

Exchange Mail

DATE-TIME 9/10/99 4:47:34 PM
FROM Benjamin, Daniel (TNT)
CLASSIFICATION UNCLASSIFIED
SUBJECT FW: SRB-DWG____.doc [UNCLASSIFIED]
TO Wechsler, William F. (TNT)

CARBON_COPY
TEXT_BODY

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

From: Wozniak, Natalie S. (PRESS)

Sent: Friday, September 10, 1999 4:13 PM

To: Benjamin, Daniel
(TNT)

Subject: FW: SRB-DWG____.doc [UNCLASSIFIED]

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

From: Crowley, Philip J.

Sent: Monday, January 25,
1999 11:26 AM

To: @BOSNIA - Bosnian Affairs; @NESASIA - NE/South
Asia; @ASIA - Asian Affairs; @NONPRO - Export Controls;
@TRANSNATIONAL

- Transnational Threats; @AFRICA - African Affairs; @DEFENSE -
Defense

Policy

Cc: @PRESS - Public Affairs

Subject: SRB-DWG____.doc [UNCLASSIFIED]

Can

you take a quick look at the guidance prepared last week for SRB
for the Defense Writers Group. We had to postpone from Thursday
until tomorrow morning. See if there are additions or subtractions
that are appropriate.

@ASIA/NONPRO: Need guidance on results
of Four-Party and underground talks.

@KOSOVO: Used your most

current guidance. OK?

Need to get this to Mona ASAP.

PJ

TRANSLATED_ATTACHMENT SRB-DWG____.doc
Defense Writers Group
January 22, 1999

Kosovo

Bosnia

Iraq

Defense Spending

- * Military Readiness
- * National Missile Defense
- * CTBT
- * START

Non-Proliferation

- * North Korea
- * India-Pakistan

CBW/Cyber Threats

- * Bioterrorism
- * General Terrorism
- * CBW Proliferation
- * Cyber Terrorism

State of the Union Initiatives

Africa

KOSOVO

General Points:

- * We are still dissatisfied with Belgrade's compliance with its commitments to the OSCE and NATO. Furthermore, Milosevic has yet to agree to an

impartial,
international investigation of the massacre at Racak.

* On Friday, the Contact Group reiterated the international community's condemnation of Belgrade's non-compliance. The Contact Group also set a goal of early negotiations on a political settlement with direct international involvement.

* After meeting with the Contact Group, Ambassador Chris Hill has now returned to the region, where he is working with his EU counterpart to revitalize the negotiating track.

* NATO is taking number of measures to increase its military readiness to ensure that these diplomatic efforts are backed by a credible threat of force.

* Our objective is to combine intensified diplomatic efforts, NATO's military preparations and KVM's growing presence and activities to prevent an escalation of violence and achieving an early agreement on an interim political settlement.

Will NATO issue an ultimatum or launch air strikes?

* We would prefer a diplomatic solution, but are not ruling out other options in light of Milosevic's continued defiance.

* NATO allies are considering appropriate measures in response to the FRY's continued non-compliance and to back the demands of the Contact Group.

* NATO's "Activation Orders" for air operations remain in effect. NATO has updated its planning for air strikes and is increasing the readiness of the Alliance forces that would be involved.

Is NATO or the US contemplating the use of ground troops?

* A number of allies have suggested that NATO might need to deploy ground forces

to force Milosevic to accept a settlement or to implement one once agreed.

However, current NATO plans are restricted to air operations and employment of the Extraction Force to rescue KVM verifiers in an emergency.

* Last October, the President told Congress that the United States would not support any options involving the deployment of ground forces in hostile circumstance. That remains our position.

* In the event of a political settlement, some form of international presence will likely be required to help implement it. Whether this can be done entirely by KVM and other civil agencies, and the nature of U.S. participation, are matters we will need to consider in full consultation with congress and our allies.

Will the US contribute forces to the NATO extraction force?

* The NATO Extraction Force has roughly 2,000 soldiers deployed in Macedonia.

Except for a handful of American personnel in the headquarters, all are provided by our allies. This force is designed to conduct limited extraction operations at very short notice.

* The forces in Macedonia can be augmented by other NATO forces "over the horizon" were it necessary to mount a major extraction operation. The US is joining other allies in contributing such forces. U.S. forces would only be committed for purposes of extracting the KVM and other designated personnel, and would only be deployed after Presidential authorization.

Is the security of the KVM verifiers threatened?

* KVM verifiers have been performing their work courageously. Their prompt witnessing and reporting of the Racak massacre exposed that atrocity to the

world, making it impossible for the Serbs to cover it up. It is that exposure of the truth that has so inflamed Milosevic. But the verifiers are in Kosovo under explicit agreement with the FRY, which guaranteed their safety. The FRY will be held to that guarantee. NATO's XFOR, just across the border in Macedonia, is pre-positioned to extract the verifiers should that be necessary.

Are you concerned that the KVM monitors could be taken hostage?

* President Milosevic is responsible for the security of the KVM monitors and any hostage taking would be a grave mistake.

Points on Massacre/Compliance

* The United States condemned in the strongest possible terms the massacre of civilians by Serb security forces. This was a deliberate and indiscriminate act of murder which goes against the vision of a new Europe for the 21st century where these kinds of barbaric acts are no longer tolerated.

* It is a clear violation of the commitments President Milosevic has made to NATO, the OSCE and the international community. There must be justice for the atrocity commitment over the weekend and there must be compliance with his international obligations.

* We believe the perpetrators must be brought to justice and that the Serb authorities must act immediately to identify those responsible. They must cooperate with the Kosovo Verification mission and the International War Crimes Tribunal and allow forensic and other investigators to the scene of the crime.

* In terms of compliance, Milosevic must withdraw his security forces, he must abide by the cease fire, he must provide for the security and safety of the KVM, and he must comply with the other elements of UNSC 1199. There

should be no
doubt the responsibility for the situation in Kosovo lies solely with
President
Milosevic.

* As the NAC has said, the NATO ACTORD is still in effect and that
we will be
considering diplomatic and other means as we move forward.

* It is urgent that these murders not trigger a spiral of reprisals. Both
sides
have a responsibility to work towards a peaceful resolution of this
crisis, and
for a settlement that allows the people of Kosovo the self-government
they so
clearly deserve.

On what legal basis would NATO conduct air strikes?

* In authorizing ACTORDs for air operations last October, NATO
concluded that
there were legitimate grounds for the Alliance to threaten and, if
necessary, to
use force.

* In its meeting on Sunday, the NATO Council reaffirmed that the
ACTORDs remain
in effect.

Doesn't this heinous act make clear that Belgrade can't be trusted, that
it has
no intention of seeking a peaceful solution to Kosovo?

* We have always started from the premise that Belgrade's actions,
not words, are
what counts. The presence KVM verifiers (now over 900) has been
instrumental in
making clear to the world what Serb security forces did in Racak,
despite
Belgrade's denials.

* Belgrade's actions must now include complete cooperation with the
ICTY in
investigating responsibility for the massacre. This terrible crime
underscores
the need to break the cycle of violence and for a negotiated political
solution
to Kosovo.

BOSNIA

Main Points on SFOR Reductions

* As the President said in his State of the Union address "Americans can be proud that our leadership has put Bosnia on the path to peace." We have made considerable progress in Bosnia: freedom of movement has improved and last fall's elections demonstrated a continuing trend towards growing pluralism, however, there is still much to be done.

* Our priorities include: accelerating transition to a market economy; increasing momentum on the return of refugees; making significant progress on judicial reform and establishment of multi-ethnic police; developing central institutions and adoption of a permanent election law; and pressing ahead with media reform and education issues.

* The Stabilization Force (SFOR) continues to play an essential role in the maintenance of peace and stability and the provision of a secure environment in Bosnia. Improved circumstances will allow, and NATO Allied nations have endorsed, implementation of reductions in SFOR. The reductions, to be completed in the next few months, will total approximately 10 percent of the total force structure. In line with this, the U.S. contribution is shrinking from 6,900 to approximately 6,200.

* In addition to these reductions, NATO is conducting a more detailed study of possible force restructuring and more substantial reductions for review by the North Atlantic Council later this year.

A 10 percent reduction doesn't seem like very much. Is that all?

* It's important to put it in context. The current 6,900 troop level already

represents a 20 percent reduction from the 8,500 U.S. troops deployed in June 1998 and is 66 percent less than peak U.S. deployment of 20,000 troops in 1996.

Do these reductions signal a change in the SFOR mission?

* The reductions do not signal a change in mission, nor do they affect SFOR's ability to support implementation of the Dayton accords.

What will determine whether future reductions occur?

* Decisions on future reductions will be taken in the light of progress on implementation of the Peace Agreement. Any and all reductions of U.S. forces will be made in accordance with this Administration's policy that such reductions will not jeopardize the safety of U.S. armed forces serving in Bosnia.

Background

The following is a detailed breakout from JCS on the 10% reduction in the U.S. contribution to SFOR, to be completed by the end of March:

Theater HQ and Enablers
communications, logistics, intelligence, SOF, PSYOP, civil affairs

900 to 780

Operational Reserve
aviation task force (helicopters)

800 to 650

Multi-national Division (North)
HQ, maneuver battalions, signal, engineers, intelligence, MPs, civil affairs,
logistics, medical

5200 to 4770

TOTAL

6900 to 6200

IRAQ

Iraqi Opposition and the ILA

What Is your position on overthrowing Saddam and the Iraq Liberation Act?

* We have made clear for some time that the only long term solution to the challenges posed by Saddam's Iraq is a change of leadership in Baghdad. This regime has a well established track record of refusing to comply with the UNSCRs, repressing its own people and threatening the region.

* We signed the Iraq Liberation Act when it was passed and this week we designated seven groups this week eligible for support under it in the next few weeks in consultation with Congress.

* Any effort to support the Iraqi opposition must be carefully planned and part of an integrated approach to dealing with Saddam. We intend to proceed on a step by step basis to help the opposition.

Will you arm the opposition as the ILA calls for?

* We don't rule out any option for assisting the opposition when we judge the circumstances are ripe including arms. At this point, however, we believe it would be premature to begin drawn down of military equipment.

Oil-for-Food

What does the U.S. proposal entail?

* We are committed to ensuring the continued effectiveness of the international effort to meet basic needs of the Iraqi people, which the regime of

Saddam
Hussein is not addressing.

* In particular, we support eliminating the ceiling on funds from oil exports which can be used for food and medicine.

* We also support all reasonable measures to streamline the UN contract approval process, including automatic approval of food and medicine contracts.

* The international community should also find effective ways to address the needs of vulnerable groups, particularly children under five. UNICEF and other UN agencies have programs in this area that merit additional support.

Iraq/UNSC: French Proposal

What is the USG view of the proposal France has put forward in the UNSC for dealing with Iraq?

* The central issue on Iraqi disarmament has not changed. The problem is Iraq's failure to disclose its WMD capabilities and destroy its WMD stockpiles. UN Security Council resolutions are very clear about Iraq's requirement to do so.

* Iraq's WMD disarmament must be certified and verified only then can we move to monitoring status.

* The French passed their proposal to us in a briefing for UNSC permanent members. There are many gaps in the proposal but we will be engaging with the French on it. There are some interesting elements in the proposal.

Does this proposal signal a change in U.S. policy towards Iraq?

* No. As demonstrated by our sponsorship of the original oil-for-food program of 1991, the U.S. has continually supported efforts to help and provide relief to the Iraqi people. Our problem is with Saddam Hussein's regime, the same regime

that is neglecting the needs of the Iraqi population.

Iraqi Statements on Dialogue, No-Fly Zone Violations, Rules of Engagement

Iraq is becoming more aggressive in challenging coalition aircraft in the no-fly zones. Have we changed the rules of engagement in response to what appears to be an increased threat?

* I'm not going to talk specifically rules of engagement.

* Since the end of Desert Storm, the U.S. has flown in excess of 140,000 missions in support of the no-fly zones. Most have been conducted without incident. However, since Saddam Hussein declared the no-fly zones invalid on December 23, there have been more than forty separate and distinct violations of the no-fly zones.

* Our military actions are prudent responses to Iraqi actions that endanger coalition aircraft and crews. As we have made clear, our pilots will take the actions necessary to defend themselves while carrying out the mission of enforcing the no-fly zones.

Saddam Hussein has called the no-fly zones a violation of UNSCRs and the will of the Arab nation. Are you concerned by a lack of support for the no-fly zones?

* It's important to remember why the no-fly zones were established in the first place. The coalition partners established the no-fly zones, first in Northern Iraq (1991) and subsequently in Southern Iraq (1992) in response to Saddam Hussein's repeated and ruthless attempts to repress the Kurdish population in the North and the Shi'a population in the South. The no fly zones prevent Saddam from using his air force to do so and they provide a useful early warning buffer

for the coalition to prevent Iraqi threats to its neighbors.

* No fly zones are necessary and important means to contain Saddam Hussein's threat to the people of Iraq and to the region and thereby to international peace and security in the region. As the President said on December 19, we will continue to enforce the no fly zones and take appropriate actions to protect our aircrews.

* UNSCRs 678, 687 and 688 authorize the U.S. and other coalition members to take necessary action to deter or prevent the Iraqi repression of its civilian population, which Resolution 668 determined was a threat to international peace and security.

* We will continue to enforce the no-fly zones both North and South. We take any threat to coalitions' aircraft very seriously, and our pilots will act in self-defense if threatened.

* As long as he remains a threat to the people of Iraq and his neighbors, the United States and its coalition partners will preserve the right to maintain the no-fly zones.

Do you detect any weakening of support, from say Turkey or the Arabs, for the no-fly zones?

* There is a firm consensus, in the region and in the Arab world, that Saddam Hussein alone is to blame for this conflict. His persistent defiance of the will of the international community, his aggression against the people of Iraq and threats against his neighbors fully justify the need to contain a dangerous regime.

Iraq has said that since the no-fly zones are not mandated by the UN, they are illegal and therefore that any action taken against coalition aircraft is legitimate self-defense.

* UNSCR's 678, 687, and 688 authorize the U.S. and other coalition members to take necessary action to deter or prevent the Iraqi repression of its civilian population, which resolution 668 determined was a threat to international peace and security.

* Establishment of the no-fly zones is one such action. Prohibiting Iraq from flying fixed and rotary-wing aircraft in those areas is the most effective way to minimize the effects of Saddam's ruthlessness against his own people.

* We and the coalition partners have maintained the no-fly zones since 1991 in the North and 1992 in the South. They are not new. Similarly, we have constantly warned the Iraqis that we will take decisive and appropriate action to protect our forces enforcing the no-fly zones.

* Saddam has challenged the no-fly zones before--in 1993, 1996, and 1997. In each case, his attempt to disrupt their operations has failed.

* This latest confrontation has been manufactured by Iraq. It is not of our choosing.
How long will Saddam need to rebuild?

* We targeted Iraq's ballistic missile systems, the command and control network that oversees the WMD program, and the security apparatus that supports Saddam Hussein's weapons programs. We also targeted Republican Guard command and control facilities and infrastructure in order to diminish Iraq's ability to threaten its neighbors.

* Substantial damage has been done in each category. Our assessment is that we have set back Saddam's ability to reconstitute his WMD by a significant period. For example, we assess we set back his missile program by at least a year.

* Moreover, the President made clear when he announced the end of

Desert Fox that
"we will remain vigilant and prepared to use force if we see that Iraq
is
rebuilding its weapons programs."

What are you going to do now?

* We will continue to contain Saddam Hussein by maintaining a
robust military
force in the region. We are prepared to use military force again if he
threatens
his neighbors, or represses Iraq's civilian population, including the
Kurds, and
if he tries to reconstitute his weapons of mass destruction capability.
We will
continue to enforce the two no fly zones.

