

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Donald Kerrick to June Bartlett, Glyn Davies, Donna Dejban et al. Subject: Kerrick Friday Morning Staff Update. (17 pages)	06/17/1999	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Emails
Exchange-Record (Sept 97-Jan 01) ([Senator Helms])
OA/Box Number: 620000

FOLDER TITLE:

[06/16/1999-07/08/1999]

2006-1363-F

vz5669

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
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C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

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Exchange Mail

DATE-TIME 6/17/99 5:23:11 PM
FROM Lackey, Miles M.
CLASSIFICATION UNCLASSIFIED
SUBJECT Legislative Update, June 18, 1999 [UNCLASSIFIED]

TO

Bartlett, L. June
Davies, Glyn T.
Dejban, Donna D.
Hilliard, Brenda I.
Jacobson, Tracey A.
Joshi, M. Kay
Kerrick, Donald L.
Millison, Cathy L.
Powell, Elliott
Rice, Edward A.
Sargeant, Stephen T.
Dejban, Donna D.
Kerrick, Donald L.
Babbitt, James F.
Black, Steven K.
Bolan, Christopher J.
Boulton, Darrien D.
Brody, Richard J.
Davidson, Leslie K.
Fuerth, Leon S.
Hilty, Joanne M.
Orfini, Michael H.
Osius, Theodore G.
Roberts, Michael W.
Saunders, Richard M.
Woolston, Ann E.
Crowley, Philip J.
Gobush, Matthew N.
Hammer, Michael A.
Huff, Lindsey E.
Leavy, David C.
Sanborn, Daniel W.(Press)
Wozniak, Natalie S.
Allen, Charles A.
Baker, James E.
DeRosa, Mary B.
Hunerwadel, Joan S.
Krass, Caroline D.
Bartlett, L. June

Davies, Glyn T.
Dejban, Donna D.
Hachigian, Nina L.
Jacobson, Tracey A.
Kerrick, Donald L.
Millison, Cathy L.
Mitchell, Rebecca (Julie) J.
Moretz, Sheila K.
Rice, Edward A.
Rudman, Mara E.
Sargeant, Stephen T.
Scott-Perez, Marilyn L.
Storey, Sharon V.
Sutphen, Mona K.
Allen, Charles A.
Baker, James E.
Bell, Robert G.
Benjamin, Daniel
Blinken, Antony J.
Bolan, Christopher J.
Bouchard, Joseph F.
Braden, Susan R.
Brody, Richard J.
Busby, Scott W.
Butler, Lawrence E.
Crowley, Philip J.
Davidson, Leslie K.
DeRosa, Mary B.
Flanagan, Stephen J.
Gobush, Matthew N.
Gordon, Philip H.
Gray, Wendy E.
Guarnieri, Valerie N.
Halperin, David E.
Hammer, Michael A.
Hurley, C. Michael
Kaufman, Stuart J.
Krass, Caroline D.
Lackey, Miles M.
Leavy, David C.
Malinowski, Tomasz P.
McCausland, Jeffrey D.
Moyn, Samuel A.
Naplan, Steven J.
Pascual, Carlos E.
Quinn, Mary E.
Rudman, Mara E.
Sapiro, Miriam E.
Schulte, Gregory L.
Schwartz, Eric P.

Segal, Jack D.
Sigler, Ralph H.
Stromseth, Jane E.
Tavlarides, Mark J.
Vaccaro, Jonathan M. (Matt)
vonLipsey, Roderick K.
Weiss, Andrew S.
Widmer, Edward L. (Ted)
Barnett, Cheryl E.
Elkind, Jonathan H.
Faranda, Regina D.
Kaufman, Stuart J.
Pascual, Carlos E.
Russ, Judith P.
Segal, Jack D.
Silva, Mary Ann T.
Tedstrom, John E.
Weiss, Andrew S.
Bernard, Kenneth W.
Busby, Scott W.
Guarnieri, Valerie N.
Hill, Roseanne M.
Jones, Brian E.
Kale, Dora A.
Keenan, Josefina (Chris)
Malley, Robert
Naplan, Steven J.
Schwartz, Eric P.
Stromseth, Jane E.
Vaccaro, Jonathan M. (Matt)
Arvizu, Alexander A.
Heitkotter, Karen R.
Keith, James R.
Lieberthal, Kenneth G.
Pritchard, Charles (Jack) L.
Abercrombie-Winstanley, Gina K.
Camp, Donald A.
Cooper, Kathleen H.
Jones, Felicia A.
Malley, Robert
Pollack, Kenneth M.
Riedel, Bruce O.
Toloui-Tehrani, Ramin

CARBON_COPY

Burrell, Christina L.
Lackey, Miles M.
Shapiro, Daniel B.
Tavlarides, Mark J.

TEXT_BODY**PLEASE PASS TO DON**

Legislative Update
June 16, 1999

Highlights
from Thursday

* The "Commend the President" resolution in the Senate is still kicking around between the Democrats and the Republicans. Both sides are being petty -- the two sides are very close -- but it is still not clear whether this will be worked out or whether be a problem. [Since this note was drafted, a final agreement was reached -- assuming both sides sign off, this will go away without controversy].

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* SFRC held the first round of Dick Holbrooke's nomination hearing Thursday -- on ethics matters. Sen. Helms appeared to soften his tone and approach noticeably when Holbrooke acknowledged that he had not been as careful as he should have been in his record keeping, which led to the apparent conflict of interest, now resolved. Helms canceled the afternoon session (closed hearing on ethics matters). The hearings continue next week with sessions on U.N. reform and Balkans policy.

* Walpole, Kartman from State and a DOD rep. briefed House members and staff on status of Kumchang-ni underground site in North Korea. Four Members (Bereuter, Gilman, Cooksey and Knollenberg) and 20 staff attended. Members wanted assurances that site could not be used to construct underground nuclear facility in the future and wanted to know why we had originally thought it might have been such a facility.

Friday's Highlights:

* The Senate will begin consideration of the State Department Authorization bill on Friday. The SAP will express general support for the bill's passage, but

says senior advisers will not recommend the bill be signed until a number of key provisions are resolved.

* The bill provides the Administration's request for State Department operations, programs, and building and maintenance. It provides advance appropriations of \$3 billion for embassy security, per our request. Authorizations for annual assessed contributions to International Organizations and International Peacekeeping Activities are \$23 million and \$20 million below our request, respectively. Included is an updated version of the original Helms-Biden U.N. Reform/Arrears package -- authorizing \$926 million for U.N. arrears over three years, tied to specific U.N. reforms. Also included are a number of foreign policy provisions on China, Jerusalem, and the PLO office.

* Some of the objectionable provisions include: micromanaging State Department reorganization by creating an Assistant Secretary for Verification and Compliance; micromanaging staffing of the Office of Children's Issues; reducing flexibility on implementation of embassy security construction requirements; onerous reporting requirements relating to ongoing nonproliferation negotiations; requiring verification procedures on export licenses to Hong Kong; denying visas to foreign officials involved in forced abortion or sterilization; placing the Consulate General in Jerusalem under Embassy Tel Aviv, and requiring U.S. government documents to list Jerusalem as the capital of Israel; adding a condition to the waiver authority for operation of the PLO office in Washington -- that there has been no declaration of an independent Palestinian state; and requiring the President to vest and liquidate blocked Libyan assets to pay for Pan Am 103 families to attend the trial in the Hague.

* By unanimous consent, only 50 amendments are in order, 40 of these by Democrats. Helms and Lott each of place holders. We have seen content on very few of these amendments. The only ones we are familiar with and concerned about are two Ashcroft amendments -- a sense of the Senate on U.S. citizens killed in Palestinian terrorist attacks, and a lengthy reporting requirement on the same subject. We do not believe these are likely to be challenged on the floor, but we are working with State to provide off-line suggestions for negotiated fixes to Daschle. Sen. Feingold may offer an amendment to strip funding for the National Endowment for Democracy.

* We expect the Jerusalem Embassy act waiver and letter to Sen. Moynihan Friday morning. Sen. Levin raised a concern about it coming up while the State bill is on the floor. However, given the finite list of amendments (Kyl is boxed out) and AIPAC's stated desire to avoid a legislative clash before the Barak visit, we believe this is manageable. Additional delay would

likely put the waiver into next week when the House may consider the same bill, when CJS may be on the Senate floor, etc. In short, waiting beyond Friday provides us with no discernible benefit.

