essential to reduce violence, deliver humanitarian aid and preserve conditions for political settlement.

Q: How will you make good on your pledge to help finance the RRF when there does not seem to be any Congressional support?

-- We are working with the United Nations and other member states to use a voluntary fund to defray the costs of the RRF.

-- The U.S. contribution will come in three forms:

-- 1) DOD drawdowns of equipment and transportation services (We are consulting with Congress on the use of existing authorities to use DOD equipment and services to support our allies.)

-- Our initial support has been in the area of air and sea lift to support movement of the RRF forces into the theater.

-- As you are aware, the British have begun to move their initial forces, and we have provided the necessary lift capabilities. Approximately \$12 million in lift services is being provided.

-- The remainder of the drawdown authority would support other lift requirements from the Dutch, French and Germans, if requested, and provide force enhancement through equipment such as night vision goggles, communications terminals, laser target designators, precision navigation and refueling capabilities, and modifications to aircraft and helicopters to enhance their air defense capabilities.

-- 2) direct contributions of national assets, such as close air and intelligence support.

-- We also intend to use national assets to continue our Close Air Support for forces assigned to UNPROFOR and to provide intelligence capabilities. This

support
would not
require the exercise of drawdown authority.

-- 3) UN assessments of previously approved manpower ceilings

Of the RRF's 14,500 troops, 5,300 will be deployed under existing UNPROFOR approved manpower ceilings previously authorized by the Security Council. This port
ion of the
RRF will represent no more than \$35 million of our UNPROFOR assessment.

-- We have consulted with the Congress on the President's intent to provide \$15 mill
ion of
transportation and equipment support. Of this amount, the President has signed a Pr
esidential
Determination authorizing the provision of \$12 million of transpiration support to

the allies. The
Administration is also preparing an initial provision of equipment of about \$3 milli
on.

-- The Administration is conducting formal consultations with the Congress for the p
rovision of
up to an additional \$30 million of goods and services -- again under 506a
authoriti
es and primarily for
transpiration services and equipment.

Support for UNPROFOR:

Q: Why do you continue to support the UNPROFOR effort when it has repeatedly demons
trated that it is totally
ineffective in either ensuring the delivery of aid , protecting the citizens in the Safe Areas from attack, or ending
the fighting?

-- Withdrawal of UNPROFOR unquestionably would increase the humanitarian suffering.

-- Much of the relief effort depends on UNPROFOR: UNHCR and other relief

organization
 ns are
 feeding and otherwise caring for about 2.8 million refugees, displaced persons,
 and
 others affected by
 the war.

-- Despite UNPROFOR's current problems, tens of thousands of lives have been
 saved a
 nd
 violence has been reduced.

-- Shouldn't forget UNPROFOR's success in implementing the Bosnian-Croat
 Federation,
 which
 has restored peace to central Bosnia and demonstrated that multi-ethnic
 cooperation
 is still possible.

-- Strengthening UNPROFOR so that it can do its job is clearly better than the
 alter
 natives:

-- quitting and withdrawing UNPROFOR, with the humanitarian disaster that
 would
 surely follow; (lifting the arms embargo unilaterally, as part of this strategy, Ame
 ricanizes war
 and increases bloodshed);

-- continuing with status quo, which is unsustainable; or

-- sending Americans to fight in a Balkan ground war, which the administration
 and
 American people reject.

-- Our ultimate objectives--negotiated peace and stability in Balkans--more likely
 i
 f the international
 presence remains.

Results to Date:

Q: Isn't our policy of support for UNPROFOR bankrupt?

-- No. While the tragedy of recent events is enormous, you should not overlook
 what
 has been
 accomplished to date:

-- negotiating efforts have been key to implementing Federation agreement
 between Bo
 snia's
 Muslims and Croats, which has brought peace to the vast majority of territory

under
Bosnian government
control;

-- civilian casualties declined dramatically (130,000 in 1992, down to 2500 in 1994)

-- U.S. airlift has delivered more than 50,000 tons of humanitarian supplies in the longest airborne

relief operation ever -- thousands have received food and medical supplies;

-- shelling of Sarajevo has been reduced (until events of recent days);

-- NATO's Operation Deny Flight has flown more than 60,000 sorties, keeping the war

out of the

air over Bosnia for two and a half years; and

-- war hasn't spread to other areas of Balkans.

-- All accomplished without introduction of American combat forces on the ground in Bosnia.

-- Not a perfect solution -- But there are no easy or obvious choices to resolve the conflict.

-- The challenge for those critical of our policies is to come up with better alternatives that don't depend on wishful thinking.

U.S. Ground Forces:

Q: What is our policy regarding provision of U.S. ground forces?

-- We have avoided, and will continue to avoid, committing U.S. ground forces to the

conflict or

to join UNPROFOR in Bosnia.

-- But we believe Allies should know that, in the event UNPROFOR has to withdraw or

if units

need to be extracted in emergency situations, U.S. prepared to help through NATO.

-- There are three contingencies in which we might use U.S. troops in discrete, temp

orary

operations:

1. We would be prepared, after consulting with Congress and if asked by the parties,

to use U.S. troops
as part of a NATO force to help implement a settlement that the parties were
carryin
g out in good
faith.

2. If UNPROFOR decided to withdraw, after consultation with Congress and
review of m
ilitary plans,
we would participate in NATO operation to assist in withdrawal.

3. As a last resort, if needed -- and that is an open question because allies in UNP
ROFOR have
formidable capabilities themselves -- we should be prepared to assist NATO in an
eme
rgency
extraction of units whose positions had become untenable, to points of safety in
Bos
nia.

Lifting the Arms Embargo:

Q: Why not go along with the Bosnians' requests to lift the arms embargo?

-- Lifting arms embargo would lead to immediate decision by UNPROFOR to
withdraw.

UNPROFOR withdrawal would lead to increased humanitarian suffering and
wider war, re
duce chances
for political settlement.

-- Even if arms embargo were lifted, would take time for Bosnian Government to
acqui
re arms
and training needed to use them. Great vulnerability in interim, particularly if Be
lgrade resumes all-out
support for Bosnian Serbs.

-- If UNPROFOR has to leave, we will support multilateral lift, but believe it is
be
tter to work to
strengthen UNPROFOR and redouble efforts to achieve negotiated settlement.

-- Will continue to oppose unilateral lift.

Points on the Dole Amendment

- The Dole Amendment and other measures advocating unilateral lifting of the arms embargo would hinder our efforts to end the conflict in Bosnia.
- Unilateral lift would widen the conflict, increase pressures for direct U.S. military support to the Bosnian government, damage relations with allies, and risk confrontation with Russia and Serbia.
- Unilateral lift would make Bosnia a unilateral U.S. responsibility.
- Despite many shortcomings and frustrations, UNPROFOR and the international community's other efforts have yielded significant benefits.
- UNPROFOR should remain because it continues to play a vital role in reducing the killing and suffering in Bosnia, despite its inability to stop the attacks on Srebrenica and Zepa.
- UNPROFOR provides essential support for delivery of relief to 2.2 million people. Its presence has deterred massive Serb assaults on Sarajevo and other parts of Central Bosnia.
- UNPROFOR helped end the war between Croats and Muslims in Central Bosnia and is fostering a process of reconciliation between these two communities.
- But UNPROFOR must be able to conduct its mission more effectively and in greater security. The Rapid Reaction Force and other steps our Allies have taken to enhance UNPROFOR offer the best prospect of enabling it to continue its missions.
- Adoption of the Dole amendment now would undercut efforts by our European partners to strengthen UNPROFOR. Given that our Allies are taking the risks on the ground, we need to give them limited support and time to prove themselves.

-- The Administration has always believed the arms embargo is unfair, but we continue to oppose unilateral lift.

-- Announcing a virtually automatic commitment to unilateral lift while UNPROFOR forces are still in place would make the withdrawal operation much more dangerous for U.S. and allied forces.

- Serbs would have strong incentives to impede this process. The Bosnian Government

would want NATO extraction forces in place until it was able to operate effectively with its new arms and might even seek to use NATO forces as shields for their operations.

-- The Dole Amendment's provision that the U.S. should end the arms embargo within 12 weeks of the date the Bosnian government asks the Security Council to order withdrawal virtually ensures Allied entanglement in the war. NATO plans for UNPROFOR withdrawal envision that completion of the mission could take up to 22 weeks.

-- Unilateral lift would lead to a wider and bloodier conflict, with a very uncertain outcome for which the U.S. would have ultimate responsibility. The Bosnian Serbs would have the ability to make major gains in the months before the Bosnian government forces could be rearmed and trained.

-- It would lead to the Americanization of the war.

-- By provoking an UNPROFOR withdrawal, it will allow the Allies to place the blame for UNPROFOR's failure on the U.S.

-- The U.S. would send 25,000 troops to help UNPROFOR withdraw.

-- The U.S. would be blamed for the deteriorating military and humanitarian situation.

-- Having provoked UNPROFOR's withdrawal, the U.S. would be under great pressure to intervene to stem the deteriorating situation.

-- We could well be held accountable for events throughout the remainder of the war
-- thus making the war a unilateral U.S. responsibility.

-- Unilateral lift could place us in a direct confrontation with Russia, which like Serbia, would likely provide military assistance to the Bosnian Serbs.

-- Unilateral lift would undermine other UN resolutions and sanctions regimes, such as those against Iraq and Libya, that serve critical U.S. interests. Many would reject our efforts to distinguish between Bosnia and other situations.

-- Finally, the President has particular responsibility under the Constitution with respect to decisions that could involve the U.S. in hostilities or results in the exposure of U.S. armed forces and other Americans to imminent risks. The Dole Amendment would unduly interfere with these core Presidential responsibilities.

-- The fundamental issue is this: at the moment that our allies are saying they are prepared to put some more backbone into UNPROFOR, do we test that proposition and see if the effort works, or do we take this moment to pull the rug out from under them, undertake the costs and risks of an UNPROFOR withdrawal operation, and assume for ourselves the responsibilities for aiding and protecting the Bosnians that will follow?

-- Can we count on you to oppose the Dole bill on unilateral lift?

The Intelligence Oversight Board (IOB) delivered on Friday a report updating the President on its Guatemala Review. The update responds to the President's interest in keeping informed on the review.

- ù The update report notes that the IOB has received and reviewed CIA's initial Inspector General Report on Guatemala.

- ù The report from CIA's IG covers, among other things, CIA performance and activities in connection with the cases of Michael DeVine and Efrain Bamaca Valasquez.

- ù CIA's IG review of other Guatemala-related cases continues and will be completed in the coming months, as will be the IG reviews being conducted by the Departments of State, Defense, and Justice.

- ù The IOB's full report will draw on these studies as well as its own independent investigation.

Q. What did the CIA/IG report conclude?

A. The CIA/IG found

No evidence implicating CIA officers in the interrogation or deaths of DeVine or Bamaca.

There have been widely reported allegations that Guatemalan Colonel Alpirez was present at DeVine's death and that he killed Bamaca. A thorough examination of all available evidence raises serious doubts about the factual basis of the reports which led to those allegations.

CIA performance was not as professional or sound in its judgments as the CIA and the U.S. Government have a right to expect.

While the CIA in February 1995 properly and expeditiously notified Congress on matters clearly of Congressional interest, it failed to do so in earlier instances. The CIA could be criticized for unintentionally misleading Congress.

Q. Did CIA hide or destroy relevant documents?

A. The CIA/IG found no evidence for either charge.

Q. Does the IOB agree with the CIA/IG report?

A. The key findings of fact presented in the CIA/IG report are substantially consistent with what the IOB so far has independently found, but the IOB effort is not yet complete and the IOB has not yet formulated its conclusions.

Most importantly IOB is presently aware of no information indicating CIA officials participated in or had prior knowledge of the abduction and murder of Michael DeVine or the reported torture and execution of Efraim Bamaca Valasquez.

Q. Was Col Alpirez a U.S. asset at the time of the DeVine murder?

A. As a matter of policy, we would not comment on such a matter. (If pressed: Commenting on such issues adversely affects the nation's intelligence capacity and puts assets at risk.)

Q. When will the IOB be finished?

A. We would expect the IOB effort to be completed by the fall.

Q. Was Congressman Torricelli wrong in his accusations?

A. On the central issue of CIA wrongdoing, the IG report found no evidence implicating CIA

officers in the deaths of DeVine or Bamaca. While the IOB has not completed its investigation and cannot draw a final conclusion, it has found to date nothing inconsistent with the CIA report in this regard. Likewise, the IOB has found no evidence of destruction of documents in association with this investigation.

Q. Would you comment on the House Ethics Committee exoneration of Congressman Torricelli?

A. These findings of the House Ethics Committee are a matter for the House of Representatives to comment on.

Q. Was it right for CIA to hire assets who had been accused of Human Rights violations?

A. DCI John Deutch has begun a review to make sure all CIA operations are consistent with this Administration's standards and policies on human rights, and the IOB is also expected to address this subject. We will not further comment at this point.

Q. What disciplinary action has been or will be taken against CIA officials?

A. DCI Deutch will be considering what disciplinary measures to take. It would be inappropriate to comment further on disciplinary action at this time.

REPUBLIC OF KOREA -- PRESIDENT KIM VISIT

Q: What is the purpose of South Korean President Kim's State Visit this week?