* Sanctions will remain in place until Iraq complies with the relevant
UN
Security Council resolutions.

* We would support UNSCOM's return to Iraq, but we want to see
affirmative
concrete demonstration from Saddam Hussein that he's prepared to
cooperate fully
with UNSCOM. The burden is on Iraq to demonstrate its cooperation.

* Over the long-term, we will work with opposition groups and other
interested
parties to bring about a change of leadership in Iraq so that the Iraqi
people
have a government that respects human rights, international law and
will not
threaten its neighbors.

DEFENSE SPENDING

Readiness

Can you break out the readiness numbers any further?

* The detailed readiness numbers will be available when the
President's Budget is
unveiled next week, but I believe you are familiar with at least the
broad
outlines of this since there have been a lot of stories in the press. For
FY2000

we are proposing to provide DoD with more for key readiness and modernization accounts, compared to the amount we were forecasting to spend in these accounts in FY2000 a year ago. About two-thirds of that is being made available through savings that DoD will be allowed to keep. The other third is in a topline increase. Across the Pentagon's six-year Future Years Defense Plan (FYDP), we are proposing to provide the Department with an additional \$110 billion in key readiness, modernization, quality of life and facilities accounts. As the President said in the SOU, that will reverse the steady decline in defense spending that has occurred since 1985 and provide for a sustained real increase in defense budgets through FY 2005. About one-third of the \$110 billion will come from savings; the rest is new money.

Are you devoting part of the surplus to raise the defense topline?

* You will have to refer that question to OMB in terms of the specific budgetary mechanism. But the President made clear Tuesday night that he believes that while the first priority is to fix Social Security first, part of the remaining surplus must go to increasing our defense spending.

What do you mean by covering the services' critical needs?

* The President's Budget targets increases on critical personnel, readiness, modernization and facilities accounts identified by the Services and DOD. In his January 5 testimony, General Shelton emphasized that these increases would go a long way toward meeting the most critical requirements identified by the Service Chiefs and CINCs for executing the National Military Strategy. The increases will resolve key readiness concerns and restore the integrity of the modernization goals we approved in the 1997 Quadrennial Defense review (QDR). They will not, of course, fund every "requirement" identified by every

Service,
but every defense budget under every administration - Republican or Democratic --
always entails a process under which the Office of the Secretary of Defense
adjusts each Service's proposed funding to reflect budget realities Department-wide.

What didn't they get with the \$110B increase?

* Some proposed spending by individual Services dropped out, as it always does as
final budgets are decided Department-wide. \$110 billion is the amount agreed to
by DOD. As the president said in his January 2 radio address and the State of the
Union address, this marks a six-year effort that will represent the first long-term sustained increase in defense spending since 1985.

What role did the President play?

* The readiness of our military forces has been the President's top defense
priority for the past six years. As evidence of readiness problems began to
emerge last year, the President has been pressing NSC, OMB and DOD to find
solutions.

* The President has done five things in the last 9 months to address these
readiness concerns:

1. Won Congressional support for a \$1.85 FY98 billion Emergency Supplemental for
Bosnia and Southwest Asia in the Spring
2. Won Congressional support for a \$1 billion FY98 readiness reprogramming in
late Summer
3. Won Congressional support this Fall for \$1.9 billion in Bosnia funding for
FY99 scored as emergency spending
4. Requested and won approval for a \$1.1B FY99 readiness supplemental as
emergency spending; and

5. Over last 14 weeks, developed in close consultation with SECDEF, JCS, NSC and OMB, the long-term plan he announced in his radio address Saturday which -- consistent with his priority of using the surplus to fix social security first -- provides for :

- * A major initiative on pay and retirement developed by Cohen and Shelton and announced just before Christmas.

- * A \$110B increase in FY-2000 through FY-2005, again through a combination of new spending and budgetary savings, for readiness, modernization and other critical defense requirements.

Is the OPTEMPO too high?

- * As the President said Tuesday, we ask a lot of our men and women in uniform and they always deliver. The President and I pay close attention to OPTEMPO concerns raised by DOD, the Service Chiefs and the CINCs. Those concerns have been taken into consideration in our decisions on this budget and with regard to the employment of the U.S. armed forces around the world as we implement our demanding national security strategy of global engagement.

NMD

Main Points

- * SecDef announced last week four important decisions concerning our program to develop for possible deployment an effective defense against limited long-range missile attacks from rogue states:

- * We are adding almost \$7 billion to the Pentagon's Future Year Defense Plan (FY00-05) to ensure the funds are available that would be required to deploy a limited National Missile Defense (NMD) in 2005 should we decide to deploy this

system.

* We are affirming that we expect certain rogue states will soon acquire this capability. In other words, we believe the threat is real.

* We intend to work in good faith to amend the ABM Treaty to provide any necessary modifications in the current restrictions codified in that accord that may be necessary to deploy an NMD in the United States. Development of this deployment option will continue to be carried out in strict compliance with the Treaty.

* We are now structuring our program for a "first deployment" option in 2005, instead of 2003 as previously planned, though an earlier date might be possible if the necessary testing should go flawlessly. General Shelton has indicated that a flawless test program would be fairly miraculous.

* Some critics may suggest that the slippage in the "first deployment" option from 2003 to 2005 belies a lack of seriousness on the part of the Administration. Quite the contrary. First, we have underscored our commitment to this program by making the hard decision to add nearly \$7 billion across the FYDP to protect the deployment option. Even with the increases announced by the President in defense spending in his State of the Union address, these dollars were not easy to identify in the FYDP, given other competing high-priority demands, including readiness. Second, we genuinely believe that a well-managed and paced program aimed at 2005 has a better chance of producing an effective defense option for this country than a high-risk, "crash" program shooting for 2003. Many well-respected outside experts have warned that 2003 risked a "rush to failure." However urgent the rogue state missile threat is assessed to be, it does no one any good to deploy a defense that does not work.

Was the President prepared, as has been reported, to announce a decision to deploy a U.S. NMD system in the State of the Union before the latest Russian delay in ratifying START II led to a decision to can that announcement? Why did he back off doing that?

* No. The President never intended to announce a decision to deploy an NMD in the State of the Union because we have not yet made a decision on whether to deploy such a system, and will not address such a decision before the Summer of 2000.

* We did announce earlier this month that we have decided to include funds in the Pentagon's next 6-year budget that would be necessary should we later decide to deploy a limited NMD system; however, none of these "deployment dollars" are in Fiscal Year 2000.

How mature is the technology?

* Very difficult to generalize, as there are a number of technologies involved and most of the key flight tests still lie ahead. Moreover, it is not just a question of individual technologies, but system integration.

* But, it is fair to say that DOD, as well as outside experts, continue to assess our NMD program as "high risk." We should not underestimate the challenge.

Since you have slipped fielding the system by two years to 2005, why do you think you can still make an operational decision in the summer of 2000?

* We hope to conclude the necessary tests to inform a first decision checkpoint on deployment in the summer of 2000. If the test program slips, or there are key

test failures, we might have to slip the deployment decision: but we are not assuming failure.

Do you think the threat is now there to justify the fielding of a limited NMD system? If so, then are you not committed to the fielding of a limited NMD? It is no longer a question of if, but when, right?

* Given the recent evolution of the threat from rogue state ballistic missile programs, we now expect a deployment decision to be based largely on issues associated with technical feasibility and affordability.

* We will not make a decision on deployment until the year 2000, at the earliest, after we have concluded a number of tests and examined various deployment architectures.

* While it is too simplistic to assert that NMD deployment is simply a question of "when, not if?", it is clear the threat is evolving in a way that gives added urgency to our NMD program.

* However urgent the threat is assessed to be in 2000, though, it would do us no good to respond by deploying an NMD that has yet to demonstrate it will work.

CTBT

Will India and Pakistan sign the CTBT this year?

* During the UN General Assembly session last September, both Prime Minister Vajpayee of India and Prime Minister Sharif of Pakistan expressed their intention to adhere the CTBT by September of this year.

* While both commitments were somewhat qualified, we are cautiously optimistic both will sign by September.

Will the U.S. ratify CTBT this year?

* President asked the Senate to act on CTBT without delay in the State of the Union, and we intend to make this a top priority.

* We will obviously need to work closely with Senator Lott, Senator Helms, and others to ensure that this Treaty gets a fair hearing in the full Senate this year, and we intend to do that.

Will the President visit South Asia this year?

* The President has long wanted to visit South Asia -- a region not visited by a U.S. President since the late 1970s.

* The visit scheduled for last November was postponed due to the Indian and Pakistani nuclear tests last May.

* The President hopes that sufficient progress will be made with regard to our non-proliferation agenda to permit him to visit South Asia later this year.

START

Will the Duma ratify START II? If not, will you reduce below the START I levels anyway?

* There is no question that START II ratification, as well as START III, is in Russia's interest, as well as our own. Important that Russian government moves promptly to secure approval by the Duma.

* In the context of preparing its FY 00 budget, the Administration has been carefully reviewing both the costs and the policy implications of continuing to add funds to the Defense budget to sustain the START I strategic force posture. Final decisions have not, however, been made.

* Once the FY 00 budget is finalized and submitted to Congress in a

few weeks we
will consult closely with Members on this issue.

Are you willing to consider some form of unilateral de-alerting?

* It is important to remember that both the United States and Russia have already removed thousands of warheads from systems that are being eliminated under START I, and have already committed to discuss deactivating thousands more on systems that will be eliminated under START II once that Treaty has been approved by the Duma.

* We are also moving directly to address the danger of accidental or unauthorized launch through the shared early warning initiative agreed to by President's Clinton and Yeltsin this past September.

NORTH KOREA

How did the discussions go in Geneva?

Did you get a commitment to visit the underground site?

If you don't get that, will you reevaluate the Agreed Framework?

* The Agreed Framework bars North Korea from constructing facilities to produce plutonium. In order to continue funding for KEDO, the President must certify that we have reached agreement with the North to resolve our concerns about the Kumchangri construction site. We desire to maintain the Agreed Framework because it is an effective way to freeze and eventually dismantle the North's dangerous nuclear program. All sides must avoid serious violations in order for the Agreed Framework to work.

Do you think that North Korea will launch another missile test soon?

* We have no specific evidence that North Korea will conduct another long range missile test soon, and we have communicated clearly to the North that such a test would raise serious problems. It would, among other things, put in question Japanese funding for the Light Water Reactors that are a part of the Agreed Framework. North Korea should refrain from again testing a long range missile, regardless of whether it seeks to do so under the guise of a satellite launch program.

NEW THREATS TO AMERICA'S SECURITY

Bioterrorism

We've heard a great deal about this - Cohen has warned of the a five pound bag of anthrax, novelists spin tales of bio-engineered Ebola virus, bin Ladin is reported to be searching for biological weapons. What worries you most?

* One challenge is the responsibility to inform the American people about a threat to their interests without unduly alarming them or tipping off our enemies. Three part strategy: deterrence by ensuring that we have the capacity and will to take action against those who may attack us using CBW, preventive action against those irrational actors who might not be deterred, and preparedness to deal with an attack should one occur despite our best efforts.

* Rouge states and terrorists interested in CBW. If we knew about a specific immediate threat to use CBW, we would deal with it directly.

* That's why I directed a major new defensive program: building a civilian medical stockpile; researching new vaccines and medicines; upgrading our national public health surveillance and laboratory system to detect BW; having

emergency
response people trained and ready. Good start to a long-term project.
This year
I will ask for \$1.3 billion for this overall effort.

* Law enforcement is critical. Since the I came into office, I have
raised the
FBI's counter-terrorism budget by 283%, from \$78m in FY93 to
\$301m in FY99. (As
a percentage of the overall FBI budget, C/T has risen from 4% to
10%.) FBI
agents assigned to C/T have risen from 550 to 1383 (from 5% of
agents to 12% of
agents).

But let's say that Secretary Cohen's bag of anthrax was sprayed over
downtown
Washington or a comparable amount of smallpox virus was released.
What could we
do?

* I don't think horror scenarios are going to help us. It won't do us any
good
for people to panic or for us to write a prescription for an enemy's
attack.

* Better to focus on preparedness. One of the best strategies for
detering a
BW attack is to ensure such an attack would cause little harm. That
robs the
terrorist of the shock value they are looking for. That's why we are
increasing
preparedness now.

Is Usama bin Ladin is developing chemical or biological weapons.
What are we
doing?

* He has a longstanding interest in developing WMD and he has
spoken about his
willingness to use such weapons against us. I won't go into
intelligence
matters, but I can assure you that we have not let up for a moment in
our efforts
to stop bin Ladin.

What if Iran got its hands on a genetic mutant agent, such as merging

Ebola and smallpox. Couldn't we face a plague from something that we had not developed a medicine against?

* This is why we need to have an active research effort that could quickly analyze a new threat and move rapidly into production of a new medicine. That is why we are increasing R&D.

What are you doing about all these anthrax hoaxes we've heard about recently?

* Strengthening law enforcement. Two people in California have already been arrested.

Critics have said we need a Homeland Defense Command or a Cyberspace Command, a real Czar. Why not?

* Sometimes rapid evolutionary change in government produces better results than disruptive revolutionary change. We will be making changes in the military structure later this year to better address Homeland Defense and Cyberspace Defense.

* Many changes in the bureaucracy already: National Coordinator in the White House with real clout, an interagency National Domestic Preparedness Office, an interagency National Infrastructure Protection Center, a DOD Joint Task Force for Cyber Defense.

Why have the health consequences of terrorism not been emphasized until recently?

* Actually we've been systematically emphasizing the health consequences of biological or chemical terrorism since we first began preparing for the 1996 Olympic Games in Atlanta. Congress has agreed with my emphasis on strengthening

the public health infrastructure, particularly at the community level.

Where does the stockpile project stand now and what should be in it?
What do you
mean by a "stockpile"? What will be in the stockpile?

* Funds just became available from the Congress in October, so we're in the beginning phase. This year we will buy medicines currently in production. Also investing \$30 million more in R&D this year to develop the new vaccines and medicines we will need.

* Assuring rapid access to enough drugs and vaccines after an attack. That means helping ensure drug companies have sufficient inventories, helping communities purchase these antidotes, and making sure drugs can be rapidly taken where they are needed and distributed.

* Initial focus on treating anthrax, plague, and tularemia. We will enhance the usefulness of our current supply of smallpox vaccine and will develop a cache of drugs and equipment for countering chemical attacks. R&D will work on antiviral drugs for anthrax and smallpox.

The World Health Assembly has called for the destruction in June of the last remaining stores of smallpox now being held in Russia and the U.S. U.S. opposes.
Why are you worried about treatments and diagnosis if all the virus is destroyed?

* In 1996, the US and other countries called for the final destruction of smallpox, but agreed to delay pending further science about new diagnostic tests and treatments for the disease. In 1998, with bioterrorism on my mind, I instituted an interagency process to review all of the issues to see if there was

any reason to change our position. The next step is a Spring report from the

Institute of Medicine at the National Academy of Sciences.

* We can never know whether destroying the two known stocks in Russia and the

U.S. will eliminate the virus from the planet; there is a chance that some

terrorist group or state may still hold clandestine smallpox virus and possibly

even use it as a weapon in the future.

Is the current U.S. stockpile of smallpox vaccine adequate? Should we be

thinking about routine vaccination of the American people against such threats as

anthrax and smallpox?

* The US has enough good vaccine to protect millions of people, should we have to

immunize persons exposed to smallpox from whatever source.