Next
Week Issue

* The FY00 Commerce, Justice, State Appropriations bill contains a general provision which states "Notwithstanding any other provision of law, none of the funds appropriated or otherwise made available by this Act may be provided for or used by the NSC or personnel working for or detailed to the Council". The CJS bill is scheduled for Senate floor consideration next week. Mara recalls that a similar measure was included in last year's bill and eventually dropped. State Department strongly opposes provision (prohibition applies to other agencies funded by the bill as well). Draft SAP also states that the Administration strongly opposes the provision. We will work closely with State to make certain that this section is eventually dropped.

Exchange Mail

DATE-TIME 6/17/99 5:55:44 PM
FROM Simon, Steven N.
CLASSIFICATION UNCLASSIFIED
SUBJECT RE: Legislative Update, June 18, 1999 [UNCLASSIFIED]
TO Benjamin, Daniel

CARBON_COPY**TEXT_BODY**

i really liked the last tic

-----Original Message-----

From: Benjamin,
Daniel
Sent: Thursday, June 17, 1999 5:32 PM
To: Simon, Steven
N.
Subject: FW: Legislative Update, June 18, 1999 [UNCLASSIFIED]

Is
it a surprise that they put the \$3 bn in? Expect it to come out?

-----Original
Message-----

From: Lackey, Miles M.
Sent: Thursday, June 17, 1999
5:23 PM
To: @EXECSEC - Executive Secretary; @KERRICK; @VP - VP Natl
Security Affairs; @PRESS - Public Affairs; @LEGAL - Legal Advisor;
@NSA - Natl Security Advisor; @KOSOVO; @RUSSIA - Russia/Ukraine;
@MULTILAT - Multilateral and Humanitarian Affairs; @ASIA - Asian
Affairs; @NESASIA - NE/South Asia
Cc: @LEGISLAT - Legislative Affairs
Subject: Legislative
Update, June 18, 1999 [UNCLASSIFIED]

PLEASE PASS TO DON

Legislative
Update
June 16, 1999

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the President" resolution in the Senate is still kicking around between the Democrats and the Republicans. Both sides are being petty -- the two sides are very close -- but it is still not clear whether this will be worked out or whether be a problem. [Since this note was drafted, a final agreement was reached -- assuming both sides sign off, this will go away without controversy].

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micromanaging State Department reorganization by creating an Assistant Secretary for Verification and Compliance; micromanaging staffing of the Office of Children's Issues; reducing flexibility on implementation of embassy security construction requirements; onerous reporting requirements relating to ongoing nonproliferation negotiations; requiring verification procedures on export licenses to Hong Kong; denying visas to foreign officials involved in forced abortion or sterilization; placing the Consulate General in Jerusalem under Embassy Tel Aviv, and requiring U.S. government documents to list Jerusalem as the capital of Israel; adding a condition to the waiver authority for operation of the PLO office in Washington -- that there has been no declaration of an independent Palestinian state; and requiring the President to vest and liquidate blocked Libyan assets to pay for Pan Am 103 families to attend the trial in the Hague.

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Next Week Issue

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FROM Gobush, Matthew N.
CLASSIFICATION UNCLASSIFIED
SUBJECT RE: Legislative Update, June 18, 1999 [UNCLASSIFIED]
TO Lackey, Miles M.

CARBON_COPY Burrell, Christina L.
Lackey, Miles M.
Shapiro, Daniel B.
Tavlarides, Mark J.
Crowley, Philip J.
Gobush, Matthew N.
Hammer, Michael A.
Huff, Lindsey E.
Leavy, David C.
Sanborn, Daniel W.(Press)
Wozniak, Natalie S.

TEXT_BODY Miles - Does the SFRC expect any press coverage of next week's Holbrooke hearing on Balkans policy? Any early sense of Helms' lines of attack? (I could guess: Milosevic the war criminal remains in power; demilitarization of KLA; no referendum on independence; deal worse than Rambo; no Bosnia exit strategy; etc.) If Holbrooke's nomination seems relatively secure by then, we should consider raising the ante on Helms and mounting a vigorous, broad-based, public defense. Could also use to inject Holbrooke into the Kosovo debate again. Thoughts?

-----Original

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Sent: Thursday, June 17, 1999

5:23 PM

To: @EXECSEC - Executive Secretary; @KERRICK; @VP - VP Natl Security Affairs; @PRESS - Public Affairs; @LEGAL - Legal Advisor; @NSA - Natl Security Advisor; @KOSOVO; @RUSSIA - Russia/Ukraine; @MULTILAT - Multilateral and Humanitarian Affairs; @ASIA - Asian Affairs; @NESASIA - NE/South Asia

Cc: @LEGISLAT - Legislative Affairs

Subject: Legislative

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[06/16/1999-07/08/1999]

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DATE-TIME 6/17/99 7:32:55 PM
FROM Wozniak, Natalie S.
CLASSIFICATION UNCLASSIFIED
SUBJECT FW: Legislative Update, June 18, 1999 [UNCLASSIFIED]
TO Crowley, Philip J.

CARBON_COPY Crowley, Philip J.
Gobush, Matthew N.
Hammer, Michael A.
Huff, Lindsey E.
Leavy, David C.
Sanborn, Daniel W.(Press)
Wozniak, Natalie S.

TEXT_BODY PJ - Erica asked for press guidance on Holbrooke. Does Joe need?
Natalie

-----Original Message-----
From: Gobush, Matthew N.

Sent: Thursday, June 17, 1999 6:29 PM
To: Lackey, Miles M.
Cc: @LEGISLAT
- Legislative Affairs; @PRESS - Public Affairs
Subject: RE: Legislative
Update, June 18, 1999 [UNCLASSIFIED]

Miles - Does the SFRC expect
any press coverage of next week's Holbrooke hearing on Balkans policy?
Any early sense of Helms' lines of attack? (I could guess: Milosevic
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Miles M.
Sent: Thursday, June 17, 1999 5:23 PM
To: @EXECSEC -

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Cc: @LEGISLAT - Legislative Affairs

Subject: Legislative Update,
June 18, 1999 [UNCLASSIFIED]

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- * The bill provides the Administration's request for State Department operations, programs, and building and maintenance. It provides advance appropriations of \$3 billion for embassy security, per our request. Authorizations for annual assessed contributions to International Organizations and International Peacekeeping Activities are \$23 million and \$20 million below our request, respectively. Included is an updated version of the original Helms-Biden U.N. Reform/Arrears package -- authorizing \$926 million for U.N. arrears over three years, tied to specific U.N. reforms. Also included are a number of foreign policy provisions on China, Jerusalem, and the PLO office.
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fixes to Daschle. Sen. Feingold may offer an amendment to strip funding for the National Endowment for Democracy.

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Next Week Issue

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Exchange Mail

DATE-TIME 6/18/99 9:32:57 AM
FROM Tavlarides, Mark J.
CLASSIFICATION UNCLASSIFIED
SUBJECT RE: Legislative Update, June 18, 1999 [UNCLASSIFIED]
TO Gobush, Matthew N.

CARBON_COPY**TEXT_BODY**

Holbrooke likely to go on the offensive anyway-He's know for being offensive.

-----Original Message-----

From: Gobush, Matthew N.

Sent: Friday, June 18, 1999 9:10 AM

To: Tavlarides, Mark J.

Subject: RE:

Legislative Update, June 18, 1999 [UNCLASSIFIED]

you wimp (just kidding!)

-----Original Message-----

From: Tavlarides, Mark J.

Sent: Friday, June 18, 1999 9:07 AM

To: Gobush, Matthew N.; @KOSOVO

Cc: @LEGISLAT

- Legislative Affairs

Subject: RE: Legislative Update, June 18, 1999 [UNCLASSIFIED]

Let's get Holbrooke confirmed first and foremost.
He seems to have worked through ethics issues. We should not antagonize Helms. He has not been with us on Kosovo but he has not sought to undermine us either. Helms likely line of questions is consistent with your e-mail. I would add burdensharing as well. Helms will want Euros to take lead on recontruction assistance.

-----Original
Message-----

From: Gobush, Matthew N.

Sent: Thursday, June 17,

1999 7:34 PM
To: @KOSOVO
Subject: FW: Legislative Update, June
18, 1999 [UNCLASSIFIED]

FYI

-----Original Message-----

From: Gobush,
Matthew N.
Sent: Thursday, June 17, 1999 6:29 PM
To: Lackey, Miles
M.
Cc: @LEGISLAT - Legislative Affairs; @PRESS - Public Affairs
Subject: RE:
Legislative Update, June 18, 1999 [UNCLASSIFIED]

Miles - Does
the SFRC expect any press coverage of next week's Holbrooke hearing
on Balkans policy? Any early sense of Helms' lines of attack? (I
could guess: Milosevic the war criminal remains in power; demilitarization
of KLA; no referendum on independence; deal worse than Rambo; no
Bosnia exit strategy; etc.) If Holbrooke's nomination seems relatively
secure by then, we should consider raising the ante on Helms and
mounting a vigorous, broad-based, public defense. Could also use
to inject Holbrooke into the Kosovo debate again. Thoughts?