A: The U.S. and the Republic of Korea share a history of close ties that spans more than 40 years. President Kim and President Clinton will reaffirm our countries' friendship and

the importance of our relationship as they jointly dedicate the Korean War Veterans Memorial on Thursday.

-- The President will reaffirm U.S. commitment to the US-ROK alliance and American support for the South Korea's efforts to bring peace and security to the Korean Peninsula. They will talk about the next steps in the implementation of the Agreed Framework that the U.S. signed with North Korea to commit its nuclear program to be frozen and eventually dismantled.

-- The two Presidents will also discuss economic issues, including the upcoming APEC meeting and the bilateral trade relationship.

Q: Why is he here now?

A: The timing was determined by the dedication of the Korean War Veterans Memorial, which is opening on the anniversary of the signing of the armistice.

Q: What is the overall state of U.S.-ROK relations? Weren't there some tensions over the discussions between the U.S. and North Korea?

A: Overall relations are very solid. From the strategic and security perspective, we believe our joint efforts, along with the close cooperation of Japan, have been effective.

The threat of the North Korean nuclear program has been frozen under international inspection, and tensions on the Korean Peninsula have eased.

In its talks with North Korea in May and June, the United States was fully supportive of South Korean interests and objectives. South Korea fully supports the Agreed Framework and the steps taken to date to implement it.

There are economic and trade issues that need some attention, but they are being handled appropriately.

KOREA: KIM VISIT

KOREA: AGREED FRAMEWORK IMPLEMENTATION

Q: Does North Korea really accept that it will receive South Korean light water reactors?

A: There is no other way to read the outcome of the Kuala Lumpur talks last month.

In Kuala Lumpur, North Korea agreed that KEDO (KEY-doe) -- the Korean Peninsula Energy Development Organization -- will select both the reactor model and prime contractor for the North Korean reactor project.

The same day, KEDO confirmed that both the reactor model and prime contractor will be South Korean.

NORTH KOREA: ASSISTANCE TO NORTH KOREA

Q: Why are we providing assistance to North Korea under the Agreed Framework?

A: The Agreed Framework is deeply in our national interest. It commits North Korea to go beyond its international obligations by freezing and then dismantling its dangerous nuclear program.

In exchange, and in consultation with our South Korean and Japanese allies, we agreed to provide North Korea with light-water reactors to replace the existing North Korean program.

The lion's share of these costs will be borne by South Korea and Japan. We are also seeking broad international support, which requires a modest US contribution as well.

NORTH KOREA: SPENT FUEL

Q: What is the state of play on US efforts to store safely the DPRK's spent fuel?

A: We reached agreement with the North Koreans in June on procedures to store safely the spent fuel rods from the North Korean 5 megawatt reactor.

U.S. experts also installed equipment to cool the water holding the rods, which will reduce the rate of corrosion of the cladding, and agreed on a schedule to install equipment to clarify the water.

The rods will later be placed in special canisters for safe storage, and eventually will be shipped out of North Korea.

KOREA: DPRK RICE

Q: What is your view of the emergency rice deliveries from the ROK and Japan? Does the U.S. plan to provide any humanitarian food aid? Why?/Why not?

A: The U.S. welcomes these agreements. In particular we fully support and encourage further direct contacts between North and South Korea.

North and South Korea have been meeting to continue discussions on humanitarian food aid to the North.

The ROK is providing the North with 150,000 tons of rice on a grant basis. Japan will provide a total of 300,000 tons of rice.

There has been no decision reached about possible U.S. food aid to North Korea.

NORTH KOREA: DIVERSION OF HEAVY FUEL OIL

Q: In January, North Korea diverted fuel oil supplied to it to non-agreed uses. What is being done to prevent repetition?

A: Based on reports that some heavy fuel oil was diverted by North Korea after the first delivery, we insisted on monitoring measures to ensure it does not happen again.

North Korea agreed in June that sealed instruments will be installed to measure fuel flows at the facilities where the heavy fuel oil is supposed to be used.

-- These instruments will be installed before the next shipment of oil is delivered.

NORTH KOREA: NORTH-SOUTH DIALOGUE

Q: What is the US doing about North Korea's refusal to engage the South?

A: We applaud South Korea's recent success in negotiating an agreement to provide North Korea with humanitarian shipments of rice.

We are encouraged that the North has begun to engage with the South, and that an additional round of negotiations is scheduled for August.

We have told North Korea that it cannot hope to have good relations with the United States if it is not also prepared to deal constructively with South Korea.

Nevertheless, North Korea has not yet fulfilled its commitment under the Agreed Framework to pursue dialogue and to implement the 1992 "Joint Declaration on the Denuclearization of the Korean Peninsula."

We strongly urge the North to do so. Constructive North-South dialogue is the

key
to permanent
peace on the peninsula and essential to the smooth implementation of the Agreed
Framework
work.

NORTH KOREA: EFFECT OF DPRK TALKS ON US-ROK TIES

Q: How have the nuclear negotiations affected the US-ROK alliance?

A: If anything, they have strengthened an already strong alliance that has endured
for
or more than four
decades.

Our alliance with South Korea is a pillar of our security posture in Northeast Asia

We naturally worked very hard to maintain the closest possible cooperation --
both
with South
Korea and Japan -- throughout this lengthy effort to resolve the North Korean
nuclear
issue.

The US and ROK share the goal of a peaceful, non-nuclear Korean peninsula and
a strong
non-proliferation regime, and agree that the Agreed Framework moves us toward
that goal. As allies, we
will work together to assure its full implementation.

-- In Kuala Lumpur, we achieved North Korea's clear acceptance of South
Korea's

central role in the LWR project. Just after the Kuala Lumpur negotiations,
President
Kim wrote me
that he and his government consider the outcome in Kuala Lumpur to have been a
meaningful
step
forward.

U.S. - ROK SECURITY RELATIONSHIP

Q: On the occasion of the dedication of the Korean War Veterans Memorial,
what is the
status of the
U.S.-Korea security relationship?

A: The security relationship is dynamic and strong. North Korea is still a threat, and the Republic of Korea and the U.S. remain determined to maintain a cooperative ability to counter the threat at threat.

As you know, we maintain 37,000 troops there, and they will stay as long as the people of South Korea want them there.

We continue to consult closely at the highest levels of our security and defense establishments.

Secretary Perry, for example, will be going to Seoul in November as part of an annual Defense Ministerial meeting which alternates between the U.S. and South Korea.

We maintain a vigorous cycle of joint military exercises, both to enhance deterrence and to ensure readiness of our forces if deterrence fails.

U.S. - ROK SECURITY RELATIONSHIP

Q: Why did you recently issue a joint statement saying the Status of Forces Agreement (SOFA) would be reviewed?

A: We did so at the request of the South Korean Government, which has the legal right under our Status of Forces Agreement to request such a review.

As you know, there have been several deplorable incidents involving U.S. forces in Korea this year.

We believe it is useful to sit down together to see if there is any way to improve how we mutually handle such incidents.

We have not committed ourselves to any particular outcome, nor has our South Korean ally asked us to do so.

SOUTH KOREA-U.S. TRADE DISPUTES

Q: What is the status of the overall trade relationship with the ROK? Did you discuss trade disputes with President Kim?

A: Like the rest of our relationship with the Republic of Korea, our trade relationship is intense, cooperative, and mutually beneficial.

It is also very large. South Korea is one of our largest trade partners, and we absorb nearly a fifth of its exports.

And unlike our trading relationships with other major economic powers in Asia, we don't run a large trade deficit with Korea.

Nevertheless, no one should be surprised that in such a large relationship that has grown yearly, there are some trade disputes.

We have some market access concerns in areas such as autos, financial services and

telecommunications.

President Kim and I discussed these issues. I am confident that under his leadership -- particularly with his vision of the "globalization" of Korea -- we will be able to resolve these difficulties, as we have resolved trade disagreements in the past.

KOREA: SAMPOONG DEPARTMENT STORE COLLAPSE

Q: First a bridge, then a subway, and most recently a department store. Do you have a comment on South Korean construction standards? Have South Korean firms constructed U.S. facilities? Have these facilities been inspected? What does this record imply about South Korea's role in building the LWRs in North Korea?

A: Let me first express my sincere condolences to the families of the deceased, the injured, and the missing.

I have full confidence in the safety of South Korean reactors.

Korean contractors have built a number of facilities used by US forces in Korea.

A
s with any US
facility, these are subject to regular inspections and maintenance.

I am confident that KEDO, an international consortium led by Korea, the U.S., and Japan, will devote the utmost attention to safety in assigning contracts.

KOREA: LOCAL ELECTIONS

Q: Do you have any comment on the recent local elections in Korea? Does President Kim's party's poor showing affect his ability to follow through with South Korea playing a central role in KEDO or engaging in inter-Korean dialogue?

A: In our meeting, I congratulated President Kim for having presided over the first local elections in South Korea since 1961. These elections were further proof that democracy is firmly in place in the Republic of Korea.

I have no reason to believe that these elections will alter President Kim's government's determination or ability to play a central role in KEDO or to engage the North in meaningful dialogue.

KOREA: NON-IMMIGRANT VISAS

Q: Do you have any comment on Korean complaints of bottlenecks in the U.S. embassy in Seoul's processing of non-immigrant visas?

A: I know that this is a concern to many Korean travelers. The phenomenal growth in

demand for visas
has caused a real problem for our embassy in Seoul. The State Department is
allocat
ing additional resources to
address this problem.

CHINA

Q: What is the status of the Harry Wu case?

A: We remain very concerned about the Harry Wu case and continue to work to
persuade
the
Chinese government to release him.

Q: What are you doing to get Harry Wu out?

A: We have made clear in repeated demarches and other communications with
the Chinese
e
government that this is a high-priority issue in U.S.-China relations. Its repercus
sions go beyond the legal
case itself.

We are also working with other countries to reinforce the point that the Wu case
is
of great
importance for U.S.-China relations.

We continue to request more frequent consular access.

In addition to the visit with Mr. Wu by our consul general on July 10, we have
made
one
additional effort to meet with him, but were turned down by local authorities.

Although the U.S. embassy officer, who was traveling in Wuhan on other
business, wa
s not
permitted to see Wu, we were able to deliver some written material to him, and
we h
ave some materials
from his wife that we are trying to get passed to him.

Q: Is the Chinese missile exercise in the Taiwan Strait a threat to Taiwan?

A: The Chinese government has announced that the missile exercises have been

complet
ed.

Taiwan's security was not in jeopardy at any point.

We are concerned that tensions are rising in the Taiwan Straits. We understand
oth
er military
exercises will continue at various locations in the vicinity of the Taiwan Straits.
We hope that both sides
will seek to avoid taking steps that could exacerbate the situation.

The United States has for many years supported the process of peaceful dialogue
and

negotiation of differences between China and Taiwan. Both sides, in our view,
have
an interest in
maintaining the atmosphere of peace and cooperation that has enabled both sides
to d
evelop their
economies.

We believe that China and Taiwan over the past few years have developed good,
coope
rative
processes for discussing problems and resolving differences. We hope they will
cont
inue to develop.

Q: How many missiles have actually been fired?

A: I don't wish to disclose information provided by our intelligence community.
Pre
ss sources in
Asia have said four, and possibly six.

Q: Does this represent a new threat to Taiwan's overall defense?

A: China has had for many years missiles capable of reaching Taiwan. The
mobile mis
siles
involved in the test are a relatively recent addition to China's inventory.

Q: How has Taiwan reacted to the missile firings?

A: We understand the Taiwan legislature has condemned the tests, and various
public
figures have
also criticized China's actions. Taiwan heightened its military alert status somewh
at, and tried to ensure

that commercial airlines and fishing vessels avoided the declared target zone.

Q: Was this exercise related to the Lee Teng-hui visit to the U.S.?

A: That is a question for the Chinese government.

Q: Will the United States protest to China about the exercise?

A: There are no plans to do so. The PRC has undertaken training exercises in this region in the

past. It has notified the international shipping and air transport communities of the closure areas in an appropriate fashion.

Q: Will the United States support Taiwan if China attacks?

A: That is a completely speculative question unwarranted by the circumstances.

Q: What impact is all this having on overall U.S.-China relations? What is the state of the relationship?

A: Overall, the relationship has clearly been strained by the various events of the last month. We continue, however, to believe that the U.S.-China relationship is of fundamental importance, and the Administration's overall outlook on the long-term importance remains intact.

We will persist in our efforts to engage the Chinese government on the full range of our bilateral interests and clarify those policy issues on which there is misunderstanding.

We hope the Chinese government will similarly recognize the need to remain engaged on issues of mutual interest.

The Secretary of State will be meeting with China's Foreign Minister Qian Qichen on August 1, when both will be attending an ASEAN meeting in Brunei.

Q: What is your view of the Chinese Foreign Ministry spokesman's statement that the meeting

between Qian and Christopher is critical to the future of the relationship?

A: We acknowledge that this is an important meeting to discuss serious issues. We would caution against over-dramatization, however. The communication process between two major powers requires frequent contacts at many levels.

Q: What is the Administration's response to Chinese demands that apologize for inviting Lee Teng-hui to the U.S. and promise not to let it happen again?

A: The President stands by his decision and has no intention of apologizing.

The decision to permit Lee to make a private visit to Cornell was appropriate and fully consistent with American values and opinion.