Because that vaccine

is old and slowly degrading, however, I have made the development and production

adequate amounts of a newer vaccine a high priority.

* Mass civilian vaccination must involve a careful consideration of the risks and

benefits. Bioterrorism is still low-probability. Also raises questions about

some people who react adversely to such vaccines; the limited availability of the

vaccines, and the high costs.

Isn't public health a local problem? What is the appropriate federal role?

* Public health is most often the responsibility of states and locals. But

bioterrorism is a national security issue. The existing state and local structures will be used, but they will be helped by federal government expertise and funding.

* We will use local capacities to respond to a terrorist act, the Metropolitan

Medical Response Systems. For chemical attacks, we need to provide immediate

care at the scene. For biological attack, we need the local ability to

detect a release, the ability to use our stockpiles, and the ability to treat those who become ill.

* Through the CDC in Atlanta, we will intensify our efforts to upgrade national public health capability to counter bioterrorism.

What role does biomedical research have to play in countering bioterrorism? What are some longer-term R&D needs?

* Near term needs are techniques for detection of organisms used in a bioterrorist attack, new and improved vaccines, and new and improved drugs to treat anthrax, plague, tularemia, and smallpox. Long term: generation of genetic information on potential bioterrorism agents.

The military is already heavily involved in BW research and response. How does its activities differ from those you are doing in the civilian sector?

* Civilian population is significantly more diverse in terms of age and health. List of agents that might be used in the civilian population is larger than that of military biologic weapons. Excellent collaboration between the military and civilian sectors on this problem.

General Terrorism

In retrospect, wasn't it a mistake to blow up that pharmaceutical plant in Sudan?

* What should any President do when he learns: a terrorist group has killed Americans. It announces it will kill more Americans. It announces an interest in chemical weapons. You know Iraqi Army chemical specialists are in Sudan. You know a plant capable of making CW in Sudan has a past history of association with the terrorist group. You know that the government of Sudan has a past history of

association with the terrorist group. You then learn that a good scientific test has indicated the presence of a chemical compound only found in Iraqi nerve gas. Those were the facts.

Why can't you get this one man, bin Ladin, before he kills more Americans?

* We have a pretty good record of getting indicted terrorists. In jail now are the people who attacked the World Trade Center, those who tried to attack the Holland tunnel, the man who killed people at the CIA Gatehouse, those who plotted to blow up an aircraft in the Philippines. Last year we arrested a terrorist overseas who attacked us seven years ago.

* I can't tell you everything we are doing to deal with the threat from the bin Ladin network, but it is a very major effort.

Can you ever win the war against terrorists? Won't they always be there?

* Historically, there have always been such groups. At the beginning of this century there were Anarchists. There may be some correlation between levels of activity by such groups and periods of social, cultural, or technological change. The Post Cold War period, the opening of the Information Age, may be one such period in some countries.

* I do not agree, however, that we have to accept some level of terrorism. As new terrorist groups or new methods of attack emerge, we need to adjust to suppress the violence and increase safety. We did this, for example, with airplane hijackings. We are trying now to be ahead of the threat in chem-bio and cyber attack.

Even your supposed allies do not support you when there is a terrorist

attack,
like the Saudis who have not cooperated in the investigation of the
Khobar Towers
bombing. Is that case ever going to be solved?

* The Saudis have cooperated well on the Khobar case. Admittedly,
there were
some initial problems between two very different criminal
investigative systems,
but we worked that out. It is an active investigation, an open case with
high
priority. I can't say more than that.

After ten years, aren't you now giving in to Libya on Pan Am 103?

* No. We have always sought a real trial under American or Scottish
law. If it
makes Libya feel better to have it in the Hague, fine. But it must be a
real
trial, under Scottish law.

Isn't terrorism just the symptom of the cultural war between us and
Islam?

* No. We do not have a culture war between America and Islam. But
let us be
clear: there are those who attempt to steal religions, distort and wrap
themselves in religion, and portray their enemies as enemies of their
religion.
Such men are frauds and blasphemers.

Why not change the executive order and allow assassination?

* We do not want to encourage assassinations. We have all the
authorities we
need to take appropriate action against threats.

CBW Proliferation

What is the U.S. doing to help prevent former Soviet BW scientists
from assisting
the Iranian BW program?

* US government has provided some \$30 million over the last five
years to prevent
proliferation of technology and expertise from former Soviet BW

program.

- * Seeking more than \$150 million in additional funds over next five years to continue and expand these efforts as part of the enhanced threat reduction program announced in State of the Union.

- * U.S. programs creating greater openness at former Soviet BW facilities.

- * For example, we're engaging former BW scientists at more than dozen Russian institutes in cooperative research in areas such as public health and vaccine development.

- * Assisting Russian institutes explore commercialization opportunities with U.S. companies.

- * Also helping to upgrade physical security at Russian biological institutes and eliminate BW infrastructure in Kazakhstan.

- * US programs involve range of agencies: State, DOD, DOE, HHS and even Dept Agriculture. All activities designed to reduce risk that former Soviet BW facilities contribute directly or indirectly to BW program of Iran or other countries of proliferation concern.

Has the CBW threat grown?

- * With breakup of Soviet Union, threat of deliberate CBW attack from Moscow has all but been eliminated. Number of others outside Europe, such as Iran, Iraq, Libya and Syria, continue to threaten U.S. interests with their CBW programs.

- * Most of these programs emerged during Cold War, but received little attention because of more direct Soviet CBW threat.

Is it really possible to prevent countries from acquiring CBW?

* U.S. export control and interdiction efforts making it much more difficult for proliferators to acquire CBW-related materials. For example, the Intelligence Community has publicly acknowledged that these efforts have set back the Libyan CW program by some 10 years.

Aren't arms control treaties incapable of stopping proliferation programs?

* No. Arms control can help cap and roll back proliferation programs. That's why pressing to complete substantive work this year on compliance protocol to strengthen 1972 Biological Weapons Convention. Want to put in place effective system of declarations and on-site activities to help deter countries from developing/producing BW.

* Chemical Weapons Convention in force less than 2 years, but 121 countries already renounced CW and at least 2 (South Korea and India) declared previously secret programs. Need to ensure CWC's implemented effectively.

Cyber Terrorism

Where is the threat? Are countries like Iraq and terrorist organizations preparing to use information warfare against the United States?

* I won't go into any specific details on countries, organizations or their capabilities. Let me just say that we have intelligence that makes us think that it is essential that we start defending our critical computer systems.

Where is our offensive capability in this?

* I won't comment on any of intelligence capabilities.

Russia has called for an agreement to ban information warfare. Why is the U.S. objecting?

* We are working with Russia and the G-8 on cooperative arrangements to thwart terrorism and international crime., including computer crime.

As I understand you, Americans will be vulnerable for at least five years. How is that OK?

* We are much better off today than we were just last February when the so-called Solar Sunrise attack occurred on Pentagon systems. We are ramping up our efforts to thwart the threat that may develop over the next five years.

If you do this right, won't you have to intrude on civil liberties?

* No. My instructions are clear: defend America's cyber-space without diminishing our privacy rights, civil liberties, or proprietary rights. I am confident we can do that.

If the private sector gives the federal government info, won't they open themselves up to leaks about their business operations?

* We recognize that some companies may not want proprietary information given to the government. That is why we proposed a "cut out" that would strip out the names of companies and such information and share with the government experts just the nature of the cyber problems, so that we can help with the any special knowledge we may have.

But you're asking private businesses to work with the FBI, perhaps the last place they want to go. Isn't the National Infrastructure Protection Center just the FBI in sheep's clothing?

* The National Infrastructure Protection Center is an inter-agency organization housed at the FBI. It is represented by government employees reflecting numerous

agencies throughout the federal government. It is one part of part of our effort. The National Plan to defend cyber space is being prepared by an interagency team housed in Commerce. This is not just a law enforcement issue. It is about insuring that our economy can continue to work.

So much of the critical infrastructure is privately owned. Won't excessive government regulation to impose security standards on the private sector hinder economic growth and innovation?

* We have no plans for imposing security standards on the private sector. The innovation is really in the public-private partnership envisaged in the PDD whereby a cooperative effort on the part of industry and the federal government would ensure the security of our critical infrastructure systems.

Big companies like Microsoft are having real problems recruiting enough people with computer skills. How can the federal government compete?

* This is a real problem. Also problem that our colleges aren't producing enough computer experts. To help solve both problems I am creating Cyber Corps, a ROTC-like program to exchange college scholarships for commitments to government service. The Cyber Corps administration will start in FY00, the first scholarships will be given out in FY01.

Isn't your encryption policy related to our national defense against cyber terrorism?

* We need to solve the encryption issue in a way that addresses both the law enforcement and the commercial requirements. I think we can. But, threats to information systems exist outside of the encryption debate. The vulnerabilities to disruption of critical services, corruption of data and the degrading of

defense systems go beyond encryption technology.

How does all this relate to Y2K? Do you expect a disaster?

* Y2K has taught us all the extent to which we are now dependent upon computers to make virtually everything work. Just as Y2K, left unaddressed, could have brought things to a halt so too perhaps could a cyber attack someday unless we address that threat.

* I am confident there will not be a disaster in the US. There may be unanticipated problems, but we will be ready to deal with them. My concern is that some other countries are realizing too late that this is no joke.

Your own Marsh commission called for increased R&D but there has been little support for increased funding. Your PDD called for the government to be a model for the private sector and yet early last year the Department of Defense was caught completely off guard against an information system attack. Why is the federal government so behind the curve?

* In fact we have increased federal funding for research and development totaling \$500 million for FY00. We are at the beginning of a concerted effort to bring the federal government up to the technological edge of information security and are proactively addressing an emerging threat before it has arrived. The DoD experience taught us valuable lessons about the need for better defenses and is the principle reason we are funding these efforts.

STATE OF THE UNION FOREIGN POLICY INITIATIVES

Bringing Hope to Northern Ireland

President Clinton's intensive diplomatic efforts helped achieve the landmark Good Friday Accord last spring, bringing new governing structures and a new era of

cooperation to Northern Ireland. By an overwhelming margin, the people of Northern Ireland and Ireland have chosen a peaceful future after a generation of bloodshed. President Clinton reaffirmed his support for full implementation of the agreement, so Northern Ireland can pursue a prosperous, democratic course, free of violence and terror. The U.S. will also continue to support the International Fund for Ireland, which promotes reconciliation through economic regeneration projects targeting disadvantaged Irish border counties and Northern Ireland.

Securing Peace in the Balkans

The U.S. continues to help its European allies in consolidating the peace in Bosnia and Herzegovina. Through 1999, our priorities will be to accelerate Bosnia's transition to a market economy, increase the momentum on refugee returns, improve the rule of law, reinforce central institutions and press ahead with media and education reform. The NATO-led Stabilization Force, which continues to play a vital role in implementing Dayton, will continue to draw down. This will allow a further reduction in the U.S. troop contribution, which is already one-third the size of the U.S. contribution to the previous Implementation Force. The U.S. is also leading efforts to find a peaceful solution to the Kosovo crisis and prevent a humanitarian catastrophe that would threaten regional stability.

Promoting Peace in the Middle East

President Clinton believes that the best long-term strategy for Israeli security includes a secure peace with the Palestinians, recognition of their legitimate rights, and a comprehensive, secure peace in the Middle East. The President's efforts at Wye River helped put the peace process back on track after eighteen

months of stalemate. At a time when the U.S. is calling on Israel and the Palestinians to meet the commitments they undertook at Wye, the Administration too should meet its responsibilities. The President's supplemental request would bolster Israel's security, strengthen the Palestinian economy and lend a hand to a trusted friend of peace, Jordan.

Defending Against New Threats to America's Security

In an era of rapid technological change, Americans are faced with new challenges to our national security from biological and chemical attacks, and attacks on our computer networks. President Clinton has begun to address these threats by developing new strategies to combat terrorism, prepare for weapons of mass destruction attacks, and protect our critical infrastructure. To prepare for the threat of biological and chemical weapons, President Clinton has called for an increase in funding for vaccine research and public health surveillance in his FY2000 budget. He has also established a National Domestic Preparedness Office, which will provide a integrated federal program to train and equip those who would first respond to a biological or chemical weapons attacks, and develop emergency plans for 120 metropolitan areas nationwide. To protect our computer networks from cyber terrorism, he has called for a study to determine how to best train and hire information technology experts to safeguard government computer networks, and an initiative to integrate systems designed to monitor computer intrusion. The President has also launched new public-private information sharing centers to foster better preparation for cyberattacks and a computer security initiative aimed at safeguarding networks from covert installation of destructive computer code.

Cooperative Threat Reduction Initiative

President Clinton announced an enhanced effort to work with Russia and other former Soviet countries to reduce the risk that materials, technologies, and expertise for weapons of mass destruction and ballistic missiles will fall into the hands of rogue nations or terrorists -- and to help former Soviet countries implement existing arms control agreements. The President's five year budget plan calls for a 70% expansion of existing threat reduction programs. Our initiative emphasizes engaging weapons scientists and institutes in civilian research, promoting nuclear security by dismantling and destroying warheads and dangerous materials, tightening export controls, and accelerating Russian efforts to withdraw troops stationed outside Russia. None of these funds will be available to entities that engage in dangerous missile or nuclear assistance to Iran. The Administration will continue to help Russia to develop an effective export control system that keeps dangerous technologies away from Iran and others. And we will continue to apply penalties against Russian entities that violate international nonproliferation standards.

We will also continue our efforts to restrain North Korea's nuclear and missile programs, halt a nuclear and missile race between India and Pakistan, and encourage China to play a more constructive role in efforts to contain the spread of mass destruction weapons and missiles. And we will move forward with international negotiations on the President's proposal to strengthen our ability to determine whether nations are complying with the Biological Weapons Convention.

Containing and Opposing Saddam Hussein

President Clinton stressed that we will continue to contain Iraq as long

as it poses a threat to its neighbors and continues to conceal its weapons of mass destruction programs. Saddam Hussein's actions demonstrate that he does not intend to comply with UN security council resolutions, even in the face of international pressure. We therefore are pursuing a two-track policy: advancing initiatives aimed at increasing availability of food and medicine for the Iraqis while actively supporting efforts by Iraqi opposition groups to remove Saddam's regime from power.

Comprehensive Test Ban Treaty

The President's call for the Senate to act without delay to give its advice and consent to ratification of the Comprehensive Test Ban Treaty (CTBT) will help prevent a new arms race and make it more difficult for non-nuclear states to develop these devices of destruction. The CTBT will allow America to maintain a safe and reliable nuclear deterrent while constraining the proliferation of nuclear material and technology to rogue states' weapons programs. CTBT will improve America's ability to detect and deter nuclear explosive testing. CTBT's global network of sensors will strengthen America's ability to monitor nuclear explosive testing across the globe, as well as deter any nation from believing it can conduct a nuclear explosive test undetected by the international community. If the United States fails to ratify before September, we will undercut our own efforts to strengthen the global nonproliferation regime and curb further nuclear arms development, particularly in South Asia.

Strengthening America's Military

President Clinton proposed a six-year, sustained increase in defense spending to

ensure that America's armed forces are fully prepared to meet the challenges of the next century and remain the world's best-trained, best-equipped fighting force - reversing a trend begun a decade ago. The President's budget for next year will provide \$12 billion more than we had planned last year for FY2000 to meet readiness and modernization needs. These funds will strengthen recruitment and retention programs; enhance training, unit operations and flight hour programs, and provide additional spare parts. Funds will also be devoted to modernizing weapons programs, by replacing aging equipment with more technologically advanced systems, taking advantage of cutting edge computer technology, and developing defense systems against both theater and strategic ballistic missiles. Finally, the President's defense spending proposal will improve pay and benefits for America's men and women in uniform, ensuring that they enjoy the quality of life they deserve.