-----Original
Message-----

From: Lackey, Miles M.
Sent: Thursday, June 17, 1999
5:23 PM
To: @EXECSEC - Executive Secretary; @KERRICK; @VP - VP Natl
Security Affairs; @PRESS - Public Affairs; @LEGAL - Legal Advisor;
@NSA - Natl Security Advisor; @KOSOVO; @RUSSIA - Russia/Ukraine;
@MULTILAT - Multilateral and Humanitarian Affairs; @ASIA - Asian
Affairs; @NESASIA - NE/South Asia
Cc: @LEGISLAT - Legislative Affairs
Subject: Legislative
Update, June 18, 1999 [UNCLASSIFIED]

PLEASE PASS TO DON

Legislative
Update
June 16, 1999

Highlights from Thursday

* The "Commend

the President" resolution in the Senate is still kicking around between the Democrats and the Republicans. Both sides are being petty -- the two sides are very close -- but it is still not clear whether this will be worked out or whether be a problem. [Since this note was drafted, a final agreement was reached -- assuming both sides sign off, this will go away without controversy].

* The Foreign

Operations bill will marked-up in about 15 minutes -- with very few amendments. All of the Kosovo provisions remained in the bill, despite our veto threat. The report language on the police funding issue says: "The Committee has provided support for reestablishing an autonomous government and associated security force in Kosovo. The Committee understands that the Administration's planning reflects a requirement to fund similar activities such as police training". That's not as bad as last night, but still a cause for concern. None of the other serious problems were fixed in the bill either. This will be a long-term problem (floor and conference).

* SFRC

held the first round of Dick Holbrooke's nomination hearing Thursday -- on ethics matters. Sen. Helms appeared to soften his tone and approach noticeably when Holbrooke acknowledged that he had not been as careful as he should have been in his record keeping, which led to the apparent conflict of interest, now resolved. Helms canceled the afternoon session (closed hearing on ethics matters). The hearings continue next week with sessions on U.N. reform and Balkans policy.

* Walpole,

Kartman from State and a DOD rep. briefed House members and staff on status of Kumchang-ni underground site in North Korea. Four Members (Bereuter, Gilman, Cooksey and Knollenberg) and 20 staff attended. Members wanted assurances that site could not be used to construct underground nuclear facility in the future and wanted to know why we had originally thought it might have been such a facility.

Friday's

Highlights:

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Exchange Mail

DATE-TIME 6/21/99 4:13:27 PM

FROM Wozniak, Natalie S.

CLASSIFICATION UNCLASSIFIED

SUBJECT (Cologne) June 20 Berger Press Briefing, Hotel Mondial am Dom, Colo
Germany
[UNCLASSIFIED]

TO Crowley, Philip J.
Gobush, Matthew N.
Hammer, Michael A.
Huff, Lindsey E.
Leavy, David C.
Sanborn, Daniel W.(Press)
Wozniak, Natalie S.
Gray, Wendy E.
Halperin, David E.
Malinowski, Tomasz P.
Widmer, Edward L. (Ted)
Andreasen, Steven P.
Bell, Robert G.
Bouchard, Joseph F.
Brackman, Stella S.
Kelly, Sandra L.
McCausland, Jeffrey D.
Mulligan, George D.
Peterman, David (Brian)
Pimentel, Betsy J.
vonLipsey, Roderick K.
Wasserman, Elaine P.

CARBON_COPY

TEXT_BODY Press Briefing
(Cologne) June 20 Berger Press Briefing, Hotel Mondial
am Dom, Cologne, Germany

TRANSLATED_ATTACHMENT (Cologne) June 20 Berger Press Briefing.doc
THE WHITE HOUSE

Office of the Press Secretary
(Cologne, Germany)

PRESS BRIEFING BY
NATIONAL SECURITY ADVISOR SANDY BERGER

Hotel Mondial am Dom
Cologne, Germany

2:20 P.M. (L)

MR. BERGER: Good afternoon. Let me give you a report on the Yeltsin Clinton meeting, which just broke up. It lasted about an hour. It was a very good meeting, very constructive, very positive, and I believe very productive.

President Yeltsin was in good form. He was strong, he was forceful. His sense of humor was evident. And of the 17 meetings that the President has had with President Yeltsin over the last almost seven years, six and a half years, I think this was one of the best.

They agreed essentially that our two countries have gone through a difficult period through the Kosovo war, Kosovo conflict. It put substantial strain on our relationship, but it was now time to turn to the future, to put that behind us, to cooperate on the peace, and to spend the remaining period of President Yeltsin's term and President Clinton's term getting things done for the U

States and for Russia.

In that connection, President Yeltsin asked that the Gore-Stepashin Commission, which I've talked to you about before -- the commission the Vice President has had for a number of years with the Russian Prime Minister -- be renewed because it is such a productive channel. And the President agreed, and I suspect Prime Minister Stepashin will be coming to the United States sometime the summer.

President Yeltsin presented President Clinton with a very interesting gift said that when he had come into office -- or at least several years ago -- had asked all of the agencies of the Russian government to declassify any archival material related to President Kennedy, and President Kennedy's assassination,

both military and civilian archives, as well as private archives. And he presented to the President today a document which contains the material was the result of this review -- that has apparently taken several years.

The President expressed gratitude for this. He said that President Kennedy's life and death is a subject of enormous interest and fascination to the American people, and this is something that they will find very important and useful.

Q What's in it?

MR. BERGER: I don't read Russian and I don't know -- I haven't had a chance to look at it.

Q It's in Russian?

MR. BERGER: The documents appear to be in Russian; whether there is a translated version or not, I don't know.

Q -- a bomb shelter of some sort?

MR. BERGER: During the meeting, I was trying to pay attention to the meetings, so I didn't read the documents. (Laughter.) I'm sorry.

Q -- news cycle. (Laughter.)

MR. BERGER: I'm sure that those documents will be reviewed carefully; all the interesting elements will be made public.

The President said essentially that our relationship had gone - had been tested over the past four months and that we had passed the test. And he thanked President Yeltsin for not giving up on our relationship, and for deciding if they could not join us in the war, they would help to make peace. And he said now it's time, President Clinton said, for us to focus on other areas. And President Yeltsin agreed very much with that formulation. So there's very little looking back in this meeting.

On the arms control area -- let me start with that -- the two Presidents agreed on a number of elements. Number one, President Yeltsin said that they remain committed to START II; this is something Prime Minister Stepashin has

yesterday. I believe it was Foreign Minister Ivanov said he did not believe it was likely or possible for that to happen before the Duma leaves for the summer, but it is something they will return to.

At the same time, the two Presidents agreed that they will resume discussions on START III and on the ABM Treaty in the fall. Now, this is very significant because for the first time the Russians have agreed to discuss changes in the ABM Treaty that may be necessitated by a national missile defense system we decide to deploy one. At the same time, we've indicated that we will continue the discussions that have been going on at an expert level on what a START III package might look like - these are not really negotiations, these are essentially consultations or discussions preliminary to negotiations on START III, so that if START II is ratified the two sides will be able to move very swiftly towards a formal START III negotiation.

And President Yeltsin said he wanted the ministers to report back to the Presidents by July 30th; that if we left things only to the experts, nothing would get done, and he wanted to maintain personal control of this.

On economic issues, the President said that he thought there was goodwill towards Russia in the West in terms of economic cooperation, but it was extremely important to finalize an agreement with the IMF and to complete the act that the Duma needs to take. And once that happened, we could turn, for example, to re-scheduling of the Soviet-era debt in the Paris Club and other things that would help be of economic assistance to Russia.

He said, again, the President said that it was very important to finalize the agreement with the IMF. President Yeltsin said, "I am personally committed to it."

Q Did the President say --

MR. BERGER: Let me go through this, in my order, and then I'll answer questions.

They talked a bit about Jackson-Vanik. This came after President Yeltsin said that it's very important that we get rid of these irritants in our relationship.

that are just perennial. We've been talking about Jackson-Vanik -- this is me talking, not Yeltsin -- really since the beginning of Yeltsin's era, and there's been one thing or another that has prevented us to achieving congressional approval.