We have said repeatedly that the decision was not aimed at China, nor does it constitute a change in our approach to either China or Taiwan.

Q: Will Lee be allowed to visit again?

A: We will deal with requests for private visits by Taiwan leaders on a case-by-case basis, based on our judgment of what is in the U.S. interest. The Secretary of State noted a few days ago that we expect visits to be completely private and rare. There is no request pending at the moment.

SALE OF PAKISTAN'S F-16 AIRCRAFT

Q: Is the Administration seeking to sell the Pakistani F-16s now embargoed by the President's Amendment to Indonesia?

A: The President decided that we would seek to sell the F-16s to a third country

and
return the
proceeds to Pakistan. We are also seeking legislative authority to resume
economic
and non-lethal
military assistance to Pakistan and to return to Pakistan other military equipment
now being held in the
U.S. in accordance with the Pressler Amendment.

By resolving the question of the aircraft and military equipment purchased by
Pakistan, we seek
a more positive basis for our dialogue on nonproliferation and other issues with
the
Pakistanis.

(If asked whether there are nonproliferation conditions attached to this sale)

-- Stemming nuclear and missile proliferation remains a key U.S. objective for
South
Asia. The
President believes that we need to resolve the Pressler Amendment issue to make
possible a more
productive dialogue on nonproliferation.

-- We did not receive nonproliferation assurances from Pakistan as part of the
initiative we are
proposing to resolve the F-16 problem. However, we have told the Pakistanis that
this
initiative is
predicated on there being no significant change in the status quo with respect to the
nonproliferation
issues of concern to the United States.

(if asked whether the planes will be sold to Indonesia)

-- Neither we nor the Pakistanis have decided on a buyer for these aircraft. Indonesia is one
possible purchaser, but the Indonesian government has not indicated it wants to
buy
them.

(If asked whether the Pakistanis will get back all of their money)

-- We expect that there will be a shortfall between what Pakistan paid for these
air
craft and what

will be realized in a sale to a third party. This is an issue that will have to be addressed in future consultations with the Government of Pakistan and the Congress.

NORTHERN IRELAND

Q: Do you have any comment on the report that the UK's Northern Ireland Secretary, Sir Patrick Mayhew, and Sinn Fein President Gerry Adams held a secret meeting last week in Northern Ireland?

A: We welcome the news of a meeting between the Secretary of State for Northern Ireland and Sinn Fein representatives, as an important step in advancing the peace process. The President has encouraged dialogue as the best way to move the peace process forward. Obviously dialogue at such senior levels of the British government and Sinn Fein is a positive development.

If asked

-- Sinn Fein representatives had meetings with the UK at the ministerial level in May, conducted by the NIO's junior minister, Mr. Ancram. While Sir Patrick Mayhew and Mr. Adams met here in Washington during the investment conference in May, as far as we know the meeting last Tuesday would have been their first in Northern Ireland.

Q: What is your view of the idea of a "decommissioning commission" that was reported by NIO Secretary Sir Patrick Mayhew and Irish Foreign Minister Dick Spring in their meeting on Monday?

-- We support the Irish and British governments' efforts to find a way to move the peace process forward. One of the ideas that has been under discussion is the formation of an international commission to help resolve the issue of decommissioning of weapons. If the two governments decide to form such a commission, we would welcome their decision. The membership and mandate of a decommissioning commission are matters for the two governments to decide.

If asked

-- We have not been approached to serve on such a commission.

U.S. - CUBA MIGRATION TALKS

Background: U.S. -Cuba migration review talks were held in Havana July 17-18. These were part of a series of regular talks to discuss exclusively migration issues between the two countries. The U.S. delegation was led by Anne Patterson, Deputy Assistant Secretary of State for Inter-American Affairs and the Cuban delegation was led by Ricardo Alarcon, president of Cuba's National Assembly. No agreement was reached, and differences remain on a number of issues.

Key Points

-- The talks held in Havana were part of regular discussions on migration issues between the U.S. and Cuba.

-- Both sides agreed that the September 9 and May 2 accords were working. They are directing migration into legal channels, while discouraging unsafe migration.

-- The U.S. raised several suggestions to assure that the two sides do everything to facilitate safe, orderly and legal migration.

-- No new agreements were reached.

Qs & As

Q: Which issues remain unresolved?

A: A broad range of migration issues was discussed. Many of them were operational. These talks were not aimed simply at reaching discrete agreements but are part of an ongoing process to promote safe, orderly and legal migration.

[If pressed]

The fees charged by the Cuban government to migrants who have already been issued travel documents was one of the issues discussed.

Q: Did the Cubans raise other issues such as lifting the sanctions imposed by President Clinton last August?

A: Yes, the Cuban government raised those issues but they were outside the scope of these talks. These discussions dealt solely with questions involving safe, orderly and legal migration.

CUBA AND NEWS BUREAUS

Q: What comment do you have on The New York Times story of July 17? Are we on the verge of a deal with the Cuban Government on news bureaus?

A: The Administration continually reviews all aspects of our policy toward Cuba, exploring ways to make the embargo more effective and to provide support to the Cuban people. In that context, the Administration is still reviewing the possibility of licensing U.S. news organizations to establish news bureaus in Cuba and of permitting Cuban official news organs to operate in the United States.

Licensing decisions are exclusively the decision of the U.S. Government and no "negotiations" with Cuba about this issue have occurred nor are any planned.

Q: Is Senator Helms' insistence on letting Radio Marti/TV Marti into Cuba the sticking point?

A: Radio and TV Marti are not commercial news stations. They comprise the Office of Cuba Broadcasting in the Bureau of Broadcasting of USIA which is represented at our Interests Section in Havana. Under consideration is the licensing of commercial news organizations to establish news bureaus in Cuba.

Although Radio and TV Marti would certainly benefit from a greater flow of accurate, uncensored news from Cuba, they are not directly related to the issue of reciprocal news bureaus.

HOUSE FOREIGN OPERATIONS APPROPRIATIONS BILL (HR1868)

Background: The House completed action on HR1868, the FY 96 foreign operations appropriations bill July 11, passing it by a vote of 333-89. The bill contains many troubling provisions. Your advisors have not yet recommended a veto and are working to improve the bill. In addition to appropriati

ng considerably less than we need, among the more troubling provisions are the Smith Amendment, which would reinf
orce the Mexico City family planning process, and caps on funds to Turkey, restrictions on aid to Russia and Mexico. It also contains other infringements on your authority to conduct foreign policy.

-- We have concerns over certain provisions in the House passed foreign operations a
ppropriations bill, HR 1868, but we are pleased that the bill does not have many restrictions, g
iving the Administration flexibility to use scarce foreign aid funds to meet complex challenges. This is pa
rticularly important because far fewer funds were appropriated than are needed if we are too meet our
int
ernational commitments and fulfill our leadership role.

-- There are some provisions in the bill with which we have particular problems.
T
hese include the Smith amendment that would reimpose the Mexico City family planning process and other amendments that would restrict the President's authority to conduct foreign policy.

-- We are seriously concerned about large reductions in appropriations for many prog
rams. These reductions will severely limit our ability to carry out an effective foreign policy. We will work with the committees to obtain additional funding for these programs , (e.g. funding for the W
orld Bank and for Developmental Assistance) as the appropriations process continues.

-- We believe we will be able to improve the bill along the way and make a decision about what to do about the bill later on in the process.

-- We are also pleased that the bill does not legislate consolidation of the foreign affairs agencies.

(IF ASKED:

-- The President threatened a veto of HR 1561, the House passed State Department Authorization bill and Foreign Assistance Act, for three primary reasons: restrictions on the President's ability to conduct foreign policy; mandating the consolidation of the foreign affairs agencies; and deep funding cuts to foreign aid programs.

-- While the Senate has not yet taken up the State Department Authorization bill and the Foreign Assistance Act, key advisers to the President have already recommended that he veto the State Department Authorization bill, and we anticipate there will be a similar recommendation for the Foreign Assistance Act.)

HAITI

Background: The Electoral Council has released partial election results and announced where reruns would be taking place. The results point to a significant Lavalas victory, but it is important to note that, overall, non-Lavalas parties gathered roughly 60-65% of the vote and that a second round will be required in about 70% of the parliamentary or senate races. The Lavalas share of 35-40% of the vote should be viewed in light of President Aristide's 70% share when he was elected in 1991. Reruns will take place in about 20% of localities. This is more limited than had been demanded by the political parties. The reruns are now scheduled for August 6 and the second round for August 27, though both dates remain subject to change.

The political parties (other than Lavalas) have reacted angrily to the Electoral Council's announcement. A number of them have said they would boycott both the reruns and the second round of the election.

ctions. Amb. Swing is attempting to persuade them to stay in.

Our view is that, while there were irregularities and flaws, and while the electoral council acted in ways that justifiably undermined the parties' confidence in the process, the outcome of the elections was not significantly affected, and that there is no evidence of widespread fraud. Bob Pastor, a member of the Carter Center, offered a different and far more critical assessment of the elections. While he acknowledges that the security situation was adequate, and that there was no centralized effort to subvert the process, he calls these the "most disastrous" of 13 elections he observed.

Points

-- The most significant aspect of the elections is that Haitians, for the first time, were able to vote peacefully, without intimidation, and were able to choose the representatives of their choice. In light of Haiti's history of extreme political violence and of the fact that barely nine months ago it was ruled by a repressive military regime, this is an extraordinary accomplishment.

-- Of course, we regret the irregularities that have marked these elections. These will have to be remedied before the second round of balloting takes place and, in some instances, will require reruns.

-- However, international observers have seen no evidence of systematic fraud or of an attempt to subvert the electoral process. These are natural growing pains of democracy, especially in one of the poorest, least educated countries in the world.

-- We are aware that some of the political parties have denounced the electoral process and might not participate in the reruns or the second round. We believe that would be a

mista
ke. The parties, the
electoral council and the government should instead turn their efforts towards
stren
gthening Haiti's
democracy by remaining engaged, correcting whatever errors occurred and
preparing fo
r upcoming
elections, in particular the presidential elections.

Pastor's Assessment of the Elections

-- We do not share Bob Pastor's overall negative assessment. Our assessment is
clos
er to that of
most international observers -- the European Union, the United Nations, and the
OAS,
which had the
benefit of the largest observation mission of all.

-- However, as we have always said, these were far from perfect elections.
Indeed,
many of the
irregularities noted in Bob Pastors' report were mentioned by the Presidential
Deleg
ation that observed
the elections and by Administration officials.

-- At the same time, we should not make unfair comparisons or have unrealistic
expec
tations.
Haiti is the poorest, and least educated country in the hemisphere. There is littl
e infrastructure,
telecommunications capability, or practicable roads. Only nine months ago,
Haitians
were ruled by a
repressive military regime. They had never experienced an election free of
violence
and wide-scale
intimidation.

-- Taken all that into account, these elections were a remarkable achievement.

-- These were the first elections in Haiti's history free of violence. For the firs
t time ever,

Haitians were able to exercise their democratic right to vote without intimidation.
This was noted
by every observer mission and is the most basic requirement for a true
democracy.

-- Observer missions, including Bob Pastor's, agreed that there was no systematic fraud or a centralized attempt to subvert the electoral process. Indeed, Pastor's report emphasizes that even the party closest to President Aristide, the OPL, suffered from the irregularities. As one observer put it, the process was "free, fair, and fouled up."

-- There were 11,000 candidates from over 20 parties. They were free to express themselves and to campaign.

-- These elections represent an important step forward. The most important task now is to build on what has been achieved, correct the errors that were made, and resolve the differences between the political parties and the electoral council so that the electoral process can continue with the support of all Haitians. We know that President Aristide is committed to strengthening Haiti's democracy and is trying hard to move the process forward. That is also what the Administration and Ambassador Swing have been working for from day one.

Qs & As.

Q: Will you oppose reruns and runoffs until differences between Aristide and the parties are resolved, as urged by Bob Pastor?

A: It is not up to us to agree to or to oppose reruns and runoffs. It is up to the Haitians. Our embassy has and will continue to do what it can to help the parties overcome their differences and strengthen Haiti's young democracy.

Q: What are the Administration's views of Pastor's specific recommendations?

A: Bob Pastor has many interesting ideas on how to get the process back on

track, so
 me of which
 we have been suggesting -- such as a national dialogue, improved training and
 supp
 ort for local electoral
 officials and poll-watchers, and improved procedures for ballot counting. Once
 aga
 in, we have been
 encouraging Haitians to take these steps and are ready to assist in any way
 possible
 . At the same time, it
 is important that these elections reflect the will of the Haitian people, and not th
 e outcome of backroom
 dealings.

Q: Will the Administration be sending a mediator?

A: There is no such plan. But as I said, we are available to assist in the ways Hai
 tians believe most
 appropriate.

Question: Will President Aristide extend his term?

Points

-- President Aristide has assured the USG repeatedly, at the highest levels, publicl
 y and privately,
 that he does not intend to run again for President, as stipulated in the Constitutio
 n, limiting the President
 to one term

-- He has also said that he plans to keep the Presidential elections timetable on tr
 ack, which calls
 for an election at the end of this year and the inauguration of the next President i
 n February of 1996.

-- We expect to keep to this timetable -- there is no change in U.S. policy.