NATO Summit

President Clinton said that he will convene a NATO Summit in Washington this April to commemorate its first fifty years and to chart a course for the next century. Unprecedented in size and scope, this golden anniversary summit marks the culmination of President Clinton's efforts to strengthen the alliance and build a more integrated, democratic and peaceful Europe. Forty-four leaders from both sides of the Atlantic will come to Washington to forge a new consensus about the need for joint action to face new challenges to our shared security, including regional conflicts and the growing threat posed by the proliferation of weapons of mass destruction. NATO will also consider a new Strategic Concept, the blueprint guiding the Alliance's defense planning and policies, and ensuring that NATO's door remains open to prospective new members.

Payment of United Nations Arrears

President Clinton highlighted the need for congressional action to meet U.S. financial obligations to the United Nations. From critical peacekeeping operations to life sustaining relief and development efforts in Africa, the Middle East, Europe, and around the globe, the United Nations is an essential institution for the promotion of U.S. objectives across a broad spectrum of issues. Our interests abroad -- from maintaining political stability, to averting human rights and humanitarian catastrophe, to promoting international standards in areas such as aviation safety -- demand that we meet our international obligations and increase our leverage in international organizations.

Hurricane Mitch Response

President Clinton reaffirmed our commitment to assist in the reconstruction of those Central American countries devastated by Hurricane Mitch. Over the past three months, more than 5,000 of our armed forces have provided critical relief and rehabilitation assistance to the people of Honduras, Nicaragua, Guatemala and El Salvador. This has included the initial response -- in which U.S. troops rescued many hundreds of Central Americans and delivered food, medical equipment and other essential supplies -- as well as more recent reconstruction efforts that have included bridge building and road repair. In addition, the U.S. Agency for International Development's Office of Foreign Disaster Assistance, as well as the U.S. Department of Agriculture, have provided food, medical aid, reconstruction material and other support. The U.S. has contributed nearly \$300 million to relief effort thus far, and President Clinton intends to increase substantially our aid to longer term reconstruction in the weeks and months to come.

Africa Growth and Opportunity Act

The United States has important and growing strategic interests in Africa.

Africa supplies over 13% of our oil imports and represents the largest untapped

market in the world. Unfortunately, conflict still undermines Africa's vast

potential and our own strategic interests. That is why we aim to build a stable

and prosperous Africa -- a strong partner for security and peace, and an ally

against drug trafficking, international crime, terrorism, the spread of disease

and environmental degradation. President Clinton's historic trip to the continent last year highlighted the new opportunities for partnership between our

nation and the nations of Africa.

In the State of the Union, President Clinton called upon Congress to pass the

African Growth and Opportunity Act, an important and groundbreaking piece of

legislation which recognizes African countries' efforts to institute sound

economic policies and reform. The philosophy of this bill is simple: America

stands ready to help those African countries undertake difficult reforms to build

a better future. Effective aid, combined with strong reforms and increased trade

and investment, will break Africa's cycle of dependency and create new markets

for U.S. exports.

AFRICA

What is the US doing to address work with African nations on conflict prevention

and management, and encourage a positive civilian-military relationship?

* We are doing a number of things in these areas. The President announced on his

trip to the region last March that we were consulting with African governments

about an African Center for Security Studies (ACSS), modelled after the Marshall

Center, to provide a forum for discussion of defense resource management,

civil-military relations in democratic systems, and national security decision-making. We have 60 representatives of African countries here this week to discuss the curriculum for the ACSS.

* As you know we launched the African Crisis Response Initiative (ACRI) in 1996, and since then have worked together in partnership with African partners and European allies to enhance African peacekeeping capacities. ACRI trains and equips African nations to better respond to peacekeeping and humanitarian relief operations. It is not directed at the establishment of a force, nor does it constitute a command and control mechanism for deployed operations. Thus far six African countries have participated in ACRI training, and a seventh will come on board later this year. The President visited an ACRI training facility in Senegal when he visited Africa last year.

* We're also active bilaterally to support transitions from military to democratic rule. In Nigeria, for example, we've engaged the transitional government in a dialogue about civil-military relations following the elections later next month. Assuming the elections go smoothly, we'll redouble our efforts to assist Nigeria in its efforts to ensure that its military serves democratic ideals.

Exchange Mail

DATE-TIME 9/10/99 4:57:03 PM

FROM Konrad, Elizabeth M. (RECORDS)

CLASSIFICATION UNCLASSIFIED

SUBJECT RE: Tax Treaties: Denmark and Italy-Pckgs. 6568 and 6569 [UNCLASSIFIED]

TO Konrad, Elizabeth M. (RECORDS)
Jacobson, Tracey A. (ADMIN)
Bartlett, L. June (EXSEC)
Bradtke, Robert A. (EXSEC)
Dejban, Donna D. (NSA)
Gire, Cynthia L. (EXSEC)
Gray, Wendy E. (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)
Rudman, Mara E. (NSA)
Sargeant, Stephen T. (EXSEC)
Wasserman, Elaine P. (EXSEC)
Dames, Victoria J. (RECORDS)
Ficklin, John W. (RECORDS)
Good, Travis C. (RECORDS)
Kaplan, Dean M. (RECORDS)
Konrad, Elizabeth M. (RECORDS)
Marsh, Thomas S (RECORDS)
Porter, Pete (RECORDS)
Sanborn, Daniel R. K. (Records)
Starks, Tali T. (RECORDS)

CARBON_COPY**TEXT_BODY**

AND 6053 is with the President

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

From: Konrad,

Elizabeth M. (RECORDS)

Sent: Friday, September 10, 1999 4:56 PM

To: Jacobson,

Tracey A. (ADMIN); @EXECSEC - Executive Secretary; @WWD - West Wing Desk

Subject: RE: Tax Treaties: Denmark and Italy-Pckgs. 6568 and 6569 [UNCLASSIFIED]

Pkg# 6568 is with Capt. Powell
Pkg #6569
has not come across the street yet

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

From: Jacobson,
Tracey A. (ADMIN)
Sent: Friday, September 10, 1999 4:50 PM
To: @EXECSEC
- Executive Secretary; @WWD - West Wing Desk
Subject: FW: Tax Treaties:
Denmark and Italy-Pckgs. 6568 and 6569 [UNCLASSIFIED]

Can someone
give me the status of these packages?T
TJ

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

From: Shapiro,
Daniel B. (LEGIS)
Sent: Friday, September 10, 1999 4:49 PM
To: Shapiro,
Daniel B. (LEGIS); Norland, Richard B. (EUR); DeRosa, Mary B.
(LEGAL); Shah, Sonal R.; Hammonds, D. Holly (INTECON)
Cc: @EUROPE
- European Affairs; @EXECSEC - Executive Secretary; @INTECON -
Economic
Affairs; @LEGAL - Legal Advisor; @LEGISLAT - Legislative Affairs;
@RECORDS & ACCESS MGMT; @WWD - West Wing Desk
Subject: RE: Tax Treaties:
Denmark and Italy-Pckgs. 6568 and 6569 [UNCLASSIFIED]

To Execsec
and others:

I got another call from Sen. Helms's staff about these
two treaties (6568-Denmark and 6569-Italy) and Slovenia (already
cleared -- package 6053) and Germany (somewhere in our process, not
sure where). They want to hold a hearing on them in late September
(which Treasury also wants) but will not do so unless they receive
them early next week. Would appreciate efforts by whoever has a
hand in moving these through to get them out and up to the Hill quickly.
Thanks for your help. -- Dan

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

From: Shapiro,
Daniel B. (LEGIS)
Sent: Tuesday, September 07, 1999 7:09 PM
To: Norland,

Richard B. (EUR); DeRosa, Mary B. (LEGAL); Shah, Sonal R.; Hammonds, D. Holly (INTECON)

Cc: @EUROPE - European Affairs; @EXECSEC - Executive Secretary; @INTECON - Economic Affairs; @LEGAL - Legal Advisor; @LEGISLAT

- Legislative Affairs; @RECORDS & ACCESS MGMT; @WWD - West Wing Desk

Subject: RE:

Tax Treaties: Denmark and Italy-Pckgs. 6568 and 6569 [UNCLASSIFIED]

Leg.

clears. Thanks for the fast turnaround, Dick.

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

From: Norland,

Richard B. (EUR)

Sent: Tuesday, September 07, 1999 7:05 PM

To: DeRosa,

Mary B. (LEGAL); Shah, Sonal R.; Shapiro, Daniel B. (LEGIS); Hammonds, D. Holly (INTECON)

Cc: @EUROPE - European Affairs; @EXECSEC - Executive Secretary; @INTECON - Economic Affairs; @LEGAL - Legal Advisor; @LEGISLAT

- Legislative Affairs; @RECORDS & ACCESS MGMT; @WWD - West Wing Desk

Subject: Tax

Treaties: Denmark and Italy-Pckgs. 6568 and 6569 [UNCLASSIFIED]

Attached

are draft cover memos and letters of transmittal for these treaties (German Protocol, #6527, has not surfaced here yet). I am not sure who needs to see the (voluminous) treaties themselves. Please either clear the attached documents, or indicate that you would like the whole package to come to you in hard copy, and we'll move them accordingly. Thanks. Dick Norland.

Denmark:

<< File:

6568-Denmark-Berger.doc >> << File: 6568-Denmark-POTUS memo.doc

>> << File: 6568 DANISH TRANSMITTAL.doc >>

Italy:

<<

File: 6569-Italy-SRB.doc >> << File: 6569-Italy-POTUS .doc >> <<

File: 6569 TRANSMITTAL FOR ITALIAN TREATY.doc >>

Exchange Mail

DATE-TIME 9/10/99 4:57:04 PM

FROM Norland, Richard B. (EUR)

CLASSIFICATION UNCLASSIFIED

SUBJECT RE: Tax Treaties: Denmark and Italy-Pckgs. 6568 and 6569 [UNCLASSIFIED]

TO Shapiro, Daniel B. (LEGIS)
DeRosa, Mary B. (LEGAL)
Shah, Sonal R.
Hammonds, D. Holly (INTECON)

CARBON_COPY Blinken, Antony J. (EUR)
Bremner, Sue L. (EUR)
Flanagan, Stephen J. (CEE)
Gordon, Philip H. (EUR)
Holtzapple, Richard A.
Kass, Nicholas S. (EUR)
Maxfield, Nancy H. (EUR)
Norland, Richard B. (EUR)
Quinn, Mary E. (EUR)
Sapiro, Miriam E. (SEE)
Bartlett, L. June (EXSEC)
Bradtke, Robert A. (EXSEC)
Dejban, Donna D. (NSA)
Gire, Cynthia L. (EXSEC)
Gray, Wendy E. (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)
Rudman, Mara E. (NSA)
Sargeant, Stephen T. (EXSEC)
Wasserman, Elaine P. (EXSEC)
Duncan, John D. (INTECON/DOS)
Hammonds, D. Holly (INTECON)
Hendricks, Lori A. (INTECON)
Holtzapple, Richard A.
Lee, Malcolm R.
Mitsler, Elaine M. (INTECON)
Schaefer, Matthew P. (INTECON)
Shah, Sonal R.
Allen, Charles A. (LEGAL)
Baker, James E. (LEGAL)

DeRosa, Mary B. (LEGAL)
 Hunerwadel, Joan S. (LEGAL)
 Krass, Caroline D. (LEGAL)
 Burrell, Christina L. (LEGIS)
 Lackey, Miles M. (LEGIS)
 Shapiro, Daniel B. (LEGIS)
 Tavlarides, Mark J. (LEGIS)
 Darnes, Victoria J. (RECORDS)
 Ficklin, John W. (RECORDS)
 George, Christopher L. (RECORDS)
 Good, Travis C. (RECORDS)
 Kaplan, Dean M. (RECORDS)
 Konrad, Elizabeth M. (RECORDS)
 Leary, William H. (RECORDS)
 Marsh, Thomas S (RECORDS)
 McIntyre, Stuart H. (RECORDS)
 Merchant, Brian T. (RECORDS/INTEL)
 Porter, Pete (RECORDS)
 Prise, Edith M. (RECORDS)
 Salvetti, Lisa M. (RECORDS)
 Sanborn, Daniel R. K. (Records)
 Smith, Michael P. (RECORDS)
 Soubers, Richard R. (RECORDS)
 Starks, Tali T. (RECORDS)
 Darnes, Victoria J. (RECORDS)
 Ficklin, John W. (RECORDS)
 Good, Travis C. (RECORDS)
 Kaplan, Dean M. (RECORDS)
 Konrad, Elizabeth M. (RECORDS)
 Marsh, Thomas S (RECORDS)
 Porter, Pete (RECORDS)
 Sanborn, Daniel R. K. (Records)
 Starks, Tali T. (RECORDS)

TEXT_BODY

We found the German Protocol and are preparing to move all 3 forward shortly (famous last words)...

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

From: Shapiro,
 Daniel B. (LEGIS)
 Sent: Friday, September 10, 1999 4:49 PM
 To: Shapiro,
 Daniel B. (LEGIS); Norland, Richard B. (EUR); DeRosa, Mary B.
 (LEGAL); Shah, Sonal R.; Hammonds, D. Holly (INTECON)
 Cc: @EUROPE
 - European Affairs; @EXECSEC - Executive Secretary; @INTECON -
 Economic
 Affairs; @LEGAL - Legal Advisor; @LEGISLAT - Legislative Affairs;
 @RECORDS & ACCESS MGMT; @WWD - West Wing Desk
 Subject: RE: Tax Treaties:

Denmark and Italy-Pckgs. 6568 and 6569 [UNCLASSIFIED]

To Execsec
and others:

I got another call from Sen. Helms's staff about these two treaties (6568-Denmark and 6569-Italy) and Slovenia (already cleared -- package 6053) and Germany (somewhere in our process, not sure where). They want to hold a hearing on them in late September (which Treasury also wants) but will not do so unless they receive them early next week. Would appreciate efforts by whoever has a hand in moving these through to get them out and up to the Hill quickly. Thanks for your help. -- Dan

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

From: Shapiro,
Daniel B. (LEGIS)
Sent: Tuesday, September 07, 1999 7:09 PM
To: Norland,
Richard B. (EUR); DeRosa, Mary B. (LEGAL); Shah, Sonal R.; Hammonds,
D. Holly (INTECON)
Cc: @EUROPE - European Affairs; @EXECSEC - Executive
Secretary; @INTECON - Economic Affairs; @LEGAL - Legal Advisor;
@LEGISLAT
- Legislative Affairs; @RECORDS & ACCESS MGMT; @WWD - West Wing
Desk
Subject: RE:
Tax Treaties: Denmark and Italy-Pckgs. 6568 and 6569 [UNCLASSIFIED]

Leg.
clears. Thanks for the fast turnaround, Dick.

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

From: Norland,
Richard B. (EUR)
Sent: Tuesday, September 07, 1999 7:05 PM
To: DeRosa,
Mary B. (LEGAL); Shah, Sonal R.; Shapiro, Daniel B. (LEGIS); Hammonds,
D. Holly (INTECON)
Cc: @EUROPE - European Affairs; @EXECSEC - Executive
Secretary; @INTECON - Economic Affairs; @LEGAL - Legal Advisor;
@LEGISLAT
- Legislative Affairs; @RECORDS & ACCESS MGMT; @WWD - West Wing
Desk
Subject: Tax
Treaties: Denmark and Italy-Pckgs. 6568 and 6569 [UNCLASSIFIED]

Attached
are draft cover memos and letters of transmittal for these treaties
(German Protocol, #6527, has not surfaced here yet). I am not

sure who needs to see the (voluminous) treaties themselves. Please either clear the attached documents, or indicate that you would like the whole package to come to you in hard copy, and we'll move them accordingly. Thanks. Dick Norland.