The President said that he very much wanted to repeal Jackson-Vanik, but that the issue that remained is in particular the rise of anti-Semitic statement rhetoric, particularly from the nationalists, particularly from Yeltsin's opponents and enemies, and that he would hope that Yeltsin would alter this, and if he did, that we'll go back to the Congress on Jackson-Vanik.

Yeltsin was very firm. He said, "provide me with all of the material you and I will really sit on them." (Laughter.)

President Yeltsin made a plea for a greater degree of reliance by the United States and by the international community -- the United Nations -- on O I think this is implicitly not on NATO, to deal with problems in Europe. The President agreed that we did want to see a U.N. role and an OSCE role and indeed, the U.N. would be responsible, have overall responsibility for the carrying out of the civil implementation of the Kosovo agreement.

President Yeltsin invited President Clinton to come to Moscow, and at the end, President Yeltsin turned to Vice Minister Mamedov and Deputy Secretary Talbott, sort of wagged his finger and said, now, I want you to do an accurate record of this meeting, an accurate record. And they both said, yes, Mr. President. the meeting ended.

It was a very -- as I say, it was a very friendly, warm meeting. President Yeltsin was animated, and I would say it was a meeting of renewal. That's how I would describe it.

Q Sandy, Ivanov has said that Clinton had told him he would speak out in favor of writing off part of the Soviet-era debt. Is that right?

MR. BERGER: Well, anything with respect to debt depends first upon the finalizing agreement with the IMF. What the Russians would like is essentially a writing off of all Soviet-era debt. I think the President indicated that's

something that we could examine, but we don't hold much of that debt - mostly German and other debt -- and that if he was not able to get agree on that, we at least would be able to reschedule the debt.

So he said he would make -- President Clinton indicated that he would discuss with his colleagues whether debt relief, debt forgiveness, would be possible but that he was doubtful that would be achievable, but at least we should do rescheduling as soon as the Russians reached an agreement with the IMI

Q Just to make sure I understand this, is he considering writing off U.S. Russia debt?

MR. BERGER: This would be a multilateral action through the Paris Club. And most of the Soviet-era debt is not American, it's -- I think the largest debt largest creditor is Germany.

Q Sandy, you mentioned the two Presidents have met something like 17 times. In probably all 17 of those, Yeltsin has promised to try to get START II through the Duma. Why should we put any more stock in him saying it this time?

MR. BERGER: Well, I think there have been a number of times when there really was a serious effort made by the Russian government to get the START ratified. In each case, something happened, whether it was Kosovo or something that undercut the ability of the government to do that; the fall of the government for example.

They face a difficult situation in the Duma in getting this ratified. But the Russian military is in favor of ratifying START II, and I believe what President Yeltsin and the Foreign Minister were saying is that they would make a good-faith effort to try to do it. I don't think they made any promises on it.

Q Sandy, are you suggesting now the two countries can just keep going Kosovo never happened? And is it your understanding as of this hour, a Serb forces did, indeed, leave Kosovo?

MR. BERGER: Well, I think that we are -- the two countries are back in business. I don't think that -- I think Kosovo has left some scars, presumably on both sides, but I think that the fact that we were able to cooperate with

Russians in achieving the peace, the fact that we've now reached an agreement in Helsinki which President Yeltsin strongly endorsed for peacekeeping, at the fact that these two Presidents want to get things done in their remaining -- certainly before the end of President Yeltsin's term, which is next summer, I think gives us forward momentum.

In terms of the Serb withdrawal, I can't answer, Ann, your question exactly. I know as of this morning they were on schedule to be out by the end of the day. Now, I don't know -- I have not heard anything in the last five or six hours and whether they will actually make it by the end of the day or not.

Let me just add one other piece of information here, and that is that the UN and KFOR have agreed, as referred to NATO, on an "undertaking of demilitarization and transformation of the UCK." That is, they've reached the demilitarization agreement, which now has to go to the NAC to be approved. I'm not quite sure what the approval process is in the UCK.

But it will provide for the KLA to maintain the cease-fire; to cease carrying weapons in designated areas, towns and other routes; to not engage in any military-related activities without the approval of the commander of KFOR within 30 days to place in designated storage areas all prohibited weapons -- essentially everything except sidearms and registered rifles, hunting rifles -- within 30 days to ensure that all KLA members of foreign origin have left Kosovo; to respect KFOR's authority to take all necessary action to establish a secure environment, to enforce the undertaking and otherwise carry out its mission.

So I think that's a very positive development today; another step along the way of trying to build a structure of peace in Kosovo.

Q Sandy, could you elaborate on Yeltsin's willingness to review the ABM Treaty?

Is that an indication that they would go for amending the ABM Treaty to give us a green light for a national missile defense, if that's where the U.S. is headed? Is that how far-reaching it is?

MR. BERGER: What they have agreed to is to consider possible changes

the
strategic situation that have a bearing on the ABM Treaty. Now, in English
what
that means is that we will have parallel discussions in the fall on the one
hand
on what START III might look like. There already have been some
discussions
we've had at the expert level on that. And the second would be on
modifications
to the ABM Treaty that may be occasioned by a national missile defense
system if
we were to deploy one.

As you know, we have not made that decision, we will not make that
decision
until June of next year, and then even if we were to make that decision,
are a number of different so-called architectures that, more or less, intrude
upon the ABM Treaty.

The President affirmed our commitment to the ABM Treaty and our desire
to, if
there were any changes necessary, to negotiate those with the Russians.
this, I think, is a recognition on the part of the Russians that they're prepared
to have that discussion.

Q Is that apt to give you a freer hand on Capitol Hill? Things have been
pretty
frozen with Helms and the Foreign Relations Committee on the ABM
amendment. Will
that give you a little bit more leverage now?

MR. BERGER: Our intent has been to wait until there is ratification of
START
II, assuming that happens this year, and then submit to the Senate together
the
START II, the protocol that we negotiated in Helsinki that extends the period
of
START II, and the agreement with respect to ABM-TM demarcation that was
reached in
Helsinki -- to submit those as a package to the Senate. Senator Helms has
expressed a desire for a particular sequencing, but we will continue to
discuss
this with him.

Q Any discussion of the seizure by the Russians at the Pristina airport, or
misstatements by Ivanov surrounding that?

MR. BERGER: No, I think the President made a judgment, and I think it is
the
right judgment here, to make this summit about the future and not about

past.

Q Yeltsin didn't bring it up himself?

MR. BERGER: No. There was a discussion of Kosovo in the sense that strains on our relationship, it had been a difficult period in our relationship strained our friendship, but that, in part because of the intervention of the two Presidents and their staying in touch with each other, the relationship managed to survive that, and now let's get on with it.

Q What was Russia's position on the aid to Serbia had to be included in package?

MR. BERGER: Didn't raise it.

Q What about the invitation for the President to go to Moscow? Would it be Mr. Yeltsin's turn to come to Washington?

MR. BERGER: I think actually that's probably right, in a sequential way. We'll have to discuss that.

Q -- made no commitments to go?

MR. BERGER: No. At some point, obviously, it would be useful for the two to get together again. We'll decide which location would be best.

Q Sandy, if President Clinton didn't raise the airport issue, does that mean that he feels he has a full understanding of what happened there, and full confidence that he knows who's in control of what in Russia?

MR. BERGER: I think that we've already heard the Russian explanation. I don't expect that there would have been any different explanation had the President raised it. And it simply would have diverted this meeting into a rehash of recriminations on both sides. I think the President was determined, since he knew what the Russian explanation - official explanation is, to focus on rebuilding the relationship, on renewal. And I think he succeeded in doing that.

Q Did Yeltsin look healthy to you?

MR. BERGER: Yes. He looked robust. He walked a bit stiffly, but he was very

forceful -- the fist was pounding and at a couple of points when some of colleagues, his ministers and others, made points and he didn't agree with them, he said, no, that's not what I -- I don't believe that. If we let the experts, he said, do this, we'll never get a done deal. There was other talk at the other side of the table, obviously. (Laughter.)

I thought he was very much in charge. I thought he seemed strong, in good humor and very -- it was a very good discussion.

Q Roughly, how soon do you think the President will go to Moscow? Is there an evident window, in the fall or something?

MR. BERGER: I have no idea. This was not something that I anticipated happening in this meeting. We've got a pretty heavy schedule of travel, as you know, including, perhaps, to OSCE and then to the APEC meeting, which and the President today, at the leaders meeting, I think got agreement from the leaders that there should be a Balkan conference in the Balkans sometime in the not-too-distant future.

Q Would he go?

MR. BERGER: Yes. That is that the leaders should meet with the front-line states someplace in the Balkans sometime in the next several months. So I think you put all that together -- we'll have to figure out the schedule.