RUSSIA

U.S. Stake in Relationship

-- U.S. has vital stake in engaging Russia and supporting political, economic
 reform
 there. It
 matters greatly to us if Russia, other NIS are dictatorships or democracies, central
 ly planned or
 market-oriented economies.

-- Long-term strategy. Understand transformation underway will be complex, protracted.

-- Struggle going on between those who support reform and those who oppose or fear change.

Will be setbacks, like Chechnya. Have to work to make progress on these.

-- But engagement also producing important successes: reducing nuclear threat, over 50% of Russian GDP now from private sector, no Russian troops in Central Europe or Baltics.

Yeltsin's Medical Status

-- Understand that Yeltsin has left the hospital and has entered rehabilitation center for period of convalescence.

-- With proper care and medical attention, Yeltsin should be able to return to normal schedule.

Announcement of Duma Election Date

-- Yeltsin has issued decree that Russian Duma elections will be held December 17. Welcome this as positive, normal step for democratizing Russia.

Chechnya

-- Negotiations continue between Russians and Chechens under OSCE auspices. Addressing

political as well as military issues. Understand remaining point of difference at this time is the future

status of Chechnya (i.e. Chechnya's relationship to the Russian Federation)

-- Talks have our full support -- offer opportunity "to break the cycle of violence," achieve negotiated political solution, and launch process of reconciliation.

Iran Reactor Sale

-- President has discussed reactor sale with Yeltsin. Vice President and Prime Minister Chernomyrdin discussed in late June. Have begun serious dialogue that will continue

-- We are making clear that we remain opposed to any nuclear cooperation with Iran, given Tehran's ambitions to acquire nuclear weapons capability.

Cuts in/Conditions on Bilateral Aid

-- Have differences with Russians on important areas. Working hard to resolve these

-- But our assistance advances critical U.S. interests, by helping reformers succeed in building democracy and market economy, and by helping to reduce nuclear threat to U.S. Not in our interest to cut this assistance.

Russia, European Security and NATO

-- Russia a key player in building stable, undivided Europe. Want to work actively with Russia toward this end.

-- Welcome Russia's agreement to join Partnership for Peace and begin working with us to develop NATO-Russia relationship.

-- Understand Russia has concerns about NATO enlargement. We intend to manage enlargement process in manner that undercuts no country's security.

-- Process will be deliberate, gradual, transparent. No surprises.

M S M a i l

DATE-TIME 26 July 95 19:51
FROM Vershbow, Alexander R.
CLASSIFICATION UNCLASSIFIED
SUBJECT July 27 Bosnia Guidance [UNCLASSIFIED]
TO Fetig, James L.
Mitchell, Calvin A.
Wozniak, Natalie S.
CARBON_COPY NO CC's on THIS MESSAGE
TEXT_BODY
I've updated, but will recheck in morning. Suggest deleting the short para
on the London Conference (page 3)
[[JUL27BPP.DOC : 4890 in JUL27BPP.DOC]]
**ATTACHMENT
FILE DATE** 26 July 95 19:49
**ATTACHMENT
FILE NAME** JUL27BPP.DOC

Foreign Policy Talking Points

July 26, 1995

Bosnia: Reaction to Dole Resolution (NEW)

Bosnia: London Agreement

Bosnia: London Meeting (UPDATED)

Bosnia (UPDATED)

Bosnia: Talking Points on Dole Amendment

IOB Guatemala Review (NEW)

Korea: President Kim Visit (UPDATED)

China (UPDATED)

Sale of Pakistan's F-16 Aircraft

Northern Ireland

U.S.-Cuba Migration Talks

Cuba and News Bureaus

House Foreign Operations Appropriations Bill (HR1868)

Haiti

Russia (UPDATED)

REACTION BY THE PRESS SECRETARY TO THE PASSAGE OF THE DOLE RESOLUTION ON BOSNIA (S. 21)

-- The President is very disappointed by the Senate's vote to pass S.21, which would provide for the unilateral lifting of the arms embargo against Bosnia and Herzegovina.

-- The President will continue to make his opposition clear when the issue moves to the House; He is prepared to veto any legislation requiring unilateral lift that reaches his desk.

-- A vote for the Dole Resolution is a vote to send American ground troops to Bosnia

-- Our Allies in UNPROFOR have said that a unilateral U.S. action to lift the arms embargo will result in their withdrawal from UNPROFOR, leading to its collapse. In that case the U.S., as the leader of NATO, would have an obligation to assist in that withdrawal, involving thousands of U.S. ground troops in Bosnia for a very difficult mission.

-- Moreover, requiring the U.S. to unilaterally violate a binding UN Security Council resolution would undermine other UN sanctions regimes, such as against Iraq, that serve vital U.S. interests.

-- It just doesn't make sense to take an action like this when we are working to stiffen the international response to Serb aggression. This encourages our Allies to do less, not more -- and to give us sole responsibility for the future of Bosnia. A unilateral lift means unilateral responsibility.

LONDON AGREEMENT

The London Agreement calls for an extended air campaign against Bosnian Serb targets if they attack the safe area at Gorazde. This policy, and the ultimatum delivered to the Bosnian Serbs by the U.S., French and British on Sunday, is designed to deter such an attack. The London Conference participants also agreed that this policy could be applied to the other safe areas if required. Extension of the ultimatum to one or more of the remaining safe areas would require only a decision in the North Atlantic Council at NATO.

LONDON MEETING AND NATO DECISIONS ON BOSNIA

-- Early Wednesday morning in Brussels, NATO acted swiftly and resolutely to implement significant decisions taken at last week's international meeting on Bosnia in London.

-- After intensive action by NATO military authorities, the North Atlantic Council approved planning for use of substantial NATO air power to deter or respond to Bosnian Serb attacks on the UN safe area of Gorazde.

-- Just as importantly, NATO military authorities were instructed to formulate command and control arrangements for protecting other safe areas, particularly around Bihac.

-- Authority for the decisions taken at NATO already exists under current UN resolutions.

-- The measures agreed to in Brussels reflect unanimous Allied endorsement for the London decision to modify substantially the "dual key" previously in effect, by delegating authority for air strikes to the UN and NATO commanders in the theater.

-- We are pleased that UN Secretary General Boutros-Ghali has agreed to delegate his "key" to General Janvier, who may in turn delegate it to subordinate commanders. This arrangement reflects standard military practice.

-- The new arrangements will ensure that the use of air power is substantial and decisive. Such operations, once initiated, will not be lightly discontinued. In short, there will be no more pinpricks.

-- The Alliance recognizes that there are risks involved in use of substantial air power, but will not be deterred.

-- They are consistent with the requirements of the U.S. military and have its endorsement.

-- Working with our NATO Allies, the United States has embarked on a more decisive approach to preserving the UN mission in Bosnia.

-- New command and control arrangements agreed to in Brussels last night, combined with British and French resolve in using their Rapid Reaction Forces to secure routes into Sarajevo, are vivid examples

our heightened resolve.

BOSNIA

Key Points:

-- The United States has important strategic and humanitarian interests in Bosnia:

-- to find a peaceful solution to the conflict that preserves a viable, multi-ethnic
Bosnian state;

-- to prevent the spread of the conflict;

-- to help limit the loss of life;

-- and to keep faith with our NATO Allies who have troops on the ground there.

-- That is why the United States

-- led efforts by NATO to lift the siege of Sarajevo last year;

-- has conducted the longest humanitarian airlift in history;

-- has participated in enforcing the no-fly zone;

-- has deployed peacekeeping troops to neighboring Macedonia;

-- and has led diplomatic efforts to find a peaceful solution to this bitter conflict.

-- And that is why we support the protection and strengthening of UNPROFOR,
which he

helped
reduce deaths among Bosnian civilians from 130,000 in 1992 to less than 3,000 in
199

4.

-- For all its problems, if UNPROFOR withdraws -- either on its own or
especially because of

cause of
American action like unilaterally lifting the arms embargo

- the humanitarian crisis would worsen;
- we would either have to send U.S. troops temporarily to help UNPROFOR get out or leave our Allies in the lurch;
- and the Europeans could then give us primary responsibility for that conflict.
- We would face the choice of walking away or committing ourselves to military intervention in the conflict.
- Such a venture, to succeed, would require American ground troops in the conflict, something neither the President nor our people want to see.
- So the wisest immediate course is this: support the RRF, support UNPROFOR's efforts to deal more firmly with Serb actions, support the decisions on decisive use of NATO air power taken last week in London, and work for a peaceful settlement.

London Conference and Follow-up Decisions by NATO

- We went to London convinced that the status quo in Bosnia was untenable and that only strong and decisive action would be sufficient to halt Serb aggression, restore UNPROFOR's effectiveness, and reestablish conditions that could lead to a political settlement.
- We were particularly determined that clear decisions be taken to prevent the Bosnian Serbs from attacking the last remaining safe area in eastern Bosnia, Gorazde, and that measures be adopted for relieving the Serbs' siege of Sarajevo.
- The London meeting achieved these objectives. Early Wednesday morning, NATO approved the military plans needed to implement the London decisions on air power to defend Gorazde.

- We are fully satisfied with results at NATO: they reflect full reaffirmation of London decisions:

- NATO reaffirmed that any Bosnian Serb attack on Gorazde would be met with a substantial and decisive response by NATO air power, going beyond the limited strikes conducted previously, if the Serbs defy our ultimatum.

- Allies agreed on concept of operations that provides for broad-gauged strikes against military forces attacking Gorazde or concentrating for an attack in a wide geographic area around Gorazde. They also agreed that, if these strikes did not halt Serb offensive, NATO would be prepared to move to strike Serb military targets elsewhere in Bosnia.

- Allies endorsed the substantial changes to the "dual key" system approved in London. They agreed that authority to initiate air strikes should be in the hands of the NATO air commander and the UN ground commander, consistent with normal military practice.

- Allies also agreed that NATO Military Authorities should immediately develop plans for applying this new approach to Bihac and other safe areas, if that proves necessary.

- Allies agreed it is vital, for strategy to work, that UN political authorities be taken out of the chain of command.

- Welcome decision by UN Secretary General Boutros-Ghali to delegate his "key" to the UN force commander, General Janvier, who may in turn delegate authority to the appropriate subordinate commander on the ground. This is significant breakthrough.

- Allies took this decision fully aware of risks that the Bosnian Serbs would seek to respond as they have in the past by taking hostages, but agreed that our policy would not be held hostage to

hos
tage-taking.

- The second important decision in London was to take decisive action to ensure access to Sarajevo for delivery of humanitarian aid and resupply of UN forces, through early use of the Rapid Reaction Force. The British announced their decision to send a battalion to Sarajevo to further strengthen the effectiveness of UN capabilities there.

- In light of Bosnian Serb attacks on UN peacekeepers along the Mt. Igman road, our allies have now deployed elements of the Rapid Reaction Force as reinforcements.

- The London meeting also reaffirmed the international community's commitment to achieving a political settlement, stressing the urgency of renewed negotiations among the Bosnian parties based on the Contact Group plan.

- The participants voiced their support for the efforts of EU mediator Carl Bildt to secure recognition of Bosnia by Serbia-Montenegro and a sealing of Serbia's border with Bosnia.

- Bildt briefed Contact Group Ministers on the package he has worked out with Milosevic, but that package was not approved; in fact, we see a number of issues that still need to be satisfactorily resolved, and we also need to consult with the Bosnian Government on whether the terms for mutual recognition are acceptable.

- The Contact Group met with Bildt in London on Wednesday to discuss the way forward in his negotiations.

- The participants in the meeting also agreed to increase support for efforts to address Bosnia's humanitarian

crisis, which was exacerbated by the Serb attacks on Srebrenica and Zepa and the new wave of brutal

ethnic cleansing. The participants demanded the international community be given immediate access to all detainees still being held by the Bosnian Serbs.

- Underlying all these decisions is a reaffirmation that a strengthened and more effective UNPROFOR should remain in Bosnia.

- We continue to believe that UNPROFOR's withdrawal would lead to a larger human tragedy in Bosnia and an increased danger of wider conflict in the Balkans.

- Our allies made clear in London that action by the U.S. to lift the arms embargo unilaterally will force the withdrawal of UNPROFOR. It would also undermine the London meeting's renewed display of resolve, reaffirmed in Brussels yesterday, for UNPROFOR to deal firmly with the Bosnian Serbs' outrageous behavior.

- We should not be taking actions that drive UNPROFOR out at the very moment actions are being taken to protect the Bosnian people in Gorazde and other safe areas.

Srebrenica and Zepa

-- What has happened in Srebrenica and Zepa is tragic and inhumane. No one can be anything but outraged by the Bosnian Serbs' brazen attack on UN safe areas and the new wave of ethnic cleansing.

-- The actions by Bosnian Serb forces in Srebrenica and Zepa are a flagrant and

brut
al

contradiction of the United Nation's peace efforts. The United States reiterates its condemnation of these attacks in the strongest terms.

-- The Srebrenica and Zepa safe areas were established primarily as a haven for refugees expelled from other parts of Bosnia as a result of Serbian ethnic cleansing. The attack against these undefended enclaves and the peacekeepers stationed there, and the reports of brutal ethnic cleansing in the aftermath of this travesty, provide further dramatic proof of the intent of Bosnian Serb forces.