Denmark:

<< File:
6568-Denmark-Berger.doc >> << File: 6568-Denmark-POTUS memo.doc
>> << File: 6568 DANISH TRANSMITTAL.doc >>

Italy:

<<
File: 6569-Italy-SRB.doc >> << File: 6569-Italy-POTUS .doc >> <<
File: 6569 TRANSMITTAL FOR ITALIAN TREATY.doc >>

Exchange Mail

DATE-TIME 9/11/99 12:38:01 AM

FROM Wozniak, Natalie S. (PRESS)

CLASSIFICATION UNCLASSIFIED

SUBJECT DAILY GUIDANCE UPDATE [UNCLASSIFIED]

TO

Abercrombie-Winstanley, Gina K. (NESA)
Ahmed, Sarah (RECORDS)
Akers, Dale W. (STP)
Allen, Charles A. (LEGAL)
Andreasen, Steven P. (DEFENSE)
Armstrong, Fulton T. (INTERAM)
Avery, Dale R. (INTERAM)
Baker, James E. (LEGAL)
Barnett, Cheryl E. (RUE)
Bartlett, L. June (EXSEC)
Bartsch, Bryan W. (STP)
Battenfield, Pat A. (AF)
Bayley, Douglas C. (WHSR)
Bell, Robert G. (DEFENSE)
Bellamy, Ralph C. (RECORDS)
Benjamin, Daniel (TNT)
Bernard, Kenneth W. (HEALTH)
Binnendijk, Johannes A. (Hans) (DEFENSE)
Blackburn, John (WHSR)
Blinken, Antony J. (EUR)
Bolinski, Charlene C. (RECORDS)
Bouchard, Joseph F. (DEFENSE)
Bowles, Ian A. (ENV)
Brackman, Stella S. (DEFENSE)
Bradtke, Robert A. (EXSEC)
Bremner, Sue L. (EUR)

Bresnahan, Gary E. (WHSR/STP)
Broadwick, Bonnie . (WHSR)
Bryan, Dave L. (STP)
Burrell, Christina L. (LEGIS)
Busby, Scott W. (MULTI)
Byrne, Catherine E. (AF)
Camp, Donald A. (NESA)
Carteret, Charles L. (STP)
Carty, John J. (STP)
Cheramie, Don E. (WHSR)
Clark, Bronya (ADMIN)
Clarke, Richard A. (TNT)
Cooper, Kathleen H. (NESA)
Crocker, Bathsheba N. (NSA)
Crowder, Stevan D. (WHSR)
Curts, Brenda E. (INTEL)
Darnes, Victoria J. (RECORDS)
Dejban, Donna D. (NSA)
Dempsey, Nora B. (AF)
Depaepe, Michael B. (STP)
DeRosa, Mary B. (LEGAL)
Dimel, Marsha L. (ADMIN)
Duncan, John D. (INTECON/DOS)
Dunn, John A. (RUE/INTERN)
Dupuy, Shawn L. (STP)
Edwards, Joan K. (NONPRO)
Ehrendreich, Joel (WHSR)
Elkind, Jonathan H. (RUE)
Epstein, Gerald L. (OSTP)
Erdahl, Douglas M. (WHSR)
Fallin, James (PRESS)
Feldman, Daniel F. (MULTI)
Fendley, Edward J. (ADMIN)
Ficklin, John W. (RECORDS)
Figueredo, Orlando (STP)
Flanagan, Stephen J. (CEE)
Ford, Robert G. (WHSR)

Frazer, Jendayi E. (AF)
Fuchs, Joachim D. (WHSR)
George, Christopher L. (RECORDS)
Gire, Cynthia L. (EXSEC)
Gladura, Timothy L. (INTEL)
Gobush, Matthew N. (PRESS)
Goldberg, David B. (INTECON/INTERN)
Gomez, Geneva B. (NSA)
Good, Travis C. (RECORDS)
Gordon, Philip H. (EUR)
Gordon-Hagerty, Lisa E. (TNT)
Gray, Wendy E. (NSA)
Green, Charles A. (TNT)
Guarnieri, Valerie N. (MULTI)
Halperin, David E. (SPCHW)
Hammer, Michael A. (PRESS)
Hammonds, D. Holly (INTECON)
Hane, Gerald J. (OSTP)
Harris, Cody S. (RUE/INTERN)
Harris, Elisa D. (NONPRO)
Hendricks, Lori A. (INTECON)
Hill, Christopher R. (SEE)
Hill, Roseanne M. (MULTI)
Hilliard, Brenda I. (EXSEC)
Hillman, Thomas W. (STP)
Holtzapple, Richard A.
Howerton, Barbara E. (INTEL)
Huff, Lindsey E. (PRESS)
Hunerwadel, Joan S. (LEGAL)
Hunker, Jeffrey A. (TNT)
Huso, Ravic R. (ASIA)
Jacobson, Tracey A. (ADMIN)
Jansen, Christian P. (WHSR)
Jarosinski, Frank J. (WHSR)
Jones, Felicia A. (NESA)
Jordan, Kristine A. (STP)
Joshi, M. Kay (EXSEC)

Kaidanow, Tina S. (SEE)
Kale, Dora A. (MULTI)
Kalka, Jean-Francois (JF) (STP)
Kaplan, Dean M. (RECORDS)
Kass, Nicholas S. (EUR)
Katulis, Brian M. (NESA/INTERN)
Kaufman, Stuart J. (RUE)
Keenan, Josefine (Chris) (HEALTH)
Keith, James R. (ASIA)
Kelly, Sandra L. (DEFENSE)
Kerrick, Donald L. (NSA)
Knepper, Charlotte (INTEL)
Konrad, Elizabeth M. (RECORDS)
Krass, Caroline D. (LEGAL)
Lackey, Miles M. (LEGIS)
Lane, Francis X. C. (TNT)
Laskowski, Gregory J. (WHSR)
Leary, William H. (RECORDS)
Leavy, David C. (PRESS)
Lee, Malcolm R.
Lieberson, Donna P. (TNT)
Lieberthal, Kenneth G. (ASIA)
Locke, Dwayne L. (STP)
Lowden, Michael R. (STP)
MacDonald, Bruce W. (OSTP)
Malinowski, Tomasz P. (SPCHW)
Malley, Robert (NESA)
Manning, Michael T. (WHSR)
Marsh, Thomas S (RECORDS)
Matthews, Sonyia (ADMIN)
Maxfield, Nancy H. (EUR)
McCarthy, Mary O. (INTEL)
McGee, Jenny A. (WHSR)
McIntyre, Stuart H. (RECORDS)
Mclean, Matthew K. (MULTI)
Merchant, Brian T. (RECORDS/INTEL)
Millison, Cathy L. (EXSEC)

Mitchell, Donald A. (INTEL)
Mitchell, Rebecca (Julie) J. (NSA)
Mitsler, Elaine M. (INTECON)
Miyaoaka, Lester H. (STP)
Montgomery, Mark C. (TNT)
Moretz, Sheila K. (NSA)
Murphy, Allison M. (ADMIN)
Naplan, Steven J. (MULTI)
Norland, Richard B. (EUR)
Noss, Heather L. (TNT/INTERN)
Orzulak, Paul K. (SPCHW)
Pascual, Carlos E. (RUE)
Payne, Raymond H. (WHSR/STP)
Peterman, David (Brian) (DEFENSE)
Pimentel, Betsy J. (DEFENSE)
Pollack, Kenneth M. (NESA)
Porter, Pete (RECORDS)
Porterfield Patrick C. (WHSR)
Powell, Elliott (WHSR/EXSEC)
Prise, Edith M. (RECORDS)
Pritchard, Charles (Jack) L. (ASIA)
Quinn, Mary E. (EUR)
Rickard, Robin S. (WHSR)
Riedel, Bruce O. (NESA)
Rinaldi, Steven M. (OSTP)
Roach, Darren S. (STP)
Robinson, Jack A. (TNT)
Rogers, Elizabeth B. (WHSR)
Rosa, Frederick M. (TNT)
Roundtree, Beverly (TNT)
Rudman, Mara E. (NSA)
Russ, Judith P. (SEE)
Salvetti, Lisa M. (RECORDS)
Samore, Gary S. (NONPRO)
Sanborn, Daniel R. K. (Records)
Sandalow, David B. (ENV)
Sapiro, Miriam E. (SEE)

Sargeant, Stephen T. (EXSEC)
Saunders, Richard M. (VP)
Schaefer, Matthew P. (INTECON)
Schrader, Joel M. (WHSR)
Schwartz, Eric P. (MULTI)
Scott-Perez, Marilyn L. (NSA)
Segal, Jack D. (RUE)
Shah, Sonal R.
Shannon, Thomas A. (INTERAM)
Shapiro, Daniel B. (LEGIS)
Sibley, Matthew W. (WHSR)
Sigler, Ralph H. (WHSR)
Silva, Mary Ann T. (RUE)
Simon, Steven N. (TNT)
Simons, James R. (STP)
Smith, Gayle E. (AF)
Smith, James A. (WHSR)
Smith, Michael P. (RECORDS)
Snowden, Deniz (INTERAM)
Snyder, Julie A. (STP)
Soubers, Richard R. (RECORDS)
Starks, Tali T. (RECORDS)
Storey, Sharon V. (NSA)
Stromseth, Jane E. (MULTI)
Sutliff, Deana R. (WHSR)
Sutphen, Mona K. (NSA)
Swarm, Amy L. (WHSR)
Tarver, J. Sean (WHSR)
Tavlarides, Mark J. (LEGIS)
Tedstrom, John E. (RUE)
Tucker, Maureen E. (NONPRO)
Vaccaro, Jonathan M. (Matt) (MULTI)
Valenzuela, Arturo A. (INTERAM)
vonLipsey, Roderick K. (SEE)
Ward, JoAnn (OSTP)
Wasserman, Elaine P. (EXSEC)
Weber, Anthony D. (STP)

Wechsler, William F. (TNT)
Weiss, Andrew S. (RUE)
Widmer, Edward L. (Ted) (SPCHW)
Williams, Mary C. (ADMIN)
Williams, Robert S. (WHSR)
Witkowsky, Anne A. (DEFENSE)
Wozniak, Natalie S. (PRESS)

CARBON_COPY

Aragoncillo, Leandro A. (VP)
Babbitt, James F. (VP)
Black, Steven K. (VP)
Bolan, Christopher J. (VP)
Brody, Richard J. (VP)
Davidson, Leslie K. (VP)
Dennett, Todd H.
Fuerth, Leon S. (VP)
Orfini, Michael H. (VP)
Osius, Theodore G. (VP)
Roberts, Michael W. (VP)
Saunders, Richard M. (VP)
Woolston, Ann E. (VP)

TEXT_BODY

Please review and forward your updates to @PRESS by 10:00 a.m.
Monday, September 13.

Of course, if there are any updates or
late-breaking news items that the Press Office will need in New Zealand,
please e-mail to @PRESS and send via the Situation Room to Mike Hammer.

Thank you.

TRANSLATED_ATTACHMENT

sep13gui.doc

NATIONAL SECURITY AFFAIRS GUIDANCE

September 13, 1999

EUROPE / RUSSIA

Russia

Russia/IMF Team in Moscow

US-Russia Law Enforcement Contacts

Russia/IMF Loans

U.S. Policy Towards Russia

ASIA

East Timor

China/Taiwan - DAS Shirk

Chinese Embassy Bombing/Payments

China WTO

DEFENSE

NIE on Ballistic Missile Threats (draft contingency)

NMD/ABM

CTBT

RUSSIA

September 10, 1999

When did you and the President find out about the Bank of New York scandal?

* Attorney General Reno was briefed on the scandal late last month, in August. Members of the President's national security team were briefed by U.S. law enforcement officials for the first time soon afterward, on August 27, 1999. The President was informed soon after that.

* In March, the State Department received informal and incomplete information from a foreign government about an investigation into Russian organized crime and possible money laundering through the Bank of New York and brought the information to the NSC, but the Department of Justice did not confirm to NSC or State that the investigation was going on until after the media reports in August. Because Justice did not confirm the existence of the investigation, NSC staff did not brief the President or the Vice President.

* In April, the Treasury Department learned through bank supervisory channels of an FBI investigation of money laundering at Bank of New York involving Russian customers, but was told no official money was involved. Treasury did not alert State or NSC. Because they were told no official money was involved, Treasury did not factor this information into ongoing deliberations about IMF loans to Russia.

Why didn't the Justice Department inform foreign policy officials before August 27th?

* It is a long-standing practice, that predates this Administration, that law enforcement officials brief foreign policy officials on ongoing investigations when foreign or national security policy implications are identified.

- * It is important to remember that the Department of Justice must determine when it is appropriate to brief foreign policy officials taking into account national security implications, the need to protect the integrity of the investigation, and rules involving grand jury secrecy.

Isn't it true that Russia is a lawless society, totally corrupt from top to bottom? Hasn't the Administration closed its eyes to this endemic corruption problem?

- * Corruption in Russia has roots in Soviet system, and have worked from the outset to address these issues in transition to democratic market system. We are greatly concerned about issues of corruption in Russia today and the growth of Russian organized crime over the last decade.

- * President and Vice President have spoken out on issue of corruption bluntly, early and often.

- * In 1993, after Vancouver Summit, started Rule of Law project to address issues of crime and corruption.

- * While in Moscow in 1995, President Clinton called for an "all-out battle to create a market based on law, not lawlessness".

- * President Clinton raised issue again at Helsinki Summit in 1997 and in Moscow summit last September.

- * In 1998, President Clinton made clear that investment in Russia depended on "strong checks on corruption and abuse of authority".

- * Our agenda is threefold:

- * Ensure U.S. law enforcement and intelligence agencies actively target crime groups.

- * Led to prosecution of Russian organized crime figure and 5 associates operating in the U.S., Europe and Canada.

- * Other cases being actively pursued.

- * Safeguard resources granted or loaned to Russia by U.S. government and by international institutions;

- * U.S. assistance not provided as cash, but as technical assistance and training

to ensure accountability.

- * Insisting that any new IMF loans to Russia contain ironclad safeguards that would ensure that funds stayed in IMF accounts and therefore can only be used to refinance IMF debt.

- * Enact laws and build institutions in Russia capable of coming to grips with Russia's crime and corruption problems.

- * Assisted in the development of the Russian Constitution.

- * Provided extensive advice and helped draft Criminal Code (passed and enacted)

- * Trained of hundreds of judges, prosecutors, and judicial training staff

- * Still working with Russians on money laundering and corruption law, criminal procedure law, and other key legislation.

Why didn't you act sooner to really crack down on corrupt Russian officials?

- * As I explained, we have been active on this issue all along. President has spoken out repeatedly, have had programs in place since 1993 to address problem of crime and corruption.

- * Need to put into context what we can do.

- * Intelligence information--about corruption or anything else-is not intended to stand up in a court of law.

- * Appropriate procedure is to make sure law enforcement community is aware of information, so they can make legally appropriate decision about whom and when to investigate or prosecute. Have these links in place.

- * Foreign policy community uses intelligence to:

- * Put in specific safeguards, as needed, to ensure U.S. and multilateral assistance go for intended uses.

- * Identify systemic issues that need to be addressed, then work with Russian government to address them.

- * One success is enactment of Russian criminal code

- * One issue we're focusing on now is enactment of money-laundering law.

President emphasized importance of this in phone call with Yeltsin Wednesday.