Q Do you have a timetable --

Q Forgive me if you talked about this already. Where do things stand with Russia vis-a-vis Western economic aid? And if you've already discussed it, I apologize.

MR. BERGER: Well you know, I think the President indicated that there was a strong willingness on the part of the West to be helpful economically, but it depended upon Russia reaching a final agreement with the IMF, which the President said would be a powerful signal to the international community that Russia was committed to continue to be committed to reform. President Yeltsin agreed with that. And then the President said if that happens we can do other things, for example, rescheduling debt in the Paris Club, et cetera.

Q Do you have a timetable on the KLA demilitarization?

MR. BERGER: Well, the timetable is -- I think that a number of the agreements -- obligations adhere when it's entered, but there is then a timetable, seven days to establish secure weapons storage areas, 30 days then to put all the weapons into this cantonments, 30 days to ensure that all KLA members of foreign origin have left. There are various timetables.

MR. LEAVY: All right, Terry, last question.

Q Was there any discussion about when the Russian troops would go into Kosovo, when they would deploy, take up their positions? Did they reach an agreement on that?

MR. BERGER: No. I think that's something that will be resolved with General Jackson very much at a military --

Q Is it our understanding that Russia today signed on to the idea that there would be no reconstruction aid for Serbia unless Serbian democratizes?

MR. BERGER: Did who sign on?

Q The Russians.

MR. BERGER: No. The issue did not come up in the meeting between President Clinton and President Yeltsin. You'll have to ask Mr. Steinberg whether it came up in the earlier --

THE PRESS: Thank you.

END

2:45 P.M. (L)

Exchange Mail

DATE-TIME 6/22/99 8:30:20 AM
FROM Rudman, Mara E. (NSA)
CLASSIFICATION UNCLASSIFIED
SUBJECT FW: CTBT [UNCLASSIFIED]
TO Gobush, Matthew N. (PRESS)

CARBON_COPY

TEXT_BODY Matt--

I'm sure Miles was not purposefully excluding you, despite your suggestion about Sen. Helms yesterday...

-----Original Message-----

From: Lackey,
Miles M.

Sent: Tuesday, June 22, 1999 8:27 AM

To: @DEFENSE - Defense

Policy; @LEGISLAT - Legislative Affairs; @RUDMAN

Subject: CTBT [UNCLASSIFIED]

TO
ALL:

I would like to schedule the meeting with Senate staff on CTBT on Thursday. Need to settle on a staff message and decide who should go.

Miles

Exchange Mail

DATE-TIME 6/25/99 7:40:43 PM
FROM Guarnieri, Valerie N. (MULTILAT)
CLASSIFICATION UNCLASSIFIED
SUBJECT SP for Atwood [UNCLASSIFIED]
TO Hill, Roseanne M. (MULTI)

CARBON_COPY

TEXT_BODY Attached is memo to Sandy and SP. Note - when no other office concurs on a memo do you put "none" or just leave it blank?

TRANSLATED_ATTACHMENT

4880 srb mmo.doc

July 25, 1999

ACTION

MEMORANDUM FOR SAMUEL R. BERGER

THROUGH: ERIC SCHWARTZ

FROM: VALERIE GUARNIERI

SUBJECT: Schedule Proposal for Brian Atwood to Meet with the President before
Ending his Tenure as USAID Administrator

As you know, Brian Atwood has resigned as USAID Administrator, effective July 9.

A courtesy call with the President and yourself prior to his departure would be a nice gesture, reaffirming the value that the Administration has placed on his service.

Concurrence by: None

RECOMMENDATION

That you sign the schedule proposal at Tab I.

Attachment
Tab I Schedule Proposal
1

4880

TRANSLATED_ATTACHMENT 4880 sp atwood.doc

Schedule Proposal date ____/____/____

____ACCEPT ____REGRET ____PENDING

TO: Stephanie Streett

FROM: Samuel Berger
Thurgood Marshall

REQUEST: Courtesy call with Brian Atwood prior to his departure from USAID.

PURPOSE: To express appreciation for Brian's tenure as USAID Admin

BACKGROUND: Brian Atwood has resigned as USAID Administrator position he has effectively held since May 1993 - effective July 9. His resignation follows successful effort by Senator Helms to block his nomination as our Ambassador to

Brazil. As a result, Atwood requested that his nomination be withdrawn. As a former career foreign service officer, Brian also headed the President's State Department transition team and served as Under Secretary for Management. He also recently served as the President's Humanitarian Coordinator for Kosovo.

PREVIOUS PARTICIPATION: N/A

DATE AND TIME: Between June 28 and July 9.

BRIEFING TIME: None required.

DURATION: 20 minutes

LOCATION: Oval Office

PARTICIPANTS: Sandy Berger
Thurgood Marshall
Eric Schwartz

OUTLINE OF EVENTS: President would greet Brian, thank him for his
and
proceed with a general discussion.

REMARKS REQUIRED: To be provided by NSC

MEDIA COVERAGE: WH Photographer

FIRST LADY'S ATTENDANCE: Desired, but not required.

VICE PRESIDENT'S ATTENDANCE: Not required.

RECOMMENDED BY: NSC

CONTACT: Eric Schwartz

ORIGIN OF THIS PROPOSAL: N/A

SECOND LADY'S ATTENDANCE: Not required.

2

4880

Exchange Mail

DATE-TIME 6/26/99 3:58:26 PM
FROM Lackey, Miles M. (LEGIS)
CLASSIFICATION UNCLASSIFIED
SUBJECT Legislative Look Ahead, Week of June 28, 1999 [UNCLASSIFIED]

TO

Sutphen, Mona K. (NSA)
Hachigian, Nina L. (NSA)
Davies, Glyn T. (EXSEC)
Dejban, Donna D. (NSA)
Hachigian, Nina L. (NSA)
Kerrick, Donald L. (NSA)
Millison, Cathy L. (EXSEC)
Mitchell, Rebecca (Julie) J. (NSA)
Moretz, Sheila K. (NSA)
Rudman, Mara E. (NSA)
Sargeant, Stephen T. (EXSEC)
Scott-Perez, Marilyn L. (NSA)
Storey, Sharon V. (NSA)
Sutphen, Mona K. (NSA)
Babbitt, James F. (VP)
Black, Steven K. (VP)
Bolan, Christopher J. (VP)
Boulton, Darrien D. (VP)
Brody, Richard J. (VP)
Davidson, Leslie K. (VP)
Fuerth, Leon S. (VP)
Hilty, Joanne M. (VP)
Orfini, Michael H. (VP)
Osius, Theodore G. (VP)
Roberts, Michael W. (VP)
Saunders, Richard M. (VP)
Woolston, Ann E. (VP)
Allen, Charles A. (LEGAL)
Baker, James E. (LEGAL)
DeRosa, Mary B. (LEGAL)
Hunerwadel, Joan S. (LEGAL)
Krass, Caroline D. (LEGAL)
Crowley, Philip J. (PRESS)
Gobush, Matthew N. (PRESS)
Hammer, Michael A. (PRESS)
Huff, Lindsey E. (PRESS)
Leavy, David C. (PRESS)
Sanborn, Daniel W. (PRESS)
Wozniak, Natalie S. (PRESS)

Barks-Ruggles, Erica (AF)
Battenfield, Pat A. (AF)
Frazer, Jendayi E. (AF)
Sanders, Robin R. (AF)
Smith, Gayle E. (AF)
Williams, Mary C. (ADMIN)
Abercrombie-Winstanley, Gina K. (NESA)
Camp, Donald A. (NESA)
Cooper, Kathleen H. (NESA)
Jones, Felicia A. (NESA)
Malley, Robert (NESA)
Pollack, Kenneth M. (NESA)
Riedel, Bruce O. (NESA)
Toloui-Tehrani, Ramin (NESA/INTERN)
Barnett, Cheryl E. (RUE)
Elkind, Jonathan H. (RUE)
Faranda, Regina D. (RUE/INTERN)
Kaufman, Stuart J. (RUE)
Pascual, Carlos E. (RUE)
Russ, Judith P. (ADMIN)
Segal, Jack D. (RUE)
Silva, Mary Ann T. (RUE)
Tedstrom, John E. (RUE)
Weiss, Andrew S. (RUE)
Curts, Brenda E. (INTEL)
Gladura, Timothy L. (INTEL)
Howerton, Barbara E. (INTEL)
Knepper, Charlotte (INTEL)
McCarthy, Mary O. (INTEL)
Merchant, Brian T. (RECORDS/INTEL)
Mitchell, Donald A. (INTEL)
Sherman, David J. (INTEL)
Caravelli, John M. (NONPRO)
Edwards, Joan K. (NONPRO)
Harris, Elisa D. (NONPRO)
Samore, Gary S. (NONPRO)
Tucker, Maureen E. (NONPRO)
Andreasen, Steven P. (DEFENSE)
Bell, Robert G. (DEFENSE)
Bouchard, Joseph F. (DEFENSE)
Brackman, Stella S. (DEFENSE)
Kelly, Sandra L. (DEFENSE)
McCausland, Jeffrey D. (DEFENSE)
Mulligan, George D. (DEFENSE)
Peterman, David (Brian) (DEFENSE)
Pimentel, Betsy J. (DEFENSE)
vonLipsey, Roderick K. (DEFENSE)
Wasserman, Elaine P. (DEFENSE)
Arvizu, Alexander A. (ASIA)
Hill, John J. (ASIA/INTERN)