-- The United States continues to work with the UN, our Allies and the Contact Group to ensure that the safety and well being of the civilian inhabitants of Srebrenica and the Dutch peacekeepers are ensured. We call upon the Bosnian Serb authorities to allow full access by UNHCR to all the civilian refugees in the enclave, and to cease their illegal and inhumane detention of groups of refugees on the basis of unsubstantiated or trumped-up "war criminal" charges.

-- Despite these tragic events, we remain convinced that UNPROFOR's withdrawal would lead to an even greater tragedy.

-- Events of the past weeks emphasize the importance of strengthening UNPROFOR so that it can carry out its mission more effectively. Had the Rapid Reaction Force we have supported been in country, it would have provided options for peacekeepers which were not available.

-- We have also called on the Serbian authorities in Belgrade to use their influence to stop this aggression and ensure the safety of civilian populations and UN peacekeepers. Serbia must make clear in word and deed that it joins with the civilized world in condemning such brutal

acts.

In particular, it should

redouble its efforts to ensure the complete physical and political isolation of the Pale regime.

-- We are consulting urgently with our allies and other troop contributors on next steps aimed at

strengthening UNPROFOR's effectiveness so that it can continue to perform its mission. (See separate

points on London meeting proposals)

-- Clearly, the situation in the enclaves is grim, but the alternative being suggested on Capitol Hill --

lifting the arms embargo -- would be worse. It would automatically drive UNPROFOR out of Bosnia and

draw the United States in.

Q & A: Hot Issues

Q: Isn't the dual key unchanged under the NATO decision on Gorazde?

-- NATO allies have unanimously endorsed significant change to dual key in new decision on

Gorazde. This would involve delegation to the UN and NATO military commanders of the

authority to

call in close air support and to initiate air strikes to defend Gorazde.

-- Pleased that Boutros-Ghali has now agreed to do this. This is significant breakthrough.

Q: Why should we believe this is different from previous NATO decisions that led to

nothing more than "pinprick" strikes?

-- NATO decision breaks important new ground in authorizing large-scale air strikes against wide

range of targets -- not only forces attacking the safe area of Gorazde, but concentrations of weapons and forces directly threatening the safe area.

-- Authorizes effective actions to suppress air defenses at time strikes initiated.

-- Substantially modifies dual key, consistent with normal military practice.

Q: What is your reaction to Russian plans to send peacekeepers to Gorazde?

-- London meeting left open the question of whether to reinforce British and Ukrainian peacekeepers in Gorazde, in view of difficulties in deploying and resupplying forces there.

-- If this provides an added incentive for Bosnian Serbs to comply with NATO's ultimatum, it could be helpful.

Q: Why did we not support the French desire to deploy the RRF to help defend Gorazde?

-- Our military experts did not believe that deploying 1000 members of a rapid reaction force to conduct a static defense of Gorazde was the most efficient use of the abilities of the RRF. Moreover, their view was that the threat of massive use of air power would have a greater deterrent impact.

-- We fully support French and British efforts to use RRF to ensure access to Sarajevo.

Q: Is Contact Group going to endorse lifting additional sanctions on Belgrade? How can you even consider this after recent Serb offensives and ethnic cleansing?

-- Contact Group met Wednesday with EU negotiator Carl Bildt in London to discuss status of negotiations with Milosevic on recognition of Bosnia.

-- We and Bosnian Government continue to believe that mutual recognition, if accompanied by serious measures to seal Serbia's border with Bosnia and cut-off of all support for

the Bosnian Serbs,
could be basis for suspension of some economic sanctions on Belgrade.

-- Still many issues to be resolved, including mechanism for reimposing sanctions if
Milosevic
does not fulfill his commitments.

Q: Is UNPROFOR withdrawing from the Eastern enclaves? In general?

-- No. Events of the past few weeks emphasize the importance of strengthening
UNPRO
FOR so
that it can carry out its mission more effectively.

-- If UNPROFOR withdraws, the humanitarian crisis would worsen;

-- we would either have to send U.S. troops temporarily to help UNPROFOR get
out or leave our Allies in the lurch;
-- and the Europeans could then give us primary responsibility for that conflict.
-- This is an outcome neither the President nor the American people want to see.

Q: Would the Rapid Reaction Force, if in place, have helped save Srebrenica or
Zepa
?

-- Had the Rapid Reaction Force we have supported been in country, it would
have pro
vided
options for peacekeepers which are not currently available.

The Dole Resolution:

Q: Will the President veto the Dole Resolution?

-- Disappointed by Senate vote on Dole.

-- Remain strongly opposed to unilateral lift and will make that clear as action shi
fts to House. So long as
resolution would require unilateral lift, President prepared to veto. Unilateral li
ft makes Bosnia a unilateral U.S.
responsibility.

-- Announcing a virtually automatic commitment to unilateral lift while
UNPROFOR for
ces are still in place would
make withdrawal operation much more dangerous for U.S. and allied forces.

-- Unilateral lift would lead to a wider and bloodier conflict, with a very uncertain outcome for which the U.S. would have ultimate responsibility. The Bosnian Serbs would have the ability to make major gains in the months before the Bosnian government forces could be rearmed and trained.

-- By provoking an UNPROFOR withdrawal, it will allow the Allies to place the blame for UNPROFOR's failure on the U.S.

-- It would lead to the Americanization of the war.

-- The U.S. would be obligated to send thousands of U.S. troops to help UNPROFOR withdraw.

-- The U.S. would be blamed for the deteriorating military and humanitarian situation.

-- Having provoked UNPROFOR's withdrawal, the U.S. would be under great pressure to intervene to stem the deteriorating situation.

-- We could well be held accountable for events throughout the remainder of the war -- thus making the war a unilateral U.S. responsibility.

Q: Bosnian Government continues to call for lifting the arms embargo. If that's what the Bosnians say they want, why not support them?

-- We will support a multilateral lift of the arms embargo if, despite our efforts, UNPROFOR mission is

terminated.

-- We do not support unilateral lift, which would have the effect of causing UNPROFOR to withdraw prematurely, and place U.S. in violation of binding UNSC resolutions.

-- We remain concerned that, in the time between lifting the embargo and the integration of new weapons

into the Bosnian armed forces, the Bosnian Serbs would take military action that the
Bosnians would be hard
pressed to resist on their own.

Q: The Dole Resolution mandates lifting the arms embargo after UNPROFOR
withdraws.
Isn't that the
Administration's policy?

-- The resolution would unilaterally lift the arms embargo.

-- Such an effort would violate the UN resolutions, trigger a withdrawal of
UNPROFOR
and
cause a deterioration of an already difficult humanitarian situation.

-- American forces would thus be sucked into the crisis and much of the blame
for th
e
deteriorating situation would be placed on us.

President's Comments on UNPROFOR Withdrawal:

Q: The President has said that if things did not improve in Bosnia, UNPROFOR
may le
ave. Do you expect
UNPROFOR to leave?

-- No. We expect UNPROFOR to stay and urge it to do so.

-- The key is for UNPROFOR, backed up by the RRF, to deal more firmly with
Serb acti
ons to
interfere with its mission. No more business as usual.

-- This view was fully supported by the London conference and by subsequent
decision
s at
NATO.

Q: In reiterating his support for multilateral lift of the arms embargo, was the Pr
esident signaling his expectation
that UNPROFOR will withdraw?

-- No. We expect and urge UNPROFOR to remain and urge it to do so.

-- We have long supported multilateral lift if UNPROFOR were to leave Bosnia
but we
do not
expect that to occur.

-- We strongly oppose unilateral lift and oppose current efforts in Congress to achi
eve that goal.

Rapid Reaction Force:

Q: Where do your efforts to get Congressional approval for RRF funding stand?

-- We have consulted with the Congress on the President's intent to provide \$15
mill
ion of
transportation and equipment support. Of this amount, the President has signed a
P
residential
Determination authorizing the provision of \$12 million of transpiration support to
the allies. The
Administration is also preparing for a drawdown of about \$3 million of
equipment.

-- The Administration is preparing for the provision of about an additional \$18-27
million of goods
and services -- under 506a authorities and primarily for equipment.

Q&A: Recurring Questions

Our Policy for the Way Ahead: Current policy reflects a coherent multi-pronged
appr
oach to our objectives:

-- Achieve a negotiated end to the conflict that would preserve Bosnia's political i
ndependence and
territorial integrity, providing for a reasonable division of territory among its et
hnic groups;

-- Pressure the Bosnian Serb leadership to accept the Contact Group plan already
accepted by the other parties;

-- Negotiate with Milosevic to obtain recognition of Bosnia and Croatia and
tighteni
ng his
cut-off of support for the Bosnian Serbs in return for gradual sanctions relief for
Serbia;

-- Support the Bosnian Federation, which has helped end the fighting in central
Bosn

ia,
promoted reconciliation among Bosnia's Muslims and Croats, and improved the
prospect
s for an
overall settlement.

-- Sustain and strengthen UNPROFOR in order to help prevent a resumption of
all-out
war that
would increase casualties and humanitarian suffering, risk the spread of the
conflic
t, and effectively end
the prospect for a negotiated settlement. Toward that end, we are:

-- supporting efforts of the troop contributing nations in the UN, short of providin
g our
own ground forces, to reinvigorate that mission so that it can fulfill its mandate,
most notably
through creation of a Rapid Reaction Force (RRF);

-- working with our NATO allies to bolster the confidence of those with forces on
th
e
ground by ensuring that, should the position of UNPROFOR become untenable,
an adequa
te plan
and forces are available to relocate or withdraw trapped units; and

-- continuing to provide support for NATO Deny Flight and Close Air Support
missions

to protect those on the ground.

-- Strengthen and adapt the abilities of existing, proven, organizations such as
NAT
O to deter a
repetition of the tragedy of the former Yugoslavia. We cannot do this if we
abandon
our Allies.

-- The real choices remain with the parties to the conflict. They can perpetuate th
e military
standoff, or they can stop spilling blood and start making peace.

-- As a first step, we reiterate our call for the Bosnian Serbs to join the other pa
rties to the conflict
in accepting the Contact Group plan as the basis for a negotiated settlement.

Rapid Reaction Force:

Q: What is the mission of the RRF? How will it be different from other UNPROFOR efforts that have proven ineffective?

-- The rapid reaction force is intended to provide the UNPROFOR commander with well-armed and mobile forces with which to respond promptly to threats to United Nations personnel. It will be used to reduce the vulnerability of UNPROFOR personnel and to enhance its capacity to carry out its existing mandate.

-- We expect it to be in place and fully operational by mid-August.

-- Based on discussions at the UN, its missions would include:

-- emergency actions/responses to assist isolated or threatened UN units;

-- help redeployment of elements of UNPROFOR;

-- facilitate freedom of movement where necessary.

-- This force will be used to perform tasks that have previously been impossible for UNPROFOR.

-- By providing the UN with the means to defend itself if attacked while fulfilling its mandate, the RRF force should enhance UNPROFOR's overall credibility and effectiveness.

Q: What have we given the RRF?

-- We have authorized \$12 of lift support to the RRF, and we have begun to help move it into theater.

Q: What support are we prepared to give the RRF?

-- We are committed to providing U.S. support to our allies who are contributing troops to the

RRF.

-- We have indicated to our allies that if asked, and in consultation with Congress, we would be prepared to:

-- provide close air support through NATO;

-- assist in establishment of an intelligence coordination cell and provide timely intelligence data;

-- provide equipment such as, communications gear and night-vision equipment (but not with U.S. personnel);

-- These commitments are intended to strengthen Allies' resolve to maintain UNPROFOR, whose presence is essential to reduce violence, deliver humanitarian aid and preserve conditions for political settlement.

Q: How will you make good on your pledge to help finance the RRF when there does not seem to be any Congressional support?

-- We are working with the United Nations and other member states to use a voluntary fund to defray the costs of the RRF.

-- The U.S. contribution will come in three forms:

-- 1) DOD drawdowns of equipment and transportation services (We are consulting with Congress on the use of existing authorities to use DOD equipment and services to support our allies.)

-- Our initial support has been in the area of air and sea lift to support movement of the RRF forces into the theater.

-- As you are aware, the British have begun to move their initial forces, and we have provided the necessary lift capabilities. Approximately \$12 million in lift services is being provided.

-- The remainder of the drawdown authority would support other lift requirements from the Dutch, French and Germans, if requested, and provide force enhancement through equipment such as night vision goggles, communications terminals, laser target designators, precision navigation and refueling capabilities, and modifications to aircraft and helicopters to enhance their air defense capabilities.

-- 2) direct contributions of national assets, such as close air and intelligence support.

-- We also intend to use national assets to continue our Close Air Support for forces assigned to UNPROFOR and to provide intelligence capabilities. This support would not require the exercise of drawdown authority.

-- 3) UN assessments of previously approved manpower ceilings

Of the RRF's 14,500 troops, 5,300 will be deployed under existing UNPROFOR approved manpower ceilings previously authorized by the Security Council. This portion of the RRF will represent no more than \$35 million of our UNPROFOR assessment.

-- We have consulted with the Congress on the President's intent to provide \$15 million of transportation and equipment support. Of this amount, the President has signed a Presidential Determination authorizing the provision of \$12 million of transportation support to the allies. The Administration is also preparing an initial provision of equipment of about \$3 million.

-- The Administration is conducting formal consultations with the Congress for the provision of up to an additional \$30 million of goods and services -- again under 506a authorities and primarily for transportation services and equipment.