How does the Administration respond to critics who claim that Russia is "lost"

and that U.S. policy has helped bring this about? Don't recent developments demonstrate that your approach failed?

* The first principle of U.S. policy toward Russia is to enhance the security of the United States. What happens in Russia has fundamental impact on our security. Our policies and programs have been designed to promote Russia's transition toward democracy and market-based economy while facilitating Russia's integration with international community. Would be irresponsible to do anything else.

* Russia undergoing revolutionary changes. Must anticipate that problems will arise while building a new state, creating a market economy, and developing new relationship with international community all at the same time.

* Russia is not lost. Since 1992, reformers in Russia have been working to disassemble the vestiges of seven decades of Communism and have begun to create the foundations of a modern market democracy. This process is far from complete. The question is whether we continue to support this transition or abandon it at a mid-point.

* Should think about what has been accomplished since 1993:

* In the political sphere, elections now routine across Russia for all levels of government, and Russian citizens enjoy more basic freedoms (speech, travel, religion) than any time in their history. While there are disturbing signs of political extremism, anti-Semitism and intolerance, Russians for the first time have the opportunity to speak out against it.

* Tremendous positive impact on our national security. Russia has deactivated 1500 nuclear warheads and destroyed 300 missiles, silos and launchers; and Russian troops left Central Europe and Baltic countries. U.S. and Russia cooperating on range of important international issues -- from keeping the peace in Kosovo to bringing Europe closer together.

* In the economic sphere, situation still precarious, but stabilizing-industrial production increased this year, inflation under control.

* Obviously, there is far more work to be done in all these areas. Committed to

staying engaged for the long haul to maximize chance of positive outcome.

What did the President discuss with Yeltsin in his call Wednesday?

* President Clinton had a good talk with President Yeltsin, and it helped lay the foundations for additional work in some key areas, particularly our parallel talks on START III and the ABM Treaty, developing our plans for a limited U.S. national missile defense, and fighting crime and corruption.

* President Yeltsin told President Clinton he was concerned that recent allegations on crime and corruption were politically motivated, that this was hurting our ability to get to the facts, and that the tensions could hurt our bilateral relationship.

* Both agreed that the best way forward was to make sure our law enforcement officials do their work, and that is why Yeltsin is sending a team of Russian law enforcement officials here on Monday. He also said he is going to rewrite the money-laundering law he had vetoed, and President encouraged him to move quickly.

* On arms control issues, they set out an agenda for our teams to meet, and continued to stress the need to work through these issues in a cooperative way because they are in the security interest of both our countries.

Did Yeltsin tell President Clinton that he and his family have not taken bribes from the Swiss company, Mabetex?

* Yeltsin told President Clinton that recent allegations in both Russia and the U.S. of crime and corruption in Russia are politically motivated and not based on fact. (He specifically mentioned allegations related to the Bank of New York investigation in this regard).

* He stressed his concern that this is detracting from getting at the facts of the cases at hand and that it is hurting U.S.-Russian relations.

* Presidents agreed that the best way to address this problem is by ensuring that

law enforcement officials do their work.. At Russia's request, law enforcement officials from Russia and the U.S. will meet on the September 13 in Washington to review whether Russian officials can help address questions on money-laundering concerns.

* President Clinton stressed to Yeltsin the importance of the money-laundering legislation that he had vetoed. He said that the previous bill had constitutional problems, but that he is committed to signing a revised bill once his concerns are addressed.

What is your reaction to the violence in Dagestan and southern Russia?

* Administration has condemned recent violence, provocations, and acts of terrorism by armed groups against lawful authorities and innocent civilians in Dagestan which has resulted in loss of life.

* Outraged by terrorist attack on apartment building in Buinaksk resulting in death of scores of people, mostly innocent civilians. Concerned about the growing number of people forced from their homes.

* Have expressed publicly and in direct talks with Russians the importance for all concerned to act responsibly and to respect human rights. Urge all parties to refrain from indiscriminate use of force that would harm innocent civilians.

RUSSIA: IMF TEAM IN MOSCOW
September 8, 1999

Background: A technical team headed by IMF experts arrived in Russia September 6 to investigate monitoring compliance and control and management systems. They are scheduled to leave Russia Sept. 17.

Is it true that the IMF has sent a mission to Moscow to investigate Russia's Central Bank?

* A technical mission headed by IMF monetary experts, and including statistical and Treasury staff, is visiting Moscow from September 6 to September 17. The main focus of the mission is on data reporting to the IMF for monitoring compliance with performance measures under the IMF program and on underlying control and management systems to ensure data integrity.

* Per standard practices, the mission will meet with officials of Central Bank of Russia, Ministry of Finance, other financial institutions and the Parliamentary audit committee.

US-RUSSIA LAW ENFORCEMENT CONTACTS

September 3, 1999

Can you confirm that Russia has offered to send law enforcement officials to the U.S. to discuss the Bank of New York case?

* As part of our broader bilateral relationship with Russia we have extensive contacts with Russian law enforcement.

* We will continue to have those contacts, here in Washington, in Moscow, and elsewhere as needed to conduct business.

RUSSIA: IMF LOANS

September 1, 1999

Background: Title of a USA Today article misconstrues an accurate quote from Larry Summers cited later in the article concerning our policy toward IMF loans to Russia. The headline states: "U.S. seeks a pause in Russia loans." Summers' quote simply states our requirement for adequate safeguards and for adequate accounting for use of previous funds..

Is the U.S. seeking a pause in IMF lending to Russia?

- * No. The United States has a consistent policy.
- * As it normally does, the IMF is doing its review with respect to the second tranche and it would be premature to make any judgement as to whether Russia will meet the conditions for that disbursement.
- * The United States has insisted that there be adequate safeguards in place with respect to the current program and that there be an adequate accounting for the use of past funds.

U.S. POLICY TOWARDS RUSSIA August 30, 1999

How does the Administration respond to critics who claim that Russia is "lost" and that U.S. policy has helped bring this about? Don't recent developments demonstrate that your approach failed?

- * The first principle of U.S. policy toward Russia is to enhance the security of the United States. What happens in Russia has fundamental impact on our security. Our policies and programs have been designed to promote Russia's transition toward democracy and market-based economy while facilitating Russia's integration with international community. Would be irresponsible to do anything else.
- * Russia undergoing three revolutionary transformations simultaneously -- building a new state, creating a market economy, and developing new relationship

with international community. That's like building an airplane while you're flying it. Must anticipate that there will be tensions and conflicting demands among these three processes (e.g., pace of economic reform directly tied to internal political situation, legislative branch's views on way forward, etc.)

* Second, Russia is not lost. Since 1992, reformers in Russia have been working to disassemble the vestiges of seven decades of Communism and have begun to create the foundations of a modern market democracy. This process is far from complete. The question is whether we continue to support this transition or abandon it at a mid-point.

* When Russia's transformation began, everyone acknowledged that it would take at least a generation, very likely more. We should think twice before we start declaring Russia's transition a success or failure just seven years after it embarked on this unprecedented journey.

* Third, Russia isn't ours to lose or win. Russia will ultimately succeed or fail on the basis of its own efforts and energy, its own creativity and commitment to reform. Fundamentally, Russia is restructuring the foundations of its political and economic life. The outcome affects us. It is in our interest to influence it, but only Russians can define the nature of their own society.

* Engaging Russia on issues of common interest - reducing nuclear arsenals, nonproliferation, economic prosperity, the rule of law - gives us the best opportunity to achieve solutions that serve long-term American interests.

But let's be honest, isn't Russia a basketcase country hostile toward the U.S. and lurching toward authoritarianism and economic meltdown?

* Should think about what has been accomplished since 1993:

In the political/security sphere:

* Elections now routine across Russia for all levels of government, including presidency, and Russian voter turn-out is much higher than in the U.S. Russian citizens enjoy more basic freedoms (speech, travel, religion) and are more

connected to outside world than any time in their history. While there are disturbing signs of political extremism, anti-Semitism and intolerance, Russians for the first time have the opportunity to speak out against it.

- * Tremendous positive impact on our national security. U.S. and Russia dismantling thousands of nuclear weapons, other parts of our Cold War era arsenals. Plan to negotiate even deeper cuts in strategic nuclear weapons through START III.

- * Russian troops have pulled out from Baltic countries. U.S. has supported independence, sovereignty, and territorial integrity of other NIS. Have encouraged them to develop equitable, predictable relations with Russia and have worked to ensure that NIS are fully integrated into international community.

- * U.S. and Russia cooperating on range of important international issues and working constructively to solve problems -- from keeping the peace in Kosovo to bringing Europe closer together. U.S. and Russian troops serving shoulder to shoulder on ground in Kosovo and Bosnia.

In the economic sphere:

- * Russian economic situation still precarious. Last summer's events - devaluation, domestic debt default and banking sector collapse -- were traumatic for most Russians. Living standards, including real wages and pensions are down significantly.

- * Banking system is in shambles, limiting growth. Risk factors still extremely high, reducing potential foreign investment.

- * Still, recent economic performance notable. Inflation running at 2% per month (projected to be 50% for 1999), Ruble devaluation has fostered import substitution, boosting Russian industrial production by 13% over last year and greatly improving Russia's trade balance.

- * Results show that market processes do work in Russia. Barter has also been reduced; more competitive firms are choosing to operate in cash. Overall share of barter in economy down to around 45% from 60% last summer, according to

official estimates.

- * Obviously, there is far more work to be done. Administration pushing ambitious agenda to reduce even further nuclear threat. Committed to supporting economic reforms in Russia in part by encouraging it to stay engaged with the IMF, World Bank, and other international organizations.

- * Shouldn't fool ourselves that transition inside Russia or dramatic changes in our relationship will follow straightforward progression. Russia's transition will be measured in decades, if not generations. Important to avoid creating self-fulfilling prophecy that Russia is doomed to fail.

Why did the Administration keep pouring money into Russia and pushing for IMF loans, knowing that it was being siphoned off by a corrupt few?

- * First, we need to be clear about purpose of assistance from U.S. and international financial institutions: it was and remains to advance reforms that promote openness, competition, economic prosperity, and the rule of law.

- * U.S. assistance was not provided as cash, but as technical assistance and training on issues such tax reform, commercial law, development of an independent judiciary, small business development, private ownership of property. These are difficult issues, there are no "complete" successes, but important foundations have been laid.

- * The IMF and World Bank lend to Russia on the basis of specific reforms negotiated between the Russian government and these institutions. These reforms require transitional steps; no society remodels itself overnight.

- * When Russian economic reform lagged, IMF withheld support, delayed disbursements or reduced funding.

- * While all of us would prefer to see Russia further along in its transition, the international support provided to Russia has been an essential part of helping Russia take difficult internal steps to restructure itself.

* We have consistently insisted on transparency and accountability in our bilateral and multilateral dealings with Russia. When problems have been raised, we have insisted on full and complete investigations. We will continue to insist on such transparency.

If Russia needed help to achieve an historic breakthrough, shouldn't the West have done more?

* International community has contributed over \$120B to Russia in various forms of assistance during the transition period. International commitment to support Russia's transition has been extensive.

* Also need to recognize that the ultimate success of any assistance lies with the policies adopted by its recipient. Russia's difficulties did not stem from insufficient aid, but from difficulties forming an internal consensus around the policies, laws and institutions needed to create a prosperous, open, and competitive economy.

* Progress made in mid1997 toward developing a tax code, new investment legislation and encouraging small business development was indicative of what can be achieved when there is political consensus inside Russia about the way forward.

* That progress fell off track when internal political struggles, the international financial crisis and a collapse in oil prices overwhelmed the forces for reform. It was a reasonable risk to continue to support Russia's reform agenda even under difficult circumstances, but it also demonstrated that we cannot create success from the outside.

* The solution is not to abandon Russia, but to embrace a realistic program of international support for practical and tangible reforms. This approach has encouraged Russia to pursue stabilizing policies over the past year and create the prospect for deeper reforms, including at grassroots level.

Wasn't "shock therapy" a mistake?

* The term "shock therapy" carries too much baggage to allow a useful discussion of the issues.

* Key point is that any government, whether modeled on Sweden or the United States, has to perform basic functions in order to be viable. Governments must encourage investment, promote macroeconomic stability, collect taxes, meet their commitments.

* The faster a transition economy can stabilize itself and address these functions, the faster it can meet its obligations to its people, create jobs and promote prosperity.

* The early debate with Russia was over what steps would need to be taken to stabilize the situation, encourage economic activity and allow Russia's government to function.

* "Shock therapy" often portrayed as liberalizing prices and trade and cutting subsidies and budget deficits without any additional legal and institutional reforms. That is not the policy we pursued. Nor did we advocate a policy that ignores social needs.

* Russia had to make choices about how to deal with the social costs of transition. In retrospect, some of these choices were costly to the Russian people. When Russia chose to continue providing social subsidies through industry, it could not afford to implement an efficient, targeted social safety net. This caused great social pain.

* Clearly there is a tension between the risks of trying to do too much, too soon and those of doing too little, too late. Shouldn't overlook political turbulence throughout post-Soviet period. That made it harder to fine-tune pace and sequencing of reforms. Russian government acted when it had political windows of opportunity, not by following text-book prescriptions.

How does the Administration respond to critics of privatization who claim that the U.S. sponsored a great rip-off of Russia? Shouldn't we have encouraged

Russia to put in place a market and legal infrastructure first?

- * Neither Administration nor international community ignored need to create legal infrastructure for market economy and fair, transparent privatization. That was one of our highest priorities from earliest stage of transition, was key focus of assistance programs.

- * Needed to pursue privatization and development of market infrastructure in parallel.

- * We need to put this in perspective. In 1991, Russia had virtually no private property. The state controlled virtually all means of production and distribution from the corner store to defense monoliths.

- * Under these conditions, a market economy simply could not develop. When reformers first came into power, they simply had no choice but to create private property if they wanted to give Russia a chance to get beyond its communist inheritance and create a market based society.

- * Ideally, all the laws, regulations, and institutions that are needed for a market economy would have been created before the privatization process began. Given seven decades of Communism, Russia's parliament and most of its people had little understanding of what that meant.

- * It would have been years before the privatization process would have begun if the ideal market infrastructure had been made a precondition for privatization. Despite the risks in moving forward with privatization, Russia's leaders felt it was a greater risk to squander the opportunity before them.

- * Leaving enterprises in the control of corrupt government managers whose incentives were to strip assets and preserve subsidies would not have led to better economic performance.

- * Administration and IFIs put great effort into strengthening market and legal infrastructure beginning in 1992. For example, World Bank loans focused on institutional reforms to improve competitiveness, transparency and openness of markets.

- * Other Bank projects supported development of commercial banking system, restructuring of privatized enterprises, legal reform, and capital markets development.
- * World Bank loans also promoted competition in monopolized sectors, better accounting standards and investor rights, land and mortgage reform, tax reform, and reform of bankruptcy regime to encourage restructuring.
- * US bilateral programs also supported development of market infrastructure. Key priority has been reform of Russian tax system. Also helped install regulatory framework for capital markets, including establishment of Securities and Exchange Commission, national stock registry, Russian stock trading system, and a self-regulatory organization for market participants.
- * Have also assisted development of key commercial laws, post-privatization activities such as enterprise restructuring. All in all, from 1992-96, the US provided over \$185m in assistance for the development of market infrastructure.
- * In short, privatization and infrastructure of market economy have to develop simultaneously, but it is inevitable that the creation of the latter will take longer than shifting prosperity from the state to the private sector. Such delays inevitably dampened the positive economic effects of Russia's privatization program. Not the case, however, that Western donors ignored importance of such reforms or failed to support them.