Keith, James R. (ASIA)
 Lieberthal, Kenneth G. (ASIA)
 Pritchard, Charles (Jack) L. (ASIA)
 Allen, Charles A. (LEGAL)
 Baker, James E. (LEGAL)
 Bell, Robert G. (DEFENSE)
 Benjamin, Daniel (TNT)
 Blinken, Antony J. (EUR)
 Bolan, Christopher J. (VP)
 Bouchard, Joseph F. (DEFENSE)
 Braden, Susan R. (CEE)
 Brody, Richard J. (VP)
 Busby, Scott W. (MULTI)
 Butler, Lawrence E. (EUR)
 Crowley, Philip J. (PRESS)
 Davidson, Leslie K. (VP)
 DeRosa, Mary B. (LEGAL)
 Flanagan, Stephen J. (CEE)
 Gobush, Matthew N. (PRESS)
 Gordon, Philip H. (EUR)
 Gray, Wendy E. (SPCHW)
 Guarnieri, Valerie N. (MULTILAT)
 Halperin, David E. (SPCHW)
 Hammer, Michael A. (PRESS)
 Hurley, C. Michael (EUR)
 Kaufman, Stuart J. (RUE)
 Krass, Caroline D. (LEGAL)
 Lackey, Miles M. (LEGIS)
 Leavy, David C. (PRESS)
 Malinowski, Tomasz P. (SPCHW)
 McCausland, Jeffrey D. (DEFENSE)
 Moyn, Samuel A. (EUR/INTERN)
 Naplan, Steven J. (MULTI)
 Pascual, Carlos E. (RUE)
 Quinn, Mary E. (EUR)
 Rudman, Mara E. (NSA)
 Sapiro, Miriam E. (EUR)
 Schulte, Gregory L. (EUR)
 Schwartz, Eric P. (MULTI)
 Segal, Jack D. (RUE)
 Shah, Sonal R.
 Sigler, Ralph H. (WHSR)
 Stromseth, Jane E. (MULTI)
 Tavlarides, Mark J. (LEGIS)
 Vaccaro, Jonathan M. (Matt) (MULTI)
 vonLipsey, Roderick K. (DEFENSE)
 Weiss, Andrew S. (RUE)
 Widmer, Edward L. (Ted) (SPCHW)
 Bartlett, L. June (EXSEC)
 Davies, Glyn T. (EXSEC)

Dejban, Donna D. (NSA)
Hilliard, Brenda I. (EXSEC)
Jacobson, Tracey A. (ADMIN)
Joshi, M. Kay (EXSEC)
Kerrick, Donald L. (NSA)
Millison, Cathy L. (EXSEC)
Powell, Elliott (WHSR/EXSEC)
Sargeant, Stephen T. (EXSEC)
Snip, Sarah E. (EXSEC/INTERN)
Bernard, Kenneth W. (HEALTH)
Busby, Scott W. (MULTI)
Guarnieri, Valerie N. (MULTILAT)
Hill, Roseanne M. (MULTI)
Jones, Brian E. (MULTI/INTERN)
Kale, Dora A. (MULTI)
Keenan, Josefine (Chris) (HEALTH)
Malley, Robert (NESA)
Naplan, Steven J. (MULTI)
Schwartz, Eric P. (MULTI)
Stromseth, Jane E. (MULTI)
Vaccaro, Jonathan M. (Matt) (MULTI)
Duncan, John D.
Hammonds, D. Holly (INTECON)
Hendricks, Lori A. (INTECON)
Holtzapple, Richard A.
Lee, Malcolm R.
McNamer, Bruce
Mitsler, Elaine M. (INTECON)
Russ, Judith P. (ADMIN)
Schaefer, Matthew P. (INTECON)
Shah, Sonal R.

CARBON_COPY

Burrell, Christina L. (LEGIS)
Lackey, Miles M. (LEGIS)
Shapiro, Daniel B. (LEGIS)
Tavlarides, Mark J. (LEGIS)

TEXT_BODY

PLEASE PASS TO SANDY, JIM AND DON

Legislative Look Ahead
Week
of June 28, 1999

SRB Action

* SRB calls Sen. Brownback re:
Sudan, India/Pakistan, and Silk Road; (Note that State has softened
on the issue of engaging with the Hill on Silk Road on the Foreign
Operations Bill -- Brownback will be asking SRB to make calls on

the issue -- State now has no objection to such calls);

*** SRB**

meets with Senate Intelligence Committee (Wednesday, 2:00PM);

*** SRB**

meets with Daschle/Levin/Biden on ABM/NMD/START/CTBT -- also attending are Cohen and Hollum. Difficult scheduling crunch, but Daschle is very insistent about this week;

In General

We could have a very busy week on the Senate floor next week (Foreign Operations Appropriations, Commerce/Justice/State Appropriations, Intelligence Authorization, etc.) On the other hand, we may see no action at all, (@legislat has its hand on the pulse of Congress as usual). The schedule depends on the dispute between Democrats and Republicans over consideration of the HMO reform bill. Democrats are still threatening to hold up all legislation -- and Republicans have already filed cloture petitions to break the logjam. Presumably, this dispute will be resolved and we will return to the bills in the cue -- all of which are terrible.

The Senate possibilities for the week are:

*** Foreign**

Operations Appropriations (veto threat pending) -- the big problems are: 1) overall funding levels; 2) unacceptable language regarding equipping and training a Kosovo security force; 3) zero funding for our threat reduction initiative; 4) a \$15 million cut in KEDO funding and unacceptable Presidential North Korea certifications. And a long list of others. We could also see amendments on several subjects: 1) India/Pakistan, 2) Silk Road, 3) Sen. Helms "Serbian Democracy Act" (see below), and who knows what else.

*** Commerce/Justice/State**

Appropriations (veto threat pending) -- the big problems are: 1) SEVERE restrictions on State Department detailees to the NSC and other agencies; 2) overall funding levels (\$820 million less than our request); 3) cuts in International Organizations (IO) and Peacekeeping (CIPA); 4) a \$200 million cut in our UN arrears request; 5) NED and Asia Foundation are zeroed out, State/H is eliminated, and the Secretary's staff is cut in half. Amendments are expected on everything under the sun -- of particular interest would be an amendment to restore funding for NED;

*** Intelligence Authorization.**

We have several concerns -- including some unacceptable language on the foreign visitors program at the national lab -- but there

is no veto threat pending against the bill. The real controversy is the Kyl/Domenici/Murkowski amendment to reorganize the Energy Department. At this hour (Sat PM), all the moving parts are still moving -- Democrats are still standing with Richardson in his effort to resist some parts of the Kyl amendment. Richardson is scheduled to meet with the sponsors of the amendment early in the week.

In the House, no foreign policy issues expected on the floor, with the possible exception of a motion to go to conference on the Defense Authorization bill (which may include a policy debate on a motion to instruct conferees -- no decisions about what that motion might be.)

Other Issues of Interest

* Africa Trade Bill

With WH

Leg Affairs in the lead, an interagency team has held weekly conference calls to encourage House members to support the African Growth and Opportunity Act. Those efforts will intensify as the vote gets closer -- Principals have begun making calls -- we may be making recommendations for SRB calls shortly in conjunction with WH Leg affairs. The bill is not on the House tentative schedule for next week (but the timing for floor consideration is unclear).

* China NTR

The House

Ways and Means Committee will mark up the resolution to disapprove the President's determination on Normal Trade Relations with China this week. The disapproval resolution will be overwhelmingly defeated and reported to the House -- for floor consideration probably in mid-July.