Support for UNPROFOR:

Q: Why do you continue to support the UNPROFOR effort when it has repeatedly demonstrated that it is totally ineffective in either ensuring the delivery of aid, protecting the citizens in the Safe Areas from attack, or ending the fighting?

-- Withdrawal of UNPROFOR unquestionably would increase the humanitarian suffering.

-- Much of the relief effort depends on UNPROFOR: UNHCR and other relief organizations are feeding and otherwise caring for about 2.8 million refugees, displaced persons, and others affected by the war.

-- Despite UNPROFOR's current problems, tens of thousands of lives have been saved and violence has been reduced.

-- Shouldn't forget UNPROFOR's success in implementing the Bosnian-Croat Federation, which has restored peace to central Bosnia and demonstrated that multi-ethnic cooperation is still possible.

-- Strengthening UNPROFOR so that it can do its job is clearly better than the alternatives:

-- quitting and withdrawing UNPROFOR, with the humanitarian disaster that would

surely follow; (lifting the arms embargo unilaterally, as part of this strategy, Americanizes war and increases bloodshed);

-- continuing with status quo, which is unsustainable; or

-- sending Americans to fight in a Balkan ground war, which the administration and American people reject.

-- Our ultimate objectives--negotiated peace and stability in Balkans--more likely if the international presence remains.

Results to Date:

Q: Isn't our policy of support for UNPROFOR bankrupt?

-- No. While the tragedy of recent events is enormous, you should not overlook what has been accomplished to date:

-- negotiating efforts have been key to implementing Federation agreement between Bosnia's

Muslims and Croats, which has brought peace to the vast majority of territory under Bosnian government control;

-- civilian casualties declined dramatically (130,000 in 1992, down to 2500 in 1994)

-- U.S. airlift has delivered more than 50,000 tons of humanitarian supplies in the longest airborne

relief operation ever -- thousands have received food and medical supplies;

-- shelling of Sarajevo has been reduced (until events of recent days);

-- NATO's Operation Deny Flight has flown more than 60,000 sorties, keeping the war out of the

air over Bosnia for two and a half years; and

-- war hasn't spread to other areas of Balkans.

-- All accomplished without introduction of American combat forces on the ground in Bosnia.

-- Not a perfect solution -- But there are no easy or obvious choices to resolve the conflict.

-- The challenge for those critical of our policies is to come up with better altern

atives that don't
depend on wishful thinking.
U.S. Ground Forces:

Q: What is our policy regarding provision of U.S. ground forces?

-- We have avoided, and will continue to avoid, committing U.S. ground forces to the conflict or to join UNPROFOR in Bosnia.

-- But we believe Allies should know that, in the event UNPROFOR has to withdraw or if units need to be extracted in emergency situations, U.S. prepared to help through NATO.

-- There are three contingencies in which we might use U.S. troops in discrete, temporary operations:

1. We would be prepared, after consulting with Congress and if asked by the parties, to use U.S. troops as part of a NATO force to help implement a settlement that the parties were carrying out in good faith.

2. If UNPROFOR decided to withdraw, after consultation with Congress and review of military plans, we would participate in NATO operation to assist in withdrawal.

3. As a last resort, if needed -- and that is an open question because allies in UNPROFOR have formidable capabilities themselves -- we should be prepared to assist NATO in an emergency extraction of units whose positions had become untenable, to points of safety in Bosnia.

Lifting the Arms Embargo:

Q: Why not go along with the Bosnians' requests to lift the arms embargo?

-- Lifting arms embargo would lead to immediate decision by UNPROFOR to

withdraw.

UNPROFOR withdrawal would lead to increased humanitarian suffering and wider war, reduce chances for political settlement.

-- Even if arms embargo were lifted, would take time for Bosnian Government to acquire arms and training needed to use them. Great vulnerability in interim, particularly if Belgrade resumes all-out support for Bosnian Serbs.

-- If UNPROFOR has to leave, we will support multilateral lift, but believe it is better to work to strengthen UNPROFOR and redouble efforts to achieve negotiated settlement.

-- Will continue to oppose unilateral lift.

Points on the Dole Amendment

-- The Dole Amendment and other measures advocating unilateral lifting of the arms embargo would hinder our efforts to end the conflict in Bosnia.

-- Unilateral lift would widen the conflict, increase pressures for direct U.S. military support to the Bosnian government, damage relations with allies, and risk confrontation with Russia and Serbia.

-- Unilateral lift would make Bosnia a unilateral U.S. responsibility.

-- Despite many shortcomings and frustrations, UNPROFOR and the international community's other efforts have yielded significant benefits.

-- UNPROFOR should remain because it continues to play a vital role in reducing the killing and suffering in Bosnia, despite its inability to stop the attacks on Srebrenica and Zepa.

- UNPROFOR provides essential support for delivery of relief to 2.2 million people.

Its presence has deterred massive Serb assaults on Sarajevo and other parts of Central Bosnia.

- UNPROFOR helped end the war between Croats and Muslims in Central Bosnia and is fostering a process of reconciliation between these two communities.

-- But UNPROFOR must be able to conduct its mission more effectively and in greater security. The Rapid Reaction Force and other steps our Allies have taken to enhance UNPROFOR offer the best prospect of enabling it to continue its missions.

-- Adoption of the Dole amendment now would undercut efforts by our European partner to strengthen UNPROFOR. Given that our Allies are taking the risks on the ground, we need to give them limited support and time to prove themselves.

-- The Administration has always believed the arms embargo is unfair, but we continue to oppose unilateral lift.

-- Announcing a virtually automatic commitment to unilateral lift while UNPROFOR forces are still in place would make the withdrawal operation much more dangerous for U.S. and allied forces.

- Serbs would have strong incentives to impede this process. The Bosnian Government

would want NATO extraction forces in place until it was able to operate effectively with its new arms and might even seek to use NATO forces as shields for their operations.

-- The Dole Amendment's provision that the U.S. should end the arms embargo within 12 weeks of the date the Bosnian government asks the Security Council to order withdrawal virtually ensures Allied entanglement in the

war. NATO plans for UNPROFOR withdrawal envision that completion of the mission could take up to 22 weeks.

-- Unilateral lift would lead to a wider and bloodier conflict, with a very uncertain outcome for which the U.S. would have ultimate responsibility. The Bosnian Serbs would have the ability to make major gains in the months before the Bosnian government forces could be rearmed and trained.

-- It would lead to the Americanization of the war.

-- By provoking an UNPROFOR withdrawal, it will allow the Allies to place the blame for UNPROFOR's failure on the U.S.

-- The U.S. would send 25,000 troops to help UNPROFOR withdraw.

-- The U.S. would be blamed for the deteriorating military and humanitarian situation.

-- Having provoked UNPROFOR's withdrawal, the U.S. would be under great pressure to intervene to stem the deteriorating situation.

-- We could well be held accountable for events throughout the remainder of the war
-- thus making the war a unilateral U.S. responsibility.

-- Unilateral lift could place us in a direct confrontation with Russia, which like Serbia, would likely provide military assistance to the Bosnian Serbs.

-- Unilateral lift would undermine other UN resolutions and sanctions regimes, such as those against Iraq and Libya, that serve critical U.S. interests. Many would reject our efforts to distinguish between Bosnia and other situations.

-- Finally, the President has particular responsibility under the Constitution with respect to decisions that could involve the U.S. in hostilities or results in the exposure of U.S. armed forces and

other Americans to imminent risks. The Dole Amendment would unduly interfere with these core Presidential responsibilities.

-- The fundamental issue is this: at the moment that our allies are saying they are prepared to put some more backbone into UNPROFOR, do we test that proposition and see if the effort works, or do we take this moment to pull the rug out from under them, undertake the costs and risks of an UNPROFOR withdrawal operation, and assume for ourselves the responsibilities for aiding and protecting the Bosnians that will follow?

-- Can we count on you to oppose the Dole bill on unilateral lift?

IOB GUATEMALA REVIEW

The Intelligence Oversight Board (IOB) delivered on Friday a report updating the President on its Guatemala Review. The update responds to the President's interest in keeping informed on the review.

ù The update report notes that the IOB has received and reviewed CIA's initial Inspector General Report on Guatemala.

ù The report from CIA's IG covers, among other things, CIA performance and activities in connection with the cases of Michael DeVine and Efraim Bamaca Valasquez.

ù CIA's IG review of other Guatemala-related cases continues and will be completed in the coming months, as will be the IG reviews being conducted by the Departments of State, Defense, and Justice.

ù The IOB's full report will draw on these studies as well as its own independent investigation.

Q. What did the CIA/IG report conclude?

A. The CIA/IG found

No evidence implicating CIA officers in the interrogation or deaths of DeVine or Bamaca.

There have been widely reported allegations that Guatemalan Colonel Alpirez was present at DeVine's death and that he killed Bamaca. A thorough examination of all available evidence raises serious doubts about the factual basis of the reports which led to those allegations.

CIA performance was not as professional or sound in its judgments as the CIA and the U.S. Government have a right to expect.

While the CIA in February 1995 properly and expeditiously notified Congress on matters clearly of Congressional interest, it failed to do so in earlier instances. The CIA could be criticized for unintentionally misleading Congress.

Q. Did CIA hide or destroy relevant documents?

A. The CIA/IG found no evidence for either charge.

Q. Does the IOB agree with the CIA/IG report?

A. The key findings of fact presented in the CIA/IG report are substantially consistent with what the IOB so far has independently found, but the IOB effort is not yet complete and the IOB has not yet formulated its conclusions.

Most importantly IOB is presently aware of no information indicating CIA officials participated in or had prior knowledge of the abduction and murder of Michael DeVine or the reported torture and execution of Efrain Bamaca Valasquez.

Q. Was Col Alpirez a U.S. asset at the time of the DeVine murder?

A. As a matter of policy, we would not comment on such a matter. (If pressed: Commenting on such issues adversely affects the nation's intelligence capacity and puts assets at risk.)

Q. When will the IOB be finished?

A. We would expect the IOB effort to be completed by the fall.

Q. Was Congressman Torricelli wrong in his accusations?

A. On the central issue of CIA wrongdoing, the IG report found no evidence implicating CIA officers in the deaths of DeVine or Bamaca. While the IOB has not completed its investigation and cannot draw a final conclusion, it has found to date nothing inconsistent with the CIA report in this regard. Likewise, the IOB has found no evidence of destruction of documents in association with this investigation.

Q. Would you comment on the House Ethics Committee exoneration of Congressman Torricelli?

A. These findings of the House Ethics Committee are a matter for the House of Representatives to comment on.

Q. Was it right for CIA to hire assets who had been accused of Human Rights violations?

A. DCI John Deutch has begun a review to make sure all CIA operations are

consistent
with this
Administration's standards and policies on human rights, and the IOB is also
expecte
d to address this
subject. We will not further comment at this point.

Q: What disciplinary action has been or will be taken against CIA officials?

A: DCI Deutch will be considering what disciplinary measures to take. It would
be i
nappropriate
to comment further on disciplinary action at this time.

REPUBLIC OF KOREA -- PRESIDENT KIM VISIT

Q: What is the purpose of South Korean President Kim's State Visit this week?

A: The U.S. and the Republic of Korea share a history of close ties that spans
more
than 40 years.
President Kim and President Clinton will reaffirm our countries' friendship and
the
importance of our
relationship as they jointly dedicate the Korean War Veterans Memorial on
Thursday.

-- The President will reaffirm U.S. commitment to the US-ROK alliance and
American s
upport for
the South Korea's efforts to bring peace and security to the Korean Peninsula.
They
will talk about the
next steps in the implementation of the Agreed Framework that the U.S. signed
with N
orth Korea to
commit its nuclear program to be frozen and eventually dismantled.

-- The two Presidents will also discuss economic issues, including the upcoming
APEC
meeting
and the bilateral trade relationship.

Q: Why is he here now?

A: The timing was determined by the dedication of the Korean War Veterans

Memorial,
which is
opening on the anniversary of the signing of the armistice.

Q: What is the overall state of U.S.-ROK relations? Weren't there some tensions
ove
r the
discussions between the U.S. and North Korea?

A: Overall relations are very solid. From the strategic and security perspective, w
e believe our
joint efforts, along with the close cooperation of Japan, have been effective.

The threat of the North Korean nuclear program has been frozen under
international
inspection,
and tensions on the Korean Peninsula have eased.

In its talks with North Korea in May and June, the United States was fully
supporti
ve of South
Korean interests and objectives. South Korea fully supports the Agreed
Framework an
d the steps taken to
date to implement it.

There are economic and trade issues that need some attention, but they are being
ha
ndled
appropriately.

KOREA: KIM VISIT

KOREA: AGREED FRAMEWORK IMPLEMENTATION

Q: Does North Korea really accept that it will receive South Korean light water
reac
tors?

A: There is no other way to read the outcome of the Kuala Lumpur talks last
month.

In Kuala Lumpur, North Korea agreed that KEDO (KEY-doe) -- the Korean
Peninsula Ene
rgy
Development Organization -- will select both the reactor model and prime
contractor

for the North Korean
reactor project.

The same day, KEDO confirmed that both the reactor model and prime contractor
will
be South
Korean.

NORTH KOREA: ASSISTANCE TO NORTH KOREA

Q: Why are we providing assistance to North Korea under the Agreed
Framework?