Did the Administration support the "loans for shares" scheme?

- * We and the IMF were concerned about the loan for shares scheme, including non-transparent structure of the scheme. The loans for shares scheme was not supported by any multilateral assistance program or by our own bilateral assistance. Russia undertook this program on its own.
- * The loans for shares scheme also took place after the U.S. and internationally financed aspects of the Russian privatization program were completed.

* The fact that there was no international support for this scheme is indicative of our concerns for transparency. We have consistently made our concerns clear to the Russian government, and we have consistently urged that privatization of large enterprises be completed through open and competitive processes.

Is it true that the Administration has blindly supported Yeltsin and his inner circle at the expense of other goals?

* Our focus has consistently been on policies we want to achieve because they serve U.S. interests: reducing nuclear arsenals, advancing market reform and democracy, promoting the rule of law, encouraging regional stability and cooperation, supporting Russia's integration into the international community.

* To advance these goals, we must engage the Russian government. President Yeltsin is key to this process, as have been the members of his government. Even as Russian governments change, our focus on our key policy objectives will remain.

* Russia's parliament, its regional leadership and the nongovernmental sector also play key roles. That is why approximately three-quarters of U.S. assistance to Russia goes outside of Moscow, and why we have encouraged the development of Russian civil society.

* Inevitably, political forces outside of the federal government have taken time to find their footing. As they have, we have engaged them and encouraged broad-based democratic trends. Our ability now to engage with a broader spectrum of Russian society reflects both Russia's own evolution and our own determination to encourage a strong civil society.

Isn't the real goal of U.S. policy to keep Russia weak and poor so that we could pursue our own interests abroad?

* A basic premise of our policy is that the more prosperous Russia is the more stable it will be at home and the more cooperative it will be abroad. We will continue to seek ways to enhance our own security by encouraging change that

enhances Russia's security.

- * Think of the converse: a financially unstable Russia denies us a huge untapped market, promotes regional instability, increases the proliferation threat, and engenders insecurities that complicates arms control negotiations.

If Boris Yeltsin takes unconstitutional measures to remain in power, will the U.S. continue to support him?

- * See no basis for speculating about a hypothetical situation. Yeltsin has said publicly that he intends to serve out his term as president, oversee free and fair elections, and transfer power to a popularly elected successor.

- * Upcoming elections will be another key test of how far Russia has progressed in assembling the building blocks of more open, democratic state, and the international community will be watching closely.

Is it true that Vice President Gore ignored intelligence reports about corruption involving Chernomyrdin and other high-level Russian officials? Why has Administration closed its eyes?

- * Do not and will not comment on intelligence reports.

- * Will state unequivocally that there is a problem of crime and corruption in Russia, and we are addressing it seriously with Russia's leadership and law enforcement officials.

- * Vice President Gore has strong and long-standing commitment to reducing this problem and uses our Binational Commission, which he co-chairs, to advance programs that combat crime and corruption. The Vice President took a proactive role encouraging high-level Russian participation in February anti-corruption conference.

- * Have worked closely with Russians to develop programs - with participation of U.S. law enforcement -- that support their efforts to tackle crime and

corruption. Have also made clear to Russians steps they can take to join international efforts against money laundering.

- * U.S. and Russian law enforcement officials working together more closely on specific cases. Have also stepped up work with Russia to promote rule of law. Ultimately, rule of law and battle against corruption fundamental to Russia's future as democratic state and market economy and will continue to be top priority in our relationship.

What is the fallout from the NATO bombing of Serbia in Russia? Can the U.S.-Russian relationship recover?

- * Kosovo conflict posed serious test to our relationship with Russia, but as our Presidents agreed, we've passed that test and our relationship is now strengthening.

- * Presidents Yeltsin and Clinton set an ambitious agenda for next phase in U.S.-Russian relations at recent meeting in Cologne. On basis of that agenda, we're moving to advance cooperation in key areas such as non-proliferation, economics, and arms control.

- * Our soldiers are working side by side in Kosovo with Russian military in KFOR, just as they have in Bosnia. Believe that by working together, U.S. and Russia can be important force for peace and reconciliation in Balkans.

Isn't it true that Russia is creating big proliferation headaches for us by transferring WMD and ballistic missile technology to countries like Iran? How can the Administration let Russia get away with it?

- * Nonproliferation remains at the top of the U.S. agenda with Russia. Coming to grips with this problem is vital to our national security, the security of Israel and that of other friends in the Middle East.

- * In recent weeks, Russians have put in place a tough new nonproliferation policy, created institutional foundations to implement that policy, and passed

laws to punish wrongdoers. Key steps include:

- * Pushing new export control legislation through the Duma and Federation Council. Legislation tightens Russia's control over sensitive technologies, provides for criminal penalties against violators.
- * Directing Russian agencies to implement a work plan designed in cooperation with U.S. and aimed at a number of our most pressing concerns.
- * Working with U.S. experts to strengthen export control systems at Russian aerospace companies.
- * Challenge now is to build on these foundations to ensure that dangerous technology transfers stop. Russian law enforcement agencies and security services need to show that export control system is working. Administration's activism on this issue will not diminish.
- * Have used two key tools: (1) Targeted penalties against specific firms; used these against 10 entities; (2) Withholding increase of commercial space launch quota until we saw progress.
- * Administration recently decided, on basis of recent Russian actions, to approve incremental increase of four launches, raising quota from 16 to 20.
- * Would sustain commercial space cooperation for several months -- long enough to evaluate effectiveness of renewed Russian nonproliferation effort and determine future of US-Russian commercial space cooperation. Keeps thousands of high-tech engineers and scientists from selling talents elsewhere.
- * Also making clear that future expansion of commercial space cooperation will depend on Russia using these new tools to crack down on missile cooperation with Iran. This maintains leverage on Russians. Also stand ready to apply tough penalties against additional violators.

Shouldn't the U.S. be doing more to help the Russians control their arsenal of WMD materials? Isn't the most important security challenge facing us?

* Administration working hard to build on threat reduction programs known as Nunn-Lugar. In aftermath of Russian economic crisis, President directed a two-thirds increase over five years (\$4.5 billion total through 2004; \$1 billion in FY2000) for threat reduction programs.

* Initiative would help deactivate and store more warheads, secure and dispose of additional fissile material, tighten export controls, assist in the destruction of chemical weapons and the facilities which had produced them, and support

civilian research activities for former Soviet weapons scientists.

- * We are also actively working with allies and other nations to encourage additional contributions.

- * Unfortunately, the House and Senate have, respectively, slashed the President's request for overall NIS assistance programs in State Department's budget by \$252-307 million.

- * The cuts in funding from the State budget are particularly serious in FY2000. They preclude us from tightening Russia's control over its technologies, engaging its scientists, and addressing costs associated with Russian troop withdrawals from Georgia and Moldova.

- * Congress did not specify how to apply its cuts, its intent clearly being to force the Administration to make unacceptable tradeoffs between support for NIS reforms (e.g. exchanges, civil society, rule of law) and threat reduction activities.

Why is the U.S. pursuing a National Missile Defense and modifications to the ABM Treaty? Won't this undermine Russian confidence in strategic arms control and create fears about their deterrent?

- * Administration is committed to addressing danger that rogue nations may develop and field long-range missiles capable of delivering weapons of mass destruction against the United States. NMD is part of the approach to guarding against this emerging threat.

- * President has not made any decisions about NMD deployment. Such decision will be made next summer, at earliest, when we review results of flight tests and other developmental efforts, consider cost estimates, and evaluate threat.

- * Administration -- and recently passed National Missile Defense Act -- make clear that missile defense policy must take into account our arms control and nuclear nonproliferation objectives. Any decision to deploy an NMD also will be subject to annual authorization and appropriations process.

- * Administration keenly aware that NMD issue has importance for U.S.-Russian relationship. We will continue to work closely with Russians to achieve further reductions under START III and to negotiate any amendments to ABM Treaty that may be required to accommodate a possible NMD deployment.
- * Would point out that John Holum just completed important discussions with Russians on START III and ABM Treaty. Discussions were follow-up from agreement between Presidents Clinton and Yeltsin in Cologne.
- * Discussions in Moscow signal a new determination to make progress on both START III and ABM, which is in both our countries' interest.
- * We exchanged views regarding START III, and reaffirmed readiness to begin negotiations on this Treaty immediately following ratification of START II. Both U.S. and Russia also Reaffirmed our desire to make every possible effort toward early ratification of START II and its entry into force. Also exchanged views on ABM Treaty.

EAST TIMOR

September 10, 1999

What about recent reports of attacks on the UN compound in Dili?

- * We are deeply concerned about these continued attacks. We are staying in close contact with the UN and our Friends and Allies to monitor the situation.
- * As the President indicated in his statement today, it is now clear that the Indonesian military is aiding and abetting the militia violence. This is completely unacceptable.
- * The actions of the Indonesian military in E. Timor explicitly contradict the commitments they have given to the international community.

- * We hold the Indonesian government and military responsible for the safety of the UN mission and the people of East Timor.

- * The President made clear in his statement that the Indonesian government and military must do everything possible to stop the violence, and allow an international force to make possible the restoration of security in E. Timor.

Is the United States prepared to support an Australian-led multinational force (MNF) in E. Timor, and under what circumstances?

- * The time has clearly come for the GOI to accept a multinational force to restore peace and stability to E. Timor. We are indeed prepared to help and to contribute in a material way to such an effort.

- * A number of countries have expressed willingness to participate in a multinational force under UN auspices, authorized by the UNSC.

- * The United States welcomes and is grateful for the leadership role played by the Government of Australia, which has requested that we consider assistance to such an MNF.

What kind of assistance is the US prepared to provide to such a force?

- * Although no final decisions have been made regarding what kind of support the U.S. would be willing to provide, we are discussing with our friends and allies logistical support, lift, planning, communications and other areas where we bring special capabilities to the table.

- * Of course, almost any kind of support would likely involve some US military personnel being present with the multinational force.

- * Any decision on U.S. support would be made in close consultation with the Congress.

What is the US doing to gain the consent of the Government of Indonesia for such a force, and what if the GOI does not consent?

- * The President, the Secretary of State and our military leadership are continuing to press the GOI to invite the international community to provide a force to restore security to East Timor.

- * The diplomatic and economic pressure will continue until the process of East Timor self-determination is put back on track. We are coordinating our efforts with many, many other countries. International opinion is united that the East Timor process must be put back on track.

- * The President cut off military cooperation and assistance with the Indonesian military yesterday. This means no exercises or training, no new exchanges or military education, and no new arms, munitions, or other military equipment transfers or sales.

- * The President has also made it clear that he will find it very difficult to move forward with economic assistance to Indonesia unless the situation in East Timor is resolved.

What are we doing to provide humanitarian assistance to East Timorese?

- * We are pressing the Government of Indonesia to create a secure environment that will allow international humanitarian agencies to return to East Timor. In addition, we are calling on the Government to ensure security in West Timor, where there are several relief agencies whose activities are currently constrained by militia activity. The Government must allow free and unfettered access to all people at risk.

- * Absent improved security, the international community is unable to provide humanitarian assistance in East Timor. We have taken a number of steps to address needs in West Timor, where an estimated 100,000 East Timorese have fled. Prior to the referendum, USAID pre-positioned food aid in West Timor and provided \$168,000 to local NGOs to construct four wells and establish latrine systems.

Our information indicates that the supply of food in the border areas is sufficient to meet the current need, although replenishment will be needed. A small team from USAID is in West Timor now to recommend any further assistance needed.

The United States intervened militarily in Kosovo - without an invitation from the Serbs - to prevent a humanitarian disaster, to protect human rights, and to promote democracy? Why will we not commit to doing the same in East Timor?

- * To be sure, the principle the President articulated in Kosovo is that the United States must respond to widespread humanitarian suffering.

- * Many factors determine the nature of the U.S. response -- including the positions of our allies and the range of strategic interests at stake.

- * However, the critical, and unchanging element of our humanitarian commitment is that the United States will not ignore widespread humanitarian suffering -- will not allow other considerations to make us callous -- and we will do what we can to respond.

- * And in Timor, we have done so, in spite of the claim by some that this issue is of little direct concern to U.S. interests.

- * Since the day that this violence began, we have pressed the Indonesians at every turn; supported the UN process; expressed our commitment to provide support to a multinational force to restore security; suspended military to military relations with Indonesia.

CHINA/TAIWAN: DAS SHIRK
September 8, 1999

CONTEXT: The Wall Street Journal reported 9/7 that DAS Susan Shirk responded to audience questions after a speech on Sunday, September 5 with an explicit warning

to China not to take military action against Taiwan. Her remarks were widely reported in the Taiwan and Hong Kong press.

The statement attributed to Ms. Shirk was "We certainly understand that . . . [China] has not renounced the use of force and is prepared to use force in the event that Taiwan declares independence," said Ms. Shirk. "We believe that even in such an eventuality the use of force would be catastrophic for China as well as for Taiwan, and of course disastrous for U.S.-China relations, and would, no doubt, put us in an actual war."

DAS Shirk's comment reported in the press appeared to threaten Beijing with the use of force if China were to invade Taiwan. Does this represent a change in U.S. policy?

* DAS Shirk was misquoted. She posited a conditional response to a potential scenario.

* Our policy has not changed.

* We have repeatedly stressed that any differences between Taiwan and the PRC should be resolved peacefully.

* It is up to the two sides to take actions to foster dialogue, reduce tensions, promote mutual understanding, and refrain from actions or statements that would increase tension or make dialogue more difficult to achieve.

But is the U.S. prepared to use force if the PRC uses military means to resolve differences with Taiwan?

* We do not comment on our potential responses to hypothetical situations.

* The Taiwan Relations Act (TRA) provides that it is the policy of the United States to "consider any effort to determine the future of Taiwan by other than peaceful means . . . a threat to the peace and security of the Western Pacific area and of grave concern to the United States."

* Under the terms of the TRA we would determine any appropriate action by the United States if such a situation were to arise.

But was the statement accurate that if the PRC were to respond a declaration of independence by Taiwan that "would, no doubt, pit us in an actual war"?

* Again, Shirk was misquoted. She spoke conditionally.

* Our policy is unchanged and clear: we have a firm "one China" policy; we have an abiding interest in peaceful resolution of the differences between Taiwan and the PRC; and we support cross-Strait dialogue.

CHINESE EMBASSY BOMBING IN BELGRADE

September 1, 1999

PROPERTY PAYMENTS

CONTEXT: The US and China held discussions on August 30-31 concerning property payments for damage done by NATO bombs to the Chinese embassy in Belgrade and damage done to US diplomatic property in China during the demonstrations over the ensuing days.

Have the US and China held property settlement talks? If so, do these cover damage both to Chinese property in Belgrade and to US property in China?

* The US and China held property talks on 30-31 August in Beijing. Separate negotiations covered damage done to the Chinese embassy in Belgrade and to US diplomatic property in China.

Did these talks reach a conclusion?

* The talks made progress, and another round of talks will be scheduled.

HUMANITARIAN PAYMENTS

CONTEXT: The US agreed on July 30 to provide \$4.5 million in humanitarian payments for deaths, injuries, and losses suffered by Chinese individuals in the accidental bombing of the Chinese embassy in Belgrade in May.

Has the U.S. actually paid the \$4.5 million it committed to the Chinese?

* Yes. This payment was made in full on August 25 to a Chinese government account. The Chinese government will then pay the sums due to each recipient. The Chinese government has agreed to make these payments promptly and will provide full documentation of these transactions.

Does this payment set a precedent? Does it leave any residual liability?

* The payment does not set a precedent. It was offered voluntarily, and the USG has not accepted any liability.