* Export Administration Act

On Wednesday, an interagency group will meet with the bi-partisan staff of the Senate Banking Committee to walk through the Gramm draft EAA reauthorization bill. Prospects for this legislation are unclear -- but there is an interagency agreement (with Commerce in the lead) that we should engage with the committee on the bill as long as the dialogue seems constructive;

* Encryption

The

House Armed Services Committee will hold a hearing on the Goodlatte Encryption bill (H.R. 850) on Wednesday. Witnesses scheduled to

appear are Hamre, Freeh, Constantine, Reno, and Reinsch.

*** Helms**
"Serbian Democracy Act"

State/Treasury met with SFRC staff to discuss Helms' Serbia Democratization Act on Thursday. The measure includes assistance to promote democratic institutions in Yugoslavia, and for victims of Serb oppression and imposes a series of sanctions against Belgrade. The Committee tentatively plans to markup bill on Wednesday and may offer it to foreign ops. appropriations bill when it is considered on the Senate floor. Helms apparently does not want to have a fight with the Administration over this and is willing to accept interagency proposed changes to text (including the most contentious issue of a presidential waiver);

*** The HAC**
Subcommittee is scheduled to markup FY00 Milcon appropriations bill this week;

*** An Interagency group will meet to discuss legislative strategy on Russia-Iran legislation (HR1883) on Monday at 4:00 in 375 OEOB.**

*** Wes Clark and Walt Slocombe will testify on Kosovo before the SASC on Kosovo either on Tuesday or Thursday.**

Exchange Mail

DATE-TIME 7/7/99 3:18:56 PM
FROM Schaefer, Matthew P. (INTECON)
CLASSIFICATION UNCLASSIFIED
SUBJECT [UNCLASSIFIED]
TO Hammonds, D. Holly (INTECON)

CARBON_COPY
TEXT_BODY

Holly:

Let me know what you think. Need to get to Lael by 4pm -- she leaves immediately following our APEC meeting.

Also
let me know if this is ok to forward to eric and others in e-mail form for comment/clearance for Jim

Thanks

Matt

TRANSLATED_ATTACHMENT Sanctions deputies background July 8th.doc
MEMORANDUM

TO: Lael Brainard
Holly Hammonds

FR: Matt Schaefer

RE: Sanctions Reform Deputies Meeting

DT: July 7th

I. Review of Existing Sanctions Reform Bills

Sanctions reform bills can be divided into two categories: general and agricultural. The deputies discussion will likely focus on the general sanctions reform bills. However, it will also be important to discuss the agricultural

sanctions reform bills for two reasons: 1) our concerns over these bills (e.g. reducing Executive Branch flexibility) parallel our concerns with the general sanctions reform bills; and 2) passage of an agricultural sanctions bill might take the steam out of the general sanctions reform effort.

General Sanctions Reform Bills

1. Lugar (S757) and its House Parallel Crane (HR 1244)

The Lugar bill with 37 co-sponsors is the main existing general sanctions reform bill. The Crane bill with 91 co-sponsors is the Lugar equivalent in the House with nearly identical provisions. An outline of the major provisions of Lugar-Crane follows below along with our views on the major provisions.

- * Lugar-Crane contains a conceptual definition of unilateral economic sanctions followed by an extensive list of measures that are included within that definition. (We find the list approach problematic because it invites groups to seek to exclude particular sanctions).

- * Lugar-Crane states that future unilateral economic sanctions bills "should" adhere to guidelines, including the following:

- * "sunset" after two years unless specifically re-authorized. (We disagree because encourages targets to wait out sanctions and undermines our arguments in UNSC against time-bound sanctions).

- * provide for contract sanctity (although Crane bill provides some minor exceptions). (We believe there should be an exception if the President finds it will reduce the effectiveness of sanctions).

- * not involve agriculture, food or medicine unless national security concerns or armed conflict. (We agreed that these items should generally be excluded absent compelling circumstances but do not think this provides enough flexibility).

- * provide national interest waiver for President (We agree but again the language is "should" and therefore no requirement -i.e. no freestanding

"national interest" waiver is provided).

* Lugar-Crane requires that unilateral sanctions acts be treated as private sector mandate and require report of Congressional Budget Office. (We support this requirement).

* Lugar-Crane requires that future unilateral economic sanctions bills allow for public comment prior to committee consideration, that committee reports state whether the act complies with the guidelines, and the Lugar bill only further allows a point of order objection if committee report is not provided. (We believe that point of order provision is necessary in order to provide at least some constraints on the Congress realizing that later-in-time legislation always prevails).

* Lugar-Crane requires ("shall") the President to follow nearly identical guidelines when imposing sanctions in the future. (We object to the lack of flexibility in many of the guidelines as noted above and believe that constraints on the President must also be phrased as "should" rather than "shall."

* Lugar-Crane contains numerous reporting requirements on the Executive Branch, not only for our own sanctions but also for those being considered by the Congress. (We find these reporting requirements to be too onerous).

* Lugar-Crane requires that the Executive Branch publish a notice in the federal register 45 days prior to imposing a sanction unless finds that the national interest would be jeopardized. (We object to advance notice provisions).

* Lugar-Crane contains compensation provisions for the agricultural sectors - i.e. if agriculture is involved in the sanctions then this sector receives extra export assistance. (We have questioned this provision noting that it is not

available for other sectors).

* Lugar-Crane requires the Executive Branch to set up a sanctions review committee comprised of principals. (We are in all likelihood going to establish a sanctions interagency work group (IWG) on our own and would not like the Congress telling us to do so and at the principals level).

2. Dodd's Bills (S1161 and S927)

Senator Dodd has introduced two bills. His general sanctions reform bill (S1161 with zero co-sponsors) is much more in line with the Administration's views (although not entirely our "non-fingerprinted" version that you will recall that Al Maldon delivered after obtaining interagency clearance). In particular, Dodd's bill contains the following features:

- * contains "point of order" and federal private sector mandate provisions.
- * excludes agricultural commodities unless President finds the inclusion of such items in the "national interest."
- * instead of a "sunset" provision, the bill calls for annual reviews of sanctions.
- * allows exception for contract sanctity where President finds it would detract from effectiveness of the sanction.
- * only states that the "President should, through the issuance of Executive orders or other comparable means, adopt guidelines, comparable to" those the bill places on Congress.
- * provides "national interest" waiver authority to the President to suspend, terminate or not impose sanctions (with procedures for an expedited Congressional disapproval motion).

Dodd's other bill (S927 co-sponsored by Hagel) provides for freestanding "important national interest" waiver authority for the President

3. Helms' Forthcoming Bill

Sen. Helms will hold a SFRC hearing on July 15th focusing on

existing sanctions reform bills. The bills' sponsors and possibly some academics will testify. Helms has indicated that he will subsequently come up with his own "consensus" bill.

Agricultural Sanctions Reform Bills

Numerous bills have been introduced, including the following: Ewing bill HR 17 with 47 co-sponsors, Ashcroft S315 with 15 co-sponsors, Nethercutt HR 212 with 29 co-sponsors, Hagel S327 with 18 co-sponsors, Ashcroft S425 with 5 co-sponsors.

While we support the goals of these bills, we have concerns over them as drafted because limit Presidential flexibility (i.e. go beyond requiring a national interest finding to include such items in sanctions regimes) and some contain onerous reporting requirements. Stu also has concerns that passage of an agricultural sanctions bill would halt any momentum for sanctions reform generally (since the agricultural community would no longer be engaged).

II. Our Priorities, Features We Will Accept, and Features We Want to Avoid

Deputies are likely to largely agree on these matters -- most have been outlined or at least hinted at in Stu's testimony.

Priorities

Our single biggest priority is to obtain freestanding "national interest" waiver authority for all future sanctions legislation. (We would actually like such authority for existing sanctions legislation but realize that this is to difficult politically, e.g. visa provisions of Helms-Burton).

Features We Will Accept

Stu has indicated that the Administration could agree (or at least is willing to consider subjecting itself to a requirement) to do a cost-benefit

analysis (and share some type of report with Congress provided we maintain flexibility over the content and other features of the report). Stu has also indicated that the

Administration could agree to conduct an annual review of sanctions, and depending on our review of the continued effectiveness of such measures, determine whether some of them should be modified or terminated. He has also noted that if Congress does not approve of the President's recommendation, it could enact a motion of disapproval.

Features We Want to Avoid

The outcome we most want to avoid is legislation that places significant constraints on the Executive Branch and little or no constraints on the Congress. Since Congress can always pass later-in-time legislation that will prevail over restraints in sanctions reform legislation, we have always indicated that restraints on the Executive Branch should largely be hortatory ("should" rather than "shall") and that we would subject ourselves to similar guidelines as those adopted by the Congress.