A: The Agreed Framework is deeply in our national interest. It commits North
Korea
to go beyond its
international obligations by freezing and then dismantling its dangerous nuclear
pro
gram.

In exchange, and in consultation with our South Korean and Japanese allies, we
agre
ed to provide
North Korea with light-water reactors to replace the existing North Korean
program.

The lion's share of these costs will be borne by South Korea and Japan. We are
also
seeking broad
international support, which requires a modest US contribution as well.

NORTH KOREA: SPENT FUEL

Q: What is the state of play on US efforts to store safely the DPRK's spent fuel?

A: We reached agreement with the North Koreans in June on procedures to store
safely
the spent fuel
rods from the North Korean 5 megawatt reactor.

U.S. experts also installed equipment to cool the water holding the rods, which
will
reduce the rate
of corrosion of the cladding, and agreed on a schedule to install equipment to
clari
fy the water.

The rods will later be placed in special canisters for safe storage, and eventually
will be shipped out
of North Korea.

KOREA: DPRK RICE

Q: What is your view of the emergency rice deliveries from the ROK and Japan?
Does
the U.S. plan
to provide any humanitarian food aid? Why?/Why not?

A: The U.S. welcomes these agreements. In particular we fully support and encourage further direct contacts between North and South Korea.

North and South Korea have been meeting to continue discussions on humanitarian food aid to the North.

The ROK is providing the North with 150,000 tons of rice on a grant basis. Japan will provide a total of 300,000 tons of rice.

There has been no decision reached about possible U.S. food aid to North Korea.

NORTH KOREA: DIVERSION OF HEAVY FUEL OIL

Q: In January, North Korea diverted fuel oil supplied to it to non-agreed uses. What is being done to prevent repetition?

A: Based on reports that some heavy fuel oil was diverted by North Korea after the first delivery, we insisted on monitoring measures to ensure it does not happen again.

North Korea agreed in June that sealed instruments will be installed to measure fuel flows at the facilities where the heavy fuel oil is supposed to be used.

-- These instruments will be installed before the next shipment of oil is delivered.

NORTH KOREA: NORTH-SOUTH DIALOGUE

Q: What is the US doing about North Korea's refusal to engage the South?

A: We applaud South Korea's recent success in negotiating an agreement to provide North Korea with humanitarian shipments of rice.

We are encouraged that the North has begun to engage with the South, and that an additional round of negotiations is scheduled for August.

We have told North Korea that it cannot hope to have good relations with the United States if it is not also prepared to deal constructively with South Korea.

Nevertheless, North Korea has not yet fulfilled its commitment under the Agreed Framework to pursue dialogue and to implement the 1992 "Joint Declaration on the Denuclearization of the Korean Peninsula."

We strongly urge the North to do so. Constructive North-South dialogue is the key to permanent peace on the peninsula and essential to the smooth implementation of the Agreed Framework.

NORTH KOREA: EFFECT OF DPRK TALKS ON US-ROK TIES

Q: How have the nuclear negotiations affected the US-ROK alliance?

A: If anything, they have strengthened an already strong alliance that has endured for more than four decades.

Our alliance with South Korea is a pillar of our security posture in Northeast Asia.

We naturally worked very hard to maintain the closest possible cooperation -- both with South Korea and Japan -- throughout this lengthy effort to resolve the North Korean nuclear issue.

The US and ROK share the goal of a peaceful, non-nuclear Korean peninsula and a strong non-proliferation regime, and agree that the Agreed Framework moves us toward that goal. As allies, we will work together to assure its full implementation.

-- In Kuala Lumpur, we achieved North Korea's clear acceptance of South Korea's

central role in the LWR project. Just after the Kuala Lumpur negotiations, President Kim wrote me that he and his government consider the outcome in Kuala Lumpur to have been a meaningful step forward.

U.S. - ROK SECURITY RELATIONSHIP

Q: On the occasion of the dedication of the Korean War Veterans Memorial, what is the status of the U.S.-Korea security relationship?

A: The security relationship is dynamic and strong. North Korea is still a threat, and the Republic of Korea and the U.S. remain determined to maintain a cooperative ability to counter that threat.

As you know, we maintain 37,000 troops there, and they will stay as long as the people of South Korea want them there.

We continue to consult closely at the highest levels of our security and defense establishments.

Secretary Perry, for example, will be going to Seoul in November as part of an annual Defense Ministerial meeting which alternates between the U.S. and South Korea.

We maintain a vigorous cycle of joint military exercises, both to enhance deterrence and to ensure readiness of our forces if deterrence fails.

U.S. - ROK SECURITY RELATIONSHIP

Q: Why did you recently issue a joint statement saying the Status of Forces Agreement (SOFA) would be reviewed?

A: We did so at the request of the South Korean Government, which has the legal right under our Status of Forces Agreement to request such a review.

As you know, there have been several deplorable incidents involving U.S. forces in Korea this year.

We believe it is useful to sit down together to see if there is any way to improve how we mutually handle such incidents.

We have not committed ourselves to any particular outcome, nor has our South Korean ally asked us to do so.

SOUTH KOREA-U.S. TRADE DISPUTES

Q: What is the status of the overall trade relationship with the ROK? Did you discuss trade disputes with President Kim?

A: Like the rest of our relationship with the Republic of Korea, our trade relationship is intense, cooperative, and mutually beneficial.

It is also very large. South Korea is one of our largest trade partners, and we absorb nearly a fifth of its exports.

And unlike our trading relationships with other major economic powers in Asia, we don't run a large trade deficit with Korea.

Nevertheless, no one should be surprised that in such a large relationship that has grown yearly, there are some trade disputes.

We have some market access concerns in areas such as autos, financial services and

telecommunications.

President Kim and I discussed these issues. I am confident that under his leadership -- particularly with his vision of the "globalization" of Korea -- we will be able to resolve these difficulties, as we have resolved trade disagreements in the past.

KOREA: SAMPOONG DEPARTMENT STORE COLLAPSE

Q: First a bridge, then a subway, and most recently a department store. Do you have a comment on South Korean construction standards? Have South Korean firms constructed U.S. facilities? Have these facilities been inspected? What does this record imply about South Korea's role in building the LWRs in North Korea?

A: Let me first express my sincere condolences to the families of the deceased, the injured, and the missing.

I have full confidence in the safety of South Korean reactors.

Korean contractors have built a number of facilities used by US forces in Korea. As with any US facility, these are subject to regular inspections and maintenance.

I am confident that KEDO, an international consortium led by Korea, the U.S., and Japan, will devote the utmost attention to safety in assigning contracts.

KOREA: LOCAL ELECTIONS

Q: Do you have any comment on the recent local elections in Korea? Does President Kim's party's poor showing affect his ability to follow through with South Korea playing a central role

in KEDO or engaging in
inter-Korean dialogue?

A: In our meeting, I congratulated President Kim for having presided over the first local elections in South Korea since 1961. These elections were further proof that democracy is firmly in place in the Republic of Korea.

I have no reason to believe that these elections will alter President Kim's government's determination or ability to play a central role in KEDO or to engage the North in meaningful dialogue

KOREA: NON-IMMIGRANT VISAS

Q: Do you have any comment on Korean complaints of bottlenecks in the U.S. embassy in Seoul's processing of non-immigrant visas?

A: I know that this is a concern to many Korean travelers. The phenomenal growth in demand for visas has caused a real problem for our embassy in Seoul. The State Department is allocating additional resources to address this problem.

CHINA

Q: What is the status of the Harry Wu case?

A: We remain very concerned about the Harry Wu case and continue to work to persuade the Chinese government to release him.

Q: What are you doing to get Harry Wu out?

A: We have made clear in repeated demarches and other communications with the Chinese government that this is a high-priority issue in U.S.-China relations. Its repercussions go beyond the legal

case itself.

We are also working with other countries to reinforce the point that the Wu case is of great importance for U.S.-China relations.

We continue to request more frequent consular access.

In addition to the visit with Mr. Wu by our consul general on July 10, we have made one additional effort to meet with him, but were turned down by local authorities.

Although the U.S. embassy officer, who was traveling in Wuhan on other business, was not permitted to see Wu, we were able to deliver some written material to him, and we have some materials from his wife that we are trying to get passed to him.

Q: Is the Chinese missile exercise in the Taiwan Strait a threat to Taiwan?

A: The Chinese government has announced that the missile exercises have been completed. Taiwan's security was not in jeopardy at any point.

We are concerned that tensions are rising in the Taiwan Straits. We understand other military exercises will continue at various locations in the vicinity of the Taiwan Straits. We hope that both sides will seek to avoid taking steps that could exacerbate the situation.

The United States has for many years supported the process of peaceful dialogue and

negotiation of differences between China and Taiwan. Both sides, in our view, have an interest in maintaining the atmosphere of peace and cooperation that has enabled both sides to develop their economies.

We believe that China and Taiwan over the past few years have developed good, cooperative relations.

processes for discussing problems and resolving differences. We hope they will continue to develop.

Q: How many missiles have actually been fired?

A: I don't wish to disclose information provided by our intelligence community. Preliminary sources in Asia have said four, and possibly six.

Q: Does this represent a new threat to Taiwan's overall defense?

A: China has had for many years missiles capable of reaching Taiwan. The mobile missiles involved in the test are a relatively recent addition to China's inventory.

Q: How has Taiwan reacted to the missile firings?

A: We understand the Taiwan legislature has condemned the tests, and various public figures have also criticized China's actions. Taiwan heightened its military alert status somewhat, and tried to ensure that commercial airlines and fishing vessels avoided the declared target zone.

Q: Was this exercise related to the Lee Teng-hui visit to the U.S.?

A: That is a question for the Chinese government.

Q: Will the United States protest to China about the exercise?

A: There are no plans to do so. The PRC has undertaken training exercises in this region in the

past. It has notified the international shipping and air transport communities of the closure areas in an appropriate fashion.

Q: Will the United States support Taiwan if China attacks?

A: That is a completely speculative question unwarranted by the circumstances.

Q: What impact is all this having on overall U.S.-China relations? What is the state of the relationship?

A: Overall, the relationship has clearly been strained by the various events of the last month. We continue, however, to believe that the U.S.-China relationship is of fundamental importance, and the Administration's overall outlook on the long-term importance remains intact.

We will persist in our efforts to engage the Chinese government on the full range of our bilateral interests and clarify those policy issues on which there is misunderstanding.

We hope the Chinese government will similarly recognize the need to remain engaged on issues of mutual interest.

The Secretary of State will be meeting with China's Foreign Minister Qian Qichen on August 1, when both will be attending an ASEAN meeting in Brunei.

Q: What is your view of the Chinese Foreign Ministry spokesman's statement that the meeting between Qian and Christopher is critical to the future of the relationship?

A: We acknowledge that this is an important meeting to discuss serious issues. We would caution against over-dramatization, however. The communication process between two major powers requires frequent contacts at many levels.

Q: What is the Administration's response to Chinese demands that apologize for inviting Lee Teng-hui to the U.S. and promise not to let it happen again?

A: The President stands by his decision and has no intention of apologizing.

The decision to permit Lee to make a private visit to Cornell was appropriate and fully consistent with American values and opinion.

We have said repeatedly that the decision was not aimed at China, nor does it constitute a

change in our approach to either China or Taiwan.

Q: Will Lee be allowed to visit again?

A: We will deal with requests for private visits by Taiwan leaders on a case-by-case basis, based on our judgment of what is in the U.S. interest. The Secretary of State noted a few days ago that we expect visits to be completely private and rare. There is no request pending at the moment.

SALE OF PAKISTAN'S F-16 AIRCRAFT

Q. Is the Administration seeking to sell the Pakistani F-16s now embargoed by the Pressler Amendment to Indonesia?

A. The President decided that we would seek to sell the F-16s to a third country and return the proceeds to Pakistan. We are also seeking legislative authority to resume economic and non-lethal military assistance to Pakistan and to return to Pakistan other military equipment now being held in the U.S. in accordance with the Pressler Amendment.

By resolving the question of the aircraft and military equipment purchased by Pakistan, we seek a more positive basis for our dialogue on nonproliferation and other issues with the Pakistanis.

(If asked whether there are nonproliferation conditions attached to this sale)

-- Stemming nuclear and missile proliferation remains a key U.S. objective for South Asia. The President believes that we need to resolve the Pressler Amendment issue to make possible a more

productive dialogue on nonproliferation.

-- We did not receive nonproliferation assurances from Pakistan as part of the initiative we are proposing to resolve the F-16 problem. However, we have told the Pakistanis that this initiative is predicated on there being no significant change in the status quo with respect to the nonproliferation issues of concern to the United States.

(if asked whether the planes will be sold to Indonesia)

-- Neither we nor the Pakistanis have decided on a buyer for these aircraft. Indonesia is one possible purchaser, but the Indonesian government has not indicated it wants to buy them.

(If asked whether the Pakistanis will get back all of their money)

-- We expect that there will be a shortfall between what Pakistan paid for these aircraft and what will be realized in a sale to a third party. This is an issue that will have to be addressed in future consultations with the Government of Pakistan and the Congress.

NORTHERN IRELAND

Q: Do you have any comment on the report that the UK's Northern Ireland Secretary, Sir Patrick Mayhew, and Sinn Fein President Gerry Adams held a secret meeting last week in Northern Ireland?