* China has agreed that the payment constitutes a "full and final settlement" of all humanitarian claims growing out of the embassy bombing.

If there was no liability, why did the US agree to make this payment?

* The payment reflects the unique and compelling circumstances present in the accidental bombing attack.

How much will each recipient receive?

* Questions on specific amounts should be addressed to the Chinese government.

CHINA WTO

September 2, 1999

RESUMPTION OF CHINA WTO NEGOTIATIONS

Have the United States and China agreed to re-start negotiations for China's entry into the WTO this year?

* We believe China's entry into the WTO on strong commercial terms is in the long term interests of China and the United States.

* We haven't met in five months. A stock-taking is in order. As such, we have tentatively agreed that a review at the expert level will occur next week, most likely in Beijing or possibly in Auckland.

Will there be a WTO announcement when Jiang and Clinton meet at APEC (on 11 September)?

* WTO will very likely be a topic of discussion, but cannot predict beyond that. It is our hope to move discussions forward.

* We would hope that we could, at a minimum, agree on resumption of negotiations at that time.

What is the Chinese position on resuming talks?

* I would not characterize the Chinese position. Best ask them.

ITC REPORT ON IMPACT OF CHINA WTO ACCESSION ON U.S. ECONOMY

Why does the Administration plan to withhold an ITC report on a China WTO agreement?

* Ambassador Barshefsky has stated that she wants the report to be made public. USTR is reviewing to ensure that there is nothing in the report the disclosure of which would prejudice the U.S. negotiating position with the Chinese.

Background Talking Points

1. Direction to release the report was made Wednesday (9/1/99) by letter from USTR General Counsel Robert Novick to the ITC Thursday (9/2/99).
2. USTR received the report late Monday (8/31/99).
3. The Executive Summary could be available from the ITC as early as September 2.
4. The balance of the report (approx. 250 pages) could be available within a couple of days.
5. The original Confidential report will be transmitted to all cleared advisors and Members of Congress.

Why was it classified in the first place?

* It is standard procedure, and in the national interest, to classify ITC reports concerning on-going negotiations. They tend to contain sensitive economic or national security information that could impact on-going negotiations.

* The report is available to Members of Congress.

Why did the Administration delay the ITC report analyzing a China WTO deal?

* There has been no delay. USTR requested a comprehensive analysis in December, 1998, when negotiations between the U.S. and China appeared to be advancing in earnest.

* As the negotiations progressed, and as some elements of a possible agreement became apparent, USTR provided such information to the ITC, and provided additional time required by the ITC for further evaluation.

Is the Administration trying to hide something?

* No. Any agreement this Administration concludes with China will be clearly in America's national interest. We want Congress, and the American public, to have full information on such an agreement.

* But we do not yet have an agreement, and our interest and objective is to conclude the best agreement possible (not to adversely affect on going negotiations).

CONTINGENCY PRESS GUIDANCE ON NIE ON BALLISTIC MISSILE THREATS (Draft: 9/9/99/3:50 p.m.)

Overview

- * We agree that the proliferation of ballistic missiles presents a growing threat to the U.S. and our allies. That is why we are taking steps to stem the spread of ballistic missiles and related technology, and deter and defend against their use.

Nonproliferation policy

- * The Administration has placed a high priority on preventing the spread and development of these systems.

- * Our nonproliferation efforts include: support for the Missile Technology Control Regime (MTCR); efforts to strengthen missile export controls in Russia and China; support for UNSC limitations on Iraq's missile program (as well as continued U.S. determination to prevent Iraq from reconstituting proscribed missile programs); and negotiations with North Korea to limit its export, testing, development, and deployment of missiles.

- * Although we have had a number of successes in slowing - and in some cases - stopping foreign missile programs and strengthening export controls, we recognize that countries such as North Korea, Iran, and Iraq present an ongoing threat.

Missile Defense

- * Our national missile defense (NMD) program and policy regarding the ABM Treaty takes full account of the September 1999 National Intelligence Estimate on Foreign Missile Developments and the Ballistic Missile Threat to the United States.

- * To counter the threat posed by emerging rogue state missile programs, the Administration is committed to the development of an NMD system, as well as the maintenance of a robust deterrent force.
- * The President has said that he will make a decision on NMD deployment next summer. It is now clear that NMD deployment would require changes to the ABM Treaty.
- * With this in mind, the President has recently made some decisions that will enable us to begin engaging Russia now on changes to the ABM Treaty that would be necessary if we seek to deploy a limited NMD system.
- * We are in the process of beginning discussions with Congress, allies and the Russians on this issue.
- * The Administration is also committed to the development and deployment of theater missile defense systems to counter the threat from shorter-range ballistic missiles.

NATIONAL MISSILE DEFENSE AND THE ABM TREATY September 8, 1999

CONTEXT: The Washington Post reported on September 8 that President Clinton has decided to ask Russia to agree initially to relatively modest changes to the ABM Treaty, and that the first set of changes sought by the Administration would place 100 interceptor missiles in Alaska. The article states that as the missile threat is perceived to grow and U.S. technologies improve, the U.S. would seek further treaty amendments to permit more than 200 interceptors, at least two launching sites, advances in radar and the use of space-based sensors. Secretary Cohen is quoted as noting that "we also have to get the concurrence of our allies in order to make an effective anti-missile system," and that "they still look on the ABM Treaty as being one of the stabilizing factors in the relationship with Russia. It's important for us to proceed in a responsible fashion." Finally, the article quotes Secretary Cohen's insistence that he and the President's top national security aides were unanimous in their support for the phased approach: "This first phase will give us the kind of protection we'll need for the

immediate missile threat."

POLICY

- * U.S. is committed to the development of a limited NMD system. The system is designed primarily to counter the threat posed by emerging rogue state missile threats.
- * No decision has been taken on whether to proceed with deployment: a decision on whether to deploy a limited NMD will not be made until the year 2000 or later.
- * The ABM Treaty remains a cornerstone of strategic stability and the U.S. is committed to continued efforts to strengthen the Treaty and to enhance its viability and effectiveness.

(Core Press Points)

- * It is clear there is an emerging ballistic missile threat from rogue states.
- * We are moving forward as quickly as we can with our NMD research and development program, and will make a decision on deployment consistent with considerations of feasibility, threat, cost and arms control.
- * The President has said that he will make a decision on NMD deployment next summer. It is now clear that NMD deployment would require changes to the ABM Treaty.
- * With this in mind, the President has made some decisions that will enable us to begin engaging Russia now on changes to the ABM Treaty that would be necessary if we seek to deploy a limited NMD system.
- * We are in the process of beginning discussions with Congress, allies and the Russians on this issue.

(If asked questions and answers)

Can you explain the Administration's "two-phase" approach to negotiations on ABM? What is in the "first phase?" What is in the "second phase?" What is the rationale?

- * Underscore that no decision has been taken on deployment: that decision will be taken next summer, taking into account feasibility, the threat, cost and arms control.

- * While we have not made a decision on whether or not to proceed with deployment of a limited NMD system, we believe NMD deployment would require changes to the ABM Treaty.

- * The U.S. is currently discussing with Congress, our allies and Russia how this might be done.

- * The approach the Administration is taking will give us the level of protection we will need for the immediate missile threat, and proceed in a responsible fashion with our allies and Russia. Beyond that, not going to get into specifics.

Have you made a decision that the NMD would be initially based in Alaska, and not Grand Forks, if deployed?

- * Again, we have not made a decision to proceed with deployment; not going to discuss specifics of a possible deployment architecture.

[If pressed on Alaska basing]

- * We anticipate that any initial NMD deployment would be Alaska-based.

[If pressed on whether Grand Forks could be the location of a subsequent deployment]

- * We have made no decisions regarding the location of a second site.

What can you tell us now about our "long-term" goal for NMD?

* Not going to get into specifics; however, our long-term goal includes a second site, along with additional interceptors and radars, and will address future threats as we project them now.

Why doesn't the Administration simply deploy this architecture from the start and negotiate these changes now with Russia?

* The approach the Administration is taking with respect to NMD will give us the kind of protection we will need for the immediate missile threat.

* With respect to the ABM Treaty, we are proceeding in a responsible fashion with Russia and our allies.

Aren't you placing American security at risk by not simply scrapping the ABM Treaty and proceeding with NMD?

* The approach the Administration is taking with respect to NMD will give us the kind of protection we will need for the immediate missile threat.

* This approach will enhance our overall security, and takes into account the diverse nature of potential threats to our security, including the emerging ballistic missile threat from rogue states.

Is it true that the Administration's approach to the issue of NMD deployment and/or negotiations was less than the Pentagon wanted?

* The President's principal advisors have been fully engaged on these issues and were unanimous in their support for the approach we are taking.

Is it true that Strobe Talbott is in Moscow today to discuss the NMD/ABM issue?
Is the Administration currently consulting with Allies? What can you tell us about these discussions?

* The Deputy Secretary is in Moscow this week and is discussing issues associated with NMD, ABM and START among other matters on the U.S.-Russia agenda.

* We are also consulting with allies.

* Don't have any details to share with you from these discussions.

Will more money be needed in the President's budget to support this approach?

* That issue will be addressed in putting together the President's Fiscal Year 2001 budget for presentation to Congress next year.

What is the relationship between the ABM issue and START III? Is the Administration proposing to make concessions in START III to get a deal on ABM, and if so, what are these concessions? What are Russia's incentives to agree to a deal on ABM, in particular, if they know there is a "second phase" on the horizon?

* At Cologne, Presidents Clinton and Yeltsin agreed that discussions on both START III and the ABM Treaty would begin later this summer.

* That said, we believe that both the START III Treaty, and an agreement on ABM, can and must stand on their own merits.

* Believe the U.S. and Russia have a shared and continuing interest in strategic stability, the ABM Treaty and the START process; this is the basic context for an agreement on both START III and ABM.

[If pressed on a lower START III ceiling]

* Believe that the understanding on warhead numbers agreed at Helsinki should be the basis for our negotiations.

COMPEHENSIVE NUCLEAR TEST BAN TREATY

September 1, 1999

CONTEXT: On July 20, President Clinton made a statement calling for the Senate to give its advice and consent to the Comprehensive Nuclear Test Ban (CTBT) Treaty. A bipartisan group of nine Senators is scheduled to hold a press conference this afternoon in support of Senate action on CTBT. President Clinton was the first world leader to sign the CTBT in September, 1996; 152 nations have now signed, and 41 have ratified. The Treaty was sent to the Senate for approval in September, 1997 - almost two years ago - but is still pending a hearing in the Senate Foreign Relations Committee. Chairman Helms has said he will not schedule hearings on the CTBT until the Administration submits the Kyoto Protocol and 1997 agreements on the ABM Treaty to his committee for advice and consent. The Treaty will only enter into force 180 days after it has been ratified by the 44 states listed in an annex to the Treaty. The U.S. is one of those 44 states.

POLICY

* U.S. is committed to the early entry into force of the CTBT.

* In his July 20 statement, the President said that "at a minimum, the Senate Foreign Relations Committee should hold hearings this fall" to allow each side to make its case and allow the Senate to decide this matter on the merits.

Why is the Administration making a big push on this treaty now?

* The President said again last Wednesday that ending nuclear testing was one of

his top foreign policy goals, since the beginning of his administration. The President signed the Treaty in September '96 and listed it in the State of the Union as important to our national security interests.

- * Treaty's importance has recently been highlighted by fighting in Kashmir, where tensions between two states with nuclear weapons capabilities rose, threatening our interests.

- * Concerns over nuclear espionage have led many to draw the right conclusion that this Treaty can constrain states from developing advanced nuclear weapons capabilities.

- * A conference of states that have ratified the Treaty will take place this October if the Treaty has not entered into force; for the United States to be a full participant at that conference, we need to ratify ourselves.

- * Finally, the American public overwhelmingly supports ratification.

What about Senator Helms' demand that you first submit the Kyoto Treaty and certain ABM and START-related accords?

- * We have made our position on Kyoto clear: we will not submit that Treaty until developing nations have agreed to meaningful participation in this important environmental regime.

- * With respect to the ABM agreements, the President has made clear that he will submit that package as soon as the Russian Duma ratifies the START II Treaty, a goal to which President Yeltsin recommitted himself earlier this month.

- * The Senate should consider CTBT on its own and on its merits.

What will happen if the Treaty remains stalled in the Foreign Relations Committee?

- * The U.S. leadership role in the world on arms control and nonproliferation

issues will be weakened, and we will miss an opportunity to enhance our own national security.

Are you confident we can maintain a reliable nuclear deterrent absent actual nuclear tests?

* Yes.

* The Secretaries of Defense and Energy - supported by the Directors of the National Weapons Laboratories, the Commander in Chief, United States Strategic Command, and the Nuclear Weapons Council - have certified for the past three years that nuclear tests are not required, and that our program of stockpile stewardship is working to maintain our deterrent in the absence of nuclear testing.

Some say that the Cox report shows that you should actually be developing new nuclear weapons to stay ahead of proliferators.

* Believe the concerns over nuclear espionage discussed in the Cox report have led many to draw the right conclusion that the CTBT can constrain states such as China and others from developing more advanced nuclear weapons capabilities.

* The report itself notes that testing in violation of the CTBT could further accelerate China's nuclear development. Thus, it is in our interest to bring CTBT, which China has signed, but not ratified, into force.

* More broadly, the United States today maintains a nuclear deterrent second to none; CTBT, combined with our stockpile stewardship program, will preserve, not preclude, our maintaining this position.

STATE DEPARTMENT PRESS GUIDANCE
ON COMPREHENSIVE NUCLEAR TEST BAN TREATY RATIFICATION
August 30, 1999

CONTEXT: President Clinton signed the CTBT in September 1996 and transmitted it for the Senate's advice and consent in September 1997, but Senate Foreign Relations Committee hearings have not been scheduled yet. The New York Times article focused on strategies to break this impasse, including generating public pressure to consider the Treaty, blocking other Senate business until an agreement is reached to hold hearings and a vote, and making enough progress on START and ABM issues to move the CTBT forward. The article included criticisms of Administration passivity and promises that senior officials will push the Treaty more publicly in the coming weeks.

Why is prompt Senate approval of the CTBT important? How does the Administration plan to address conditions by Senate Republicans and Russia on CTBT? What is our view of Senator helms' position of dealing with global warming and START/ABM-related agreements first? In what way will the Secretary "push" the Treaty more publicly? What's the status of START III and meetings scheduled in Washington with Dep Sec Talbott on September 17?

* CTBT ratification is a top priority for this Administration, as President Clinton underscored in his July 20 Rose Garden Address. As the President has said, it is the longest-sought, hardest-fought prize in arms control history. It is the unanimous judgment of our national security team that the CTBT will further reduce the nuclear threat to the United States, and to our friends and allies.

* The CTBT has been signed by 152 states and ratified by 43, including France, Britain and many other close allies. But the Treaty cannot take effect until it has been ratified by 44 specific states, including the U.S. and the other nuclear weapon states.

* At the Cologne Summit in June, Presidents Clinton and Yeltsin agreed to begin discussions on START III and the ABM Treaty and the Russians gave assurances that they will seek START II ratification this fall. At the first such discussion, held in Moscow on August 17-19, both sides reaffirmed their desire to speed START II ratification and to begin START III negotiations immediately thereafter. They

discussed general approaches to ensuring the viability and effectiveness of the ABM Treaty. We look forward to future meetings on these issues.

IF ASKED:

* We fully respect the prerogatives of the Chairman of the Foreign Relations Committee and in no way question the sincerity of his convictions. But the national security is best served by a free and open debate on the merits of the CTBT, for which SFRC hearings are essential.