In addition to one-sided constraints imposed on the Executive Branch, particular features in a sanctions reform bill that we would want to avoid include the following (many of them noted in the context of the Crane-Lugar analysis above):

- * advance notification requirements
- * burdensome reporting requirements
- * (near) automatic "sunset" of sanctions
- * contract sanctity in all instances without regard for effectiveness of sanctions

III. Strategy

Deputies should make some sort of calculation of whether a sanctions reform bill is likely to come to a vote and the likelihood that we can achieve our priority

(freestanding "national interest" waiver authority for all future sanctions legislation) in such a bill. These calculations will dictate which strategy to pursue.

Issues for Decision

1) Do we engage the Congress?

Albright recently sent Gene and Sandy a memo stating "the time has come to engage the Hill in a serious way on sanctions reform legislation." Additionally, Stu has stated in testimony that "we hope to work with key Congressmen and Senators to craft an effective sanctions reform package in 1999." The number of bills (including the number of co-sponsors to several bills) indicates the great interest on the Hill. Thus, the major questions appear to be not whether we engage but whom, how, and what do we seek.

2) Whom do we engage?

Helms has indicated that he will come up with his own bill after the July 15th hearing and indicated that we should not deal with Lugar. Stu has dealt quite closely with Lugar throughout the process, however, and many are leery of what sort of bill Helms will introduce.

3) How do we engage?

Some might propose forwarding actual language to relevant players (such as was suggested in Albright's memo to Sperling and Berger). There may be differences in how much actual language to provide (e.g., "national interest" waiver language or a total bill). Others may want to engage less formally until Helms' intentions become clearer.

4) What do we seek?

We may be willing to work on correcting current bills if they will include freestanding "national interest" waiver authority for the President.

However, if
the deputies determine that obtaining such waiver authority is
unrealistic, then
we may wish to seek only a "hortatory" bill or simply issue an EO or
some other
form of guidelines and simply fight any Executive Branch limits in
legislation.

1

5

Exchange Mail

DATE-TIME 7/7/99 7:15:11 PM
FROM Schaefer, Matthew P. (INTECON)
CLASSIFICATION UNCLASSIFIED
SUBJECT FW: Background Paper for Jim on Sanctions Deputies Meeting Tomorrow [UNCLASSIFIED]
TO Burrell, Christina L. (LEGIS)
Lackey, Miles M. (LEGIS)
Shapiro, Daniel B. (LEGIS)
Tavlarides, Mark J. (LEGIS)
Williams, Mary C. (ADMIN)

CARBON_COPY**TEXT_BODY**

Sorry for the late notice -- I want and need your comments and clearance too if at all possible.

forgot to send to you when sent about 45 minutes ago to multilat. and legal.

-----Original Message-----

From: Schwartz,

Eric P. (MULTI)

Sent: Wednesday, July 07, 1999 6:59 PM

To: @MULTILAT

- Multilateral and Humanitarian Affairs; @RUDMAN; @INTECON - Economic Affairs

Subject: FW: Background Paper for Jim on Sanctions Deputies

Meeting Tomorrow [UNCLASSIFIED]

Importance: High

See my comments.

Thanks.

-----Original

Message-----

From: Schaefer, Matthew P. (INTECON)

Sent: Wednesday,

July 07, 1999 6:25 PM

To: @MULTILAT - Multilateral and Humanitarian Affairs; @LEGAL - Legal Advisor

Cc: @HAMMONDS

Subject: Background

Paper for Jim on Sanctions Deputies Meeting Tomorrow [UNCLASSIFIED]

Importance: High

Eric
& Mary:

Appreciate comments/clearance ASAP. Meeting tomorrow
at 9:45 AM.

Matt

DRAFT

Please pass to Jim

Background
Paper for Tomorrow's Sanctions Deputies Meeting

I. Review of Existing Sanctions Reform Bills

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Exchange Mail

DATE-TIME 7/7/99 7:31:54 PM
FROM Schaefer, Matthew P. (INTECON)
CLASSIFICATION UNCLASSIFIED
SUBJECT RE: Background Paper for Jim on Sanctions Deputies Meeting Tomorrow
[UNCLASSIFIED]
TO DeRosa, Mary B. (LEGAL)

CARBON_COPY

TEXT_BODY

Have forwarded to legis. -- oversight not to send to them originally
-- thanks. ... Yes -- both Lael and Jim will be there.

-----Original

Message-----

From: DeRosa, Mary B. (LEGAL)

Sent: Wednesday, July

07, 1999 7:05 PM

To: Schaefer, Matthew P. (INTECON); @MULTILAT

- Multilateral and Humanitarian Affairs; @LEGAL - Legal Advisor

Cc: @HAMMONDS

Subject: RE:

Background Paper for Jim on Sanctions Deputies Meeting Tomorrow
[UNCLASSIFIED]

Matt

-- Really good note. I clear. Shouldn't NSC/Legislative clear as
well?

I hadn't heard about this meeting. Assume it is an NSC/NEC
deputies?

-----Original Message-----

From: Schaefer, Matthew
P. (INTECON)

Sent: Wednesday, July 07, 1999 6:25 PM

To: @MULTILAT

- Multilateral and Humanitarian Affairs; @LEGAL - Legal Advisor

Cc: @HAMMONDS

Subject: Background

Paper for Jim on Sanctions Deputies Meeting Tomorrow [UNCLASSIFIED]

Importance: High

Eric

& Mary:

Appreciate comments/clearance ASAP. Meeting tomorrow at 9:45 AM.

Matt

DRAFT

Please pass to Jim

Background
Paper for Tomorrow's Sanctions Deputies Meeting

I. Review of Existing Sanctions Reform Bills

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- * provide for contract sanctity (although Crane bill provides some minor exceptions). (We believe there should be an exception if the President finds it will reduce the effectiveness of sanctions).

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Exchange Mail

DATE-TIME 7/8/99 8:32:14 AM
FROM Rudman, Mara E. (CNSLR)
CLASSIFICATION UNCLASSIFIED
SUBJECT FW: Background Paper for Jim on Sanctions Deputies Meeting Tomorrow [UNCLASSIFIED]
TO Lackey, Miles M. (LEGIS)

CARBON_COPY

TEXT_BODY

FYI -- I also read Jesse Helms article on sanctions reform last night in Foreign Affairs. What was frightening is that I agreed more with him than with the USAEngage people. It also seemed pretty clear to me that sanctions reform legislation along the lines discussed here is going nowhere if Helms has anything to do with it...

-----Original

Message-----

From: Rudman, Mara E. (CNSLR)

Sent: Thursday, July

08, 1999 8:25 AM

To: Schaefer, Matthew P. (INTECON); Crocker, Bathsheba

N.; @NSA - Natl Security Advisor

Cc: @INTECON - Economic Affairs;

@LEGAL - Legal Advisor; @MULTILAT - Multilateral and Humanitarian Affairs; @LEGISLAT - Legislative Affairs

Subject: RE: Background

Paper for Jim on Sanctions Deputies Meeting Tomorrow [UNCLASSIFIED]

I

think it's worth noting that this paper is almost entirely about legislative strategy so the views of the legislative directorate are probably the most critical here. (No offense to others; just makes the "clearance" below a little misleading.)

-----Original

Message-----

From: Schaefer, Matthew P. (INTECON)

Sent: Wednesday,

July 07, 1999 8:52 PM

To: Crocker, Bathsheba N.; @NSA - Natl Security Advisor

Cc: @INTECON - Economic Affairs; @LEGAL - Legal Advisor;

@MULTILAT - Multilateral and Humanitarian Affairs; @LEGISLAT -

Legislative

Affairs

Subject: FW: Background Paper for Jim on Sanctions Deputies

Meeting Tomorrow [UNCLASSIFIED]

Importance: High

Please pass

to Jim (cleared by intecon, multilat, and legal)

Note: Legis.

did not have the opportunity to review this document due to the fact the draft of this paper was finalized so late today. Many deputies will bring their leg. folks to the meeting, however.

Background

Paper for Tomorrow's Sanctions Deputies Meeting (Room 324 at 9:45 AM)

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Intecon view:

We share the concern over avoiding "bad legislation" with one-sided constraints on the Executive Branch. However, if a bill is going to move, then it may very well be counter-productive to our interests not to engage the Congress. Furthermore, we need to explore further in the deputies meeting the likelihood of being able to achieve our priority -- a freestanding "national interest" waiver authority -- prior to determining our strategy. Lastly, we believe most of the momentum for a bill is coming from the Hill itself and the business community, not from Stu's efforts (which are much more cautious than those emanating from the Hill).