A: We welcome the news of a meeting between the Secretary of State for Northern Ireland and Sinn Fein representatives, as an important step in advancing the peace process. The President has encouraged dialogue as the best way to move the peace process forward.

Obviously dialogue at such senior levels of the British government and Sinn Fein is a positive development.

If asked

-- Sinn Fein representatives had meetings with the UK at the ministerial level in May, conducted by the NIO's junior minister, Mr. Ancram. While Sir Patrick Mayhew and Mr. Adams met here in Washington during the investment conference in May, as far as we know the meeting last Tuesday would have been their first in Northern Ireland.

Q: What is your view of the idea of a "decommissioning commission" that was reported by discussed by NIO Secretary Sir Patrick Mayhew and Irish Foreign Minister Dick Spring in their meeting on Monday?

-- We support the Irish and British governments' efforts to find a way to move the peace process forward. One of the ideas that has been under discussion is the formation of an international commission to help resolve the issue of decommissioning of weapons. If the two governments decide to form such a commission, we would welcome their decision. The membership and mandate of a decommissioning commission are matters for the two governments to decide.

If asked

-- We have not been approached to serve on such a commission.

U.S. - CUBA MIGRATION TALKS

Background: U.S. -Cuba migration review talks were held in Havana July 17-18. These were part of a series of regular talks to discuss exclusively migration issues between the two countries. The U.S. delegation was led by Anne Patterson, Deputy Assistant Secretary of State for Inter-American Affairs and the Cuban delegation was led by Ricardo Alarcon, president of Cuba's National Assembly. No agreement was reached, and differences remain on a number of issues.

Key Points

- The talks held in Havana were part of regular discussions on migration issues between the U.S. and Cuba.
- Both sides agreed that the September 9 and May 2 accords were working. They are directing migration into legal channels, while discouraging unsafe migration.
- The U.S. raised several suggestions to assure that the two sides do everything to facilitate safe, orderly and legal migration.
- No new agreements were reached.

Qs & As

Q: Which issues remain unresolved?

A: A broad range of migration issues was discussed. Many of them were operational. These talks were not aimed simply at reaching discrete agreements but are part of an ongoing process to promote safe, orderly and legal migration.

[If pressed]

The fees charged by the Cuban government to migrants who have already been issued travel documents

was one of the issues discussed.

Q: Did the Cubans raise other issues such as lifting the sanctions imposed by President Clinton last August?

A: Yes, the Cuban government raised those issues but they were outside the scope of these talks. These discussions dealt solely with questions involving safe, orderly and legal migration.

CUBA AND NEWS BUREAUS

Q: What comment do you have on The New York Times story of July 17? Are we on the verge of a deal with the Cuban Government on news bureaus?

A: The Administration continually reviews all aspects of our policy toward Cuba, exploring ways to make the embargo more effective and to provide support to the Cuban people. In that context, the Administration is still reviewing the possibility of licensing U.S. news organizations to establish news bureaus in Cuba and of permitting Cuban official news organs to operate in the United States.

Licensing decisions are exclusively the decision of the U.S. Government and no "negotiations" with Cuba about this issue have occurred nor are any planned.

Q: Is Senator Helms' insistence on letting Radio Marti/TV Marti into Cuba the sticking point?

A: Radio and TV Marti are not commercial news stations. They comprise the Office of

Cuba
Broadcasting in the Bureau of Broadcasting of USIA which is represented at our
Inter
ests Section in
Havana. Under consideration is the licensing of commercial news organizations
to es
tablish news bureaus
in Cuba.

Although Radio and TV Marti would certainly benefit from a greater flow of
accurate
, uncensored news
from Cuba, they are not directly related to the issue of reciprocal news bureaus.

HOUSE FOREIGN OPERATIONS APPROPRIATIONS BILL (HR1868)

Background: The House completed action on HR1868, the FY 96 foreign
operations appr
opriations bill July 11,
passing it by a vote of 333-89. The bill contains many troubling provisions. Your
advisors have not yet
recommended a veto and are working to improve the bill. In addition to
appropriati
ng considerably less than we
need, among the more troubling provisions are the Smith Amendment, which
would reinf
orce the Mexico City
family planning process, and caps on funds to Turkey, restrictions on aid to
Russia
and Mexico. It also contains
other infringements on your authority to conduct foreign policy.

-- We have concerns over certain provisions in the House passed foreign
operations a
ppropriations
bill, HR 1868, but we are pleased that the bill does not have many restrictions, g
iving the Administration
flexibility to use scarce foreign aid funds to meet complex challenges. This is pa
rticularly important
because far fewer funds were appropriated than are needed if we are too meet our
int
ernational
commitments and fulfill our leadership role.

-- There are some provisions in the bill with which we have particular problems.
T
hese include
the Smith amendment that would reimpose the Mexico City family planning

process and
other
amendments that would restrict the President's authority to conduct foreign
policy.

-- We are seriously concerned about large reductions in appropriations for many
prog
rams. These
reductions will severely limit our ability to carry out an effective foreign policy.
We will work with the
committees to obtain additional funding for these programs , (e.g. funding for the
W
orld Bank and for
Developmental Assistance) as the appropriations process continues.

-- We believe we will be able to improve the bill along the way and make a
decision
about what to
do about the bill later on in the process.

-- We are also pleased that the bill does not legislate consolidation of the foreign
affairs agencies.

(IF ASKED:

-- The President threatened a veto of HR 1561, the House passed State
Department Aut
horization
bill and Foreign Assistance Act, for three primary reasons: restrictions on the
Pres
ident's ability to
conduct foreign policy; mandating the consolidation of the foreign affairs
agencies;
and deep funding
cuts to foreign aid programs.

-- While the Senate has not yet taken up the State Department Authorization bill
and
the Foreign
Assistance Act, key advisers to the President have already recommended that he
veto
the State
Department Authorization bill, and we anticipate there will be a similar
recommenda
tion for the Foreign
Assistance Act.)

HAITI

Background: The Electoral Council has released partial election results and announced where reruns would be taking place. The results point to a significant Lavalas victory, but it is important to note that, overall, non-Lavalas parties gathered roughly 60-65% of the vote and that a second round will be required in about 70% of the parliamentary or senate races. The Lavalas share of 35-40% of the vote should be viewed in light of President Aristide's 70% share when he was elected in 1991. Reruns will take place in about 20% of localities. This is more limited than had been demanded by the political parties. The reruns are now scheduled for August 6 and the second round for August 27, though both dates remain subject to change.

The political parties (other than Lavalas) have reacted angrily to the Electoral Council's announcement. A number of them have said they would boycott both the reruns and the second round of the elections. Amb. Swing is attempting to persuade them to stay in.

Our view is that, while there were irregularities and flaws, and while the electoral council acted in ways that justifiably undermined the parties' confidence in the process, the outcome of the elections was not significantly affected, and that there is no evidence of widespread fraud. Bob Pastor, a member of the Carter Center, offered a different and far more critical assessment of the elections. While he acknowledges that the security situation was adequate, and that there was no centralized effort to subvert the process, he calls these the "most disastrous" of 13 elections he observed.

Points

-- The most significant aspect of the elections is that Haitians, for the first time, were able to vote peacefully, without intimidation, and were able to choose the representatives of their choice. In light of Haiti's history of extreme political violence and of the fact that barely nine months ago it was ruled by a

repressive military regime, this is an extraordinary accomplishment.

-- Of course, we regret the irregularities that have marked these elections. These will have to be remedied before the second round of balloting takes place and, in some instances, will require reruns.

-- However, international observers have seen no evidence of systematic fraud or of an attempt to subvert the electoral process. These are natural growing pains of democracy, especially in one of the poorest, least educated countries in the world.

-- We are aware that some of the political parties have denounced the electoral process and might not participate in the reruns or the second round. We believe that would be a mistake. The parties, the electoral council and the government should instead turn their efforts towards strengthening Haiti's democracy by remaining engaged, correcting whatever errors occurred and preparing for upcoming elections, in particular the presidential elections.

Pastor's Assessment of the Elections

-- We do not share Bob Pastor's overall negative assessment. Our assessment is closer to that of most international observers -- the European Union, the United Nations, and the OAS, which had the benefit of the largest observation mission of all.

-- However, as we have always said, these were far from perfect elections. Indeed, many of the irregularities noted in Bob Pastors' report were mentioned by the Presidential Delegation.

ation that observed
the elections and by Administration officials.

-- At the same time, we should not make unfair comparisons or have unrealistic
expectations.

Haiti is the poorest, and least educated country in the hemisphere. There is little infrastructure,
telecommunications capability, or practicable roads. Only nine months ago,
Haitians
were ruled by a
repressive military regime. They had never experienced an election free of
violence
and wide-scale
intimidation.

-- Taken all that into account, these elections were a remarkable achievement.

-- These were the first elections in Haiti's history free of violence. For the first time ever,

Haitians were able to exercise their democratic right to vote without intimidation.
This was noted
by every observer mission and is the most basic requirement for a true
democracy.

-- Observer missions, including Bob Pastor's, agreed that there was no systematic
fraud
or a centralized attempt to subvert the electoral process. Indeed, Pastor's report
emphasizes that
even the party closest to President Aristide, the OPL, suffered from the irregularities.
As one
observer put it, the process was "free, fair, and fouled up."

-- There were 11,000 candidates from over 20 parties. They were free to express
themselves and to campaign.

-- These elections represent an important step forward. The most important task
now
is to build
on what has been achieved, correct the errors that were made, and resolve the
differences between the
political parties and the electoral council so that the electoral process can continue
with the support of all

Haitians. We know that President Aristide is committed to strengthening Haiti's democracy and is trying hard to move the process forward. That is also what the Administration and Ambassador Swing have been working for from day one.

Qs & As.

Q: Will you oppose reruns and runoffs until differences between Aristide and the parties are resolved, as urged by Bob Pastor?

A: It is not up to us to agree to or to oppose reruns and runoffs. It is up to the Haitians. Our embassy has and will continue to do what it can to help the parties overcome their differences and strengthen Haiti's young democracy.

Q: What are the Administration's views of Pastor's specific recommendations?

A: Bob Pastor has many interesting ideas on how to get the process back on track, some of which we have been suggesting -- such as a national dialogue, improved training and support for local electoral officials and poll-watchers, and improved procedures for ballot counting. Once again, we have been encouraging Haitians to take these steps and are ready to assist in any way possible. At the same time, it is important that these elections reflect the will of the Haitian people, and not the outcome of backroom dealings.

Q: Will the Administration be sending a mediator?

A: There is no such plan. But as I said, we are available to assist in the ways Haitians believe most appropriate.

Question: Will President Aristide extend his term?

Points

-- President Aristide has assured the USG repeatedly, at the highest levels, publicly and privately, that he does not intend to run again for President, as stipulated in the Constitution, limiting the President to one term

-- He has also said that he plans to keep the Presidential elections timetable on track, which calls for an election at the end of this year and the inauguration of the next President in February of 1996.

-- We expect to keep to this timetable -- there is no change in U.S. policy.

RUSSIA

U.S. Stake in Relationship

-- U.S. has vital stake in engaging Russia and supporting political, economic reform there. It matters greatly to us if Russia, other NIS are dictatorships or democracies, centrally planned or market-oriented economies.

-- Long-term strategy. Understand transformation underway will be complex, protracted.

-- Struggle going on between those who support reform and those who oppose or fear change. Will be setbacks, like Chechnya. Have to work to make progress on these.

-- But engagement also producing important successes: reducing nuclear threat, over 50% of Russian GDP now from private sector, no Russian troops in Central Europe or Baltics.

Yeltsin's Medical Status

-- Understand that Yeltsin has left the hospital and has entered rehabilitation center for period of convalescence.

-- With proper care and medical attention, Yeltsin should be able to return to normal

I schedule.

Announcement of Duma Election Date

-- Yeltsin has issued decree that Russian Duma elections will be held December 17. Welcome this as positive, normal step for democratizing Russia.

Chechnya

-- Negotiations continue between Russians and Chechens under OSCE auspices. Addressing political as well as military issues. Understand remaining point of difference at this time is the future status of Chechnya (i.e. Chechnya's relationship to the Russian Federation)

-- Talks have our full support -- offer opportunity "to break the cycle of violence," achieve negotiated political solution, and launch process of reconciliation.

Iran Reactor Sale

-- President has discussed reactor sale with Yeltsin. Vice President and Prime Minister Chernomyrdin discussed in late June. Have begun serious dialogue that will continue

-- We are making clear that we remain opposed to any nuclear cooperation with Iran, given Tehran's ambitions to acquire nuclear weapons capability.

Cuts in/Conditions on Bilateral Aid

-- Have differences with Russians on important areas. Working hard to resolve these

-- But our assistance advances critical U.S. interests, by helping reformers succeed in building democracy and market economy, and by helping to reduce nuclear threat to U.S. Not in our interest to

cut this assistance.

Russia, European Security and NATO

-- Russia a key player in building stable, undivided Europe. Want to work actively with Russia toward this end.

-- Welcome Russia's agreement to join Partnership for Peace and begin working with us to develop NATO-Russia relationship.

-- Understand Russia has concerns about NATO enlargement. We intend to manage enlargement process in manner that undercuts no country's security.

-- Process will be deliberate, gradual, transparent. No surprises.